

10 November 2017

To Creditors

**Empire Oil Company (WA) Limited
(Receivers and Managers Appointed) (Formerly Deed Administrators Appointed)
ARBN 009 475 423 (EOC)
Empire Oil & Gas NL (Deed Administrators Appointed)
ACN 063 613 730 (EGO)
Empire Services Pty Ltd (In Liquidation)
ACN 081 594 112 (EMS)**

(collectively 'the Companies')

Deed of Company Arrangement

At separate meetings of creditors of the Companies held on 2 November 2017, creditors passed a resolution accepting the Deed of Company Arrangement (**DOCA**) Proposal put forward by Mineral Resources Limited (**MRL**) for the Companies pursuant to Part 5.3A of the Corporations Act 2001 (**the Act**). The terms of the DOCA are set out in the Administrators' Reports to Creditors that was sent to all known creditors of the Companies on 25 October 2017.

The Companies and its Administrators executed the DOCA on 6 November 2017. The DOCA has been lodged with the Australian Securities and Investments Commission (**ASIC**) in accordance with Section 450B of the Act.

Effectuation of DOCA

The EOC and EMS DOCA were effectuated on 8 November 2017. The effect of this is that MRL now control and own the EOC Petroleum Assets and the Red Gully Project by virtue of their 100% ownership of the shares in EOC.

All claims against EOC (with the exception of MRL) have now been released and transferred to the Creditors' Trust created pursuant to the DOCA and control of EOC has now been returned to the newly appointed directors.

The DOCA for EGO remains on foot and pursuant to the DOCA the Deed Administrators are now undertaking a process to realise any value for EGO's ASX listed shell.

Pursuant to the DOCA, EMS is now in Liquidation.

Removal of Directors of Empire Oil Company (WA) Limited

As required under the DOCA and pursuant to the powers contained in clause 7.3(b)(6) of the DOCA, the new directors of EOC effective from 8 November 2017 are

Ceased Directors	New Directors
Thomas Fitzgerald Philip Garratt Stuart Brown Antonino Iannello	Bruce Albert Goulds Christopher James Ellison

Correction to Report to Creditors

In our Administrators' Reports to creditors dated 25 October 2017, under Part 5.3 of the report in relation to the Directors' Opinions as to the reasons for the Companies' failures, our report quoted the following:

"Once the well was re-opened, various technical errors resulted in the well not re-opening and production was ultimately halted".

We would like to correct this statement to read 'technical issues' rather than 'technical errors'. The complete statement extracted from the Directors' Questionnaire is outlined below:

"The Red Gully-1 well was shut in August 2017 in order to conduct a static pressure survey for the 2017 reserves assessment. When the Red Gully-1 well was reopened to flow it was observed that liquid was held up in the production tubing, preventing the well from flowing at the expected rate. The well was unable to produce condensate and gas at normal flow conditions. The Company explored technical solutions for the issue and undertook a nitrogen gas lift to remove the liquid in the production tubing. The nitrogen lift was not successful and, on 30 August 2017, the Company's parent Company announced on the ASX that it was assessing the various options to restart the well. Despite the best efforts of the Company, production at the well could not be restarted."

The correction was also highlighted by the Administrators at the second meetings of creditors of the Companies held on 2 November 2017.

This correction does not impact any of the conclusions or recommendations reached in our previous reports.

Creditors' Claims

All creditor claims of EOC and EGO will now be recognised under the Creditors' Trust.

Creditors who have not already lodged details of their claims for debts due by the Companies prior to the appointment of the Administrators are requested to contact this office to provide details of any outstanding claims against the Companies as soon as possible.

Correspondence will be issued to all creditors shortly regarding the distribution of a dividend in accordance with the terms of the DOCA and the Creditors' Trust.

Any questions regarding the administrations of the Companies should be directed to Timothy Rose of this office on (08) 9214 1444.

Yours faithfully

**Empire Oil Company (WA) Limited
Empire Oil & Gas NL
Empire Services Pty Ltd**



Andrew Smith
Deed Administrator / Trustee / Liquidator