



LONGREACH OIL LIMITED

82 ELIZABETH STREET, SYDNEY, AUSTRALIA

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PLEASE ADDRESS ALL CORRESPONDENCE TO GPO BOX 4246, SYDNEY NSW 2001

30 July 2010

e-Lodgement

FOR PUBLIC RELEASE

Manager - Company Announcements
Australian Securities Exchange
20 Bridge Street
Sydney NSW 2000

Dear Madam

Re Quarterly Reports for the quarter ended 31 March 2010

The Company's Quarterly Activities Report and Appendix 5B - Consolidated Statement of Cash Flows - for the quarter ended 30 June 2010 are attached.

For and on behalf of

Longreach Oil Limited

P Hetherton
Secretary



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20 Bridge Street
Sydney NSW 2000

Dear Madam

**QUARTERLY ACTIVITIES REPORT
FOR THE QUARTER ENDED 30 June 2010
(ASX code: LGO)**

Longreach Oil has direct interests in oil and gas and renewable energy joint ventures. It also has indirect interests in oil exploration and production through its shareholdings in ASX-listed AusTex Oil Ltd (AOK) and unlisted Brisbane Petroleum Ltd.

OIL & GAS

WESTERN AUSTRALIA

Onshore Carnarvon Basin - EP-439, EP-460 and EP-461

These under-explored permits are part of a joint venture with several other companies. Following a geochemical survey of EP-439, the Operator reported that there was a significant soil gas anomaly in the north-west corner of that permit. Since then, the EP-439 Joint Venture has approved a farm-in by Lion Petroleum Pty Ltd and a farm-in agreement has been finalised.

Lion Petroleum have advised that it will seek to drill within EP-439 by November 2010. If drilling is successful, the joint venture parties will share a royalty interest in the production of any oil and gas.

The current participants and interests in the permits are as shown below:

Company	% Interest EP-439 and EP-461	% Interest EP-460
Rough Range Oil Pty Ltd - Operator (subsidiary of Empire Oil & Gas N L)	69.22	68.57
Longreach Oil Ltd	11.33	11.69
Indigo Oil Pty Ltd	5.67	5.845
Falcore Pty Ltd	3.15	3.245
Vigilant Oil Pty Ltd	0.63	0.65
Jurassica Oil & Gas Plc (farminee)	<u>10.00</u>	<u>10.00</u>
	<u>100.00</u>	<u>100.00</u>

OIL & GAS (cont'd)**Onshore Surat Basin - Petroleum Leases No. 18 and No. 40**

Brisbane Petroleum Ltd holds a 50% interest in each of these Petroleum Leases. Production from PL-18 during the quarter was about 358 barrels of oil.

An application for extension of PL-40 is pending and the relevant development plan has been approved.

Brisbane Petroleum has concluded an inventory of its PL-18 and PL-40 petroleum assets with a view to arranging additional capital for drilling oil development wells in the existing oil fields on these leases. The recoverable oil in place in these leases has been assessed in the range of 3.9 million barrels (MMB) to 6.8 million barrels (MMB) (IP).

Brisbane Petroleum proposes to become listed. Longreach Oil shareholders will be given an opportunity to participate when Brisbane Petroleum will proceed to listing.

Longreach has an equity interest of approximately 20% in Brisbane Petroleum Ltd.

Onshore Surat Basin - Application for a Petroleum Lease

The application by Longreach Oil and Brisbane Petroleum for a Petroleum Lease over areas covered by the Beardmore and McWhirter oilfields, which were part of permit ATP-755-P was pending at the end of the quarter.

The parties are Longreach Oil - 50%; Brisbane Petroleum Ltd - 50%.

URANIUM - Burkina Faso, West Africa

Longreach Oil has an interest in two Exploration Permits for uranium, in north-eastern Burkina Faso. These tenements cover an area of 500 sq. kms. No field operations were carried out on the permits during this quarter.

Current interests in the permits are: **Longreach Oil Ltd - 20%**; Southern Cross (original applicant) - 45%; and CrossContinental Uranium Limited - 35%.

RENEWABLE ENERGY - NEW SOUTH WALES**E.L. 6212 - Hot Rocks - Group 8 Minerals (Geothermal) - Sydney Basin**

Exploration Licence 6212 is located in the Southern part of the Sydney Basin covering an area of approximately 1,390 km² in the Campbelltown-Bowral-Wollongong region. The joint venture has conducted gravity surveys to determine the next prospective drilling locations. An application made for a renewal of this licence is pending. When the licence is renewed, further studies will be undertaken to review gravity data and other exploration activities will follow.

Longreach Oil holds 50% of the area and Hot Rock Energy Pty Ltd (Operator), an independent private company, holds 50%.

COAL INTERESTS

- NEW SOUTH WALES

Longreach Oil acquired an initial five per cent (5%) interest in a private company with coal exploration interests in New South Wales which has since been increased to a fifteen per cent (15%) interest.

Steps are being taken to acquire additional exploration licences for coal in New South Wales.

- INDONESIA

The Company became a participating investor for an amount of \$200,000 in a coal mining project in Kalimantan. When sales of coal commence, Longreach Oil will share a fixed sum (similar to a royalty) per tonne of coal sold.

GENERAL

Apart from the above operations in respect of its existing projects, Longreach Oil continues to seek prospective exploration and development projects in Australia and overseas.

It is participating in the promotion of a new Oil and Gas Exploration and Investment company, Offshore Oil Ltd, to which shareholders in Longreach Oil will receive priority entitlement in due course.

EXPENDITURE

Expenditure for the quarter was \$72,000.

For and on behalf of

Longreach Oil Limited

Peter Hetheron
Secretary

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

LONGREACH OIL LIMITED

ABN

98 000 131 797

Quarter ended ("current quarter")

30 June 2010

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (12 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	(3)	27
1.2 Payments for (a) exploration & evaluation (b) development (c) production (d) administration	-	(23)
	(72)	(316)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	1	6
1.5 Interest and other costs of finance paid	(1)	(3)
1.6 Income taxes paid		
1.7 Other (provide details if material)	25	-
	(50)	(309)
Net Operating Cash Flows		
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets (d) Royalty stream in Coal Project	(25)	(144)
	-	(200)
1.9 Proceeds from sale of: (a) prospects (b) equity investments (c) other fixed assets	400	1,519
1.10 Loans to other entities	(328)	(927)
1.11 Loans repaid by other entities	1	171
1.12 Other (provide details if material)	(43)	(87)
	5	332
Net investing cash flows		
1.13 Total operating and investing cash flows (carried forward)	(45)	23

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(45)	23
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	-	75
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings	-	56
1.17	Repayment of borrowings	(80)	(148)
1.18	Dividends paid		
1.19	Other (provide details if material)	-	(7)
	Net financing cash flows	(80)	(24)
	Net increase (decrease) in cash held	(125)	(1)
1.20	Cash at beginning of quarter/year to date	136	12
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	11	11

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	31
1.24	Aggregate amount of loans to the parties included in item 1.10	240

1.25 Explanation necessary for an understanding of the transactions

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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

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

+ See chapter 19 for defined terms.

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		
3.2 Credit standby arrangements		
3.3 Investments in listed companies - Available for sale in excess of	1,000	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	80
4.2 Development	
4.3 Production	
4.4 Administration	80
Total	160

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	6	81
5.2 Deposits at call		
5.3 Bank overdraft	5	55
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	11	136

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				

+ See chapter 19 for defined terms.

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	450,000,000	450,000,000		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	21,000,000	21,000,000		
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>			<i>Exercise price</i>	<i>Expiry date</i>
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>				

+ See chapter 19 for defined terms.

