



**EMPIRE OIL & GAS NL**



**ASX RELEASE**

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**ASX Code** EGO

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The Manager  
Company Announcements Office  
Australian Securities Exchange  
20 Bridge Street  
SYDNEY  
NSW 2000

### **Waiver of ASX Listing Rule 10.1**

- **As announced on ASX on 30 June 2016, Empire and Mineral Resources executed a binding term sheet on 30 June 2016 to provide A\$15.1m in funding to refinance existing indebtedness and provide working capital**
- **ASX has granted a waiver of Listing Rule 10.1 in relation to Empire granting first ranking security to Mineral Resources in respect of the working capital facility**

Oil and gas producer Empire Oil and Gas NL ("**Empire**" or the "**Company**", ASX: EGO) is pleased to advise that it has received a waiver from ASX Limited of Listing Rule 10.1 to the extent necessary to permit Empire to grant a first ranking security, comprised of mortgages over EP 389 (Red Gully North-1), PL18 and PL19 (including the Red Gully Processing Facility) and an unsecured guarantee by Empire ("**Security**"), to Mineral Resources Limited ("**Mineral Resources**", ASX: MIN) as part of an A\$15.1 million revolving working capital facility ("**Facility**"), without obtaining security holder approval.

The waiver has been granted by ASX on the following conditions:

1. The Security includes a term that if an event of default occurs and Mineral Resources exercises its rights under the Security, neither Mineral Resources nor any of its associates can acquire any legal or beneficial interest in an asset of the Company or its subsidiaries in full or part satisfaction of the Company's obligations under the Security and Facility, or otherwise deal with the assets of the Company, without the Company first having complied with any applicable listing rules, including listing rule 10.1, other than as required by law or through a receiver, or receiver or manager (or analogous person, including without limitation an administrator or liquidator) appointed by the Company or Mineral Resources (or another security holder or secured creditor) exercising its power of sale under the Security and Facility and selling the assets to an unrelated third party on arm's length commercial terms and conditions and distributing the cash proceeds to the Company and/or Mineral Resources in accordance with their legal entitlements.
2. A summary of the material terms of the Facility and the Security is made in each annual report of the Company during the term of the Security.
3. Any variations to the terms of the Security which is:
  - a. not a minor change; or
  - b. inconsistent with the terms of this waiver,must be subject to security holder approval.



4. The Company and Mineral Resources must seek to discharge the Security when the funds advanced under the Facility are either repaid in full to Mineral Resources, or if it is not discharged, seek security holder approval for the continuation of the Security and Facility for any further period.
5. The Company immediately releases to the market this announcement which sets out the terms of the waiver.

As noted above, the Company intends to finalise the definitive documentation in relation to the Facility and Security and will provide an update when those documents are finalised. Further details regarding the Facility and Security are set out in the Company's ASX release dated 30 June 2016.

Yours sincerely

**For Empire Oil & Gas NL**

A handwritten signature in black ink, appearing to read 'Rachel Rees'.

**Rachel Rees**

Company Secretary and Chief Financial Officer

**For further information, please contact:**

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**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 150kms 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 6,500 Terajoules (TJ) of gas. Gas produced to date has been contracted to Alcoa and delivered through the Dampier to Bunbury Natural Gas Pipeline (DBNGP), which lies next to the Processing Facility. Condensate produced is transported via road to BP.

EGO is the holder of the largest net acreage in the highly prospective Perth Basin with its production licenses and permits covering more than 10,000km<sup>2</sup>, representing 48% of the currently granted acreage in the Perth Basin. Close to pipeline infrastructure and with rapid commercialisation opportunities, the Company has significant exploration potential in an underexplored, proven petroleum system.

Empire's vision is to sustainably grow the business into a mid-tier exploration and production company. Empire's strategy is to be the 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, enabling Empire to attract quality farm-in partners to assist in accelerating growth plans.

**About Mineral Resources Limited**

Mineral Resources Limited is a leading, integrated, Australian based mining services company listed on the ASX with a market capitalisation of A\$1.7 billion. The Company has operations in contract crushing, general mine services, infrastructure provision and recovery of base metal concentrate for export. Comprising long standing core businesses PIHA Pty Ltd, Crushing Services International Pty Ltd, Process Minerals International Pty Ltd, Polaris Metals Pty Ltd, Reed Industrial Minerals Pty Ltd and Mesa Mineral Limited, Mineral Resources Limited has developed a strong reputation for the cost effective delivery of its services and products to the resources and infrastructure sectors.