

22 January 2020

## Red Emperor Resources NL

### Quarterly Activities and Cashflow Report For the Period ended 31 December 2019

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 December 2019.

#### North Perth Basin, Western Australia

In early December 2019, the Company entered into a binding Letter of Intent ("LOI") with Pilot Energy Limited (ASX: PGY) ("Pilot Energy") and Key Petroleum Limited (ASX: KEY) ("Key Petroleum") (together, the Joint Venture ("JV" partners) in order to secure an option to acquire a 70% operated interest in the offshore Perth Basin exploration permit, WA-481-P.

Pursuant to the terms of the LOI, Red Emperor agreed to fund the completion of an existing committed work programme comprising geological and geophysical studies required to be undertaken within the final year of the current permit term, up to a capped amount of A\$150,000. Contemporaneous with such work programme being completed, the existing JV partners, Pilot Energy - 60% interest and Key Petroleum - 40% interest, in conjunction with Red Emperor, will formally apply to the National Offshore Petroleum Titles Administrator (NOPTA) for a renewal of the permit, which currently expires on 19 February 2020.

On completion of the work programme, currently being managed and administered by Key Petroleum, and a favourable renewal decision from NOPTA, Red Emperor will have the 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 permit renewal application to exercise such option. A renewal decision is currently expected to be received in Q1 2020.

For further details, please refer to the Company's announcement of 3 December 2019.

#### Alaska North Slope

After purchasing additional regional 3D seismic data within the Western Blocks, the Joint Venture is still reviewing its plans to either reprocess / reinterpret the legacy 3D seismic data or seek to monetise the blocks.

#### Philippines (Block SC55)

Red Emperor still awaits formal approval of the reassignment of its equity interest in Block SC55 from the Philippine's Department of Energy and will advise shareholders once this has occurred.

#### BOARD & MANAGEMENT

Greg Bandy  
MANAGING DIRECTOR

Jason Bontempo  
NON-EXECUTIVE DIRECTOR

Aaron Bertolatti  
DIRECTOR & COMPANY  
SECRETARY

#### REGISTERED OFFICE

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#### CONTACT DETAILS

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#### AUSTRALIAN BROKER

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Sydney NSW 2000  
Tel: +61 2 9112 2500

#### ASX CODE | AIM CODE

RMP

## Corporate

Red Emperor continues to conduct high level due diligence on a number of potential projects around the world. The Company looks forward to updating its evaluation of such opportunities as they progress.

At the end of the quarter, the Company had cash at bank of approximately AUD5.1m. 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 December 2019.

Tenement	Location	Area	Interest
<b>Alaska</b>			
Western Blocks (ADL#s 391718, 391719, 319720 & 391721)	North Slope, Alaska	92km <sup>2</sup>	31.5%
<b>Philippines</b>			
SC55	Palawan Basin, Philippines	9,880km <sup>2</sup>	37.5%

*No tenements were acquired or relinquished during the December Quarter.*

**Authorised for release by:** Greg Bandy – Managing Director

**For further information, please visit [www.redemperorresources.com](http://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 and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

### Name of entity

RED EMPEROR RESOURCES NL

### ABN

99 124 734 961

### Quarter ended ("current quarter")

31 December 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	-	(94)
(b) development	-	-
(c) production	-	-
(d) staff costs	-	(23)
(e) administration and corporate costs	(191)	(434)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	6	13
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(186)</b>	<b>(538)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

## Mining exploration entity and oil and gas exploration entity quarterly report

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) 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) Proceeds from disposal of subsidiary	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>-</b>	<b>-</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
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)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>-</b>	<b>-</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	5,291	5,643
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(186)	(538)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

## Mining exploration entity and oil and gas exploration entity quarterly report

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>5,105</b>	<b>5,105</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	5,105	5,291
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>5,105</b>	<b>5,291</b>

**6. Payments to directors of the entity and their associates**

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

<b>Current quarter \$A'000</b>
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72

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Payment of Directors Fees and Remuneration - A\$72k

**7. Payments to related entities of the entity and their associates**

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

<b>Current quarter \$A'000</b>
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N/A

## Mining exploration entity and oil and gas exploration entity quarterly report

<b>8. Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

N/A

<b>9. Estimated cash outflows for next quarter</b>	<b>\$A'000</b>
9.1 Exploration and evaluation	150
9.2 Development	-
9.3 Production	-
9.4 Staff costs	-
9.5 Administration and corporate costs	200
9.6 Other (provide details if material)	-
<b>9.7 Total estimated cash outflows</b>	<b>350</b>

<b>10. Changes in tenements (items 2.1(b) and 2.2(b) above)</b>	<b>Tenement reference and location</b>	<b>Nature of interest</b>	<b>Interest at beginning of quarter</b>	<b>Interest at end of quarter</b>
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	N/A			
10.2 Interests in mining tenements and petroleum tenements acquired or increased	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.



Sign here:

(Company secretary)

Date: 22 January 2020

Print name: Aaron Bertolatti

### Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly 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 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.