



EMPEROR ENERGY
LIMITED

31 October 2018

ASX Market Announcements
Australian Stock Exchange Limited
20 Bridge Street
Sydney NSW 2000

September 2018 Quarterly Activities Report

Progression to Certified Resource Statement at Judith Gas Field: Vic/P47

Overview

During the September Quarter Emperor Energy Limited made significant progress towards completion of an Independent Resource Statement in relation to the Judith Gas Field in the 100% Emperor Energy owned Vic/P47 Permit in the offshore Gippsland Basin, Victoria.

Reservoir Engineering studies of the Judith Gas Field carried out for Emperor Energy by 3D-Geo Consulting were completed during the Quarter. The scope of completed work has included:

1. Refinement of the seismic interpretation and depth mapping of the four (4) Gas Pay Reservoirs across the Judith structure defined at the Judith-1 Well.
2. Interpretation of the productive gas sands at the Longtom Gas Field located 22km to the west of Judith-1. These Lower Admiral Formation reservoirs have now been mapped seismically and are shown to extend from the Longtom wells eastwards across the Judith Structure but below the Total Depth (TD) of the Judith-1 Well. Seismic amplitudes indicate the presence of gas saturation in these reservoirs across the Judith structure. Gas-in-Place estimates have now been revised to now include this section of Longtom Sands at Judith.
3. Completion of a Reservoir Static Model for revised volumetric estimation of Gas-in-Place and Recoverable Gas in the Judith Structure.
4. Completion of a Reservoir Dynamic Model providing simulated Resource Recovery for the Resource Statement along with simulated Well Flow Rates for commercial evaluation.

The outcomes of this work were then handed over to respected Independent Resource Certifier **RISC** for independent auditing and assessment of Contingent and Prospective Resources.

After review by RISC some further changes were then made to the Resource Model. This has added further time to the overall Resource Certification process and as a result release of a Resource Statement has taken considerably longer than expected.



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The revised Resource Model outputs have now been supplied to RISC who will subsequently deliver an Independent Resource Statement in relation to the Judith Gas Field in the 100% Emperor Energy owned Vic/P47 Permit in the offshore Gippsland Basin, Victoria. The timing of this statement is expected to be early November 2018.

About RISC

RISC is an independent oil and gas consultancy firm. RISC has been working in partnership with companies for over 20 years, supporting their interests in the oil and gas industry and offering a broad and innovative perspective on oil and gas projects around the world.

RISC has completed assignments for over 500 clients in 71 countries, and acted as principal advisor on transactions with a total value in excess of US\$200 billion. RISC's clients are located around the world and benefit from RISC's depth and breadth of experience; from exploration to corporate acquisition and from reserves evaluation to strategic planning. RISC's client list ranges from start-ups to publicly traded multi-billion dollar companies and engagements range from one-day consultations to multi-discipline annual projects. (Source RISC Website)

Background

Judith-1 was drilled and operated by Shell Company of Australia in 1989. Excellent gas shows were encountered while drilling through sandstones in the Kipper Shale and the upper part of the Admiral Formation belonging to the Emperor Sub Group.

Judith-1 is contained within the Vic/P47 Permit held 100% by Emperor Energy and is located within close proximity of the Kipper Gas Field operated by Exxon Mobil.

On 10th August 2017 Emperor Energy announced that the outcomes of seismic reprocessing and subsequent analysis completed during 2017 had resulted in a significant increase in the Gas in Place Estimate for the Judith Structure within Vic P47.

The **P50 unrisked Gas-in-Place** within the Judith and Judith North structure were then estimated at **1.8 Trillion cubic feet (Tcf)**. The **P50 unrisked Gas Recoverable** is estimated at **1.17 Tcf**.

On 22nd February 2018 Emperor Energy announced that the Vic/P47 permit had been renewed for 5 years with a work program including drilling of an exploration well in the Judith North Structure by early 2021.

On 26th March 2018 Emperor Energy announced that it had completed a thorough well log evaluation of the Judith-1 well and gas discovery. The Judith-1 results were then compared and contrasted with open file data not previously available from the four wells drilled on the Longtom Gas Field located some 22 km west of Judith-1.

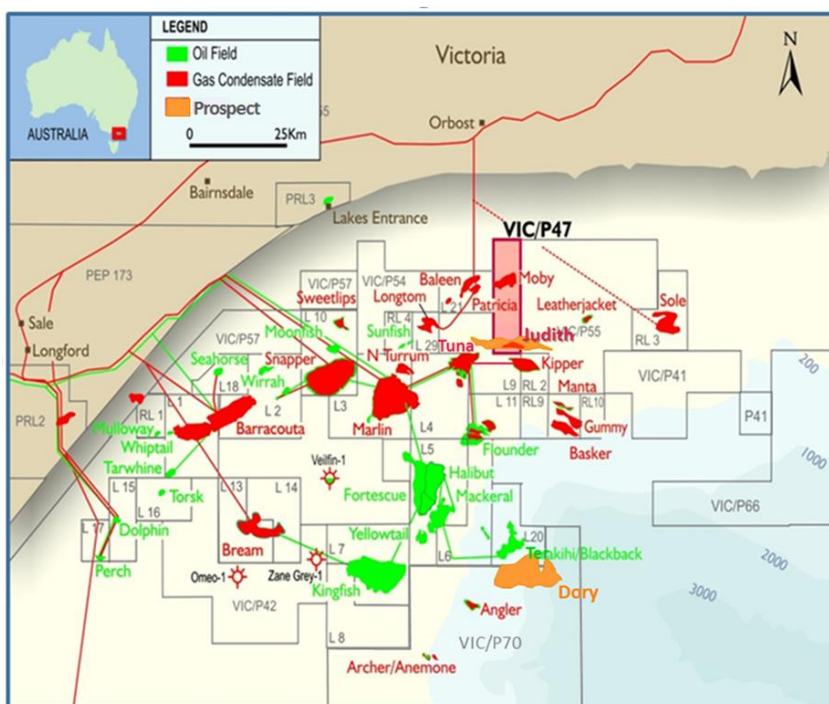


Figure 1: Location of Vic/P47 offshore Gippsland Basin showing permits and oil and gas fields

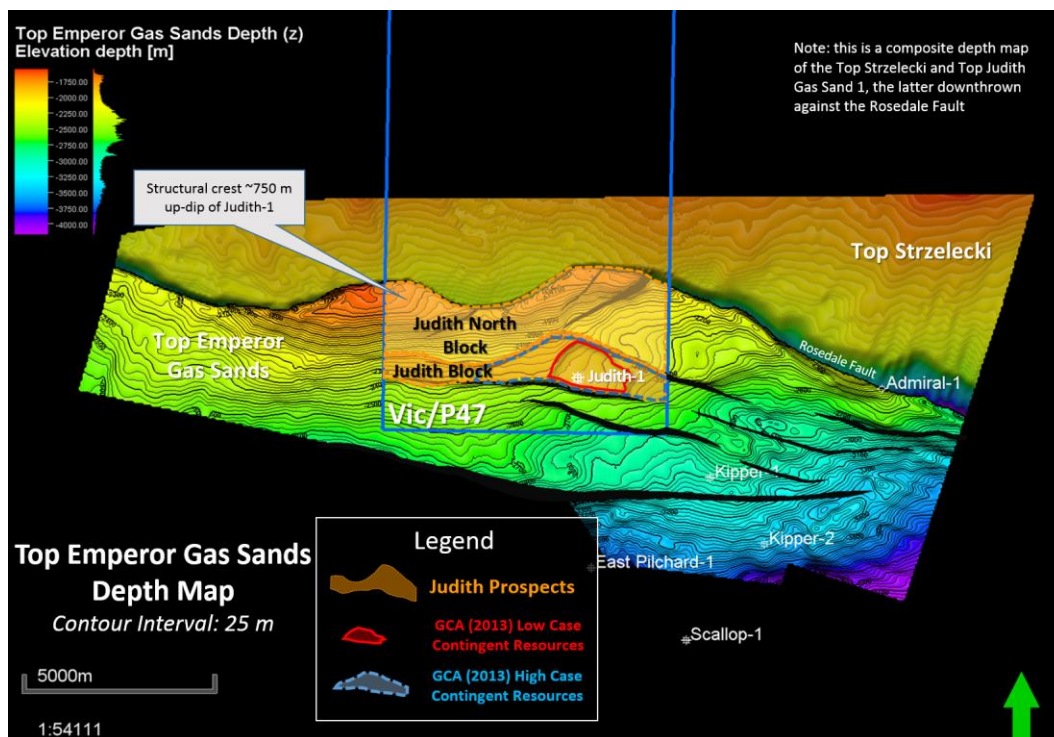


Figure 2: Top Emperor Gas Sands from reprocessed 3D seismic data showing location of Judith 1 drilled structurally down-dip close to or at gas – water contact. The Judith North Block structural crest is shown 750m up-dip of Judith 1



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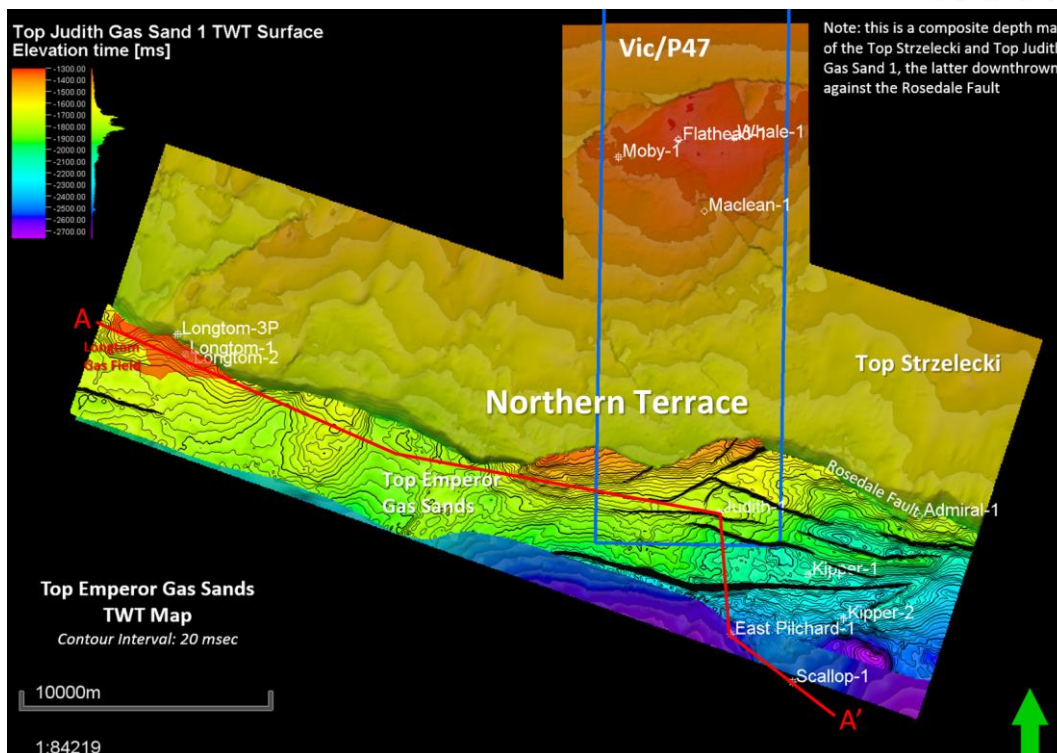


Figure 3: Vic/P47 location map showing regional ‘Top Emperor Gas Sands’ interpretation with location of the Longtom Wells shown 15km to the west.

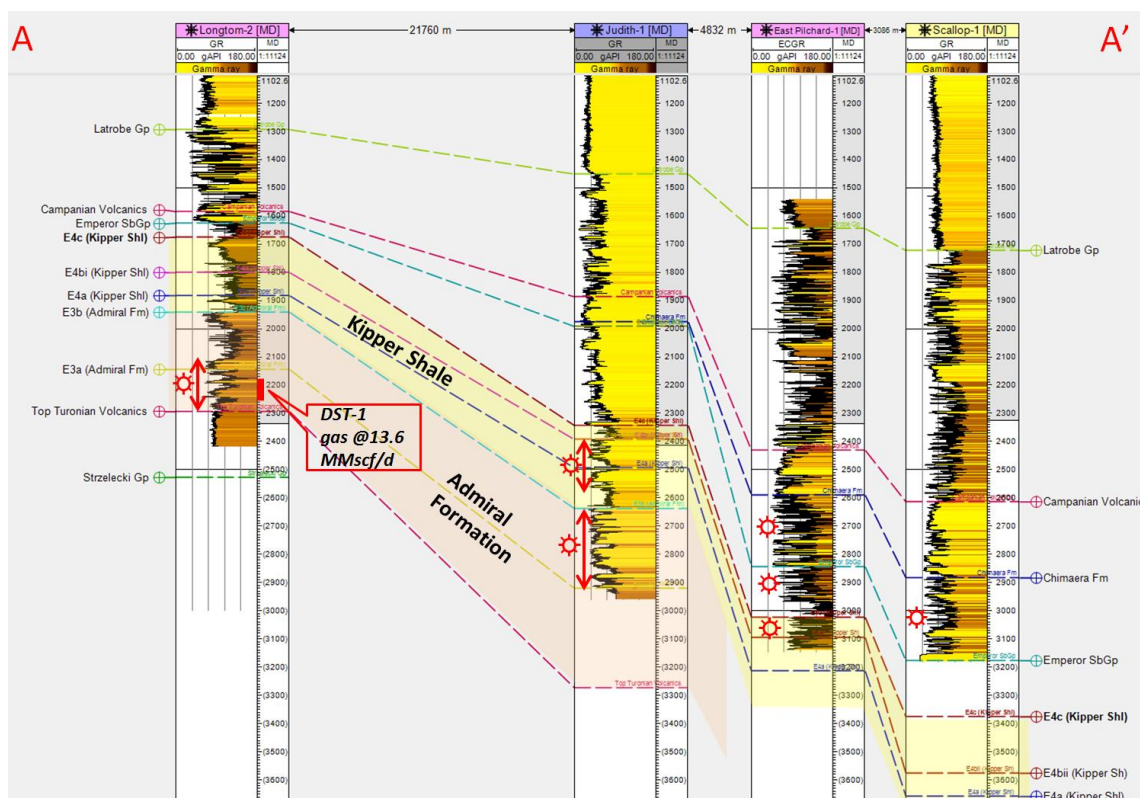


Figure 4. Well cross-section A – A’: Longtom-2, Judith 1, East Pilchard-1 and Scallop-1



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Business Schedule and Partnership Development

In parallel with the Reservoir Engineering and subsequent preparation of a Resources Statement the Company intends to progress with scoping study costings of Field Development for Gas Production and Delivery.

The scoping studies will be carried out with the intention of progressing establishment of partnerships and conditional contractual arrangements during Q4 2018 for the financing, delivery and off-take of gas from the Judith Field. Initial discussions have been held with prospective partners. Business development will accelerate following completion of the pending Independent Resource Statement.



Figure 5: 2018 Business Schedule for Vic/P47

Annual General Meeting (AGM)

The Emperor Energy AGM will be held at 12.00pm Thursday 22nd November 2018, at Automic Group Office, Level 5, 126 Phillip Street, Sydney NSW 2000. The board has recommended that shareholders vote in favour of all resolutions. The board and management encourage shareholders to attend the AGM.

Backreef

The Western Australian DMIRS has approved the company's Environmental Management Plan for the Backreef Well Site. The company intends to complete the rehabilitation of the Well Site in November 2018.

Finance

At the end of the quarter, 30 September 2018, Emperor Energy Limited cash balance was \$216,607. A summary of the cash flow for the quarter are attached in the Appendix 5B. The company is funded to complete its current year work program.

Emperor Energy has capacity to raise capital under ASX listing rules 7.1 and 7.1A. Emperor Energy intends to re-capitalise the company to undertake the next 12 months work program following the completion of the Resource Certification for the Judith Gas Field in Vic/P47 by RISC.



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Tenement holding summary

Below is a list of the tenements held by Emperor Energy Limited as at 30 September 2018:

Petroleum Tenement	Location	Beneficial Percentage held
Vic/P47	Victoria	100% / Operator
Cyrano R3/R1	Western Australia	100% / Operator
Backreef Area	Western Australia	100% / Operator

We thank shareholders for their ongoing support and welcome any questions they may have.

Yours faithfully

Carl Dumbrell
Company Secretary
Ph +61 402 277 282
carl@emperorenergy.com.au



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Corporate Directory

Board of Directors

Carl Dumbrell
Vaz Hovanessian
Justyn Peters

Company Secretary

Carl Dumbrell

Geological Consultant

Geoff Geary

Operations Consultant

Phil McNamara

Registered office & Principle place of business

Level 32, 1 Market Street
Sydney NSW 2000

Mailing Address

GPO Box 5360
Sydney NSW 2001

Auditors

Deloitte
550 Bourke Street
Melbourne Vic 3000

Lawyers

Hopgood Ganim
Level 27, Allendale Square
77 St Georges Tce, Perth WA 6000

Share Registry

Automic Pty Ltd ACN 152 260 814 Trading as Automic Registry Services
Level 5, 126 Pitt Street
Sydney NSW 2000
Phone: 1300 288 664
Overseas callers: +61 2 9698 5414 Facsimile: +61 2 8583 3040

Capital Structure

The company currently has issued capital (as at 30 October 2018) of:

Ordinary fully paid shares	(ASX: EMP)	907,859,728
Options expiring 31 March 2020 (Ex \$0.005)	(ASX: EMPOC)	518,051,398
Options expiring 17 November 2018 (Ex \$0.046)	(ASX: EMPAA)	6,700,000



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Top 20 Shareholders – 30 October 2018

Position	Holder Name	Holding	%
1	Citicorp Nominees Pty Limited	93,905,249	10.34%
2	Scintilla Strategic Investments Limited	65,000,000	7.16%
3	Raxigi Pty Ltd	59,296,287	6.53%
4	Bond Street Custodians Limited	52,247,101	5.75%
5	Sama Zarah Pty Ltd	48,855,000	5.38%
6	Jojo Enterprises Pty Ltd	32,000,000	3.52%
7	Merrill Lynch (Australia) Nominees Pty Limited	30,000,000	3.30%
8	Daniel J Peters	25,962,954	2.86%
9	Sang Min Kim	25,000,000	2.75%
10	Harness Pty Ltd	20,125,000	2.22%
11	Littlejohn Embrey Engineering Pty Ltd	19,564,589	2.16%
12	Acec Superannuation Fund Pty Ltd	15,100,000	1.66%
13	Philip McNamara	15,000,000	1.65%
14	Mr Mark Stephen O'Leary	15,000,000	1.65%
15	Arlam Pty Ltd	15,000,000	1.65%
16	Lilyfield Holdings Pty Ltd	12,600,000	1.39%
17	Colin Robert Searl & Cynda Searl	12,410,000	1.37%
18	Buduci Fond Pty Ltd	10,400,950	1.15%
19	Matthew Steven Klein	10,000,000	1.10%
20	HSBC Custody Nominees (Australia) Limited	10,000,000	1.10%