



ERODING FRONTIERS

June - 2012



red*emperor*

R E S O U R C E S N L

www.redemperorresources.com



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CORPORATE PROFILE

Dual Listed – ASX/AIM

- Current Share Price (7th June 2012)
 - ASX: \$0.30
 - AIM: £0.19
- Current Shares on Issue: 258,484,221*
** plus 7.5m partly paid shares*
- Market Capitalisation: \$77m (£50m)
- Cash – A\$20.5m (£13m) *
** Includes \$1m escrow with AOI*
- Board
 - Greg Bandy (Managing Director)
 - Jason Bontempo (Non Executive)
 - Steven Brockhurst (Non Executive)
- Advisors
 - Max Capital Pty Ltd (Tony King - Corporate Advisor/Consultant)
 - Fox Davies Capital (Joint UK Broker / NOMAD)
 - Old Park Lane plc (Joint UK Broker)





PUNTLAND: OVERVIEW

Puntland

- RMP is earning a 20% interest in two strategically identified regions for onshore oil & gas in Puntland, the autonomous state within Somalia
- The Puntland exploration blocks (Dharoor & Nugaal) cover a region nearing **36,000km²** and are a potential replica of the **5 bn bbl – 10 bn bbl** hydrocarbon basins in nearby Yemen (see next slide)
- Competent Persons Report (Gaffney, Cline & Associates – 2011) estimates gross oil-in-place in excess of **19 bn bbl** across the two blocks
- **US\$150m+ estimated spend** in the region by major oil corporations prior to 1991
- **Over US\$130m** spent by current JV partners on project
- First well, **Shabeel-1**, completed in May and **discovered 12 – 20m of potential net pay**. (commercial flow testing to occur in Q3, 2012)
- Second well, **Shabeel North**, has now spud and will be drilled to 2,400m (40 – 65 days)
- RMP fully funded with strong balance sheet

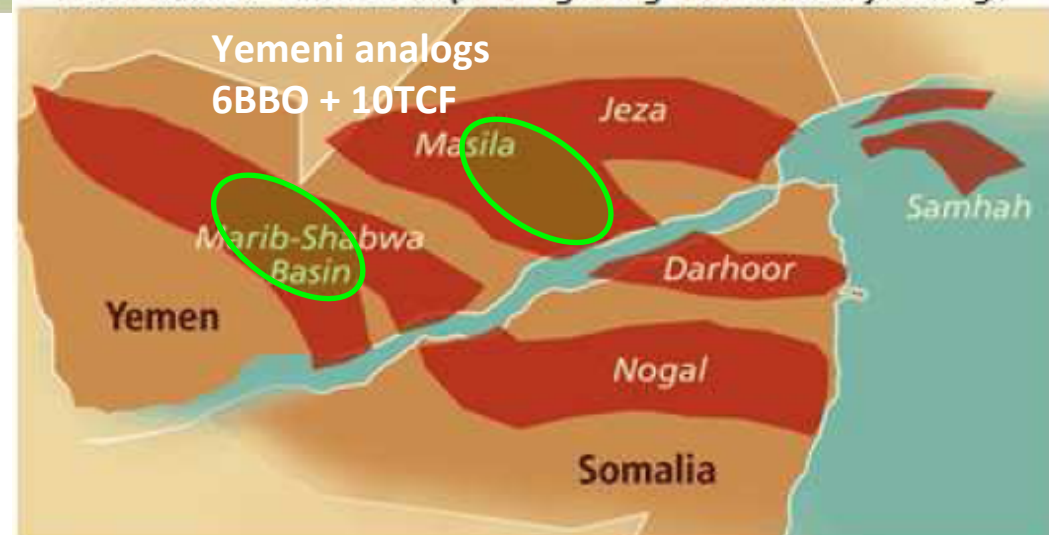


PUNTLAND & YEMEN: JURASIC RIFT



PRESENT DAY

Cretaceous basins rifted apart beginning 16-18 million years ago



PRE-RIFT CONFIGURATION



PUNTLAND BASINS (DHARROOR & NUGAAL)

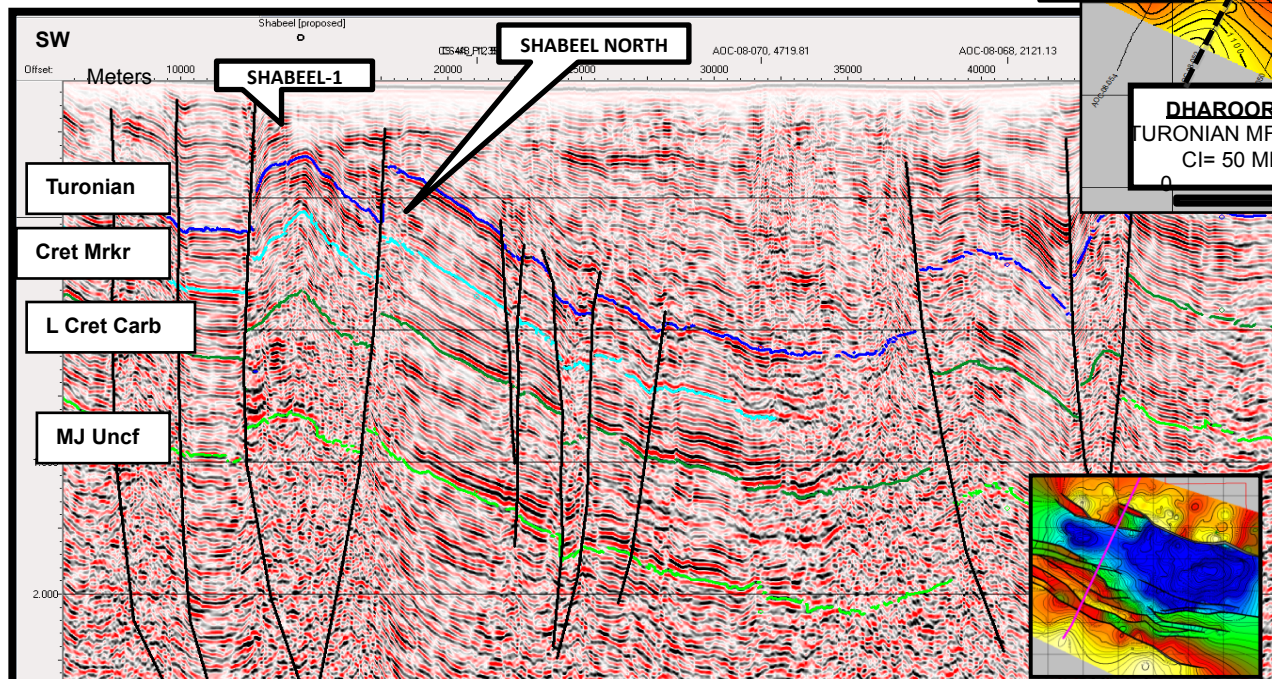
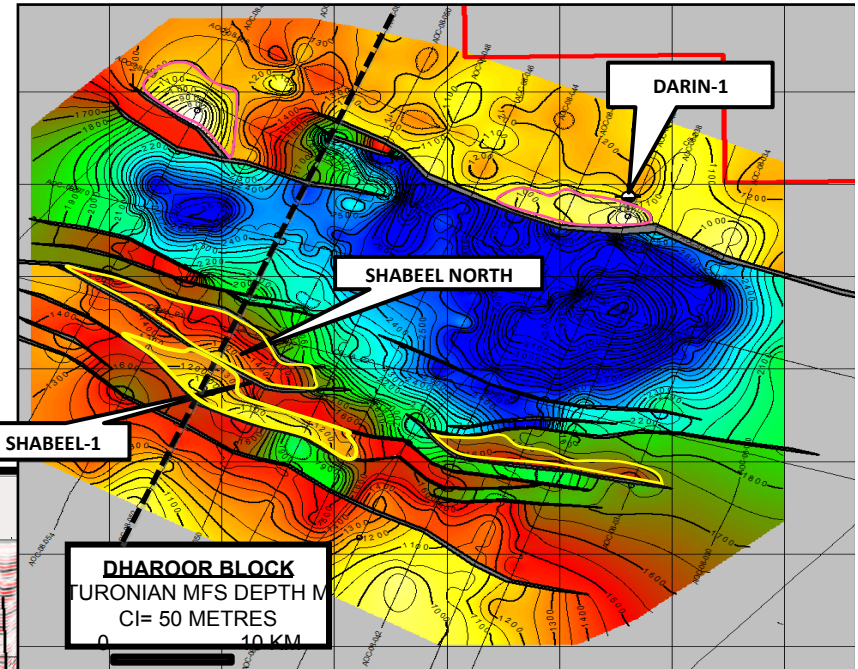
- The two basins are a potential replica of the prolific **5 – 10bn bbl** oil fields in nearby Yemen
- Yemen fields produce from high-quality Cretaceous and Jurassic reservoirs and source rocks
- Numerous oil shows from wells drilled by previous operators confirm Jurassic source rock
- CPR recently completed by Gaffney, Cline & Associates estimates the potential oil-in-place is:
 - **5.8bn bbl Dharoor**
 - **14.1bn bbl Nugaal**
- 775km 2D seismic program completed by Africa Oil Corp. in 2008 at a **cost in excess of US\$35m**
- First well has already identified a working petroleum system and a potential commercial oil pay zone





DHAROOR DRILL TARGETS

- Darin-1 well drilled in 1958 on the flank of the rift; found oil across several zones.
- AOC, with new seismic data, mapped several large prospects including the current drill targets:
 - **Shabeel-1** (drilled) : Targeting **75 - 130 MMBO** recoverable (internal estimates – Jesomma Sands)
 - **Shabeel North** (drilling) : Better quality & thicker Jesomma Sands (internal estimates - > Shabeel-1)

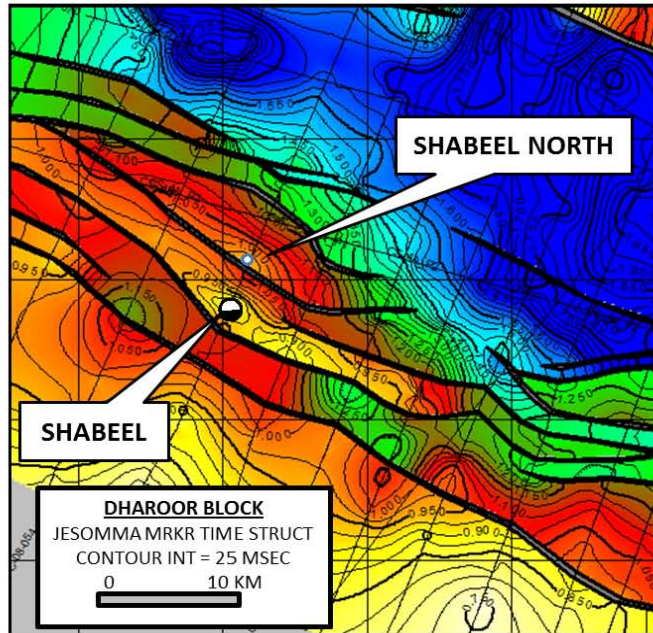


- Shabeel-1 successfully drilled
- 12 – 20m of net pay discovered (Jesomma)
- Shabeel North currently being drilled (TD 2,400m)

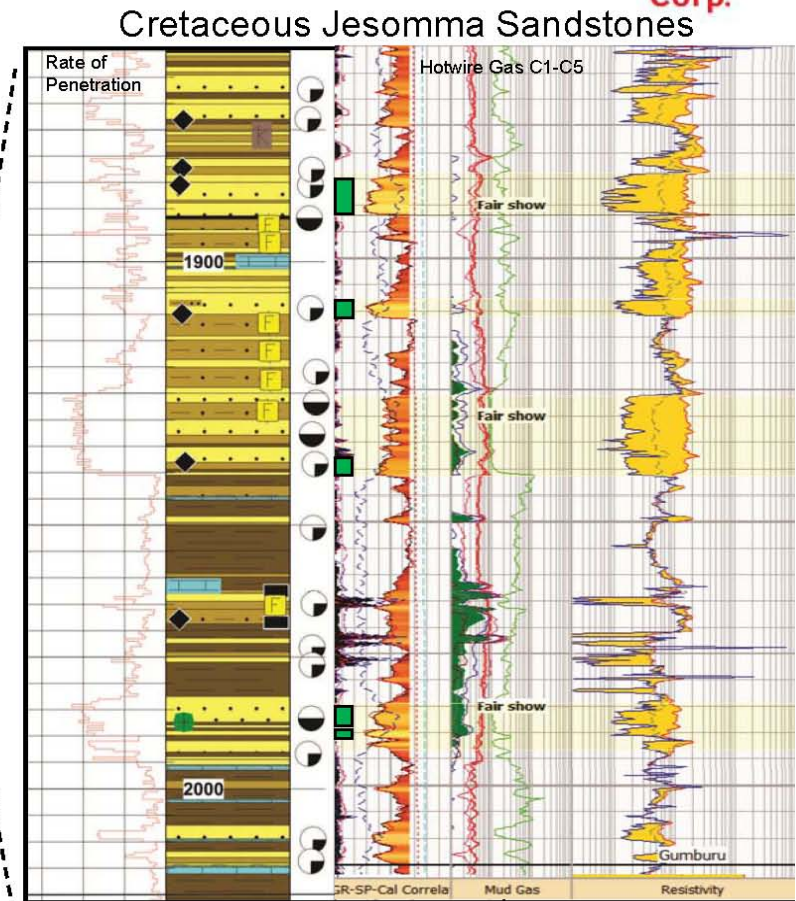
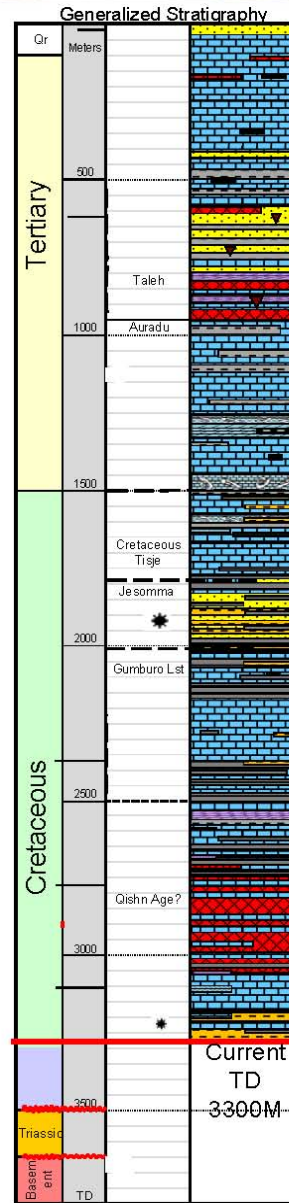
Line AOC-08-052



Shabeel-1 Well Results



- Oil shows in Cretaceous Sandstones
- Gross Section: 150 m (~490ft)
- 12-20 m Possible Net Pay (Mud & Elogs)
- Shows in deeper sandstones





PUNTLAND: SHABEEL SITE & DRILL RIG





PUNTLAND: COMMUNITY DEVELOPMENT

- These are the first wells drilled in Puntland/Somalia in over 20 years and the first to be drilled in the Dharoor Valley in over 50 years
- Total of 9 Community Development programs initiated and completed during 2011, including:
 - Construction of primary/intermediary school
 - Construction of new health center
 - Rehabilitation of a school
 - Rehabilitation of water system/pipes
- Circa \$200,000 spent in Dharoor Valley on Community Development in 2011
- 2012 Community Development budget of \$250,000
- Relationship with current Government is very strong. Extremely supportive of drilling program and community works



Shabeel-1 Well Spudding Delegation



President Farole on top of the drilling rig

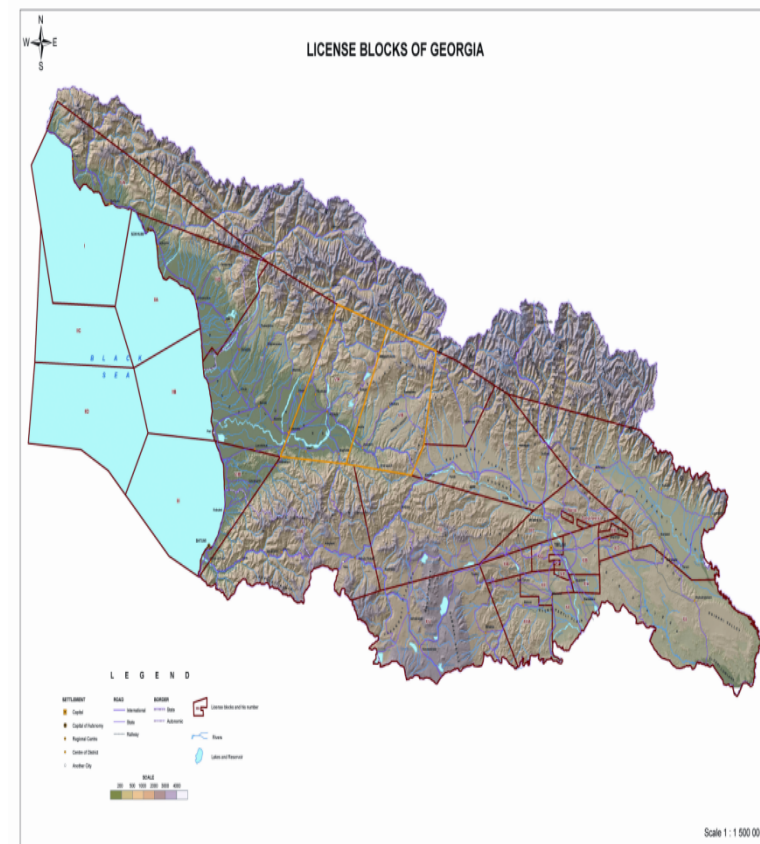


GEORGIA: BLOCKS VIA & VIB

ESTABLISHED IN GEORGIA

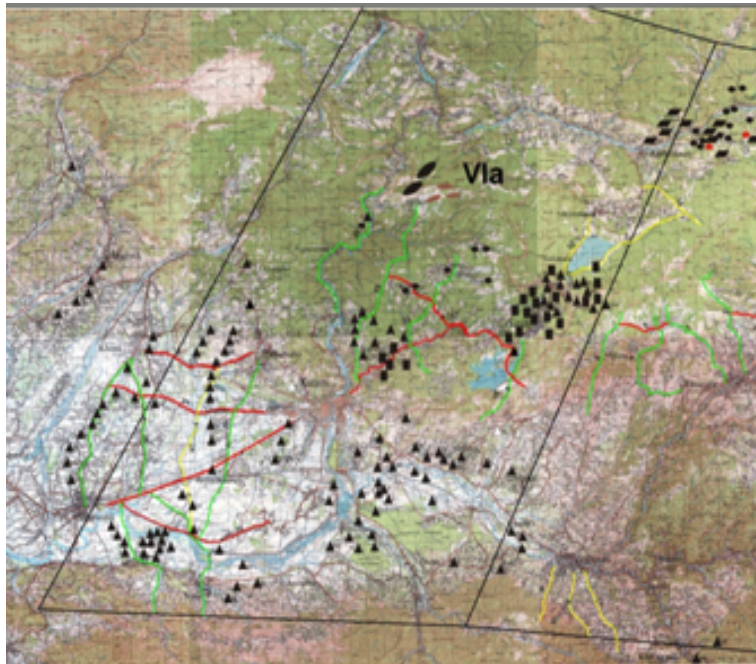
May 2011: Share Subscription Agreement signed with Range Resources and Strait Oil & Gas (UK) Ltd to acquire a 20% interest in two oil & gas blocks in the central portion of the Republic of Georgia.

- 410km 2D seismic data acquired in 2009/2010
- RPS Energy identified 68 fold structures and “lead targets” for drilling (gross est. oil-in-place - 2bn bbls)
- Drilled 1st exploration well in July, 2011 – Mukhiani 1 P&A to allow for possible re-entry and side tracking post further seismic data
- 265km 2D seismic currently underway (targeting Shale and CBM “unconventional” opportunities)
- Signed partnership with Georgian Infrastructure Group (GIG) for commercial off-take of any unconventional gas discoveries





GEORGIA: AMPLE EVIDENCE OF OIL & GAS



Direct indications of oil have been documented from wells drilled within and contiguous to Blocks VIa & VIb (data now obtained from GIG from over 400 wells)



Historic Soviet well still bubbling with gas despite being shut in for over a decade



Obvious indications of coal seams and clearly defined geological structure ideal for hydrocarbon production



- Red Emperor Resources NL (RMP) is participating in two farm-in deals to areas independently assessed to potentially contain over **20bn barrels of oil** combined
- **No back costs paid** in either farm-in agreement with Red Emperor effectively entering both deals at 'ground floor' level
- Landmark drilling activity in Puntland now underway with drilling and testing results expected within the coming month(s)
- Drilling in Georgia to recommence Q4, 2012 (seismic program underway)
- **Fully funded with over \$20m cash in bank**
- Dual listed with high volume/liquidity