

6 June 2012

Manager of Company Announcements
ASX Limited
Level 8 Exchange Plaza
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PERTH WA 6000

By E-Lodgement

Puntland - Shabeel North Spuds


Red Emperor Resources NL (ASX: RMP | AIM: RMP) is pleased to announce the commencement of drilling operations on the Shabeel North well in Puntland, Somalia. The well, the second in the current drilling campaign, is being operated by Joint Venture partner, Horn Petroleum Corp. (TSXV: HRN).

Red Emperor holds a 20% working interest in the Dharoor and Nugaal Valley Production Sharing Agreements ("PSA's") along with Horn and Range Resources Limited (ASX: RRS | AIM: RRL). The planned target depth of the Shabeel North well is 2,400 meters and drilling is expected to take 45 to 60 days to complete.

The Shabeel North well is targeting Upper Cretaceous Jesomma sands, which had good oil and gas shows in the Shabeel-1 well 3.5 kilometers to the south. Petrophysical analysis of downhole electrical logs in the Shabeel-1 well indicated a potential pay zone in the Jesomma of up to 12 to 20 meters with an average porosity of 18 to 20%. It is planned to bring the rig back to the Shabeel-1 location to test these sands to confirm their ability to flow oil once the drilling of the Shabeel North well is completed.

Red Emperor Managing Director, Greg Bandy said, *"This is another very significant milestone in what has so far been a very positive drilling campaign. The fact that Shabeel-1 showed a strong presence of reservoir rock and hydrocarbons as well as a potential net commercial oil pay, gives a very good indication that this well will do the same. The operator is expecting similar or better reservoir thickness and quality as Shabeel North is deeper into the basin's depositional fairway. Successful results in this well would go a long way to proving a commercial petroleum system in the Dharoor basin."*

For and on behalf of the Board



Greg Bandy
Executive Director

BOARD & MANAGEMENT

Mr Greg Bandy
EXECUTIVE DIRECTOR

Mr Jason Bontempo
NON-EXECUTIVE DIRECTOR

Mr Stephen Brockhurst
NON-EXECUTIVE DIRECTOR

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ASX CODE

RMP

AIM CODE

RMP



Background

Red Emperor Resources NL (ASX: RMP | AIM: RMP) is a natural resources exploration company with interests in the autonomous state of Puntland, Somalia and the Republic of Georgia.

- In Puntland, Red Emperor holds a 20% working interest in the Dharoor and Nugaal Valley Production Sharing Agreements (“PSA’s”) along with Horn Petroleum Corp. (TSXV: HRN) and Range Resources Limited (ASX: RRS | AIM: RRL). These two exploration areas cover over 36,000km². Horn, the operator and 60% interest holder, has completed drilling the first well (Shabeel-1) in a two well program and has now spudded the second well (Shabeel North). Target depth for Shabeel North is 2,400m with the primary target being Upper Cretaceous Jesomma sands, which had good oil and gas shows and 12 – 20m of potential net pay in the Shabeel-1 well 3.5 kilometers to the south. Shabeel-1 will be flow tested following completion of Shabeel North.
- In the Republic of Georgia, Red Emperor has a 20% working interest in onshore blocks VIa and VIb, covering approx. 6,500km². Joint Venture partner Range Resources Limited (ASX: RRS | AIM: RRL) previously funded a 410km 2D seismic program with independent consultants RPS Energy identifying 68 potential structures containing an estimated 2.045 billion barrels of undiscovered oil-in-place (on a mean 100% basis) with the first (Mukhiani-1) of two conventional exploration wells having spudded in July 2011. The Company is now focussing on a revised development strategy that will focus on low-cost, shallow appraisal drilling of the contingent resources around the Tkibuli-Shaori (“Tkibuli”) coal deposit, which straddles the central sections of the Company’s two blocks.