

25 October 2019

Red Emperor Resources NL

Quarterly Activities and Cashflow Report

For the Period ended 30 September 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 30 September 2019.

Alaska North Slope

During the quarter, the Joint Venture purchased additional regional 3D seismic data within the Western Blocks, with reprocessing and reinterpretation of the existing 3D seismic planned in order to assess further the prospectivity of the JV's acreage.

Along with regional petrophysical analysis, the operator hopes to report further to the JV during the coming month(s).

Philippines (Block SC55)

On 26 August 2019, the 4-month extension to the moratorium period granted by the Philippine's Department of Energy ("DoE") expired. The Joint Venture sought to enter into Sub-Phase 5 which required further, significant expenditure including the commitment to drill an exploration well in 2020.

The Board decided that this was not the optimum use of shareholder funds and as a result during the quarter the Company advised the operator, Palawan55, of its intention to withdraw from the JV and have its equity interest re-assigned. Red Emperor still awaits formal approval of this reassignment from the DoE and will advise shareholders once this has occurred.

Corporate

In August 2019 Mr Gracjan Lambert, Chief Executive Officer, resigned from the Company, by mutual agreement, in order to pursue other business interests. During the quarter Red Emperor retained the services of Mr John Begg on a part-time basis to assist with introducing and reviewing business opportunities. John is an expert, upstream oil and gas project generator and deal closer. With decades of experience in equity capital markets, John is an industry-leading geoscientist who has lived and worked with consistently high business impact in Australia, developing SE Asian countries, the UK, Middle East and the USA.

Along with Mr Begg, Red Emperor has conducted high level due diligence on a number of 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 AUD5.3m. Refer to the Appendix 5B for further details.

BOARD & MANAGEMENT

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MANAGING DIRECTOR

Jason Bontempo
NON-EXECUTIVE DIRECTOR

Aaron Bertolatti
DIRECTOR & COMPANY
SECRETARY

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RMP

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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.

About Red Emperor Resources NL

Red Emperor Resources NL is an Australian natural resource exploration company listed on both the Australian Securities Exchange (ASX: RMP) and the AIM Market (AIM: RMP). Red Emperor has oil and gas interests on the Alaska North Slope and in South East Asia.

Alaska

Red Emperor entered into Definitive Agreements in July 2018 with its consortium partners 88 Energy Limited and Otto Energy Limited, that subsequently saw the Company earn a 31.5% working interest in the Western Blocks on the North Slope Alaska by participating in the drilling of the Winx-1 exploration well in early 2019. Whilst results from the Winx-1 well indicated a technical if not commercial success, the valuable well data gathered has encouraged RMP to continue to evaluate the Nanushuk potential of the Western Blocks with its partners.

The Western Blocks are adjacent to third party acreage where the Horseshoe-1/1A oil well was successfully drilled in 2017. Horseshoe is part of the billion-barrel plus Nanushuk oil play-fairway, one of the largest conventional oil fields discovered in the US in more than 30 years.

Philippines

Red Emperor also currently holds an equity interest of 37.5% in Block SC55, which is located in the southwest Palawan Basin. SC55 covers an area of 9,880km² and was awarded to Otto Energy Investments Ltd (formerly NorAsian Energy Ltd) in 2005. It is a deep-water block in the middle of a proven regional oil and gas fairway that extends from the productive offshore Borneo region in the southwest to the offshore Philippine production assets northwest of Palawan.

Red Emperor participated in a USD25m exploration well (Hawkeye-1) within the block in 2015 and contributed in excess of AUD5m towards drilling costs. Over USD50m has been spent exploring SC55 to date and a number of drill-ready targets remain, including the "Cinco" gas prospect which has a best estimate prospective resource of 1.6 tcf recoverable gas.

Red Emperor's Tenements

The following listing of tenements held is provided in accordance with ASX Listing Rule 5.3 for the quarter ended 30 September 2019.

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

No tenements were acquired or relinquished during the September Quarter.

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")

30 September 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(94)	(94)
(b) development	-	-
(c) production	-	-
(d) staff costs	(23)	(23)
(e) administration and corporate costs	(243)	(243)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	8	8
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)	-	-
1.9 Net cash from / (used in) operating activities	(352)	(352)

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 (3 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)		
	Proceeds from disposal of subsidiary	-	-
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	5,643	5,643
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(352)	(352)
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)	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	5,291	5,291

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	5,291	5,643
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)	5,291	5,643

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**

72

-

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

**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	-
9.2 Development	-
9.3 Production	-
9.4 Staff costs	-
9.5 Administration and corporate costs	200
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	200

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: 25 October 2019

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.