

| ANNOUNCEMENT TO BE MADE BY THE AIM APPLICANT PRIOR TO ADMISSION IN ACCORDANCE WITH RULE 2 OF THE AIM RULES FOR COMPANIES (“AIM RULES”) |
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| COMPANY NAME: |
| Red Emperor Resources NL (the “Company”) |
| COMPANY REGISTERED OFFICE ADDRESS AND IF DIFFERENT, COMPANY TRADING ADDRESS (INCLUDING POSTCODES) : |
| 945 Wellington Street, West Perth, WA 6005 Australia |
| COUNTRY OF INCORPORATION: |
| Australia |
| COMPANY WEBSITE ADDRESS CONTAINING ALL INFORMATION REQUIRED BY AIM RULE 26: |
| www.red-emperor.com |
| COMPANY BUSINESS (INCLUDING MAIN COUNTRY OF OPERATION) OR, IN THE CASE OF AN <u>INVESTING COMPANY</u>, DETAILS OF ITS <u>INVESTING POLICY</u>). IF THE <u>ADMISSION</u> IS SOUGHT AS A RESULT OF A REVERSE TAKE-OVER UNDER RULE 14, THIS SHOULD BE STATED: |
| <p>The Company invests in natural resource exploration projects throughout the world. The Company’s principal assets are oil and gas interests in the frontier state of Puntland, Somalia and in the Rioni Basin, in the Republic of Georgia, as described in this document, in the Public Record and in the Competent Persons’ Reports. The Company has previously acquired interests in an Australian mineral project, Jillewara, however, the Company has farmed down its initial farm-in interest from 51 per cent. to a free carried 25 per cent. interest and is directing its financial resources towards the Puntland Project and Georgian Project. Following Admission, the Company will continue to pursue this strategy.</p> <p>Further details of the Company’s assets, including the Puntland Project and Georgian Project, together with the CPRs, financial information and other information on the Company are available in this document, in announcements and documents available on the Company’s website, www.red-emperor.com and on the ASX’s website, www.asx.com.au.</p> |
| DETAILS OF SECURITIES TO BE ADMITTED INCLUDING ANY <u>RESTRICTIONS AS TO TRANSFER OF THE SECURITIES</u> (i.e. where known, number and type of shares, nominal value and issue price to which it seeks admission and the number and type to be held as treasury shares): |
| 137,616,114 fully paid up ordinary shares of no par value. |
| CAPITAL TO BE RAISED ON ADMISSION (IF APPLICABLE) AND ANTICIPATED MARKET CAPITALISATION ON ADMISSION: |
| No capital is to be raised on Admission. The market capitalisation on Admission is expected to be approximately AUS\$48.9 million (being approximately GBP£31.9 million). |
| PERCENTAGE OF AIM SECURITIES <u>NOT</u> IN PUBLIC HANDS AT ADMISSION: |

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| 0.18% (being the shareholding of a director) |
| DETAILS OF ANY OTHER EXCHANGE OR TRADING PLATFORM TO WHICH THE AIM COMPANY HAS APPLIED OR AGREED TO HAVE ANY OF ITS SECURITIES (INCLUDING ITS AIM SECURITIES) ADMITTED OR TRADED: |
| The Australian Securities Exchange |
| FULL NAMES AND FUNCTIONS OF <u>DIRECTORS</u> AND PROPOSED DIRECTORS (underlining the first name by which each is known or including any other name by which each is known): |
| Mr <u>Greg</u> Bandy - <i>Managing Director</i> Mr <u>Stephen</u> Brockhurst - <i>Non-executive Director</i> Mr <u>Jason</u> Bontempo - <i>Non-executive Director</i> |
| FULL NAMES AND HOLDINGS OF <u>SIGNIFICANT SHAREHOLDERS</u> EXPRESSED AS A PERCENTAGE OF THE ISSUED SHARE CAPITAL, BEFORE AND AFTER ADMISSION (underlining the first name by which each is known or including any other name by which each is known): |
| The Company is currently aware of the following shareholdings which represent 3 per cent. or more of the Company's issued share capital as at 23 May 2011, the being the latest date prior to the issue of the Announcement. As no capital is being raised concurrent with Admission, these holdings are before and after Admission. <u>JP Morgan Nominees Australia</u> – 8,748,135 Ordinary Shares (6.360%) <u>J&J Bandy Nominees Pty Ltd</u> - 7,000,000 Ordinary Shares (5.087%) <u>Max Capital Pty Ltd</u> – 6,800,000 Ordinary Shares (4.941%) <u>Pre-Emptive Trading Pty Ltd</u> – 4,600,000 Ordinary Shares (3.343%) |
| NAMES OF ALL PERSONS TO BE DISCLOSED IN ACCORDANCE WITH SCHEDULE 2, PARAGRAPH (H) OF THE AIM RULES: |
| Park End Limited West Holly Inc. |
| (i) ANTICIPATED ACCOUNTING REFERENCE DATE (ii) DATE TO WHICH THE <u>MAIN FINANCIAL INFORMATION</u> IN THE ADMISSION DOCUMENT HAS BEEN PREPARED (this may be represented by unaudited interim financial information) (iii) DATES BY WHICH IT MUST PUBLISH ITS FIRST THREE REPORTS PURSUANT TO AIM RULES 18 AND 19: |
| (i) 30 June (ii) 31 December 2010 (interim accounts for the 6 months ended 31 December 2010) (iii) 31 December 2011 (accounts for the year ending 30 June 2011), 31 March 2012 (interim accounts for the 6 months ending 31 December 2011), 31 December 2012 (accounts for the year ending 30 June 2012) |
| EXPECTED ADMISSION DATE: |
| 23 June 2011 |
| NAME AND ADDRESS OF NOMINATED ADVISER: |
| Cairn Financial Advisers LLP |

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| 61 Cheapside London EC2V 6AX |
| NAME AND ADDRESS OF BROKER: |
| Old Park Lane Capital plc 49 Berkeley Square London W1J 5AZ |
| OTHER THAN IN THE CASE OF A <u>QUOTED APPLICANT</u>, DETAILS OF WHERE (POSTAL OR INTERNET ADDRESS) THE ADMISSION DOCUMENT WILL BE AVAILABLE FROM, WITH A STATEMENT THAT THIS WILL CONTAIN FULL DETAILS ABOUT THE APPLICANT AND THE ADMISSION OF ITS SECURITIES: |
| Not applicable |
| DATE OF NOTIFICATION: |
| 25 May 2011 |
| NEW/ UPDATE: |
| New |
| QUOTED APPLICANTS MUST ALSO COMPLETE THE FOLLOWING: |
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| THE NAME OF THE <u>AIM DESIGNATED MARKET</u> UPON WHICH THE APPLICANT'S SECURITIES HAVE BEEN TRADED: |
| The Australian Securities Exchange |
| THE DATE FROM WHICH THE APPLICANT'S SECURITIES HAVE BEEN SO TRADED: |
| 16 August 2007 |
| CONFIRMATION THAT, FOLLOWING DUE AND CAREFUL ENQUIRY, THE APPLICANT HAS ADHERED TO ANY LEGAL AND REGULATORY REQUIREMENTS INVOLVED IN HAVING ITS SECURITIES TRADED UPON SUCH A MARKET OR <u>DETAILS OF WHERE THERE HAS BEEN ANY BREACH</u>: |
| The Company confirms that, following due and careful enquiry, it has adhered to all legal and regulatory requirements involving having its securities traded on the Australian Securities Exchange. |
| AN ADDRESS OR WEB-SITE ADDRESS WHERE ANY DOCUMENTS OR ANNOUNCEMENTS WHICH THE APPLICANT HAS MADE PUBLIC OVER THE LAST TWO YEARS (IN CONSEQUENCE OF HAVING ITS SECURITIES SO TRADED) ARE AVAILABLE: |
| http://www.red-emperor.com |
| DETAILS OF THE APPLICANT'S STRATEGY FOLLOWING ADMISSION INCLUDING, IN THE CASE OF AN INVESTING COMPANY, DETAILS OF ITS INVESTING STRATEGY: |
| Following Admission, the Company will continue to direct its focus and its financial resources towards its principal assets, being oil and gas interests, in the frontier state of Puntland, Somalia and in the Rioni |

Basin, in the Republic of Georgia.

Furthermore, in addition to exploring and evaluating its current projects, the Company intends to pursue acquisition and investment opportunities to secure new projects in the resource sector both in Australia and overseas.

A DESCRIPTION OF ANY SIGNIFICANT CHANGE IN FINANCIAL OR TRADING POSITION OF THE APPLICANT, WHICH HAS OCCURRED SINCE THE END OF THE LAST FINANCIAL PERIOD FOR WHICH AUDITED STATEMENTS HAVE BEEN PUBLISHED:

Since 30 June 2010, being the date of the last audited accounts, the Company has entered formal agreements in connection with the Puntland Project and the Georgia Project and has completed three fundraisings to provide the Company with the working capital to develop these projects.

In August 2010, the Company executed formal agreements to acquire up to a 20 per cent. interest in the two hydrocarbon exploration blocks comprising the Puntland Project. In October 2010, the Company exercised an option to increase this interest to the maximum of 20 per cent.

In May 2011, the Company further entered into formal agreements to acquire a 20 per cent. interest in respect of the Georgian Project.

Over the same period, the Company completed three fundraising rounds, raising a total of AUS\$14.6m (being approximately GBP£9.1) to fund its commitments in respect of the Puntland Project and the Georgian Project and to provide working capital.

Full details of the above are available on the Company's website.

A STATEMENT THAT THE DIRECTORS OF THE APPLICANT HAVE NO REASON TO BELIEVE THAT THE WORKING CAPITAL AVAILABLE TO IT OR ITS GROUP WILL BE INSUFFICIENT FOR AT LEAST TWELVE MONTHS FROM THE DATE OF ITS ADMISSION:

The directors of the Company have no reason to believe that the working capital available to the group will be insufficient for at least 12 months from the date of its Admission.

DETAILS OF ANY LOCK-IN ARRANGEMENTS PURSUANT TO RULE 7 OF THE AIM RULES:

None

A BRIEF DESCRIPTION OF THE ARRANGEMENTS FOR SETTLING THE APPLICANT'S SECURITIES:

To settle securities to be traded on AIM, the Company will apply for depositary interests, representing the ordinary shares of the Company, to be admitted to CREST with effect from Admission. Accordingly, settlement of transactions in the depositary interests following Admission will take place within the CREST system. CREST is a voluntary system and those shareholders who wish to have their shares held outside CREST will have their details recorded on the Company's share register maintained in Australia. Settlement on the Australian Securities Exchange will continue to be conducted under the Australian Securities Exchange's electronic CHES system.

A WEBSITE ADDRESS DETAILING THE RIGHTS ATTACHING TO THE APPLICANT'S SECURITIES:

www.red-emperor.com

INFORMATION EQUIVALENT TO THAT REQUIRED FOR AN ADMISSION DOCUMENT WHICH IS NOT CURRENTLY PUBLIC:

Appendix 1 to this Schedule 1 contains, inter alia, information equivalent to that required for an Admission Document which is not already public, which is available at www.red-emperor.com, www.asx.com.au or www.asic.gov.au.

A WEBSITE ADDRESS OF A PAGE CONTAINING THE APPLICANT'S LATEST ANNUAL REPORT AND ACCOUNTS WHICH MUST HAVE A FINANCIAL YEAR END NOT MORE THEN NINE MONTHS PRIOR TO ADMISSION AND INTERIM RESULTS WHERE APPLICABLE. THE ACCOUNTS MUST BE PREPARED IN ACCORDANCE WITH ACCOUNTING STANDARDS PERMISSIBLE UNDER AIM RULE 19:

www.red-emperor.com

THE NUMBER OF EACH CLASS OF SECURITIES HELD IN TREASURY:

None