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31 January 2014

Company Announcements Platform
Australian Securities Exchange

QUARTERLY ACTIVITIES AND CASHFLOW REPORT
December 31, 2013

Please find attached the Quarterly Activities Report and Appendix 5B Quarterly Cashflow Report for the quarter ended December 31, 2013.

Yours sincerely,

A handwritten signature in dark ink, appearing to read "Dennis Wilkins", written over a horizontal line.

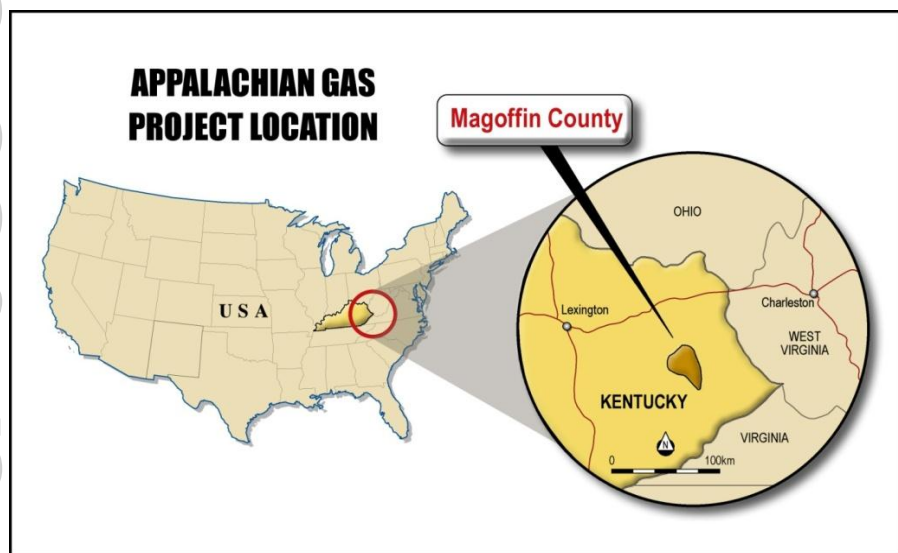
Dennis Wilkins
Company Secretary

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**QUARTERLY ACTIVITIES REPORT
FOR THREE MONTHS ENDED
31 DECEMBER 2013**

Appalachian Gas - Magoffin County, Kentucky
(Emerald 75% Equity Interest in Kentucky Energy Partners LLC)

LOCATION



Emerald's Appalachian gas operations are operated through Kentucky Energy Partners ("KEP"), a company 75% owned by Emerald. KEP currently holds 1,200 lease acres with 12 existing wells potentially capable of gas production, an 8 mile long gas gathering pipeline.

The operator has informed Emerald that KEP's current sour gas production is approximately 450 Mcfd. The operator is continuing to assess KEP's sour gas production with the objective to increase up to 800 Mcfd with the connection of additional existing gas wells.

Corporate

Cash Position and Listed Securities

At 31 December 2013 the Group had \$107,000 cash on hand and \$14,350,000 in value of listed securities.

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Completion of On-Market Proportional Bid

The On-Market Proportional Bid completed during the period and resulted in Confederate Capital Pty Ltd (and associates) increasing its relevant interest in the capital of EMR to 33.37%.

On Market Buy-Back

On 23 January 2014 EMR announced its intention to commence an on-market buy-back of up to 94,365,130 of the issued capital of the Company in accordance with the ASX guidelines and Corporations Act. It is the intention of the Company that the share buy-back will commence from 7 February 2014 for an indefinite period having provided 14 days notice to ASIC and ASX.

Issued Capital

Issued capital as at 31 January 2013 is 943,651,307 fully paid ordinary shares and 167,600,000 unlisted options. Market capitalisation as at 31 December 2013 was approximately \$8.49m (@ \$0.09).

Public Announcements

The Company made the following announcements during the quarter:

Date	Headline
23 January	Announcement of buy-back – Appendix 3C
29 November	Change in substantial holding
29 November	Results of Meeting
29 November	Change in substantial holding
27 November	Change in substantial holding
25 November	Company Secretary Appointment
22 November	Change in substantial holding
22 November	Notice of Status of Defeating conditions
20 November	Takeover and Company Update
20 November	Second Supplementary Bidder's Statement
18 November	OHG: Response to Emerald Oil & Gas (EMR) Target Statement
15 November	Target's Statement sent to Shareholders
05 November	Notice Freeing Takeover Offer from Defeating Conditions
05 November	Change in Substantial holding
31 October	Completion of Dispatch of Bidders Statement

For more information please contact:

Jeremy Shervington
Chairman

Tel: +618 9389 2111

About Emerald Oil & Gas NL

Emerald Oil & Gas NL (ASX: EMR) was listed on the ASX in June 2006. Emerald Oil & Gas NL is a petroleum exploration and production company based in Perth, Australia. The Company's major asset consists of a substantial equity interest in Emerald Oil Inc (NYSE:EOX), an active Williston Basin operating company listed on the New York Stock Exchange.

Statements regarding Emerald's plans with respect to its petroleum properties are forward-looking statements. There can be no assurance that Emerald's plans for development of its petroleum properties will proceed as currently expected. There can be no assurance that Emerald will be able to confirm the presence of additional petroleum deposits, that any discovery will prove to be economic or that an oil or gas field will successfully be developed on any of Emerald's petroleum properties.

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Appendix 5B

Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of entity

Emerald Oil & Gas NL

ABN

009 795 046

Quarter ended ("current quarter")

31 December 2013

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (6 months) \$A'000
1.1 Receipts from product sales and related debtors	-	44
1.2 Payments for (a) exploration & evaluation	-	(20)
(b) development	(11)	(69)
(c) production	-	-
(d) administration	(95)	(351)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	-	2
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Net Operating Cash Flows	(106)	(394)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of: (a) prospects	50	50
(b) equity investments	40	40
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	90	90
1.13 Total operating and investing cash flows (carried forward)	(16)	(304)

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Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(16)	(304)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material) Share issue transaction costs	-	-
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(16)	(304)
1.20	Cash at beginning of quarter/year to date	122	404
1.21	Exchange rate adjustments to item 1.20	1	7
1.22	Cash at end of quarter	107	107

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	37
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

The amount above includes payments to directors and to companies associated with the directors for this quarter.

Payments to Jeremy Shervington Legal Practice relate to the provision of legal services on commercial terms.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

During the quarter, the Group received shares in an ASX listed entity, with a deemed value of \$39,200, as part consideration for the sale of prospects. The shares were sold during the quarter with proceeds disclosed at item 1.9(b).

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

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Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	Nil	Nil
3.2 Credit standby arrangements	Nil	Nil

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	-
4.2 Development	20
4.3 Production	-
4.4 Administration	80
Total	100

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	107	122
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	107	122

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			-
6.2	Interests in mining tenements acquired or increased			-

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Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference +securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	943,651,304	943,651,304		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	117,600,000	-	<i>Exercise price</i> 5 cents	<i>Expiry date</i> 30 April 2014
	50,000,000	-	5 cents	28 June 2014
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

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Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:



(Company secretary)

Date: 31 January 2014

Print name: **Dennis Wilkins**

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 Accounting Standards ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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