



EMPEROR ENERGY
L I M I T E D

31st January 2020

ASX Market Announcements
ASX Limited
20 Bridge Street
Sydney NSW 2000

December 2019 Quarterly Activities Report

Highlights

- **Non-Binding Memorandum of understanding executed with APA Group to progress development of gas delivery pipelines and gas processing plant for the Judith Gas Field.**
- **Scope of work agreed with APA Group for pre-Front End Engineering Design (FEED) for the Judith Gas Field Project.**
- **Progress made identifying and securing a suitable Farm-In Partner or Partners for the exploration/appraisal and subsequent development of the Judith Gas Field**
- **Sale of offshore Retention Lease, Cyrano R3/R1 completed 21st January 2020 for \$325,000.**

Emperor Energy Executes Memorandum of Understanding with APA Group

On 16th October 2019 Emperor Energy Limited (Emperor) announced that it had entered into a non-binding Memorandum of Understanding (MOU) APA Group (ASX:APA) to agree the scope and commercial framework for the provision of midstream infrastructure and services related to gas that will potentially be produced from the Judith Gas Field in the 100% Emperor owned VIC/P47 Permit in the offshore Gippsland Basin, Victoria.

The MOU will direct and facilitate the negotiation of definitive Transaction Documents whilst providing a path for agreement on an initial work plan to finalise and execute the Transaction Documents.

Judith Gas Field Project Pre-Front End Engineering Design (FEED) Scope of Works agreed with APA Group

On 23rd December 2019 Emperor provided an update on progress made since execution of a non-binding Memorandum of Understanding (MOU) between the parties as announced on 16th October 2019.

The Parties have agreed the pre-Front End Engineering Design (FEED) scope of works to be included in an early works agreement that will progress a preliminary design and cost study for the establishment of:

- 1. A subsea pipeline from Emperor's Judith Gas Field;**
- 2. A new gas processing train to operate in parallel with APA's existing Orbost Gas Processing Plant; and**
- 3. An export pipeline to the Eastern Gas Pipeline located to the north of the Orbost Gas Processing Plant.**

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APA will progress to determine costs for the scope of the pre-FEED study from suppliers and engineering consulting groups. After costs are determined, **APA and Emperor intend to negotiate a binding contract in the 1st Quarter of 2020** for the completion of the pre-FEED study for the Judith Gas Field Project. The parties intend to commence the pre-FEED study in the second quarter of 2020.

Completion of this pre-FEED study will add certainty to a future Judith Gas Field project feasibility study. It will also provide clarity on the scope and shorten the timeframe required for the completion of the project FEED that would be carried out after drilling of the Judith 2 Exploration and Appraisal Well.

Judith Gas Field Farm-In Partner Progress

Emperor continues to progress with the process of identifying and securing a suitable Farm-In Partner or Partners for the exploration/appraisal and subsequent development of the Judith Gas Field.

Emperor is pleased by the level of industry interest and engagement, and whilst no transaction can be guaranteed, Emperor is confident that a suitable Farm-in Partner or Consortium of Partners can be secured to facilitate the drilling of a well to target the Judith Gas Field's large Prospective Resources.

The well is planned to be located up-dip on the Judith structure from the original Judith-1 discovery well drilled by Shell in 1989.

Sale of Cyrano (R3) Completed

On 21st January 2020 Emperor advised that the sale of its offshore Western Australia Retention Lease R3 Cyrano has been successfully completed. The Purchaser was BR Cyrano Pty Ltd (A.C.N. 636 176 193) at a purchase price of \$325,000 which has strengthened the Company's cash reserves.

Emperor retains a Royalty of \$0.50 per Barrel of Oil Equivalent of Petroleum Products produced and recovered from the Title Area (Retention Lease R3). The Purchaser may acquire the Royalty from Emperor at any time within 48 months from the date of Settlement for a purchase price of \$1,500,000.

Cyrano has a Contingent Resource (2C) of 3.01 MMbbl of oil and additional Prospective Resources (P50) estimated at 0.928 MMbbl. Emperor was the Operator and held 100% of R3 with a permit area of 81 km².

The Cyrano Oil Field was discovered in 2003 and is defined by four vintage wells and 3D seismic. The field is located in 17m of water and productive reservoirs commence at 600 m depth. The permit was renewed for 5 years in early 2017.



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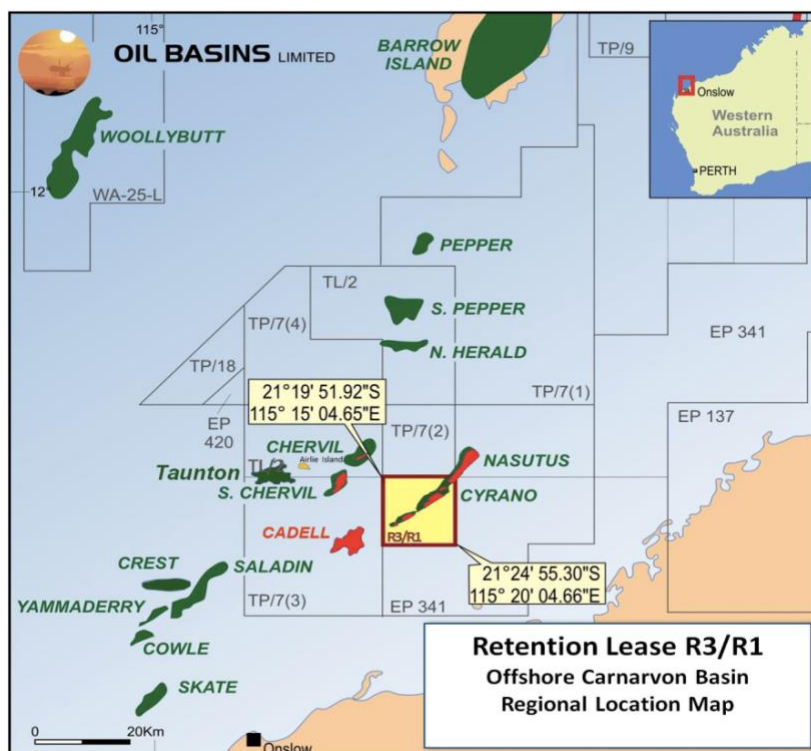


Figure 1: Location of Retention Lease R3 Cyrano sold on 21st January 2020 for \$325,000

Finance

At the end of the quarter, 31st December 2019, the cash balance was \$17,600. A summary of the cash flow for the quarter are attached in the Appendix 5B.

After the completion of the sale of the R3 Cyrano Retention Lease on 21st January 2020 and payment of January 2020 invoices, Emperor's cash balance at 31st January 2020 is \$240,411.

Emperor has capacity to raise further capital under ASX listing rules 7.1 and 7.1A. The Company continues to maintain a tight focus on costs with the majority of funds being deployed to advancing commercial negotiations with respect to funding the drilling of the Judith Gas Field.

About the Judith Gas Field

The 100% Emperor owned Judith Gas Field is located within the VIC/P47 Permit in the offshore Gippsland Basin, Victoria.

On 11th July 2019 Emperor advised that an Independent Resource Statement had been completed for the Judith Gas Field within the 100% Emperor owned VIC/P47 Exploration Permit located in the offshore Gippsland Basin, Victoria (Figure 2). The Resource Statement Highlighted:

- **2C Contingent Gas Resource of 150 Bcf**
- **P50 Unrisked Prospective Gas Resource of 1.226 Tcf**

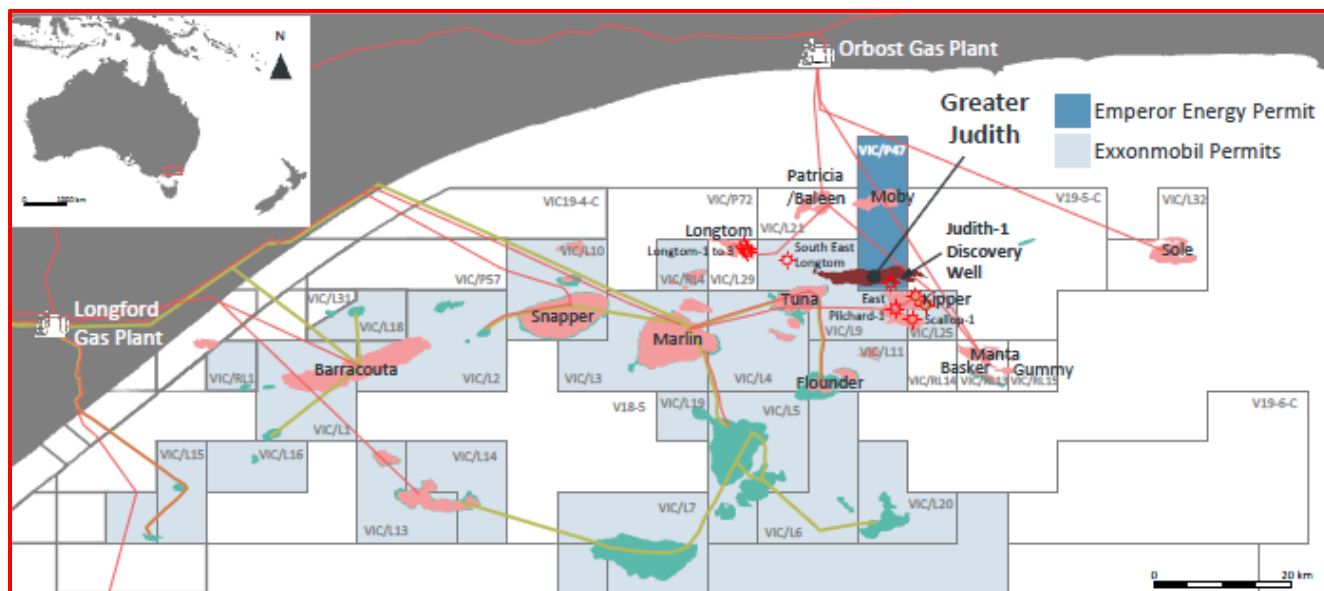


Figure 2: Location of 100% Emperor Energy owned VIC/P47 offshore Gippsland Basin showing regional permits along with oil and gas fields

Judith Gas Discovery		Contingent Resources		
		Low Estimate 1C	Best Estimate 2C	High Estimate 3C
GIIP	Bcf	180	278	386
Sales gas	Bcf	97	150	209
Condensate	MMbbl	1.4	2.2	3.2

Greater Judith Area		Unrisked Prospective Resources		
		P90	P50	P10
Judith Deep	Bcf	38	62	92
West	Bcf	83	127	176
Central	Bcf	37	333	628
North	Bcf	29	166	315
North East	Bcf	49	279	494
North West	Bcf	15	102	226
South	Bcf	14	157	565
Total	Bcf	265	1226	2496

Table 1: Summary of Contingent and Prospective Resources for Judith area of VIC/P47 (3D-GEO, July 2019)

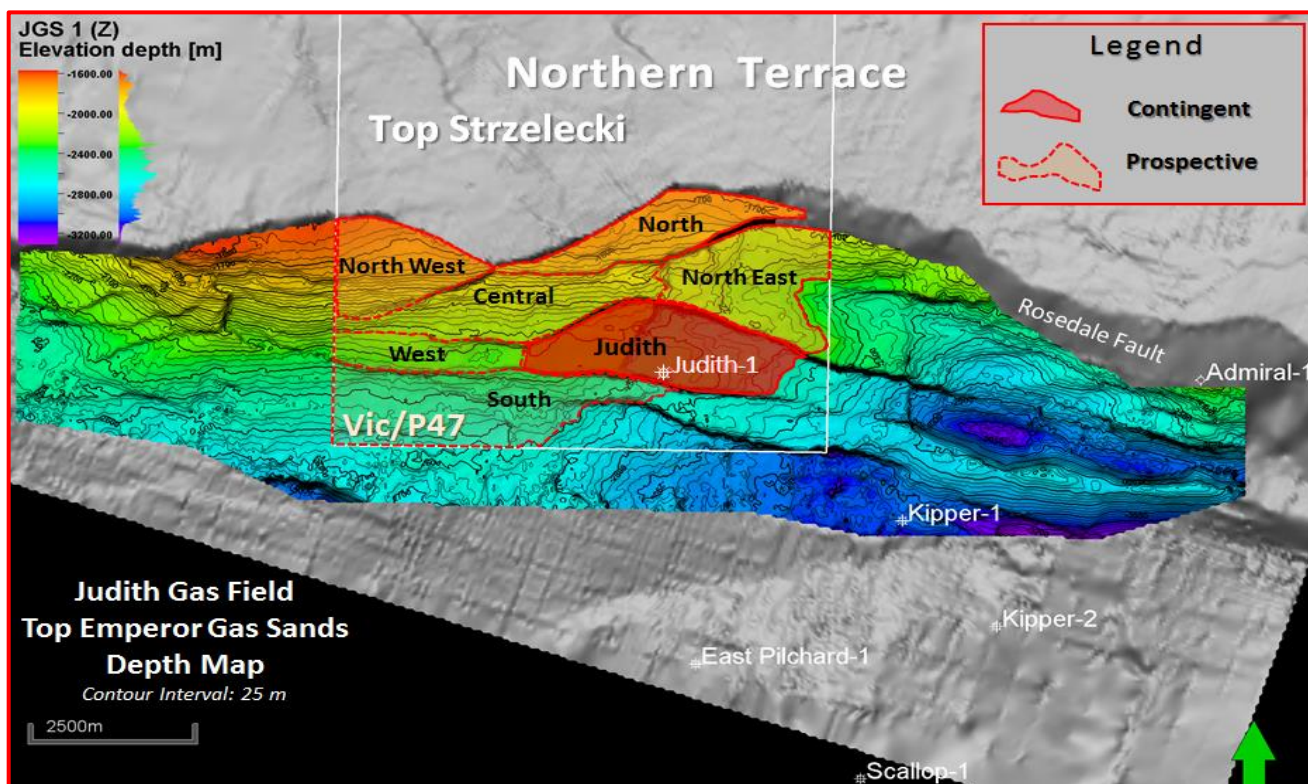


Figure 3: Judith Gas Field, and Greater Judith Compartments (3D-GEO, July 2019)

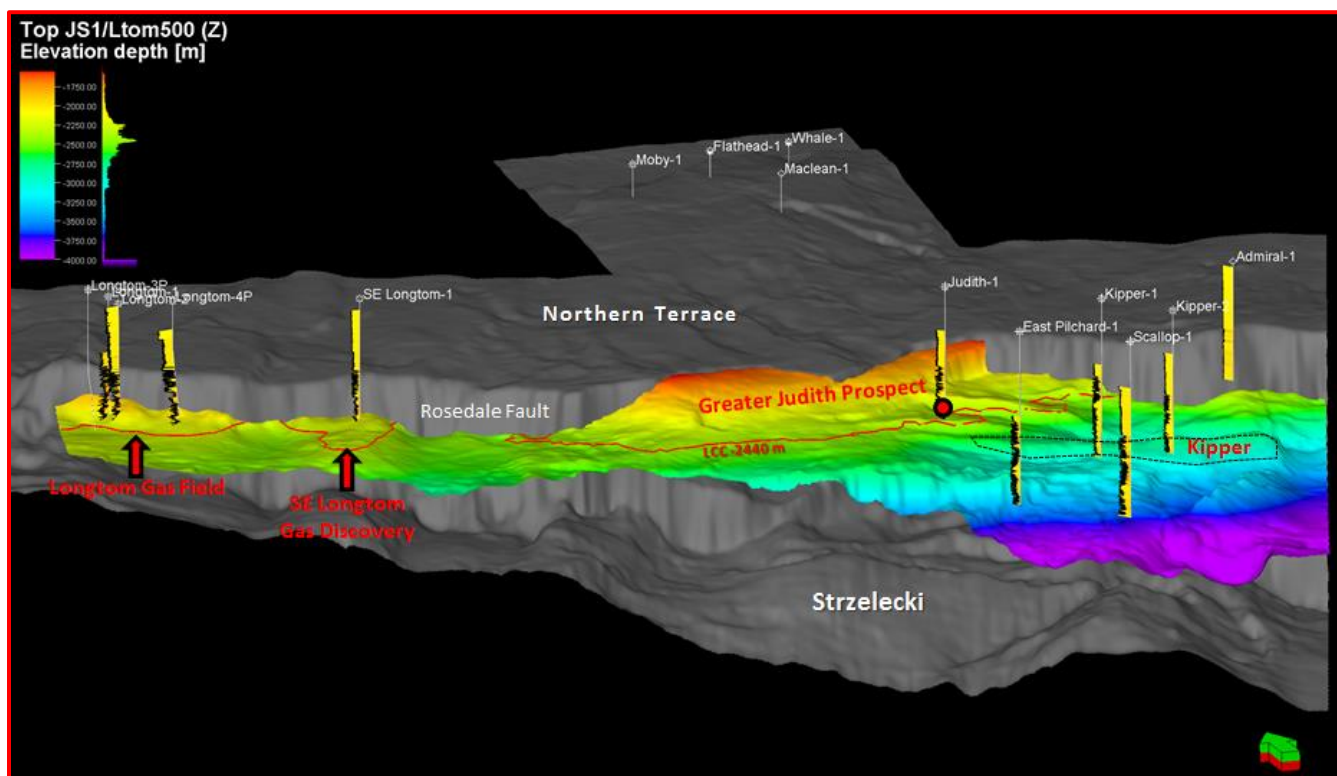


Figure 4: Judith Gas Sand 1 Depth Model from Longtom Gas Field to the Greater Judith Structure



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Tenement holding summary

Below is a list of the tenements held by Emperor Energy Limited as at 31st December 2019:

Petroleum Tenement	Location	Beneficial Percentage held
Vic/P47	Victoria	100% / Operator
Cyrano R3/R1 Sold 21 st January 2020	Western Australia	100% / Operator
Backreef Area	Western Australia	100% / Operator

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

Yours faithfully

Carl Dumbrell

Company Secretary

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EMPEROR ENERGY
LIMITED

Corporate Directory

Board of Directors

Carl Dumbrell
Nigel Harvey
Malcolm King
Phil McNamara

Company Secretary

Carl Dumbrell

Geological Consultant

Geoff Geary

Registered office & Principle place of business

Level 32, 1 Market Street
Sydney NSW 2000

Mailing Address

GPO Box 5360
Sydney NSW 2001

Auditors

ICP Assurance Services
Suite 1204, 227 Elizabeth Street
Sydney NSW 2000

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 Phillip Street
Sydney NSW 2000
Phone: 1300 288 664 Overseas callers: +61 2 9698 5414
Email: hello@automicgroup.com.au

Investor Relations

Six Degrees Group
Level 10, 84 Pitt Street
Sydney NSW 2000

Capital Structure

The company currently has issued capital (as at 31st January 2020) of:

Ordinary fully paid shares	(ASX: EMP)	81,583,467
Options expiring 31 st March 2020 (Ex \$0.075)	(ASX: EMPOC)	44,087,608



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Top 20 Shareholders – ASX: EMP

Position	Holder Name	Holding	%
1	Citicorp Nominees Pty Limited	6,921,270	8.48%
2	Scintilla Strategic Investments Limited	5,400,000	6.62%
3	Craig Graeme Chapman	3,406,666	4.18%
4	Sama Zaraah Pty Ltd	3,257,000	3.99%
5	Daniel J Peters	3,064,197	3.76%
6	Bond Street Custodians Limited	2,916,474	3.57%
7	Carl Dumbrell	2,431,391	2.98%
8	The Australian Special Opportunity Fund LP	2,222,223	2.72%
9	Slade Technologies Pty Ltd	1,833,334	2.25%
10	Littlejohn Embrey Engineering Pty Ltd	1,798,973	2.21%
11	Harness Pty Ltd	1,341,667	1.64%
12	H&M Investments Pty Ltd	1,283,502	1.57%
13	Buduci Fond Pty Ltd	1,271,175	1.56%
14	Mark Stephen O'leary	1,200,000	1.47%
15	Nishant Kumar Misra	1,144,445	1.40%
16	Arlam Pty Ltd	1,134,541	1.39%
17	Raplon Pty Ltd	1,112,599	1.36%
18	Craig John Pontey	1,111,112	1.36%
19	Philip McNamara	1,071,429	1.31%
20	Malcolm Ross King	1,067,515	1.31%

Appendix

ASX – Australian Securities Exchange Limited

Bcf – Billion cubic feet

MMcf/d - Million Cubic Feet per Day

Tcf – Trillion Cubic Feet

P50 – P50 is defined as 50% of estimates exceed the P50 estimate

2C - Best estimate of contingent resources