29 January 2015

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

Via E-Lodgement

QUARTERLY REPORTS
FOR THE PERIOD ENDING 31 DECEMBER 2014

Issued Capital: **266M**	ASX Code: **RMP**	Closing price: **A$0.033**
	AIM Code: **RMP**	Closing Price: **£0.019**

The Board of Red Emperor Resources NL ("**Red Emperor"** or the "**Company"**) is pleased to provide the following commentary and Appendix 5B for the period ending 31 December 2014.

Puntland

As reported in our last quarterly update, during the reporting period, the Federal Government hardened its position with regards to the requirement of contracts to flow through the Federal Ministry of Energy, as evidenced by the statement of the Federal Minister at the Somalia Oil & Gas Conference in late October 2014. As a result, and subsequent to the quarter end, the JV is currently in the process of closing down its office in Bosaso and releasing its entire staff. In addition, all contracts will be terminated, with exception of the production sharing agreements ("PSAs"), but including those for the lease of the villas and the lay-down yard, with all remaining inventory in Puntland being disposed of or sold.

The aim of these actions is to reduce the JV's cost exposure until there is clarity and contractual certainty around the PSAs and the legal regime that currently exists in country. The JV has proposed that the Puntland government offers it a two-year extension to both PSAs, free of any consideration, so that we may work together to properly establish the environment required for further investment in this exploration program.

Red Emperor is obviously disappointed that the above-mentioned actions have had to be taken, however we are very supportive of the operator, Horn Petroleum, and feel that the JV was left with no other alternative. The Company remains hopeful that an extension can be granted and the JV can once again operate in Puntland with the aim of unlocking the enormous oil & gas potential that is believed to exist.

Georgia

During the quarter, Strait Oil and Gas ("Strait") stepped up on-ground activities in preparation for the scheduled drilling program, which was to see the JV drill a well on Block VIb by March 2015. The drilling of this well is to be funded by Range Resources Limited ("Range") as part of the Subscription Agreement signed between the two companies in 2011. Range has advised Red Emperor that it is negotiating a financing deal with a third party that is designed to reduce its financial exposure to the well.

BOARD & MANAGEMENT

Mr Greg Bandy
MANAGING DIRECTOR

Mr Nathan Rayner
NON-EXECUTIVE DIRECTOR

Mr Jason Bontempo
NON-EXECUTIVE DIRECTOR

Mr Aaron Bertolatti
COMPANY SECRETARY

REGISTERED OFFICE
Level 1
35 Richardson Street
West Perth WA 6005

POSTAL ADDRESS
PO Box 1440
West Perth WA 6872

CONTACT DETAILS
Tel: +61 8 9212 0102

WEBSITE
www.redemperorresources.com

SHARE REGISTRY
Computershare
Level 2
45 St Georges Terrace
Perth WA 6000
Tel: 1300 555 159

NOMINATED ADVISER
Grant Thornton UK LLP
30 Finsbury Square
London EC2P 2YU
Tel: +44 (0) 207 383 5100

UK BROKER
Fox Davies Capital Limited
1 Tudor Street
London EC4Y 0AH
Tel: +44 (0) 203 463 5010

ASX CODE | AIM CODE
RMP

Red Emperor cannot provide any guarantees that such negotiations will result in a successful transaction and is cognizant of Range's current financial position. Red Emperor is awaiting further correspondence from Range. We will update the market as soon as possible in relation to the outcome of these discussions.

Corporate

Red Emperor continues to review new opportunities as it has done throughout the year, in accordance with its previously outlined strategic philosophy. The Company is in advanced discussions in respect of at least one transaction and hopes to be able to provide more detail to the market in the coming weeks.

Meanwhile, Red Emperor continues to hold 1m shares in Highfield Resources, which last traded at $0.755, valuing the holding at $755,000, a $275,000 unrealised profit on its original investment of $480,000.

For and on behalf of the Board

Greg Bandy
Managing Director

Rule 5.5

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, 01/05/2013

Name of entity

RED EMPEROR RESOURCES NL

ABN	Quarter ended ("current quarter")
99 124 734 961	31 December 2014

Consolidated statement of cash flows

	Cash flows related to operating activities	Current quarter $A'000	Year to date (6 months) $A'000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration & evaluation	(114)	(215)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(259)	(522)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	98	183
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	-	-
	Net Operating Cash Flows	(275)	(554)
	Cash flows related to investing activities		
1.8	Payment for purchases of: (a) prospects	-	-
	(b) equity investments	-	(182)
	(c) investment in associate	-	(59)
1.9	Proceeds from sale of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
	Net investing cash flows	-	(241)
1.13	Total operating and investing cash flows (carried forward)	(275)	(795)

1.13	Total operating and investing cash flows (brought forward)	(275)	(795)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
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 (provide details if material)	-	-
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(275)	(795)
1.20	Cash at beginning of quarter/year to date	9,801	10,321
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	**Cash at end of quarter**	9,526	9,526

Payments to directors of the entity, associates of the directors, 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	40
1.24	Aggregate amount of loans to the parties included in item 1.10	Nil

1.25 Explanation necessary for an understanding of the transactions

Payment of Directors fees and Remuneration $40k

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

n/a

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

n/a

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	-	-

Estimated cash outflows for next quarter

		$A'000
4.1	Exploration and evaluation	200
4.2	Development	-
4.3	Production	-
4.4	Administration	200
	Total	**400**

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	9,526	9,801
5.2	Deposits at call	-	-
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
	Total: cash at end of quarter (item 1.22)	9,526	9,801

Changes in interests in mining tenements and petroleum tenements

		Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6	Interests in mining tenements held	See Appendix 1 below			
6.1	Interests in mining tenements tenements relinquished, reduced or lapsed	n/a			
6.2	Interests in mining tenements tenements acquired or increased	n/a			

+ 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** *(description)*				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	**+Ordinary securities**	266,234,221	266,234,221		Fully Paid
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5	**+Convertible debt securities** *(description)*				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	**Options**			Exercise Price	Expiry Date
	- Unlisted options	5,492,000	-	£0.265	28 March 2015
		112,966	-	£0.18	3 April 2015
		1,170,000	-	£0.32	16 May 2015
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter			Exercise Price	Expiry Date
	- Unlisted options	1,394,324	-	A$0.17	30 December 2014
	- Unlisted options	3,690,403	-	£0.305	30 December 2014
7.11	**Debentures** *(totals only)*				
7.12	**Unsecured notes** *(totals only)*				

+ 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 5).

2 This statement does give a true and fair view of the matters disclosed.

Sign here: Date: 29 January 2015

Print name: GREG BANDY
Managing Director

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 and petroleum 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 or petroleum 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 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.

5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting 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.

== == == == ==

Appendix 1 – Interests in mining tenements held

Tenement Reference	Location	Working Interest at Beginning of Quarter	Acquired/ Disposed	Working Interest at End of Quarter
Block VIa	Republic of Georgia	20%	N/A	20%
Block VIb	Republic of Georgia	20%	N/A	20%
Dharoor Block	Puntland	20%	N/A	20%
Nugaal Block	Puntland	20%	N/A	20%

Holder: Oil & Gas Beneficial percentage interests held in farm-in or farm- out agreement.

+ See chapter 19 for defined terms.