



EMPIRE OIL & GAS NL

Thursday 14 September 2017

ASX RELEASE

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ASX Code EGO

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Receivers and managers appointed to certain assets of Empire Oil Company (WA) Limited

As set out in the ASX release of Empire Oil & Gas NL ("**Company**", ASX:EGO) dated 11 August 2016 and the Company's 2016 Annual Report, Mineral Resources Limited ("**Mineral Resources**", ASX:MIN) provided an A\$15 million working capital facility under a loan facility agreement between Mineral Resources (as lender), Empire Oil Company (WA) Limited (a wholly-owned subsidiary of the Company, "**Empire Oil Subsidiary**") (as borrower) and the Company (as guarantor) ("**Loan Facility**"). The Loan Facility is secured by a first ranking security over certain assets of Empire Oil Subsidiary.

The Company notifies shareholders that yesterday evening (13 September 2017) Empire Oil Subsidiary received a Notice of Default and Demand, and Deed of Appointment of Receivers and Managers, under which Mineral Resources has notified Empire Oil Subsidiary of a default under the Loan Facility and has appointed Mr Matthew James Donnelly and Mr Jason Mark Tracy of Deloitte jointly and severally as receivers and managers of certain assets of Empire Oil Subsidiary. These assets are principally related to the Red Gully area and are set out in the Schedule to this announcement ("**Secured Assets**").

Empire Oil Subsidiary is considering its position in relation to the deed of appointment of the receivers and managers of the Secured Assets.

The Company continues to assess the options available to it and will continue to comply with its continuous disclosure obligations.

– ENDS –

For further information, contact:

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SCHEDULE: SECURED ASSETS

All of the present and future right, title, benefit and interest of Empire Oil Subsidiary in and to:

1. each of:
 - (i) Exploration Licence EP389 (Red Gully North-1), Production Licence L18 (Red Gully) and Production Licence L19 (Red Gully);
 - (ii) any other present or future petroleum prospecting, exploration, retention, production or associated permit, licence, authority or lease issued under and [sic] law on the application or authority of a grantor which confers a right to prospect, explore or produce any petroleum (as that term is defined in the *Petroleum and Geothermal Energy Resources Act 1967 (WA)*) ("**Petroleum**");
 - (iii) any present or future renewal, extension, conversion, modification, substitution, amalgamation or variation of any of the above (whether extending over the same or a greater or lesser area); and
 - (iv) any present or future application for an interest in any of the above which confers or which, when granted, will confer the same or similar rights,(together, the "**Petroleum Titles**");
2. the present and future right, title and interest of Empire Oil Subsidiary in and to all Petroleum extracted or derived from the Petroleum Titles; and
3. buildings, improvements, structures, systems, fixtures, plant, machinery, tools and other personal property from time to time in or on the land the subject of the Petroleum Titles.