

RED EMPEROR RESOURCES NL
ABN 99 124 734 961

SHORT FORM
PROSPECTUS

For a non renounceable entitlements issue of up to 19,500,002 New Options on the basis of 1 New Option for every 2 Shares held by Shareholders as at 5.00pm (WST) on 14 November 2007 at an issue price of 1 cent per New Option to raise up to \$195,000.

Important Notice

This Prospectus is a short form prospectus issued in accordance with Section 712 of the Corporations Act 2001. This Prospectus does not of itself contain all the information that is generally required to be set out in a document of this type but refers to other documents the information of which is deemed to be incorporated in this Prospectus.

The securities offered by this Prospectus should be considered as speculative.

RED EMPEROR RESOURCES NL

TABLE OF CONTENTS

SECTION 1	CORPORATE DIRECTORY	5
SECTION 2	LETTER FROM MANAGING DIRECTOR	6
SECTION 3	TIMETABLE AND IMPORTANT DATES	7
SECTION 4	DETAILS OF THE OFFER	8
SECTION 5	INFORMATION DEEMED TO BE INCORPORATED IN THIS PROSPECTUS	11
SECTION 6	COMPANY OVERVIEW	14
SECTION 7	EFFECT OF THE ENTITLEMENTS ISSUE ON THE COMPANY	15
SECTION 8	OVERSEAS PARTICIPANTS	15
SECTION 9	TERMS AND CONDITIONS OF NEW OPTIONS AND RIGHTS ATTACHING TO SHARES	16
SECTION 10	ADDITIONAL INFORMATION	18
SECTION 11	MATERIAL CONTRACTS	19
SECTION 12	CONSENTS	20
SECTION 13	AUTHORITY OF DIRECTORS	21
SECTION 14	DEFINITIONS	22

RED EMPEROR RESOURCES NL

Important Notice

This Prospectus is dated 2 November 2007.

A copy of this Prospectus was lodged with the ASIC on 2 November 2007. The ASIC and ASX take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No New Options will be issued on the basis of this Prospectus later than thirteen (13) months after the date of this Prospectus. Application will be made within seven (7) days after the date of this Prospectus for permission for the New Options offered by this Prospectus to be listed for Quotation.

No person is authorised to give information or make any representations in connection with this Prospectus which is not contained in this Prospectus. Applicants should read this document in its entirety and, if in any doubt, consult with their professional advisors before deciding whether to apply for New Options. There are risks associated with an investment in Red Emperor and the New Options offered under this Prospectus must be regarded as a speculative investment. The New Options offered under this Prospectus carry no guarantee with respect to return on capital investment, payment of dividends or the future value of the New Options.

Certain abbreviations and other defined terms are used throughout this Prospectus. Defined terms are generally identifiable by the use of an upper case first letter. Details of the definitions and abbreviations used are set out in Section 14 of this Prospectus.

Short Form Prospectus

This Prospectus is a short form prospectus issued in accordance with Section 712 of the Corporations Act 2001. This means that this Prospectus does not of itself contain all the information that is generally required to be set out in a document of this type. Rather, the Prospectus incorporates by reference information contained in a document that has been lodged with the ASIC. This Prospectus refers to the disclosure document lodged by the Company with ASIC on 16 July 2007 for the offer of 20,000,000 Shares at an issue price of 25 cents each to raise a total of \$5,000,000 ("July 2007 Prospectus") and the ASX announcements referred to in Section 5 of this Prospectus ("ASX Announcements"). In referring to the July 2007 Prospectus and the ASX Announcements, the Company:

- (a) identifies the July 2007 Prospectus and the ASX Announcements as being relevant to the offer of New Options under this Prospectus and containing information that will provide investors and their professional advisers information to assist them in making an informed assessment of:
 - (i) the rights and liabilities attaching to:
 - (a) the New Options; and
 - (b) the underlying securities;
 - (ii) the capacity of the Company to issue the New Options and the underlying securities; and
 - (iii) the assets and liabilities, financial position and performance, profits and losses and prospects of Red Emperor;
- (b) refers investors and their professional advisers to Section 5 of this Prospectus which summarises the information in the July 2007 Prospectus and the ASX Announcements deemed to be incorporated in this Prospectus;
- (c) informs investors and their professional advisers that they are able to obtain, free of charge, a copy of the July 2007 Prospectus and the ASX Announcements by either emailing or writing to the Company at its registered office during normal business hours during the Offer Period, or by visiting the Company's website at www.red-emperor.com; and

- (d) advises that the information in the July 2007 Prospectus and the ASX Announcements will be primarily of interest to investors and their professional advisers or analysts.

Electronic Prospectus

A copy of this Prospectus can be downloaded from the Company's website at www.red-emperor.com. The offer constituted by an electronic version of this Prospectus is only available to persons receiving an electronic version of this Prospectus within Australia. There is no facility for Applications to be accepted electronically or by applying online.

The Corporations Act prohibits any person from passing on to another person the Acceptance Form unless it is attached to or accompanied by a complete and unaltered version of the Prospectus. The Company will not accept a completed Acceptance Form if it has reason to believe that the Applicant has not received a complete and unaltered copy of the Prospectus. During the Offer Period, any person may obtain a hard copy of this Prospectus by contacting the Company.

RED EMPEROR RESOURCES NL

SECTION 1 CORPORATE DIRECTORY

DIRECTORS

Kent Hunter	Managing Director
Stephen Brockhurst	Non-Executive Director
Matthew Pedley	Non-Executive Director

COMPANY SECRETARY

Elizabeth Hanrahan

REGISTERED OFFICE

Suite 32, 22 Railway Road
SUBIACO WA 6008

CONTACT DETAILS

Telephone: (08) 9388 8041

Facsimile: (08) 9388 8042

Website: www.red-emperor.com

Email: admin@red-emperor.com

STOCK EXCHANGE LISTING

Australian Securities Exchange*
(Home Exchange: Perth, Western Australia)
Code: RMP

SOLICITORS TO THE COMPANY

Price Sierakowski
44 St Georges Terrace
PERTH WA 6000

AUDITORS

Rix Levy Fowler
Level 1
12 Kings Park Road
WEST PERTH WA 6005

SHARE REGISTRY

Advanced Share Registry Services*
110 Stirling Highway
NEDLANDS WA 6009
Telephone: (08) 9389 8033
Facsimile: (08) 9389 7871

* These entities have not been involved in the preparation of this Prospectus and have not consented to being named in this Prospectus. Their name is included for information purposes only.

RED EMPEROR RESOURCES NL

SECTION 2 LETTER FROM MANAGING DIRECTOR

2 November 2007

Dear Shareholder

The Board is pleased to offer Shareholders the opportunity to participate in a 1 for 2 non-renounceable entitlement issue of Options.

All Shareholders registered as at 5.00pm WST on 14 November 2007 will be entitled to participate in a non-renounceable entitlement issue of New Options on the basis of 1 New Option for every 2 Shares then held.

The Closing Date for acceptances is 5.00pm WST on 7 December 2007.

The Board recommends all Shareholders take up their entitlement and advises that the Directors will take up their entitlement. Funds raised from the issue will be used for working capital purposes and to pay the expenses of the Offer.

The Board takes this opportunity to thank all Shareholders for their support since listing and looks forward to your continued support in the future.

Yours faithfully



Kent Hunter
Managing Director

RED EMPEROR RESOURCES NL

SECTION 3 TIMETABLE AND IMPORTANT DATES

EVENT	DATE
Prospectus lodged with ASIC and ASX	2 November 2007
'Ex' Date	8 November 2007
Record Date for determining entitlements	14 November 2007
Dispatch Prospectus	15 November 2007
Closing Date *	7 December 2007
Deferred settlement trading commences	10 December 2007

Shareholders should consult their brokers or professional advisors in regards to the definition of 'Ex' Date and Record Date to ensure that their entitlement to participate in the offer is assured.

These dates are indicative only and may, subject to the requirements of the ASX Listing Rules and the Corporations Act, be changed without notice.

* The Directors may extend the Closing Date by giving at least 6 business days notice to ASX prior to the Closing Date. As such, the date the New Options are expected to commence trading on ASX may vary.

RED EMPEROR RESOURCES NL

SECTION 4 DETAILS AND OFFER

4.1 Purpose of the Offer

The funds raised by the Offer of up to \$195,000 will be applied to working capital and also to meet issue expenses of approximately \$15,000.

4.2 The Offer

The Company is making a pro-rata non-renounceable entitlement issue to Shareholders who are registered at 5.00pm WST on 14 November 2007 of up to 19,500,002 New Options at an issue price of 1 cent each to raise approximately \$195,000 (before costs of the Offer).

The New Options will be offered on the basis of one (1) New Option for every two (2) Shares then held. The terms and conditions of the Options are set out in Section 9.1 of this Prospectus.

In the calculation of any Entitlement, fractions will be rounded up to the nearest whole number.

The Company has on issue 39,000,003 Shares, 31,500,003 of which are fully paid and 7,500,000 of which partly paid. All holders of ordinary shares in the Company (whether fully or partly paid) are entitled to participate in the Offer.

4.3 Entitlement

The number of New Options to which each Shareholder is entitled is shown on the enclosed Acceptance Form. Your acceptance must not exceed your Entitlement as shown on that form. If it does, your acceptance will be deemed to be the maximum Entitlement.

Shareholders may accept their Entitlement in full or part by returning a completed Acceptance Form to the Company's share registry by 5.00 pm WST, on 7 December 2007.

4.4 Minimum Subscription

There is no minimum subscription.

4.5 Oversubscriptions

Oversubscriptions will not be accepted.

4.6 Issue Price

The issue price is 1 cent for each New Option payable in full in Australian currency on the acceptance of the Offer as follows:

- Cheque drawn on and payable at any Australian bank;
- Money Order; or
- Bank draft drawn on and payable at any Australian bank.

4.7 Acceptance

This Offer may be accepted in whole or in part. Acceptance and payment in full of 1 cent per New Option must be received before 5.00pm WST on 7 December 2007. Instructions for completion and lodgement of acceptances are set out on the back of the enclosed Acceptance Form.

4.8 Action Required

If you wish to take up all of your Entitlement, complete the enclosed Acceptance Form in accordance with the instructions set out and lodge the form together with your cheque for the amount shown on the form so that it reaches the Company's share registry by no later than 5.00pm WST on 7 December 2007:

Advanced Share Registry Services
110 Stirling Highway
NEDLANDS WA 6009

Cheques and drafts should be made payable to "Red Emperor Resources NL – Option Issue" and crossed "Not Negotiable".

SECTION 4 DETAILS AND OFFER

If you wish to take up part of your Entitlement, complete the enclosed Acceptance Form in respect of the New Options you wish to take up in accordance with the instructions set out in the form and lodge the form together with your cheque for the relevant amount (being the number of New Options you wish to take up multiplied by 1 cent per New Option) so that it reaches the Company's share registry by no later than 5.00pm WST on 7 December 2007.

If you do not wish to take up any of your Entitlement, you do not need to take any action and your Entitlement to the New Options will lapse.

The Offer is non-renounceable so that a holder of Shares may not sell or transfer all or part of their Entitlement.

4.9 Underwriting

This Offer is not underwritten.

4.10 Shortfall

If any Shortfall remains after Shareholders have taken up their Entitlements, the Directors reserve the right pursuant to Listing Rule 7.2 (exception 3) to place any Shortfall with parties selected by them. All Shortfall will be placed within 3 months of the Closing Date and will be issued on the same terms as are being offered to Shareholders pursuant to this Prospectus. New Options not taken up by Shareholders will not be placed to the Directors or any associates of the Directors.

4.11 Closing Date

The Closing Date for the Offer is 5.00 pm WST on 7 December 2007.

4.12 Offer Period

The Prospectus will be dispatched to Shareholders on 15 November 2007. The Offer closes at 5.00pm WST on 7 December 2007.

4.13 Allotment

The New Options will be allotted and issued as soon as practicable after 7 December 2007. Where the number of New Options issued is less than the number applied for, or where no allotment is made, surplus application monies will be refunded without any interest to the applicant as soon as practicable after 7 December 2007.

Statements of holding for the New Options will be mailed as soon as possible after the Closing Date. Pending the allotment and issue of the New Options or payment of refunds pursuant to this Prospectus, all application monies will be held by the Company in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

No New Options will be allotted and issued on the basis of this Prospectus later than thirteen (13) months after the date of this Prospectus.

4.14 Stock Exchange Quotation

Application for Official Quotation of the New Options will be made by the Company within seven (7) days of the date of this Prospectus. If approval is not obtained from ASX before the expiration of 3 months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any New Options and will repay all application monies for the New Options within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the New Options is not to be taken in any way as an indication of the merits of the Company or the New Options now offered for subscription.

RED EMPEROR RESOURCES NL

SECTION 4 DETAILS AND OFFER

4.15 Overseas Shareholders

Shareholders resident outside Australia should consult their professional advisers as to whether any governmental or other consents are required, or other formalities need to be observed to enable them to accept or deal with their entitlements.

This Prospectus does not constitute an offer in any place in which or to any person whom it would not be lawful to make such an offer.

4.16 Clearing House Electronic Sub-Register System (“CHESS”) and Issuer Sponsorship

The Company will not be issuing option certificates. The Company will apply to ASX to participate in CHESS, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of New Options allotted to them under this Prospectus. The notice will also advise holders of their Holder Identification Number (**HIN**) and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship.

Further monthly statements will be provided to holders in circumstances in which there have been any changes in their security holding in the Company during the preceding month.

4.17 Privacy

If you complete an application for New Options, you will be providing personal information to the Company (directly or by the Company’s share registry). The Company collects, holds and will use that information to assess your application, service your needs as a shareholder, facilitate distribution payments and corporate communications to you as a shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company share registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or its registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (as amended), the Corporations Act and certain rules such as the ASTC Settlement Rules. You should note that if you do not provide the information required on the application for New Options, the Company may not be able to accept or process your application.

4.18 Enquiries

If you have any questions concerning your entitlement, please contact the Company Secretary, Elizabeth Hanrahan on (08) 9388 8041, or fax (08) 9388 8042 or contact your professional adviser.

RED EMPEROR RESOURCES NL

SECTION 5 INFORMATION DEEMED TO BE INCORPORATED IN THIS PROSPECTUS

5.1 Short Form Prospectus

This Prospectus is a short form prospectus issued in accordance with Section 712 of the Corporations Act 2001. This means that this Prospectus does not of itself contain all the information that is generally required to be set out in a document of this type, however it incorporates by reference information contained in a document that has been lodged with the ASIC.

The information to be incorporated by reference into this Prospectus is summarised below in sub-section 5.2 and will primarily be of interest to investors and their professional advisers or analysts.

The Company informs investors and their professional advisers that they are able to obtain, free of charge, a copy of the July 2007 Prospectus and the ASX Announcements by contacting the Company at its registered office during normal business hours during the Offer Period. The July 2007 Prospectus will also be available by searching ASIC's records in relation to Red Emperor, or by visiting the Company's website at www.red-emperor.com.

5.2 July 2007 Prospectus

Set out below is a summary of the information contained in the July 2007 Prospectus that is deemed to be incorporated in this Prospectus to assist investors and their professional advisers to determine whether, for the purposes of making an informed investment decision in relation to the New Options, they should obtain a copy of the July 2007 Prospectus.

The Sections referred to below are a reference to sections in the July 2007 Prospectus.

Section 2 – Company and Project Review

This section contains a summary of the Jillewarra Project acquired by Red Emperor since its incorporation on 2 April 2007. It details the objectives and strategies of the Company and provides information relating to its tenements.

Section 2 also summarises the intended exploration expenditure in regard to the Projects noted above.

Section 3 - Board and Management

Section 3 contains information relating to each of the three Directors of the Company and also refers to the corporate governance policies adopted by the Board.

Section 4 - Risk Factors

Section 4 notes that an investment in Red Emperor has risks reasonably expected of an investment in a business of its type. It details a number of factors that may impact on the success and future profitability of Red Emperor. The factors referred to are risks specific to the Company, economic risks, mineral and exploration risk, environmental impact constraints, operating risks, resource estimates, title risks and Native Title, additional requirements for capital, reliance on key management personnel, material contracts risk and investment speculative.

Section 5 - Independent Geologists' Report

Section 5 consists of the report prepared by the Independent Geologist, Al Maynard & Associates. The report describes in detail the geological setting and historical mining and exploration on the mining tenements comprising the Jillewarra Project of Red Emperor. The Independent Geologist's Report also sets out details of proposed exploration programs on the mining exploration tenements of the Project.

RED EMPEROR RESOURCES NL

SECTION 5 INFORMATION DEEMED TO BE INCORPORATED IN THIS PROSPECTUS

Section 6 - Investigating Accountant's Report

This comprises the Investigating Accountant's Report prepared by Rix Levy Fowler Chartered Business Advisors, dated 12 July 2007. The report was included in the July 2007 Prospectus to assist investors and their financial advisers in making an assessment of the financial position of the Company.

The Investigating Accountant's Report contains the unaudited Balance Sheet of the Company as at 31 May 2007 and pro-forma Balance Sheet as at that date reflecting the position of the Company on the basis that various transactions, including the issue of all the Shares offered under the July 2007 Prospectus, and the estimated expenses associated with the preparation, sponsorship and issue of the July 2007 Prospectus, has been completed.

Based on its review, the Investigating Accountant has stated that nothing had come to its attention that caused it to believe that:

(a) the historical financial information does not present fairly the historical statement of financial position of the Company as described in Appendices 1 and 2, in accordance with the recognition and measurement principles prescribed in Accounting Standards and other mandatory professional reporting requirements, and accounting policies adopted by the Company disclosed in Appendices 1 and 2;

(b) the pro-forma financial information has not been properly prepared on the basis of the pro-forma transactions.

Section 7 - Solicitor's Report on Tenements

Section 7 consists of a report prepared by Price Sierakowski, on the mining tenements acquired, or which may be acquired or in which an interest may be earned by Red Emperor. The report details the titleholders of the mining tenements and the agreements entered into by the Company with various parties. The report also details contracts entered into by the Company which have been identified as material and relevant to potential investors.

Section 8 - Additional Information

Section 8 sets out additional information required to be disclosed in the Prospectus including:

- Rights Attaching to Shares;
- Terms and Conditions of Options to be Issued;
- Summary of Material Contracts;
- Interests of Directors of the Company;
- Interests of Persons Named in the July 2007 Prospectus;
- Details of the Consents of persons to be named in the July 2007 Prospectus;
- Expenses of the Offer;
- Taxation;
- Exposure Period;
- Litigation Proceedings of the Company;
- Availability of an Electronic Prospectus; and
- Employee Incentive Scheme.

RED EMPEROR RESOURCES NL

SECTION 5 INFORMATION DEEMED TO BE INCORPORATED IN THIS PROSPECTUS

5.3 ASX Announcements

The Company is listed on ASX and its Shares are quoted on ASX.

The Company is a “disclosing entity” for the purposes of the Corporations Act 2001. As such, it is subject to regular reporting and disclosure obligations. As a listed company, the Company is subject to the Listing Rules that require it to immediately notify ASX of any information of which it is or becomes aware concerning the Company and which a reasonable person would expect to have a material effect on the price or value of securities of the Company.

The Company will provide a copy of all documents used to notify the ASX of information relating to the Company under the provisions of the Listing Rules. As at the time of lodging this Prospectus the only such documents were:

Date	Number	Details
31 October 2007	16	Non-renounceable Pro Rata Offer of Options
31 October 2007	15	Appendix 3B
31 October 2007	14	Quarterly Activities and Cashflow Report
21 August 2007	13	Initial Director's Interest Notice x3
14 August 2007	12	Completion of Acquisition of Initial Interests in Tenements
14 August 2007	11	Spread of Holdings
14 August 2007	10	Summarised details of restricted securities
14 August 2007	9	Top 20 shareholders
14 August 2007	8	Pre-Quotation Disclosure
14 August 2007	7	Employee Incentive Plan
14 August 2007	6	Corporate Governance
14 August 2007	5	Constitution
14 August 2007	4	Appendix 1A - ASX Listing application & agreement
14 August 2007	3	Commencement of Official Quotation
14 August 2007	2	Admission to Official List
25 July 2007	1	Disclosure Document

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal hours.

6.1 Overview and Reference to July 2007 Prospectus

A comprehensive overview of the Company is set out in the July 2007 Prospectus that was lodged with ASIC on 16 July 2007 for the initial public offering of 20,000,000 Shares. Persons considering subscribing for New Options under this Prospectus should refer to Section 5 of this Prospectus for a summary of the information contained in the July 2007 Prospectus deemed to be incorporated in this Prospectus.

As detailed in Section 2.3 of the July 2007 Prospectus, Red Emperor had proposed an exploration budget of \$2,500,000 over 24 months on the Jillewarra Project.

The actual manner in which the exploration expenditure is incurred may vary having regard to numerous factors, including the results of ongoing exploration activities and other matters as outlined in Section 4 of the July 2007 Prospectus.

On 10 August 2007, the Directors resolved to allot and issue 20,000,000 Shares at an issue price of 25 cents each pursuant to applications received under the July 2007 Prospectus.

The Company now has 39,000,003 Shares on issue. 31,500,003 Shares are fully paid. 7,500,000 are partly paid Shares, paid to \$0.0001.

Red Emperor was admitted to the Official List on 14 August 2007 with Official Quotation of its Shares commencing on 16 August 2007.

Under the ASX Listing Rules, 17,800,000 Shares were subject to escrow restrictions. Accordingly, the Company's share registry has implemented holding locks on the relevant holdings and will not release them without ASX approval. The numbers and periods of escrow are as follows:

- 1,500,000 Shares for 12 months from 11 May 2007;
- 1,000,000 Shares for 12 months from date of ASX listing;
- 7,800,000 Shares for 24 months from date of ASX listing;
- 7,500,000 Party Paid Shares for 24 months from date of ASX listing.

The balance of the issued capital of the Company, being 21,200,003 Shares, is quoted on ASX.

6.2 Other Circumstances or Matters subsequent to July 2007 Prospectus

The Company is not aware of any material matter or circumstance that would materially impact on the contents of the July 2007 Prospectus or the activities and prospects of the Company or would otherwise be relevant to assist investors or their professional advisers making an informed assessment of relevant matters.

RED EMPEROR RESOURCES NL

SECTION 7 EFFECT OF THE ENTITLEMENTS ISSUE ON THE COMPANY

7.1 Purpose of the Offer and Use of the Funds Raised

Under the Offer, up to 19,500,002 New Options are available for issue and will be issued if the Offer is fully subscribed (either by Shareholders accepting the offer under this Prospectus or pursuant to the Directors' discretion to place any Shortfall referred to in Section 4.10 of this Prospectus).

After expenses of the Offer, the proceeds from the issue of New Options will be approximately \$180,000 (assuming that the Offer is fully subscribed). These funds will be applied to the general working capital requirements of the Company.

The proceeds of the Offer will be used as follows (assuming full subscription):

	Use of Funds	Full Subscription (\$)
1.	Additional working capital	180,000
2.	Costs of the Offer	15,000
	Total Proceeds	195,000

If less than the full subscription is received, the funds will be applied firstly to the costs of the Offer and then to the Company's working capital.

7.2 Effect of the Offer

The principal effect of the Offer will be to:

- (a) increase cash reserves by \$180,000 after deducting estimated expenses of the Offer and assuming all New Options offered under this Prospectus are issued; and
- (b) increase the number of Options on issue from nil at the date of this Prospectus to up to 19,500,002 Options.

Upon completion of the Offer, the issued capital of the Company will comprise 39,000,003 Shares (31,500,003 of which are fully paid and 7,500,000 of which are partly paid to \$0.0001) and 19,500,002 Options (assuming the Offer is fully subscribed).

SECTION 8 OVERSEAS PARTICIPANTS

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make an offer.

RED EMPEROR RESOURCES NL

SECTION 9 TERMS AND CONDITIONS OF NEW OPTIONS AND RIGHTS ATTACHING TO SHARES

9.1 Terms and Conditions of New Options

The New Options will entitle the holders to subscribe for fully paid ordinary shares in the Company on the following terms:

1. Each New Option entitles the holder to acquire one fully paid ordinary share in the Company.
2. The New Options may be exercised at any time until 31 August 2009. Each New Option may be exercised by forwarding to the Company at its registered office the exercise notice, duly completed together with payment of the sum of twenty five cents (25c) per New Option exercised. The New Options will lapse at 5.00pm WST on 31 August 2009.
3. The New Options may be transferred by an instrument (duly stamped where necessary) in the form commonly used for the transfer of Options at any time until 31 August 2009, subject to any restrictions which may be imposed by ASX if the Company is listed upon the ASX.
4. New Option holders shall be permitted to participate in new entitlement issues of securities on the prior exercise of Options in which case the New Option holders shall be afforded the period of at least fourteen (14) business days prior to and inclusive of the record date (to determine entitlements to the issue) to exercise the New Option.
5. Shares issued on the exercise of New Options will be issued not more than fourteen (14) days after receipt of a properly executed exercise notice and application moneys. Shares allotted pursuant to the exercise of a New Option will rank equally with the then issued Shares of the Company in all respects. Official Quotation of the Shares will be sought.
6. The New Options will be listed for Official Quotation on ASX.
7. In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company, all rights of the Option holder will be changed to the extent necessary to comply with the Listing Rules applying to the reconstruction of capital at the time of the reconstruction.
8. If there is a bonus issue to Shareholders, the number of Shares over which the New Option is exercisable may be increased by the number of Shares which the holder of the New Option would have received if the New Option had been exercised before the record date for the bonus issue.
9. In the event that a pro rata issue (except a bonus issue) is made to the holders of the underlying securities in the Company, the exercise price of the New Option may be reduced in accordance with Listing Rule 6.22.

9.2 Rights attaching to Shares upon Conversion of New Options

Full details of the rights attaching to Shares are set out in the Company's Constitution a copy of which can be inspected, free of charge, at the Company's registered office during normal business hours.

The following is a broad summary of the rights, privileges and restrictions attaching to all Shares. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders.

All Shares issued pursuant to this Prospectus will from the time they are issued, rank pari passu with all the Company's existing Shares.

RED EMPEROR RESOURCES NL

SECTION 9 TERMS AND CONDITIONS OF NEW OPTIONS AND RIGHTS ATTACHING TO SHARES

Voting Rights

Subject to any rights or restrictions for the time being attached to any class or classes of Shares (at present there are none), at meetings of Shareholders of Red Emperor:

- a) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- b) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- c) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for the Share, but in respect of partly paid Shares, shall have such number of votes as bears the same proportion which the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited).

Rights on Winding Up

Subject to the rights of holders of shares with special rights in a winding up (at present there are none), on a winding up of the Company all assets that may be legally distributed among members will be distributed in proportion to the number of Shares held by them (and a partly paid share is counted as a fraction of a fully paid share equal to the amount paid on it, divided by the total issue price of the share).

Transfer of Shares

Subject to the Constitution of the Company, the Corporations Act 2001, and any other laws and ASTC Settlement Rules and ASX Listing Rules, Shares are freely transferable.

Future Increases in Capital

The allotment and issue of any Shares is under the control of the Directors. Subject to restrictions on the allotment of Shares to Directors or their associates, the ASX Listing Rules, the Constitution of the Company and the Corporations Act 2001, the Directors may allot or otherwise dispose of Shares on such terms and conditions as they see fit.

Variation of Rights

Under the Corporations Act 2001, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to shares. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of the issue of the shares of that class), whether or not the Company is being wound up may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

Dividend Rights

Subject to the rights of holders of shares issued with special, preferential or qualified rights (at present there are none), the profits of the Company which the Directors determine to distribute by way of dividend are divisible among the Shareholders in proportion to the number of Shares held by them.

RED EMPEROR RESOURCES NL

SECTION 10 ADDITIONAL INFORMATION

10.1 Market Prices of Ordinary Shares

Official Quotation of the Company's Shares commenced on 16 August 2007 and consequently, the trading history on ASX as at the date of this Prospectus is limited to that period.

The highest and lowest recorded market sale prices of the Company's Shares quoted on ASX during the period from commencement of Official Quotation to the date of this Prospectus were \$0.55 on 26 September 2007 and \$0.19 on 16 August 2007 respectively. The last market sale price of the Company's Shares on ASX on the last day that trading took place in these shares prior to the date of this Prospectus was \$0.45 on 1 November 2007.

The Company has no Options that are currently quoted on ASX.

10.2 Taxation

It is the responsibility of all persons to satisfy themselves of the particular taxation treatment that applies to them by consulting their own professional tax advisers before investing in the New Options. Taxation consequences will depend on particular circumstances. Neither Red Emperor nor any of its officers accept any liability or responsibility in respect of the taxation consequences of the matters referred to above or any other taxation consequences connected with an investment in the New Options in Red Emperor or dealing with an Entitlement under this Offer.

10.3 Legal Proceedings

There is no litigation, arbitration or proceedings pending against or involving the Company as at the date of this Prospectus.

10.4 Interests of Directors and Experts

A full disclosure of the interests of Directors, Experts and Promoters of and to the Company for the period commencing on incorporation of the Company and to the date of issue of the July 2007 Prospectus is set out in Section 8.3 of the July 2007 Prospectus and other than as set out below or elsewhere in this Prospectus, that information and disclosure remains current.

The interests of the Directors in the securities of the Company as at the date of this Prospectus are as follows:

<u>Directors</u>	<u>Shares</u>
Kent Hunter	1,108,000
Stephen Brockhurst	250,000
Matthew Pedley	250,000

All Directors have stated that they intend to take up their full Entitlement under the Offer.

Price Sierakowski will be paid approximately \$3,000 for services in relation to this Prospectus.

10.5 Expenses of the Offer

The total expenses of the Offer are estimated to be approximately \$15,000 comprising ASIC Lodgement fees, legal and due diligence costs and printing and other administrative expenses, including ASX quotation fees.

10.6 Electronic Prospectus

Pursuant to Class Order 00/044, the ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic prospectus and electronic application form on the basis of a paper prospectus lodged with the ASIC, and the publication of notices referring to an electronic prospectus or electronic application form, subject to compliance with certain conditions.

RED EMPEROR RESOURCES NL

SECTION 10 ADDITIONAL INFORMATION

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the relevant Acceptance Form. If you have not, please contact the Company and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus or both.

The Company reserves the right not to accept an Acceptance Form from a person if it has reason to believe that when that person was given access to the electronic version of the form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

SECTION 11 MATERIAL CONTRACTS

Section 8.2 and Section 7 of the July 2007 Prospectus which are referred to in Section 5.2 of this Prospectus, set out contracts to which the Company is a party which were considered by the Directors as being material to enable investors to make an informed assessment of the shares being offered under that Prospectus. Investors and their professional advisers are referred to those sections of the July 2007 Prospectus in relation to material contracts.

A true copy of each of the material contracts referred to in the July 2007 Prospectus will be available for inspection at the Company's registered office during office hours.

RED EMPEROR RESOURCES NL

SECTION 12 CONSENTS

Persons who make statements in this Prospectus or who made statements in the July 2007 Prospectus which are being incorporated by reference into this Prospectus need to provide their written consent for such use.

Each of the parties referred to in this section 12:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this section; and
- (b) to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this section..

Rix Levy Fowler Chartered Business Advisors has given its written consent in relation to the Investigating Accountant's Report in Section 6 of the July 2007 Prospectus and the reference to that report in this Prospectus and has not withdrawn its consent prior to lodgement of this Prospectus with the ASIC. Rix Levy Fowler Chartered Business Advisors has not authorised or caused the issue of any other part of this Prospectus.

Price Sierakowski has given its written consent in relation to the Solicitor's Report set out in Section 7 of the July 2007 Prospectus and the reference to that report in this Prospectus and has not withdrawn its consent prior to lodgement of this Prospectus with the ASIC. Price Sierakowski has also consented to be named in this Prospectus as solicitors to the Company. Price Sierakowski has not authorised or caused the issue of any other part of this Prospectus.

Al Maynard and Associates has given its written consent in relation to the Independent Geologist's Report set out in Section 5 of the July 2007 Prospectus and the reference to that report in this Prospectus and has not withdrawn its consent prior to lodgement of this Prospectus with the ASIC. Al Maynard & Associates has not authorised or caused the issue of any other part of this Prospectus.

None of the entities referred to in this Section 12 have authorised or caused the issue of this Prospectus and do not accept any liability to any persons in respect of any false or misleading statement in, or omission from, any part of this Prospectus.

RED EMPEROR RESOURCES NL

SECTION 13 AUTHORITY OF DIRECTORS

The Directors state that they have made all reasonable enquiries and on that basis have reasonable grounds to believe that any statements made by the Directors in this Prospectus are not misleading or deceptive and that in respect to any other statements made in this Prospectus by persons other than Directors, the Directors have made reasonable enquiries and on that basis have reasonable grounds to believe that persons making the statement or statements were competent to make such statements, those persons have given their consent to the statements being included in this Prospectus in the form and context in which they are included and have not withdrawn that consent before lodgement of this Prospectus with the ASIC, or to the Directors knowledge, before any issue of Shares pursuant to this Prospectus.

This Prospectus is prepared on the basis that certain matters may reasonably be expected to be known to likely investors or their professional advisors.

Each of the Directors of Red Emperor Resources NL has consented to the lodgement of this Prospectus in accordance with Section 720 of the Corporations Act 2001 and has not withdrawn that consent.

Dated the 2nd day of November 2007.



Signed for and on behalf of
RED EMPEROR RESOURCES NL
By Kent Hunter (Managing Director)

RED EMPEROR RESOURCES NL

SECTION 14 DEFINITIONS

- Acceptance Form** means the entitlement and acceptance form enclosed with this Prospectus.
- Applicant** means a person who submits an Application.
- Application** means a valid application to subscribe for New Options.
- ASIC** means Australian Securities and Investments Commission.
- ASTC** means ASX Settlement and Transfer Corporation Pty Ltd (ACN 008 504 532).
- ASX** means ASX Limited (ACN 008 624 691).
- ASX Announcements** means the ASX Announcements referred to in Section 5 of this Prospectus.
- Auditors** means Rix Levy Fowler.
- Board** means the board of Directors unless the context indicates otherwise.
- Business Day** means a day other than a Saturday or Sunday on which banks are open for business in Perth, Western Australia.
- CHES** means ASX Clearing House Electronic Subregistry System.
- Closing Date** means the date on which the Offer closes.
- Company** means Red Emperor Resources NL (ABN 99 124 734 961).
- Corporations Act 2001 and Law** means the Corporations Act 2001 of Australia.
- Directors** mean the directors of the Company from time to time.
- Dollars or \$** means Australian dollars unless otherwise stated.
- Entitlement** means the entitlement of a Shareholder who is eligible to participate in the Offer.
- Glossary** means this glossary.
- Investigating Accountant** means Rix Levy Fowler Chartered Business Advisors (ABN 33 121 222 802).
- Investigating Accountant's Report** means the report contained in Section 6 of the July 2007 Prospectus.
- Independent Geologist** means Al Maynard & Associates.
- Independent Geologist's Report** means the report contained in Section 5 of the July 2007 Prospectus.
- Listing Rules or ASX Listing Rules** means the official Listing Rules of ASX.
- July 2007 Prospectus** means the prospectus lodged by the Company with the ASIC and dated 16 July 2007.
- New Option** means an option to subscribe for one Share in Red Emperor exercisable at 25 cents on or before 5:00pm WST on 31 August 2009 and issued on the terms and conditions set out in this Prospectus.
- Offer** means a pro-rata non-renounceable entitlement issue of up to 19,500,002 New Options on the basis of 1 New Option for every 2 Shares held by Shareholders who are registered at 5.00pm WST on 14 November 2007 at an issue price of 1 cent each to raise up to \$195,000 pursuant to this Prospectus.
- Offer Period** means the period commencing on the Opening Date and ending on the Closing Date.
- Official List** means the Official List of ASX.
- Opening Date** means the date on which the Offer opens.
- Options** means an option to acquire Shares.
- Option Holders** means those parties holding Options.
- Projects** means the tenements set out in the schedule to the Solicitor's Report on Tenements in section 7 of the July 2007 Prospectus.
- Prospectus** means this prospectus dated 2 November 2007 for the issue of up to 19,500,002 New Options, including any electronic or online version.
- Quotation and Official Quotation** means official quotation on ASX.
- Share** means 1 ordinary share in Red Emperor Resources NL.
- Shareholder** means a holder of Shares.
- Shortfall** means the number of New Options comprising the difference between the New Options the subject of the Offer, and the number of New Options for which valid applications have been received and accepted by the Company by the Closing Date.
- Red Emperor** means Red Emperor Resources NL (ABN 99 124 734 961).
- WST** means Western Standard Time, Perth, Western Australia.

ENTITLEMENT AND ACCEPTANCE FORM

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN DOUBT AS TO HOW TO DEAL WITH IT, PLEASE CONTACT
YOUR STOCKBROKER OR LICENSED PROFESSIONAL ADVISER.

RED EMPEROR RESOURCES NL

REGISTERED OFFICE

ABN 99 124 734 961

SHARE REGISTRY

Suite 32, Level 3, 22 Railway Road
SUBIACO WA 6008

Advanced Share Registry Services
110 Stirling Highway
NEDLANDS WA 6009

Non-renounceable entitlement issue of up to 19,500,002 New Options to subscribe for ordinary fully paid shares on the basis of 1 New Option for every 2 ordinary fully paid shares held as at 5.00pm (WST) on 14 November 2007, at an issue price of \$0.01 per New Option.

Non-renounceable entitlement, closing 5.00 p.m. W.S.T on 7 December 2007.

Shareholding
at 5.00 pm W.S.T
on 14 November 2007

EXAMPLE ONLY

Entitlement to New Options
on a 1:2 basis

Amount Payable at
\$0.01 per New Option

To the Directors
RED EMPEROR RESOURCES NL

1. I/We the above mentioned, being registered on 14 November 2007 as the holder(s) of ordinary shares in your Company hereby accept the below mentioned New Options in accordance with the enclosed Prospectus;
2. I/We enclose my/our cheque or bank draft made payable to RED EMPEROR RESOURCES NL – OPTION ISSUE, for the amount shown being payment at the rate of \$0.01 per New Option;
3. I/We hereby authorise you to place my/our name(s) on the registers of option holders in respect of the number of New Options allotted to me/us;
4. I/We agree to be bound by the Constitution of the Company; and
5. If any information on this form is not completed correctly, or if the accompanying payment is for the wrong amount, it may still be accepted. Any decision of the directors as to whether to accept this form, and how to construe, amend or complete it shall be final.

RETURN OF THIS DOCUMENT WITH THE REQUIRED REMITTANCE WILL CONSTITUTE YOUR
ACCEPTANCE OF THE SECURITIES BEING OFFERED

New Options Accepted	Amount Enclosed at \$0.01 per New Option

PLEASE ENTER CHEQUE DETAILS THANKYOU	Drawer	Bank	Branch	Amount

My/Our contact numbers in the case of inquiry are:

Telephone ()
 Fax ()
 Email:

NOTE: Cheques and bank drafts should be made payable to RED EMPEROR RESOURCES NL – OPTION ISSUE, crossed “NOT NEGOTIABLE” and forwarded to Advanced Share Registry Services at 110 Stirling Highway, Nedlands, Western Australia 6009 to arrive no later than 5.00pm W.S.T on 7 December 2007.

Complete this panel and sign below only if a change of address is to be registered with the Company

New Address:

Signature(s): Date:

Please indicate your correct title: Director / Secretary /

ISSUE CLOSES 5.00PM W.S.T. ON 7 December 2007.

THE DIRECTORS RESERVE THE RIGHT TO MAKE AMENDMENTS TO THIS FORM WHERE APPROPRIATE
PLEASE REFER OVERLEAF FOR INSTRUCTIONS

EXPLANATION OF ENTITLEMENT

1. The front of this form sets out the number of New Options which you are entitled to accept.
2. Your entitlement may be accepted either in full or in part. There is no minimum acceptance.
3. You may not apply for New Options in excess of your maximum entitlement using this form.
4. The price payable on acceptance of each New Option is \$0.01.
5. You may accept your entitlement in full by completing the Entitlement and Acceptance Form overleaf.

APPLICATION INSTRUCTIONS

1. The issue price of \$0.01 per New Option is payable in full upon application.
2. Payments must be made in Australian currency by cheque or bank draft drawn on and payable at a bank within Australia. Cheques and bank drafts drawn on banks outside Australia in either Australian currency or in foreign currency will not be accepted.
3. The cheque or bank draft must be made payable to RED EMPEROR RESOURCES NL – OPTION ISSUE and crossed “Not Negotiable”.
4. When completed, this form together with the appropriate payment in Australian currency should be forwarded RED EMPEROR RESOURCES NL, c/- Advanced Share Registry Services.
5. Acceptances must be received by Advanced Share Registry Services no later than 5.00pm W.S.T on 7 December 2007.

ENQUIRIES

Any enquiries should be directed to:

The Company's share registry:

**Advanced Share Registry Services
110 Stirling Highway
Nedlands, Western Australia 6009**

**Postal Address:
PO Box 1156
Nedlands, Western Australia 6909**

**Telephone (08) 9389 8033
Facsimile (08) 9389 7871**