



BIG STAR ENERGY

31 January 2019

Activities Report Quarter Ended 31 December 2018

HIGHLIGHTS

NEW VENTURES

- Undertaken review of areas of interest in the United States and Australia and identified areas with additional product streams of interest to the Company.

CORPORATE

- 4,148,775 shares from 3,230 shareholders were sold under the less than marketable parcel share sale facility, which closed during the quarter.
- Cash on hand at end of quarter was ~\$0.51million.

OPERATIONS

Big Star Project – Midland Basin, Texas

Production Wells – Production and Operations

During the quarter, production continued from the Simmons well. Esmond and Stuart wells were shut in pending evaluation of workover operations. Operational efforts focused on cost reduction.

Production Wells – Workover Operations

During the quarter, the Company conducted a workover at Esmond #20-1. The tubing and pump rods were found to have been severely corroded at approximately 4500feet depth and parted at this same depth when removed from the wellbore. As a consequence, the remaining length of tubing and pump rods remain in place in the wellbore preventing access to the Upper Spraberry Formation at approximately 7000feet which precluded testing of this zone. The well is currently suspended.

Exploration Acreage and Portfolio Management

Petrophysical and analogue studies have concluded that horizontal drilling opportunities within the Company's exploration acreage did not meet its risk-reward and other financial hurdles. As a result, the acreage was not renewed upon its expiry.

New Ventures

The Company is actively pursuing upstream opportunities in accordance with its stated strategy. During the quarter, the Company has undertaken a review of areas of interest in the United States and Australia which meet its prospectivity criteria. This review has identified areas with additional product streams of interest to the Company and is on-going.

CORPORATE

Big Star's cash at the end of the December 2018 quarter was approximately \$0.51million.

On 29 October 2018, the Company established a share sale facility for holders of less than a marketable parcel of the Company's shares which completed successfully. A total of 4,148,775 shares from 3,230 shareholders were sold under the facility substantially reducing the ongoing administrative costs associated with maintaining a large number of small holdings.

TENEMENT TABLE

Tenements held at the end of the quarter and changes thereof:

Permit	Acreage held at the beginning of the Quarter	Acreage held at the end of the Quarter	Acreage acquired (disposed/lapsed)
Held By Production Acreage, Big Star Project, Texas, USA	240 acres	240 acres	-
Exploration Acreage, Big Star Project, Texas, USA	160 net acres	0 net acres	(160 net acres)

For further information, please contact:

Joanne Kendrick
 Managing Director
info@bigstarenergy.com.au

About Big Star:

Big Star Energy Ltd ("Big Star" or the "Company") (ASX:BNL) is an independent oil and gas exploration and production company, headquartered in Australia, with operations in the Permian Basin in Dawson County, Texas. For further information, please visit the Company's website at www.bigstarenergy.com.au