

31<sup>st</sup> January 2023

ASX Market Announcements  
ASX Limited  
20 Bridge Street  
Sydney NSW 2000

## **December 2022 Quarterly Activities Report**

### **Key Points**

- **New Judith Gas Field Resource Statement with significant Resource Upgrade**
  - **Total P50 Un-risked Prospective Gas Resource increased to 2.249 Tcf**
  - **Judith Block 2C Contingent Gas Resource increased to 198 Bcf**
- **Revised Dynamic Modelling indicates potential to produce 125mmscf /day from 5 wells**
- **Wood Mackenzie commissioned to carry out revised economic assessment of the Judith Gas Field project with outcomes due in early February**
- **MOU executed with Cooper Energy (ASX:COE) in relation to the Orbost Gas Processing Plant**
- **Conversations continue with potential Exploration Partners to fund Judith-2 Appraisal Well**
- **Application to National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA) for Judith-2 Well approval has been prepared**
- **Stakeholder consultation process for Judith-2 Well approval was commenced in December**
- **Application to NOPSEMA will be submitted after stakeholder consultation has been completed**
- **Capital Raise of \$1.122M completed through the issue of 35M fully paid ordinary shares.**

### **1. Judith Gas Project Objectives**

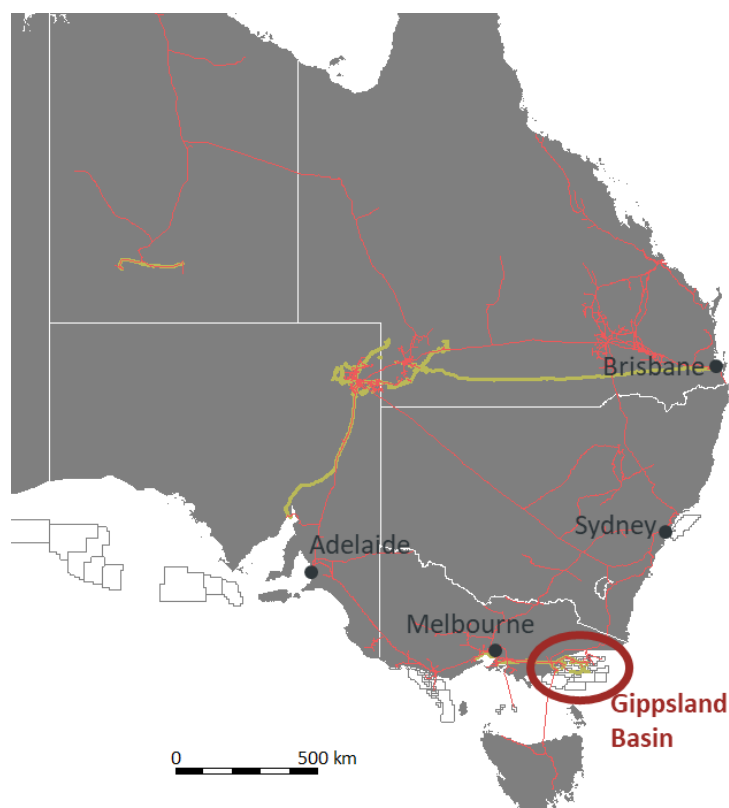
Emperor Energy is focused on the development of the Judith Gas Project located 40km offshore from the Orbost Gas Plant in the Gippsland Basin, Victoria. The project objective is to establish a sales gas capacity of 120TJ per day over a minimum production period of 12 years declining to a production rate of 80TJ per day after 20 years. Projected gas sales volumes and prices would see sales revenue exceeding \$400M per year.

The project requires drilling of a successful Judith-2 appraisal well in 2023 to prove Gas Reserves and subsequently provide economic justification for gas field and processing plant development leading to targeted commercial production of sales gas in 2028 to meet a pending Australian East Coast gas supply shortfall.

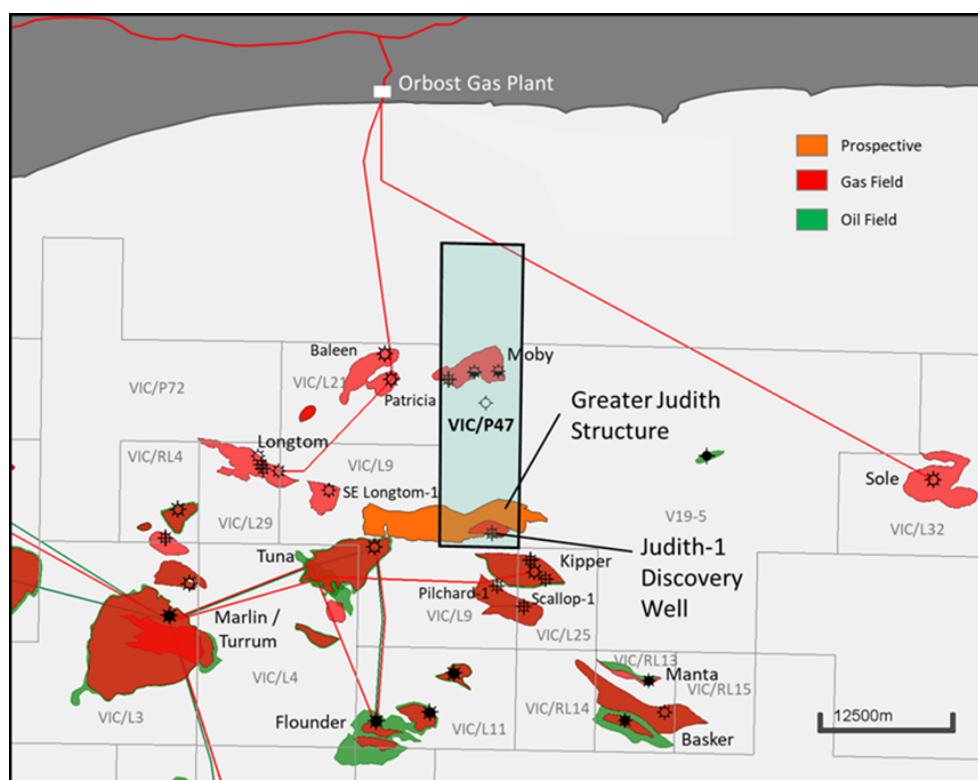
Emperor Energy has systematically analysed all available data from the Judith 1 Well (drilled in 1989) to define a very large Prospective Resource and smaller Contingent Resource. AVO Analysis of recently acquired 3D Seismic data shows direct hydrocarbon indicators extending throughout the entire Judith Structure adding further confidence to the resource scale.



EMPEROR ENERGY  
LIMITED



**Figure 1: Gippsland Basin Location**  
Gas pipelines shown in Red and Yellow.



**Figure 2: Location of 100% Emperor Energy owned Vic/P47 in the offshore Gippsland Basin, showing the Judith Gas Field and proximity to Orbest Gas Plant, along with nearby oil and gas fields**

## **2. Progress on Securing an Exploration Partner**

Fundamental to the development of the Judith Gas field project is the securing of an exploration partner to fund the Judith-2 appraisal well. Emperor Energy is actively working to secure a partner.

Emperor Energy continues in discussions with potential partners and remains confident that a suitable major partner will be secured to fund the Judith-2 Appraisal Well and subsequent gas field development.

## **3. Memorandum of Understanding Executed with Cooper Energy**

On 7<sup>th</sup> October 2022, Emperor Energy Limited announced that it has executed a Memorandum of Understanding (MOU) with Cooper Energy Ltd (ASX:COE), a leading South-east Australian exploration and production company, with processing capabilities at the Athena Gas Plant and Orbost Gas Processing Plant.

The MOU is non-binding with the purpose of facilitating discussions between the two companies regarding potential cooperation on the utilisation of Cooper Energy's Orbost Gas Processing Plant and adjacent sites, for the processing and transfer of gas from a development of the Judith Gas Field. The Judith Field is located within the 100% Emperor Energy owned Vic/P47 Exploration Permit, 40km offshore to the south of the Orbost Gas Processing Plant.

## **4. Revised Resource Statement**

On 13th October 2022 Emperor Energy Limited (Emperor) advised that an Independent Resource Statement has been completed for the full Latrobe sequence (Golden Beach and Emperor Sub-groups) within the 100% Emperor Energy owned Vic/P47 Exploration Permit located in the offshore Gippsland Basin, Victoria (Figure 2).

Independent geological consultants 3D-GEO Pty Ltd had previously (March 2022) assessed the gas-in-place and recoverable gas volumes in the Kipper and Golden Beach sands overlying the Judith-1 gas discovery, and more recently had revised the resource estimates within the Judith and Longtom sandstones within Vic/P47. This revision for the Judith and Longtom reservoir sands followed receipt of additional reservoir and development engineering data from the nearby Longtom and Kipper analogue gas fields with subsequent further interpretive analysis then undertaken.

3D-GEO then completed its revised assessment of the Prospective Resources contained in the Judith and Longtom sands. The resources presented are 100% attributable to Vic/P47, of which Emperor Energy holds 100% equity.

An Independent Technical Specialist's Report comprising the Judith and Longtom Sand revised Contingent and Prospective Resources was provided to Emperor Energy on 11 October 2022 by 3D-GEO Pty Ltd.

3D-GEO has apportioned resources in accordance with the Society of Petroleum Engineers' internationally recognised Petroleum Resources Management System (SPE-PRMS 2018). The results are provided in the Tables below.

Judith Gas Discovery		Contingent Resources		
		Low 1C	Best 2C	High 3C
GIIP	Bcf	204	322	463
Sales gas	Bcf	118	198	297
Condensate	MMbbl	1.7	2.9	4.6

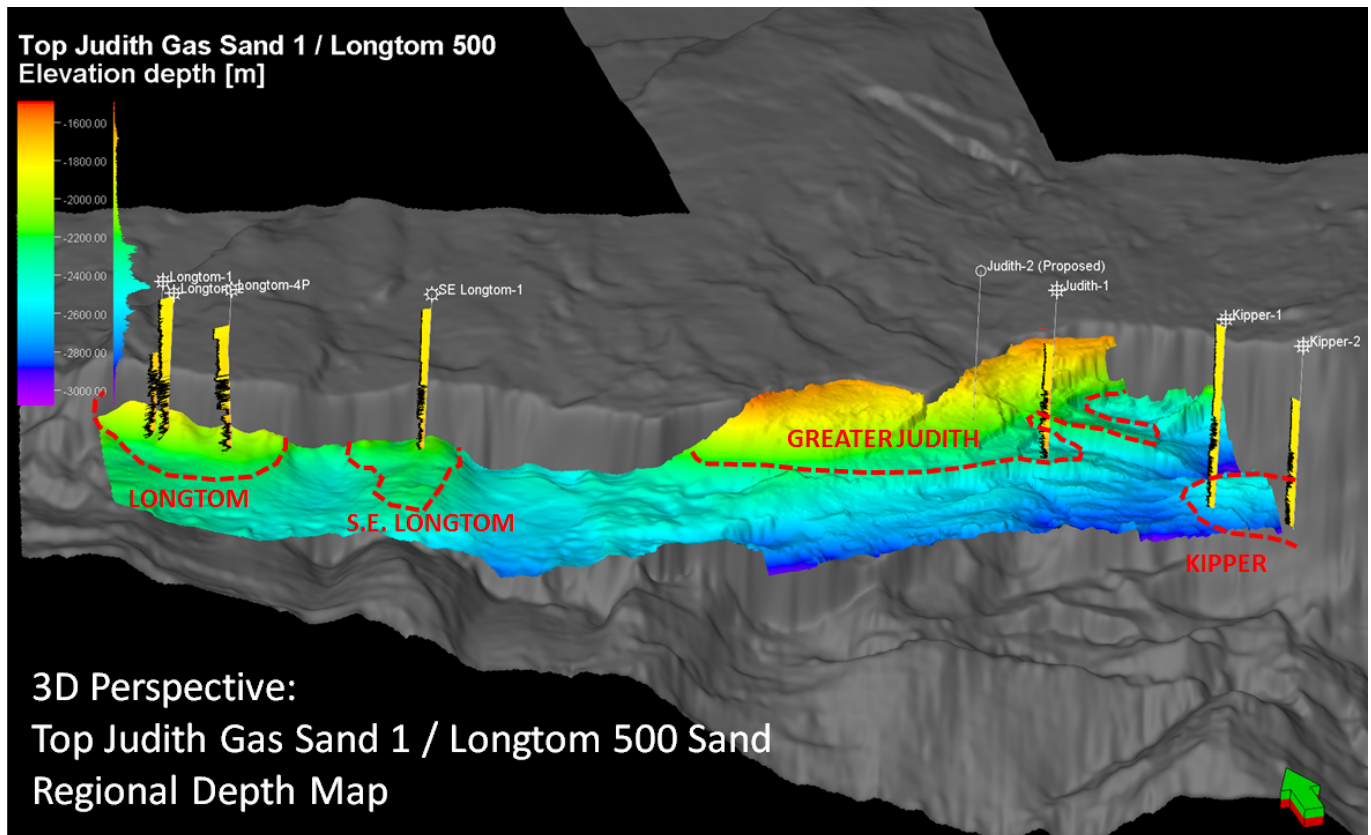
**Table 1.1: Summary of Contingent Resources for Judith area of VIC/P47  
(3D-GEO, October 2022, Probabilistic Assessment)**

Greater Judith Area		Unrisked Prospective Resources		
		P90	P50	P10
Judith Deep	Bcf	56	100	157
West	Bcf	102	166	244
Central	Bcf	46	430	859
North	Bcf	36	208	410
North East	Bcf	67	379	701
North West	Bcf	18	126	293
South	Bcf	21	218	788
<b>Total</b>	<b>Bcf</b>	<b>346</b>	<b>1627</b>	<b>3452</b>

**Table 1.2: Summary of Prospect Prospective Resources for Judith area of VIC/P47  
Judith and Longtom Sandstones (3D-GEO, October 2022)**

Greater Judith Area		Unrisked Prospective Resources		
		P90	P50	P10
<b>New Resource Statement</b>				
Kipper Sand	Bcf	194	314	478
Upper Golden Beach Sandstone Sequence	Bcf	70	143	247
Lower Golden Beach Sandstone Sequence	Bcf	9	21	40
Golden Beach Basal Sand	Bcf	83	144	231
<b>Total</b>	<b>Bcf</b>	<b>356</b>	<b>622</b>	<b>996</b>

**Table 1.3: Summary of Lead Prospective Resources for Judith area of VIC/P47  
Kipper and Golden Beach Sandstones (3D-GEO, March 2022)**



**Figure 3: Regional Top Judith Gas Sand-1 Depth Map showing Analogue Fields indicating the scale of the Judith Gas Field compared to the previously producing Longtom Gas Field.**

## 5. Dynamic Modelling Results

On 21<sup>st</sup> December Emperor Energy announced that Judith Gas Field production well modelling had been revised using a total of five (5) vertical production wells from commencement of gas production resulting in a plateau production rate of 125mmscf/day sustained across a minimum period of 12 years.

This is a 50% increase from the previous (2020) production modelling at 80mmscf/day using a 4-well field development.

In the revised modelling, production rates decline gradually after 12 years remaining at 87mmscf/day after 20 years.

The revised modelling also incorporated higher gas saturations in the Judith and underlying Longtom gas sands as determined by recent corrections to the Judith-1 Well petrophysical log interpretation. This variation to gas saturations was detailed in the Judith Gas Field Resource Statement released by Emperor Energy on 13<sup>th</sup> October 2022.

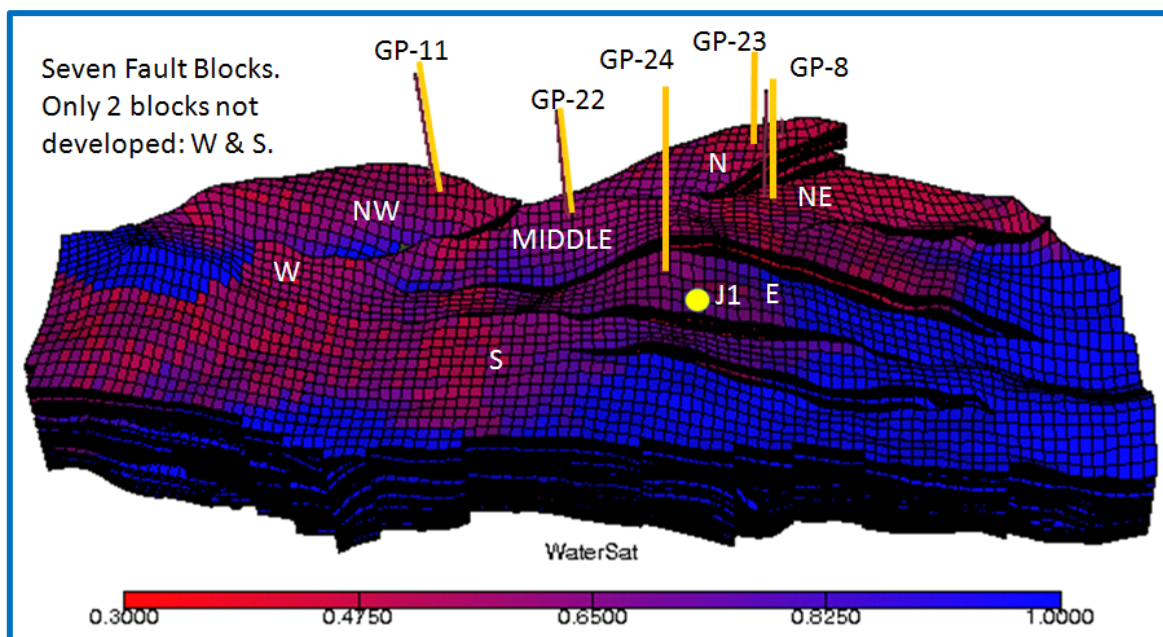


Figure 4: Dynamic Modelling Grid showing well locations

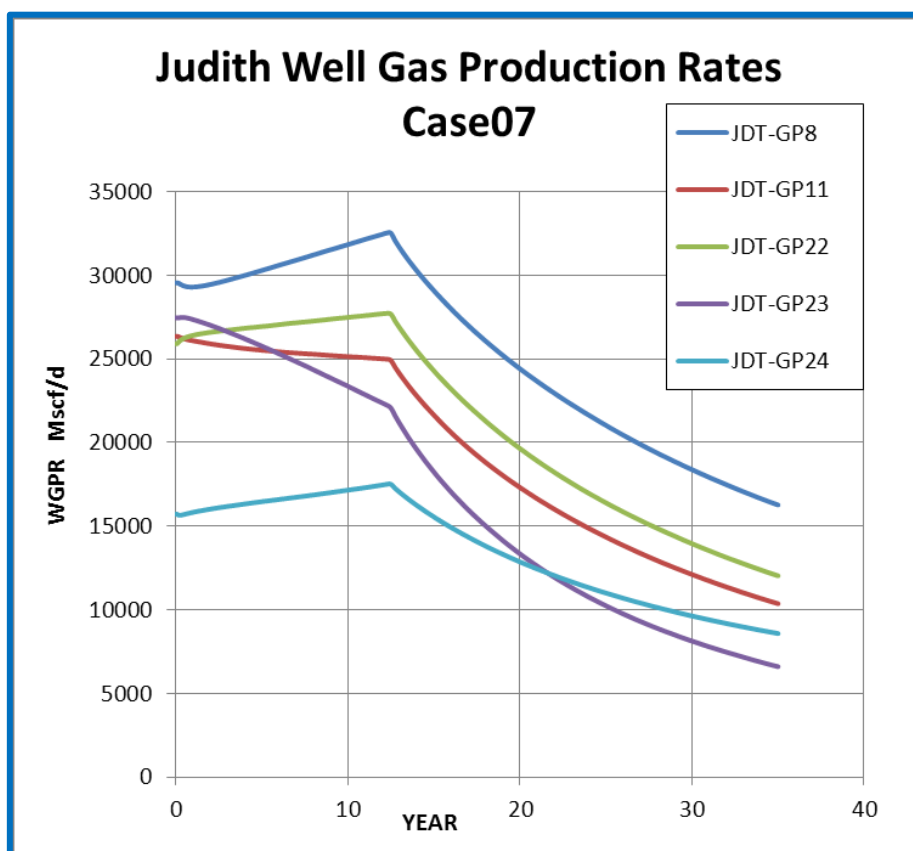


Figure 5: Individual Well Production Rates achieving a total of 125mmscf/day

## 6. Preparation of application to drill Judith-2 Appraisal Well

In April 2022 Emperor Energy Limited engaged a leading global well management company AGR to progress with the preparation and submission of the necessary applications to the National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA) to gain approval to Drill the Judith-2 Appraisal Well.

The studies and submission documents to submit the application has been prepared in readiness for submission of an application to NOPSEMA.

The stakeholder consultation process in relation to the Judith-2 Well was commenced in December 2022. The application to NOPSEMA will be submitted when the consultation process has been completed and stakeholder responses are received and consequently addressed in the application.

## 7. Wood Mackenzie Commissioned for Economic Evaluation

On 21<sup>st</sup> December, Emperor Energy also advised that the respected global natural resources research and consultancy business, Wood Mackenzie, have been commissioned to provide an updated independent economic modelling analysis of the Judith Gas Field project.

The analysis will be carried out for the new base case of 125mmscf/day production rate. Results of the economic analysis will be available in early February 2023.

## 8. Finance

At the end of the quarter, 31<sup>st</sup> December 2022, the Company's cash balance was \$756,725.

The company paid \$36,135 to directors and management for the quarter ended 31<sup>st</sup> December 2022 for administration and exploration expenses.

A summary of the cash flow for the quarter are attached in the Appendix 5B.

On 25th October 2022 Emperor Energy announced it had raised \$1.122M capital through the issue of 35M fully paid ordinary shares in the Company.

## 9. Tenement holding summary

Below is a list of the tenements held by Emperor Energy Limited as of 31<sup>st</sup> December 2022:

<b>Petroleum Tenement</b>	<b>Location</b>	<b>Beneficial Percentage held</b>
Vic/P47	Victoria	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.

This announcement has been authorised for release to the market by the Board of Directors of Emperor Energy Limited

Yours faithfully



**Carl Dumbrell**

**Company Secretary**

Ph +61 402 277 282

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## **Corporate Directory**

### **Board of Directors**

Carl Dumbrell

Phil McNamara

Nigel Harvey

### **Company Secretary**

Carl Dumbrell

### **Geological Consultant**

Geoff Geary

### **Project & Business Development Consultant**

Malcolm King

### **Registered office & Principal place of business**

Level 21, 201 Sussex Street

Sydney NSW 2000

### **Mailing Address**

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Sydney NSW 2001

### **Auditors**

Moore Australia (NSW) Audit Pty Limited

Suite 2/14, 9 Castlereagh Street

Sydney NSW 2000

### **Share Registry**

Automic Registry Services

Level 5, 126 Phillip Street

Sydney NSW 2000

Phone: 1300 288 664

Overseas callers: +61 2 9698 5414 E

Email: [hello@automicgroup.com.au](mailto:hello@automicgroup.com.au)

## Appendix 5B

### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

EMPEROR ENERGY LIMITED

ABN

56 006 024 764

Quarter ended ("current quarter")

31 December 2022

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(182)	(332)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(36)	(74)
	(e) administration and corporate costs	(107)	(334)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	2	3
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	(144)	(144)
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(467)</b>	<b>(880)</b>

<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

**Appendix 5B**

**Mining exploration entity or oil and gas exploration entity quarterly cash flow report**

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) 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)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>-</b>	<b>-</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	1,122	1,122
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(80)	(80)
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)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>1,042</b>	<b>1,042</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	182	572
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(467)	(880)
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)	1,042	1,042

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	757	757

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	757	182
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)	757	182

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	36
6.2	Aggregate amount of payments to related parties and their associates included in item 2	
Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.		

<b>7.</b>	<b>Financing facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1	Loan facilities		
7.2	Credit standby arrangements		
7.3	Other (please specify)		
7.4	<b>Total financing facilities</b>		
7.5	<b>Unused financing facilities available at quarter end</b>		
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

<b>8.</b>	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	(467)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(467)
8.4	Cash and cash equivalents at quarter end (item 4.6)	757
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	757
8.7	<b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	1.62
	<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
	8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: EMP's operating costs are in line with its budget expenditure, the company will maintain it current work program.	
	8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: The company announced on 25 October 2022 that it had raised \$1.12M via a strongly supported placement. The company has capacity under Listing Rules 7.1 & 7.1A to raise further capital.	

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes, the company cash flow is in line with the budgeted expenditure. The company will continue with its ongoing work program.

*Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.*

### 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.

Date: 31 January 2023



Authorised by: .....

Carl Dumbrell, Director/ Company Secretary  
(Name of body or officer authorising release – see note 4)

### Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow 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 cash flow 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.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.