

30 January 2018

QUARTERLY REPORTS FOR THE PERIOD ENDING 31 DECEMBER 2017

Issued Capital: 425M	ASX Code: RMP	Closing price: A\$0.02
	AIM Code: RMP	Closing Price: £0.013

The Board of Red Emperor Resources NL (“**Red Emperor**” or the “**Company**”) provides the following commentary and Appendix 5B for the period ending 31 December 2017.

California

During the quarter, the Joint Venture formed to identify a number of strategic leases in California, prospective for oil & gas, made considerable progress in the complicated process of conducting the title searches required to identify and confirm the legal owners of the relevant mineral leases. The work required to complete a full chain of title takes time, however the majority of this work is now complete. Owners have now been presented with formal lease agreements and the JV hopes execution of these agreements will start occurring over the coming week(s).

While the specific location of the leases will remain confidential until a material amount of the prospect area(s) can be acquired, the Company again advises that in return for funding 100% of the lease acquisition costs, as well as the acquisition and reprocessing of relevant seismic data, Red Emperor will earn a 60% interest in the newly established Joint Venture and any subsequent leases acquired. The total budget, inclusive of Landman fees, for the proposed acquisition is USD640,000, after which RMP will be responsible for its 60% equity interest. Despite a delay in timing, the JV remains within budget to complete these acquisitions and looks forward to updating the market in the coming weeks.

Philippines (SC 55)

Red Emperor continues to be frustrated by the process and progress of the Philippines Department of Energy and the lengthy delays associated with the ratification of the Company’s equity interest increase in Block SC55. To this end, Red Emperor is now considering the merits of maintaining its equity interest in the Block and has sought advice regarding the potential disposal of its interest. Despite participating in a USD25m exploration well (Hawkeye) within the block in 2015 and contributing in excess of AUD5m towards drilling costs, the board must weigh the costs of maintaining the Block against its materiality in the current environment and the other assets currently being acquired by the Company.

Over USD50m has been spent exploring the block to date and a number of drill-ready targets remain, including the “Cinco” gas prospect which has a best estimate prospective resource of 1.6tcf recoverable gas.

Georgia

Red Emperor had negotiated and in principle agreed to sell its 20% interest in Strait Oil & Gas to Range Resources Limited for a nominal sum and a royalty, however the completion of this sale was delayed by Range’s re-admission process to the AIM in the UK. Red Emperor remains in discussion with Range, although it acknowledges that the consideration being discussed is not material to the Company.

For and on behalf of the Board



Greg Bandy
Managing Director

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

redemperorresources.com

SHARE REGISTRY

Computershare
Level 11
172 St Georges Terrace
Perth WA 6000
Tel: 1300 850 505

NOMINATED ADVISER

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

UK BROKER

Brandon Hill Capital
1 Tudor Street
London EC4Y 0AH
Tel: +44 (0) 203 463 5010

AUSTRALIAN BROKER

708 Capital Pty Ltd
Level 9, 25 Bligh Street
Sydney NSW 2000
Tel: +61 2 9112 2500

ASX CODE | AIM CODE
RMP

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 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(13)	(13)
(b) development	-	-
(c) production	-	-
(d) staff costs	-	-
(e) administration and corporate costs	(294)	(487)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	34	69
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)	10	10
1.9 Net cash from / (used in) operating activities	(263)	(421)

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
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)	-	-
2.6	Net cash from / (used in) investing activities	-	-

3.	Cash flows from financing activities		
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)	-	-
3.10	Net cash from / (used in) financing activities	-	-

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	10,729	10,921
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(263)	(421)
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)	-	-
4.5	Effect of movement in exchange rates on cash held	12	(22)
4.6	Cash and cash equivalents at end of period	10,478	10,478

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	10,478	10,729
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	10,478	10,729

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

Current quarter \$A'000
56
-

Payment of Directors Fees and Remuneration - \$56k

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

Current quarter \$A'000
-
-

N/A

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
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

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	50,000
9.2 Development	-
9.3 Production	-
9.4 Staff costs	-
9.5 Administration and corporate costs	100,000
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	150,000

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
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: 30 January 2018

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.