

EMPIRE OIL & GAS NL

Quarterly Report December 2016



Red Gully North-1 gas and condensate discovery confirmed

Perth Basin domestic gas producer Empire Oil and Gas NL (Empire, ASX:EGO) is pleased to provide its quarterly activities report for the quarter ending 31 December 2016.

Production

- **Average daily gas production of 6.5 TJ/day for the quarter (up from 6.4 TJ/day in previous quarter)**
- **Average plant uptime of 97.3% (up from 85.0% in previous quarter)**

Exploration

- **Flow test results at Red Gully North-1 in January 2017 were:**
 - **1.29 mmcf/d gas flow recorded over a 24 hour flow test**
 - **405 bpd condensate flow rate from the C sand zone was significantly higher than expectations**
 - **The potential source of the water production of 734 bwpd will be determined by analysing all well data collected during the completion and testing process**
- **Lockyer Deep-1 farm-out discussions progressing**
- **Lockyer Deep-1 well planning commenced with drilling targeted for Q3 2017 subject to funding**

Finance and Corporate

- **Revenue of A\$4.5 million for the quarter (up 7% from previous quarter) due to more favourable condensate prices and FX rate**
- **Cash at quarter end of A\$3.1 million (down A\$1.1 million) primarily due to expenditure on Red Gully North-1 remediation and testing**

Commenting on the quarter, Chief Executive Officer Ken Aitken said:

"Empire finished 2016 with a strong operational quarter of Red Gully-1 production and corresponding revenue generation for the business.

We also completed the remediation of Red Gully North-1 with highly encouraging condensate and gas rates from the C sands.

Empire will be performing a thorough reserves analysis to understand the size of the C sand gas condensate discovery. A review of light oil/condensate artificial lift techniques to maximise hydrocarbon production as well as analysing the options to handle the water production, both downhole and at surface, will be the key focus areas of a commerciality assessment."

About Empire Oil & Gas NL

ASX Code: EGO

Cash on hand (quarter end):
A\$3.1 million

Market capitalisation (quarter end):
A\$32.3 million

Share price range in quarter:
A\$0.285 to A\$0.350

Empire Oil & Gas is an Australian energy company focussed on exploration and production opportunities in the onshore Perth Basin.

Empire owns and operates the Red Gully gas and condensate field which has been in production since mid-2013.

Empire holds around half of the highly prospective onshore Perth Basin acreage. The Perth Basin has excellent infrastructure and a strong gas market.

Empire Oil & Gas NL
ABN: 55 063 613 730

Registered Office
Ground Floor,
229 Stirling Highway,
CLAREMONT
WA 6010

T: +61 8 9286 4600

F: +61 8 9284 6588

E: admin@empireoil.com.au

W: www.empireoil.com.au

Production

Table 1: Quarterly Sales Comparison

Quarterly Sales	December Quarter 2016	September Quarter 2016	FY2016/17 YTD
Red Gully Production Facility (100%)			
Gas sales (TJ)			
Gas sales for the quarter	595.5	593.1	1,188.6
Cumulative RGPF gas sales ¹	8,954	8,358	
Condensate sales (bbl)			
Condensate sales for the quarter	16,824	17,705	34,529
Cumulative RGPF condensate sales ¹	352,385	335,561	
Plant performance			
Average plant run time (% of total hours)	97.3	85.0	91.1
Average plant uptime (excluding planned downtime)	98.7	92.9	95.8
Average daily gas sales (TJ/day)	6.5	6.4	6.5
Average daily condensate sales (bbl/day)	182.9	192.4	187.7

¹ Cumulative Red Gully Production Facility sales represent total volumes delivered from the commencement of Red Gully Production Facility operations in 2013 to the end of the December 2016 quarter.

Production and Safety Performance

There were no medical treatment incidents or lost time injuries recorded during the December 2016 quarter.

Total gas delivered to Alcoa during the December 2016 quarter was 595.5 TJ, slightly higher than the September 2016 quarter. The Tranche 2 Alcoa gas nomination was 6.4 TJ/day while the average Red Gully Production Facility (RGPF) daily gas production rate was 6.5 TJ/day for the December 2016 quarter. Empire continued to produce at higher gas rates on occasions to make up for planned and unplanned plant downtime.

RGPF export gas volumes of 7.0 TJ/day are anticipated for the first quarter of the financial year (January to March 2017).

The condensate volume delivered to BP during the December 2016 quarter was 16,824 bbl (182.9 bbls/day), 4.9% lower than the September 2016 quarter. The Red Gully-1 (RG-1) B sand condensate to gas ratio continued to decline during the December 2016 quarter which is common for gas/condensate reservoirs.

Red Gully-1 Well Update

In late March 2016 the RG-1 well started to produce formation water. The water-gas-ratio gradually increased from a rate of 4.0 bbls/mmscf to approximately 9.0 bbls/mmscf during the September 2016 quarter and has slowly risen to a rate of 10.0 bbls/mmscf during the December 2016 quarter. The RG-1 produced formation water did not affect gas sales in the December 2016 quarter.

Empire initiated the RGPF produced water handling upgrade project during the September 2016 quarter and work continued throughout the December 2016 quarter. This project will increase the RGPF produced water handling capacity from the current 50 bbls to 500 bbls of formation water per day. Current water production is 60-70 bbls per day. Commissioning of the water handling upgrade project is currently underway.

The decision to upgrade the RGPF water handling rate to 500 bbl/day was made to accommodate formation water production that may be produced from future Red Gully area production wells.

This upgrade will divert formation water away from the RGPF condensate stabilisation heater, which will allow the heater to operate more efficiently and provide an improvement in stabilised Red Gully condensate throughout winter months.

Red Gully Processing Facility Uptime

The RGPF uptime (excluding planned outages) for the December 2016 quarter was 98.7%. Unplanned downtime for the quarter was 29.30 hours (excluding weather related downtime) due to the following disruptions:

- Instrument air system intermittent faults
- Export gas compressor intermittent faults
- Intermittent blockages in the RGPF produced water system
- Water ingress to the RG-1 automated shutdown valve instrument air supply solenoid

Other Activities

Empire commenced the intelligent pigging of the Red Gully export gas pipeline during the December 2016 quarter. This initially involved several trial gauge plate pig runs of the Red Gully export gas pipeline. The pipeline pigging inspection was completed in January 2017. The results of the inspection are being analysed.

Empire retrofitted a produced water scale inhibitor injection point in the liquid leg of the RGPF slug catcher during the quarter. This allowed Empire to start injecting scale inhibitor chemical during the December 2016 quarter. This was required to prevent calcium carbonate scale formation on the condensate stabilisation heater elements.

Empire also completed the detailed engineering of the RGPF vent stack snuffing system. This modification is now scheduled for installation in Q1 2017.

Detailed reservoir and geological modelling of RG-1 continued during the quarter. The model will be completed in the March 2017 quarter and will be used for production forecasting, including determining when supplementary compression will be required at RG-1. The installation of gas compression will enable Empire to maximise hydrocarbon reserve recovery, noted in the Independent Reserves Report prepared by Valmap Pty Ltd (ASX announcement dated 6 September 2016).

Exploration

Red Gully North-1 Well Remediation Programme and Production Testing

Throughout the quarter Empire continued its detailed planning of the remedial cementing program for RGN-1. Long lead items were ordered and the Enerdrill Rig-1 contracted. The application for Western Australian Department of Mines and Petroleum environmental and safety approvals were submitted and subsequently approved to allow the remedial workover to commence in mid-November 2016.

The remedial cementing program commenced following the mobilisation of the Enerdrill Rig-1, associated equipment and crews. The upper completion packer was successfully removed however, removal of the second completion packer was significantly delayed due to a 7 inch casing restriction and significant sand/shale debris in the hole.

The planned cement squeezes were successfully carried out and cement bond log analysis confirmed successful remedial cement squeezes between the Upper D and C sands, and above the C sand.

Due to program delays caused by problems removing the completion packer and the need to mill the casing the planned workover operations were extended by approximately 13 days, beyond the original plan of 24 days (including rig move/rig up and excluding testing time). This led to a situation where fatigue management became a concern for the safety of the workover contractor's (Enerdrill) personnel. It was decided, in conjunction with Enerdrill management, to temporarily suspend operations for approximately 16 days to allow the crews to take necessary field leave. Operations resumed on 28 December 2016.

The C sand was re-perforated using electric line conveyed guns. The two zone isolation completion, including tubing conveyed perforating guns, for the Upper D sand was run. Pressure testing on the completion tubing was successful, however pressure on the casing annulus indicating that the upper packer had not sealed.

Following approval from the West Australian Department of Mines and Petroleum, Empire demobilised the workover rig and associated services, mobilised the testing equipment and proceeded to perforate the Upper D sand. No flow to surface was measured.

The Upper D sand was isolated with a plug and the C sand was then tested. Two separate tests were performed with one over an 8 hour flow period and the second over a 27.5 hour flow period. Both tests resulted in successful gas flows and significantly higher than expected condensate flows from the C sand hydrocarbon zone with 1.29 mmcf/d gas (up from 0.5 mmcf/d reported in April 2016) and 405 bpd condensate recorded. Both flow rates were over a 24 hour period. The second C sand test water rate was 734 bwpd and further analysis is required to determine the source of the water.

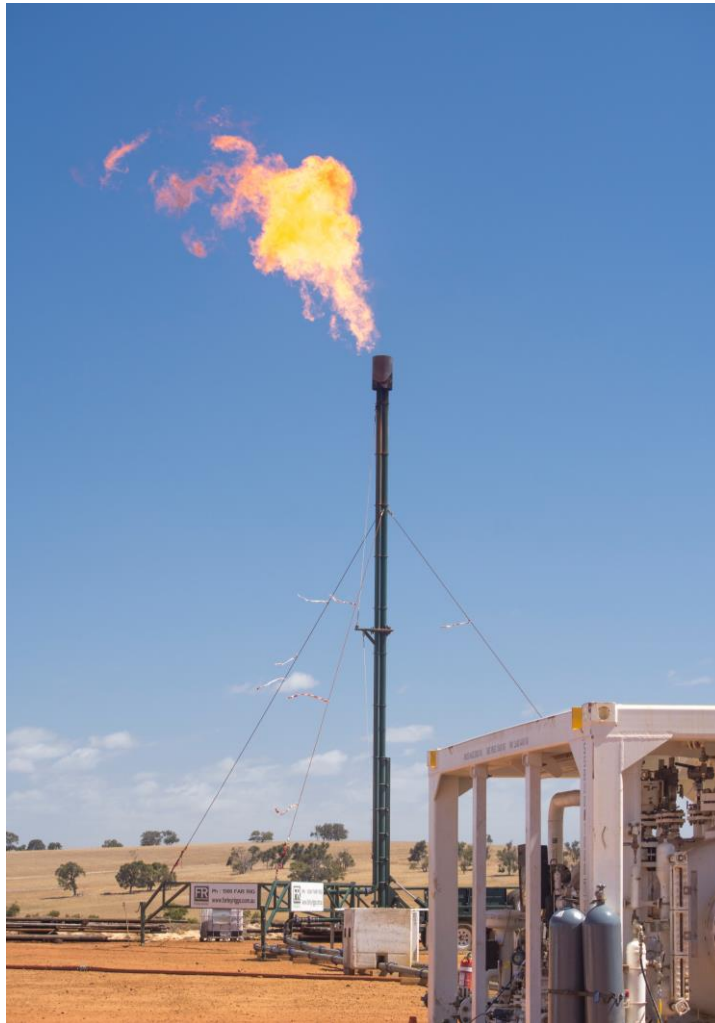


Figure 1: Red Gully North-1 C Sand Test

A combined flow test of the combined C and Upper D sands was inconclusive.

The costs of the RGN-1 remediation and test are now expected to be approximately \$4 million (including the A\$0.45 million spent prior to the remediation operation) due to operational challenges encountered during the workover and the extended test duration.

Empire will now perform a detailed review of the test data followed by a reserve assessment to understand the size of the C sand gas/condensate discovery and its potential commerciality.

Acreage Evaluation

During the quarter, preparations were made to submit a renewal application for EP 389, which is in its final year of the current five year permit term. A renewal application will be submitted late Q1 2017 ahead of the expiry of the final year of the current permit term on 26 April 2017. The renewal application will require a statutory relinquishment which will be excised from the southern portion of the permit where no leads were identified following the Black Swan Airborne Geophysical Survey. The central and northern portion of EP 389 which surround the Red Gully production licences and RGPF, are expected to be retained as part of the renewed permit. The central and north portion of EP 389 contains all the significant leads identified on the Black Swan Airborne Geophysical Survey which was acquired by Empire in 2015.

Empire is in the early stages of planning a 2D seismic survey (the Black Cormorant Seismic Survey) to mature leads identified by the Black Swan Airborne Geophysical Survey into prospects for future drilling. The Black Cormorant 2D Seismic Survey will focus on maturing leads identified in EP 389 and EP 432. A second phase of seismic is being considered post 2019 for EP 454, EP 430 and EP 426.

Should the leads to be targeted by the planned Black Cormorant 2D seismic survey in EP 389 mature to drillable prospects, the commercialisation of any discovery would be enhanced due to the proximity to the RGPF (Figure 2).

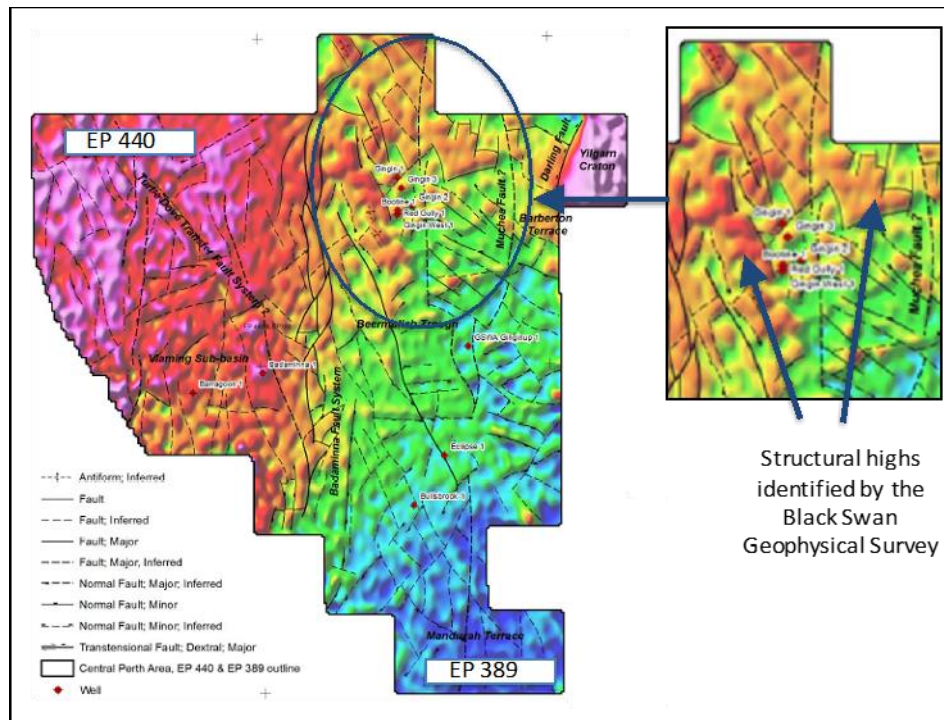


Figure 2: Red Gully Project Location (Black Swan survey, January 2016)

In EP 432 the Black Swan Airborne Geophysical Survey identified a number of large leads in the central portion of EP 432 (Figure 3), close to existing gas trunk lines. It is likely that any future drilling would target Permian sandstone of the Kingia/Highcliff formations in which the Waitsia discovery to the north, was made.

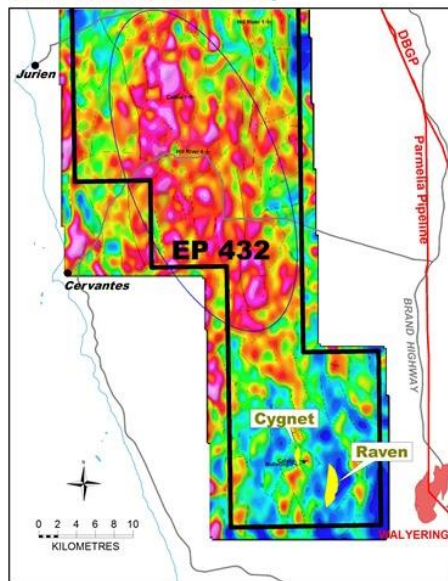
These reservoirs are expected be at relatively shallow drilling depths and are close to mature, hydrocarbon source rocks. The play fairway is also located in a part of the basin which has very limited seismic and well data so development of the play is at an early stage. Significant upside potential for large-scale wet gas is currently interpreted. The play will be further evaluated by the acquisition of the planned Black Cormorant 2D Seismic Survey which will aim to mature leads to drillable prospects.

Empire is planning to undertake the Black Cormorant 2D Seismic Survey in Q1 2018, subject to regulatory approval, funding and stakeholder engagement for land access approvals.

Potential large Waitsia gas-play in north of EP 432

Black Swan survey in EP 432 highlight major structural trends and prospectivity

EP 432 Black Swan survey



- Black Swan Survey images a large north-south structural trend
- Limited offset well data indicates the High Cliff/Kingia sandstones are present, though reservoir quality in the only two well intersections to date is poor
- Targets are typically less than 3,000m
- Adjacent to mature source rock
- Potential for a Waitsia play but with wet gas potential
- Identified leads are numerous and large
- Leads will be matured with 2D seismic currently being planned
- Adjacent to major gas trunk lines
- At early stage of evaluation but company making potential beyond the Raven Jurassic oil play to the south

ASX: EGO

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Figure 3: Potential Large Waitsia Gas-Play in North of EP 432

2017 Drilling Planning

The geological basis of design for the upcoming proposed exploration wells, Lockyer Deep-1 in EP 368 and Raven-1 in EP 432, were completed during the quarter. This documentation will provide the basis to enable drilling engineering planning to begin and support regulatory approvals to drill either Lockyer Deep-1 and/or Raven-1 in H2 2017, subject to funding. It should be noted that the Year 2 commitment well for EP 368 falls due on 29 June 2017. Based on the proposed timeline for drilling this well the joint venture has agreed to seek regulatory approval for an extension to allow time to plan, finance and drill a well.

Farm-outs

Farm-out discussions continue with a number of parties and a strong interest in EP 368 was seen late in the quarter. The farm-out market was extremely challenging in 2016, however, the recent increase in commodity prices could be the catalyst to attract a farm-in partner with the appropriate level of funding, on the right terms and risk sharing arrangements, to progress our exploration program in 2017.

The farm-out of the South Perth Basin acreage (EP 480 and EP 416) to Pilot Energy Limited was completed in the first week of October 2016, following the renewal of EP 416. Empire will be fully carried for two years on non-field based activity from 1 September 2015. Empire now retains a 40% non-operator interest in EP 480 and EP 416, allowing the Company to concentrate its resources on its primary focus areas in the North Perth Basin.

The operator engaged RISC Operations Pty Ltd (RISC) to conduct an audit of the Company's internal estimate of prospective resources for the Leschenault prospect, located in exploration permits EP 416 and EP 480.

Following the RISC audit, the joint venture:

- Received approval from the West Australian Department of Mines and Petroleum to vary the EP 480 work program

- Replaced the seismic commitment with a geochemical survey and seismic reprocessing
- Initiated a program to de-risk the Leschenault prospect

EP 440

Empire is further reviewing the prospectivity of EP 440 and will make a determination on this secondary focus permit in late Q1 2017. Permit Year 2 carries a 100 kilometre seismic commitment and is due by 29 May 2017. Based on the low prospectively currently interpreted for this permit it will be difficult to justify material expenditure in this permit given other opportunities within Empire acreage portfolio.

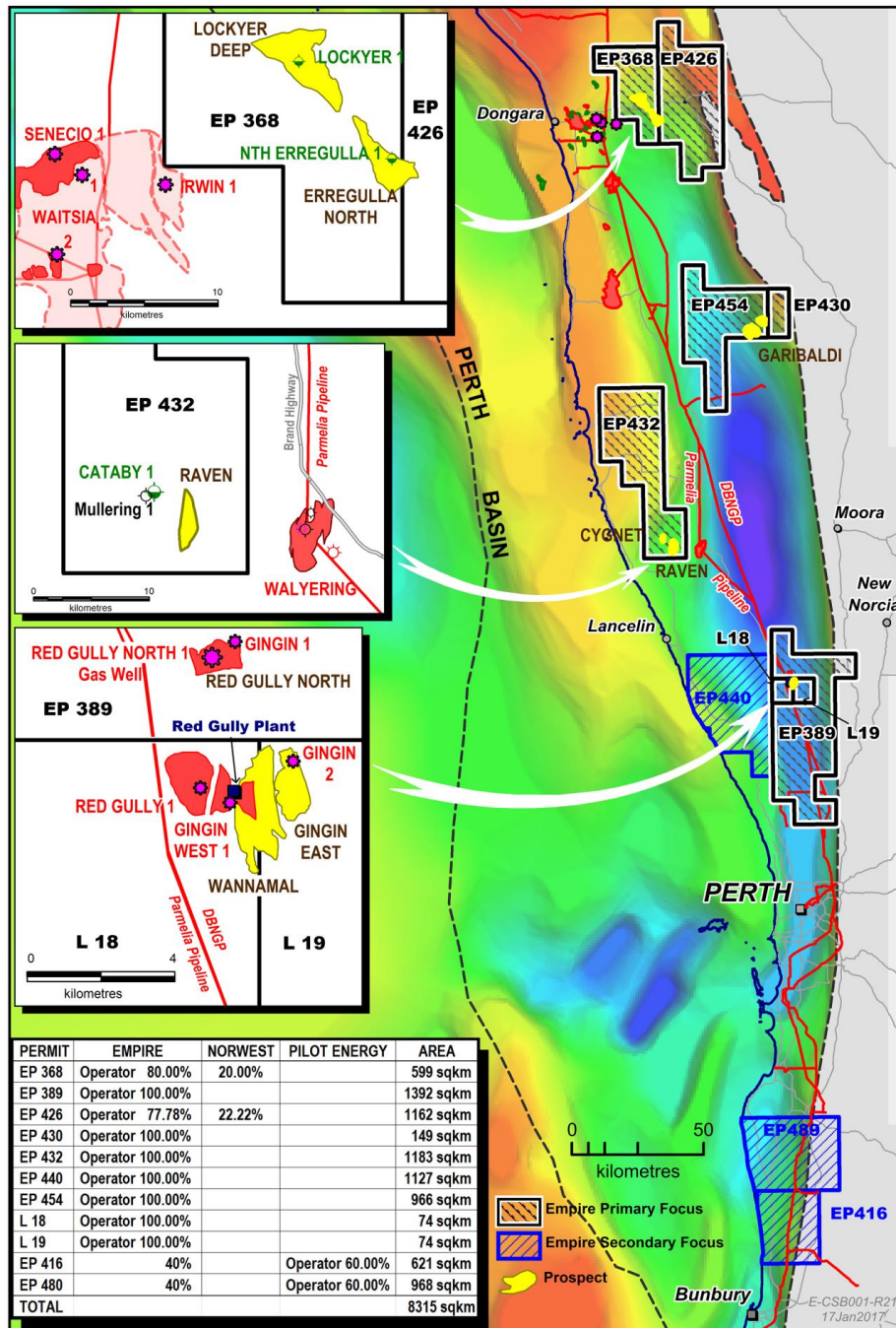


Figure 4: Overview of Empire's Perth Basin petroleum interests

Finance and Corporate

Cashflow

Empire ended the quarter with A\$3.1 million cash at bank, a decrease of A\$1.1 million.

A\$4.1 million in gas and condensate receipts were received against A\$2.0 million in exploration and evaluation costs, A\$1.5 million in production costs, A\$0.5 million in staff costs and A\$0.6 million in administration costs.

Administration costs included several one-off items for the quarter including consultant and advisory fees related to a third party sales process for a significant growth opportunity. Empire were involved in the final stage of this opportunity which was withdrawn from the market in Q4 2016.

Expected cash outflows for the March 2017 quarter will increase due to a forecast A\$1.3 million in one-off capital costs related the RGN-1 remediation. Administration costs are forecast to decrease in the March 2017 quarter.

Cash receipts for the March 2017 quarter are expected to increase, offsetting the majority of the one-off capital cost items.

Red Gully Revenue

Accrued revenue for the quarter totalled A\$4.5 million, with approximately 82% of total revenue derived from gas sales.

Gas revenue continues to be unaffected by oil price fluctuations due to the secure, CPI-linked gas contracts in place. Gas revenue was up 4% for the quarter to A\$3.7 million from the previous quarter as the plant maintained contracted quantities with good uptime.

Condensate revenue increased by 12% to A\$0.7 million due to a recovery in the oil price and a more favourable United States dollar to Australian dollar exchange rate.

Chief Executive Officer Contract

Empire extended the employment contract of its Chief Executive Officer, Mr Ken Aitken to 5 May 2020.

Community Relations

Empire actively supports the local community around Gingin and is a proud sponsor of the Gingin Football Club and the Gingin Aquatic Centre. The Gingin Football Club is currently farming a section of Empire's land with the funds raised assisting with improving club facilities.

Issued Capital

No new shares were issued during the quarter. Table 2 shows the Company's issued capital at quarter end.

Table 2: Issued Capital as at 31 December 2016

Capital type	Number issued
Ordinary Shares	102,404,989
All Options	17,073,059
Listed Options	7,853,059
Unlisted Options	9,220,000

Ken Aitken

Chief Executive Officer
Empire Oil & Gas NL

For further information, contact:

Ken Aitken
Chief Executive Officer
Empire Oil & Gas NL
Telephone: +61 8 9286 4600
www.empireoil.com.au

Rachel Rees
CFO & Company Secretary
Empire Oil & Gas NL
Telephone: +61 8 9286 4600
www.empireoil.com.au

Cameron Morse
FTI Consulting
Telephone: +61 8 9485 8888

About Empire Oil & Gas

Empire Oil & Gas NL ('Empire' or the 'Company') is an onshore conventional gas and condensate producer and explorer listed on the Australian Securities Exchange (ASX: EGO) with key assets in the Perth Basin in Western Australia.

The Company's producing assets at Red Gully are less than 150 kms from the city of Perth where there is a strong gas market. Since commencing operations in 2013, the 100% owned Red Gully Processing Facility has produced and delivered over 8,950 Terajoules (TJ) of gas. Gas produced to date has been contracted to Alcoa of Australia (Alcoa) and delivered through the Dampier to Bunbury Natural Gas Pipeline (DBNGP), which runs close to the Red Gully Processing Facility (RGPF). Condensate is transported via road to BP.

Empire is the holder of the largest net onshore acreage in the highly prospective Perth Basin with its production licenses and permits covering more than 8,000 km², representing 46% of the currently granted acreage in the onshore Perth Basin. Close to pipeline infrastructure and with rapid commercialisation opportunities, the Company has significant exploration potential in an underexplored, proven petroleum basin.

Empire's vision is to sustainably grow the business into a mid-tier exploration and production company. Empire's strategy is to be a Perth Basin operator of choice, safely supplying WA domestic gas by growing the Red Gully production hub, delivering reserves and production growth by drilling material quality exploration prospects in the high profit margin onshore Perth Basin and, enabling Empire to attract quality farm-in partners to assist in accelerating growth plans.

Qualifications and consent

The preparation of the Reserve update report as of 1 July 2016 was undertaken by Mr Ian Paton, Valmap Pty Ltd. Mr Paton has over 30 years of Australian and International experience in the Upstream Petroleum business. This experience includes extensive work in asset evaluation, reserve assessment, due diligence in acquisitions and preparation of assessment reports. Mr Paton is a current Member of the SPE and holds B.Sc. Hons (geophysics), M.Pet.Eng Western Australia University and MBA South Australia University.

The estimates of reserves presented in this assessment fairly represents the information and supporting documentation prepared by Mr Paton who is a competent petroleum and resources evaluator and has consented to the inclusion of such information in this announcement in the form and context in which it appears. Mr Paton is a part-time Geoscience and Engineering consultant to Empire Oil and Gas.

Appendix 1: Petroleum Tenements – Interests

Table 3: Tenement Schedule – 31 December 2016

Licence No.	Production and Pipeline Licence Holders	Equity Held	Changes Q4 2016
L 18	Empire Oil Company (WA) Limited	100%	No change
L 19	Empire Oil Company (WA) Limited	100%	No change
PL 96	Empire Oil Company (WA) Limited	100%	No change

Permit No.	Exploration Permit Holders	Equity Held	Changes Q4 2016
EP 389	Empire Oil Company (WA) Limited	100%	No change
EP 426	Empire Oil Company (WA) Limited* Westranch Holdings Pty Ltd	77.78% 22.22%	No Change
EP 368	Empire Oil Company (WA) Limited* Westranch Holdings Pty Ltd	80% 20%	No Change
EP 432	Empire Oil Company (WA) Limited	100%	No Change
EP 454	Empire Oil Company (WA) Limited	100%	No Change
EP 430	Empire Oil Company (WA) Limited	100%	No change
EP 416	Empire Oil Company (WA) Limited Pilot Energy Limited*	40% 60%	Permit renewed for 5 Years
EP 440	Empire Oil Company (WA) Limited	100%	No change
EP 480	Empire Oil Company (WA) Limited Pilot Energy Limited*	40% 60%	No change

* Denotes permit operator of joint venture

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

EMPIRE OIL & GAS NL

ABN

55 063 613 730

Quarter ended ("current quarter")

31 December 2016

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	4,110	8,690
1.2 Payments for		
(a) exploration & evaluation	(2,008)	(2,607)
(b) development	0	0
(c) production	(1,473)	(3,021)
(d) staff costs	(490)	(1,018)
(e) administration and corporate costs	(639)	(1,240)
1.3 Dividends received (see note 3)	0	0
1.4 Interest received	11	20
1.5 Interest and other costs of finance paid	(254)	(254)
1.6 Income taxes paid	0	0
1.7 Research and development refunds	0	0
1.8 Other (provide details if material)	0	(15)
1.9 Net cash from / (used in) operating activities	(743)	555

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(423)	(578)
(b) tenements (see item 10)	0	0
(c) investments	0	0
(d) other non-current assets	0	0

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	0	0
	(b) tenements (see item 10)	150	150
	(c) investments	0	0
	(d) other non-current assets	0	0
2.3	Cash flows from loans to other entities	0	0
2.4	Dividends received (see note 3)	0	0
2.5	Other (provide details if material)	0	0
2.6	Net cash from / (used in) investing activities	(273)	(428)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	0	0
3.2	Proceeds from issue of convertible notes	0	0
3.3	Proceeds from exercise of share options	0	0
3.4	Transaction costs related to issues of shares, convertible notes or options	0	0
3.5	Proceeds from borrowings	0	15,100
3.6	Repayment of borrowings	0	(14,921)
3.7	Transaction costs related to loans and borrowings	(63)	(142)
3.8	Dividends paid	0	0
3.9	Other (provide details if material)	0	0
3.10	Net cash from / (used in) financing activities	(63)	37

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	4,182	2,939
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(743)	555
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(273)	(428)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(63)	37
4.5	Effect of movement in exchange rates on cash held	0	0
4.6	Cash and cash equivalents at end of period	3,103	3,103

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	3,103	4,182
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)	3,103	4,182

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**

(81)

0

Directors fees

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**

0

0

Mining exploration entity and oil and gas exploration entity quarterly report

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	15,100	15,100
8.2 Credit standby arrangements	0	0
8.3 Other (please specify)	0	0
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.		


Mineral Resources have provided a secured revolving working capital facility to Empire at an interest rate of BBSW(MID) + 5% per annum.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	2,536
9.2 Development	0
9.3 Production	1,409
9.4 Staff costs	480
9.5 Administration and corporate costs	470
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	4,895

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		Refer to the Petroleum Tenements table included in Appendix 1 of the 31 December 2016 Quarterly Activities Report.		
10.2 Interests in mining tenements and petroleum tenements acquired or increased		Refer to the Petroleum Tenements table included in Appendix 1 of the 31 December 2016 Quarterly Activities Report.		

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: 

(Director/Company secretary)

Date: 31 January 2017

Print name: Rachel Rees

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.