

24 April 2020

Red Emperor Resources NL

Quarterly Activities and Cashflow Report For the Period ended 31 March 2020

The Board of Red Emperor Resources NL (ASX/AIM: RMP) ("RMP", "Red Emperor" or the "Company") is pleased to provide the following commentary on its activities and an Appendix 5B for the quarter ended 31 March 2020.

North Perth Basin, Western Australia

During the quarter, Red Emperor funded the completion of the existing committed work programme (comprising geological and geophysical studies) required under the final year of exploration permit WA-481-P in the offshore Perth Basin. This work, which was managed by Key Petroleum, was completed on time and on budget (A\$150,000). The existing JV partners, Pilot Energy - 60% interest and Key Petroleum - 40% interest, duly applied to the National Offshore Petroleum Titles Administrator (NOPTA) for a renewal of the permit prior to its scheduled expiry date of 19 February 2020 and are still awaiting a formal response.

Red Emperor has an exclusive option to acquire a 70% interest in, and the right to operate (subject to any requisite regulatory approval(s)), WA-481-P, in return for paying the JV partners collectively A\$500,000. Red Emperor has until 15 business days after NOPTA's approval of the abovementioned permit renewal application to exercise such option.

Alaska North Slope

The Joint Venture ("JV"), as part of a collective strategy, engaged with a number of major Alaskan operating companies during the quarter with respect to a potential sale of its interest in the Western Blocks. Despite receiving indicative interest from three parties, the current state of global equity and specifically oil markets have made progressing any such potential transaction(s) particularly difficult. The operator, on behalf of the JV, is in discussions with the relevant regulatory authorities in Alaska in relation to seeking relief on the rentals due on 1 May 2020 and whilst there is no guarantee that such discussions will result in any relief being granted, the Company will provide an update upon any such eventuality.

Philippines (Block SC55)

During the quarter, Red Emperor received the requisite formal approval for the previously announced reassignment of its equity interest in Block SC55 from the Philippine's Department of Energy.

Corporate

Whilst the Company has continued to conduct high level due diligence on a number of potential projects around the world, it must be noted that the current state of the global economy, and in particular depressed oil prices, has made valuing companies and assets in the sector particularly difficult. With a strong balance sheet and no debt or onerous obligations, Red Emperor can afford to continue to be patient in the knowledge that it is well positioned to take advantage of any opportunistic attractive prospects as and when they become available and at a time when investment in such assets is prudent.

BOARD & MANAGEMENT

Greg Bandy
MANAGING DIRECTOR

Jason Bontempo
NON-EXECUTIVE DIRECTOR

Aaron Bertolatti
DIRECTOR & COMPANY
SECRETARY

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ASX CODE | AIM CODE

RMP

At the end of the quarter, the Company had cash at bank of approximately A\$4.7m. Please refer to the Appendix 5B for further details.

Red Emperor's Tenements

The following listing of tenements held is provided in accordance with ASX Listing Rule 5.3 for the quarter ended 31 March 2020.

Tenement	Location	Area	Interest
Alaska			
Western Blocks (ADL#s 391718, 391719, 319720 & 391721)	North Slope, Alaska	92km ²	31.5%

The Company's interest in Block SC55 (Palawan Basin, Philippines) was formally relinquished during the quarter ended 31 March 2020.

Authorised for release by: Greg Bandy – Managing Director

For further information, please visit www.redemperorresources.com or contact:

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The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulation (EU) No. 596/2014.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

RED EMPEROR RESOURCES NL

ABN

99 124 734 961

Quarter ended ("current quarter")

31 March 2020

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation (if expensed)	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	-	(23)
(e) administration and corporate costs	(233)	(667)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	5	18
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(228)	(672)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation (if capitalised)	(156)	(250)
(e) investments	-	-
(f) other non-current assets	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(156)	(250)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	-

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	5,105	5,643
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(228)	(672)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(156)	(250)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	4,721	4,721

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	4,721	5,105
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	4,721	5,105

6. Payments to related parties of the entity and their associates

6.1	Aggregate amount of payments to related parties and their associates included in item 1	72
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

**Current quarter
\$A'000**

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

Payment of Directors Fees and Remuneration - \$72k

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities		
7.2 Credit standby arrangements		
7.3 Other (please specify)		
7.4 Total financing facilities		
7.5 Unused financing facilities available at quarter end		
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	(228)
8.2 Capitalised exploration & evaluation (Item 2.1(d))	(156)
8.3 Total relevant outgoings (Item 8.1 + Item 8.2)	(384)
8.4 Cash and cash equivalents at quarter end (Item 4.6)	4,721
8.5 Unused finance facilities available at quarter end (Item 7.5)	-
8.6 Total available funding (Item 8.4 + Item 8.5)	4,721
8.7 Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	12
8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:	
1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	
3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: N/A	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 24 April 2020

Authorised by: Aaron Bertolatti - Company Secretary
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, 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. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.