

26 October 2011

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

By E-Lodgement

QUARTERLY REPORT

Period Ended 30 September 2011

SEPTEMBER 2011 QUARTER – HIGHLIGHTS

- Georgian drilling commenced (Mukhiani-1 Well)
- Puntland Joint Venture Partner & operator signed a drilling contract & third party services contracts for milestone well to be drilled in Q4, 2011

CORPORATE

During the quarter the Company held a General Meeting in respect of its change of activity to a natural resources explorer and recompliance with the ASX Listing Rules. All resolutions were passed at the general meeting on 15 July 2011 and the Company re-listed on ASX on 25 July 2011.

PUNTLAND PROJECTS

During the quarter the operator of the Puntland Project, Africa Oil Corp, signed landmark drilling contract with Sakson Drilling and Oil Services.

All subsequent drilling-related third party service contracts have now been entered into with the mobilisation of required personnel and equipment due to commence which will allow for the spudding of the first well during the fourth quarter of this year.

GEORGIA PROJECT

During the quarter the Company announced the spudding of the first well in Georgia (Mukhiani-1).

Drilling operations have continued on the Georgian Project during the current quarter and as at 11 October 2011 the well had reached a depth of 1544 meters with a proposed target depth of 3500 meters. A full suite of wireline logs has been successfully recorded and additional valuable information has been obtained through the successful collection of 10 sidewall cores from critical intervals. A Vertical Seismic Profile (VSP) survey is being run and the company expects to be able to update the market on the well in the coming days.

BOARD & MANAGEMENT

Mr Greg Bandy
EXECUTIVE DIRECTOR

Mr Jason Bontempo
NON-EXECUTIVE DIRECTOR

Mr Stephen Brockhurst
NON-EXECUTIVE DIRECTOR

Ms Rebecca Sandford
COMPANY SECRETARY

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ASX CODE
RMP

AIM CODE
RMP



JILLEWARRA PROJECT

During the quarter joint venture partner, MetalBank Limited, released initial results from the second phase geochemical soil sampling which defined 3 potential targets.

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Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

RED EMPEROR RESOURCES NL

ABN

99 124 734 961

Quarter ended ("current quarter")

30 SEPTEMBER 2011

Consolidated statement of cash flows

		Current quarter \$A'000	Year to date \$A'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for		
	(a) exploration and evaluation	(6,052)	(6,052)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(480)	(480)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	62	62
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other Receipts (refunds)	-	-
2.7	Other	-	-
Net Operating Cash Flows		(6,470)	(6,470)
Cash flows related to investing activities			
1.8	Payment for purchases of:		
	(a)prospects	-	-
	(b)equity investments	-	-
	(c) investments	-	-
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	Proceeds from underwriting	-	-
Net investing cash flows		-	-
1.13	Total operating and investing cash flows (carried forward)	(6,470)	(6,470)

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Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(6,470)	(6,470)
	Cash flows related to financing activities		
1.14	Proceeds from placement	1,400	1,400
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Costs associated with issue of shares	(191)	(191)
	Net financing cash flows	1,209	1,209
	Net increase (decrease) in cash held	(5,261)	(5,261)
1.20	Cash at beginning of quarter/year to date	7,853	7,853
1.21	Exchange rate adjustments to item 1.20	288	288
1.22	Cash at end of quarter	2,880	2,880

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

	Current quarter \$A'000
1 Aggregate amount of payments to the parties included in item 1.2	72
1 Aggregate amount of loans to the parties included in item 1.10	Nil

- 1 Explanation necessary for an understanding of the transactions

Payments of Directors Fees and Remuneration	72
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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

Nil

- 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

Nil

Appendix 5B Mining exploration entity quarterly report

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	Nil	-
3.2 Credit standby arrangements	Nil	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	1,000
4.2 Development	-
4.3 Production	-
4.4 Administration	200
Total	1,200

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	2,880	7,853
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other – Term Deposit	-	-
Total: cash at end of quarter (item 1.22)	2,880	7,853

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	Nil	None	
6.2	Interests in mining tenements acquired or increased	Nil	None	

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

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)	Nil			
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	Nil			
7.3 *Ordinary securities	152,473,256 7,500,000	152,473,256 -	- \$0.0001	- \$0.0001
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	2,000,000 2,857,142 Nil	2,000,000 2,857,142	\$0.20 \$0.35	
7.5 *Convertible debt securities (description)	Nil			
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	Nil Nil			
7.7 Options (description and conversion factor)	7,750,000 1,476,162	7,750,000 1,476,162	\$0.30 £0.305	
7.8 Issued during quarter	7,750,000 1,476,162	7,750,000 1,476,162	\$0.30 £0.305	
7.9 Exercised during quarter	Nil	Nil		
7.10 Expired during quarter	Nil	Nil		
7.11 Debentures (totals only)	Nil	Nil		
7.12 Unsecured notes (totals only)	Nil	Nil		
Performance Based Shares	Nil	Nil		
Changes during quarter (a) Increases	Nil	Nil		

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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 4).
- 2 This statement does give a true and fair view of the matters disclosed.



GREG BANDY
Executive Director
26 October 2011

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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 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, 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 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting 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.

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