

30 April 2010
ASX Announcement

**Quarterly Activities Review
For the period ending 31 March 2010**

EXPLORATION UPDATE

JILLEWARRA PROJECT

The North Murchison Goldfields have recently had resurgence in polymetallic exploration with the discoveries of the Doolgunna Project (Sandfire Resources NL) and the Austin Project (Silver Swan Group).

The Company is planning a drilling program within the next quarter after interpretation of prior exploration activities including geochemistry and soil sampling has identified drill targets to test the gossan and the margins of the ultramafic unit. The prospective ultramafic – basalt contact zone strikes for over 6km within the Project Area and has received limited historical drill testing.

The Company continues to pursue heritage and environmental approvals for such programs.

RUSSIAN TIMBER PROJECT

As announced to ASX on 19 June 2008, the Company has entered into a Memorandum of Understanding with Russian partners whereby the partners will provide the Company with the opportunity to acquire a 100% interest in a license to harvest a timber resource in Russia.

The Company continues to monitor the progress of the acquisition and looks forward to updating the market on the project in the future.

PROPOSED SIBERIAN POTASH PROJECT ACQUISITION

The Company remains confident of acquiring the project under the commercial terms as detailed in previous announcements and firmly believes in the outlook for the future of the potash and fertiliser industries as recently supported by several major acquisitions within the industry.

OTHER PROJECTS WITH RUSSIAN PARTNERS

The Company and its Russian Partners continue to source and review additional and alternative resource projects, including mineral resources, for attractive opportunities to add shareholder value. The Company is currently reviewing several prospective projects. The Company looks forward to updating the market on these exploration projects in the future.

Investor Enquiries:
Kent Hunter
Managing Director
Red Emperor Resources
P: 08 9388 8041

Media Inquiries:
David Tasker/ Jasmine Green
Professional Public Relations
P: 08 9388 0944/ 0433 112 936
E: david.tasker@ppr.com.au

The information that relates to exploration results from the Jillewarra Project is based on information compiled by Gregory Miles who is a Member of The Australian Institute of Geoscientists. Mr Miles is a full time employee of Cazaly Resources Limited who manage the Jillewarra Project on Red Emperors behalf. Mr Miles has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Miles consents to the inclusion of his name in the matters based on the information in the form and context in which it appears.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

RED EMPEROR RESOURCES NL

ABN

99 124 734 961

Quarter ended ("current quarter")

31 March 2010

Consolidated statement of cash flows

		Current quarter \$A	Year to date (9 months) \$A
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for		
	(a) exploration and evaluation	(19)	(152)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(53)	(236)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	2	22
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other – Forestry project generation	(13)	(32)
1.8	Other – Minerals project generation	(25)	(82)
Net Operating Cash Flows		(108)	(480)
Cash flows related to investing activities			
1.8	Payment for purchases of:		
	(a)prospects	-	-
	(b)equity investments	(54)	(125)
	(c)other fixed assets	-	-
1.9	Proceeds from sale of:		
	(a)prospects	-	-
	(b)equity investments	25	155
	(c)other fixed assets	-	-
1.10	Loans to other entities	(65)	(65)
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
Net investing cash flows		(94)	(35)
1.13	Total operating and investing cash flows (carried forward)	(202)	(515)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(202)	(515)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	1
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other – standby loan funds	-	-
	– standby loan funds refunded	-	(355)
	– costs of standby loan	-	(167)
	Net financing cash flows	-	(521)
	Net increase (decrease) in cash held	(202)	(1,036)
1.20	Cash at beginning of quarter/year to date	312	1,146
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	110	110

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

	Current quarter \$A'000
1.23 Aggregate amount of payments to the parties included in item 1.2	57
1.24 Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

1.23 includes directors' fees and salaries and amounts paid to Mining Corporate Pty Ltd for company secretarial services, a company of which Messrs Hunter and Brockhurst are directors.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

--

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

--

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

+ See chapter 19 for defined terms.

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	50
4.2 Development	-
Total	50

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	110	53
5.2 Deposits at call	-	259
5.3 Bank overdraft	-	-
5.4 Other (standby loan facility)	-	-
Total: cash at end of quarter (item 1.22)	110	312

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	Nil			
6.2 Interests in mining tenements acquired or increased	Nil			

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	31,505,003 7,500,000	31,505,003 -	- \$0.0001	- \$0.0001
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>			<i>Exercise price</i>	<i>Expiry date</i>
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: Kent Hunter
(Managing Director)

Date: 30 April 2010

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 wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

== == == == ==