



23rd September 2024

ASX Market Announcements
ASX Limited, 20 Bridge Street
Sydney NSW 2000

\$1.25M Institutional Placement and Appointment of Argonaut as Strategic Financial Advisor

Highlights:

- **Firm commitments received for a \$1.25 million placement to institutional and sophisticated investors at an issue price of A\$0.007 per share**
- **Institutional Investors Nero Resources Fund, Perennial Value Management and Regal Funds Management to become substantial shareholders**
- **Argonaut appointed as Strategic Financial Advisor to progress the Judith Gas Field Project**

Emperor Energy Limited (**ASX:EMP**) (**'Emperor Energy'** or the **'Company'**) wishes to advise that it has received firm commitments to raise \$1.25 million via a placement of approximately 178.6 million fully paid ordinary shares (**'New Shares'**) at an issue price of A\$0.007 per share (**'Placement'**). Perth and Sydney based Argonaut acted as Lead Manager to the Placement.

Emperor Energy has also appointed Argonaut as **Strategic Financial Advisor** to assist in bringing an investment consortium together to drill the Judith-2 Well and develop the Judith Gas Field in the 100% owned EP Vic/P47 Offshore Gippsland Basin, Victoria.

Executive Chairman of Argonaut, Eddie Rigg, commented:

When this opportunity was referred to Argonaut, it reminded me of the renaissance of the Perth Basin where Argonaut played an integral role. We engaged an independent expert to assess the Judith Gas Field Project. The positive feedback was then supported by the well site geologist when Judith-1 was drilled in 1989, who was adamant that it was a gas discovery that should have been appraised.

There are so many compelling factors that should see Judith-2 drilled: high gas prices driven by enormous and unsatisfied domestic demand; proximity to infrastructure; the 2020 3D seismic survey that was interpreted over Vic/P47 in 2022 with favourable results; prospective resources of +2TCF and our knowledge that gas is present, and the prolific deeper Longtom sands contained within the permit are yet to be tested."

Emperor Energy welcomes the suite of three institutional investors **Nero Resource Fund, Perennial Value Management and Regal Funds Management** that will become substantial shareholders of the Company (post the approval of the second tranche of the placement at the AGM).



Director of Emperor Energy, Phil McNamara, commented:

The Judith Gas Field is an existing gas discovery perfectly located in Bass Strait to provide South-Eastern Australia with a new source of gas supply.

The petrophysics of Shells's 1989 Judith-1 Well were reviewed with previous errors and incorrect assumptions corrected. The result was significantly improved gas mobilities and permeabilities that more closely align with the very strong gas shows in four thick sandstone units as witnessed by Malcolm King as Shell's Well Site Geologist on the Drilling Rig in 1989.

AVO analysis was completed by Jarrod Dunne who tied back the Judith and Kipper wells using our world class 3D seismic data. The results show the Judith gas accumulation extending into the surrounding faults blocks and the underlying Longtom gas sands. This indicates an opportunity for a significant increase in gas field scale with further drilling.

The appointment of Argonaut is a significant step in driving this project forward and has immediately secured cornerstone institutional investment. This is an exciting time ahead for Emperor Energy as we progress forward towards drilling the Judith-2 Well, targeting successful outcomes that could deliver a gas reserve of substantial commercial scale and deliverability.

Placement

The Placement will raise A\$1.25 million (before costs) through the issue of approximately 178.6 million New Shares as follows:

- Tranche 1 to raise approximately A\$0.55 million through the issue of approximately 77.9 million New Shares will be conducted within the Company's available placement capacity pursuant to ASX Listing Rules 7.1 and 7.1A ('**Tranche 1**').
- Tranche 2 to raise approximately A\$0.70 million through the issue of approximately 110.6 million New Shares will be subject to shareholder approval to be sought at an Annual General Meeting ('**AGM**') expected to be held on or around early November 2024 ('**Tranche 2**').

The issue price of \$0.007 per ordinary share represents a discount of 12.5% to Emperor Energy last close price (18th September 2024) of \$0.0080 and a 22.3% discount to the 15-VWAP of \$0.009 per share.

The proceeds of the placement will be applied to advancing the Judith Gas Field Project and for working capital purposes.

Judith Gas Field – Vic/P47 Permit – Offshore Gippsland Basin

- EMP holds a 100% interest in the 202 km² Vic/P47 Permit, and is the operator
- Permit tenure secured with recent extension granted by NOPTA
- Operators in the Gippsland Basin (**Figure 1**) include Exxon/Woodside, Beach Petroleum, 3D-Oil and Cooper Energy
- **198 BCF (P50)** 2C Contingent Resource around Judith-1 Well and a **2.2 TCF (P50)** Prospective Resource in the Judith structure within Vic/P47 permit



- The Judith-1 Discovery Well drilled by Shell in 1989 intersected 189m (net) gas bearing sands but was Plugged and Abandoned without flow testing.
- The Longtom Gas Field located 15km West of Judith was subsequently discovered in 1995. Gas sands analogous to the productive LT400 and LT500 sequences are identified on seismic Vic/P47 below the terminated depth of Judith-1.
- The planned Judith-2 Well has been designed to test the gas bearing sands discovered in 1989 along with the deeper Longtom sands .
- Gas infrastructure is well developed in the region with a network of pipelines to onshore gas processing facilities at Longford and Orbost (**Figure 2**)
- MOU with Cooper Energy to explore potential utilisation of Cooper’s Orbost Gas Processing Facility and adjacent sites to process and transfer a future Judith field development
- 3D seismic acquired in 2020 with interpretation completed in 2022
- Gas Sand Permeabilities re-calculated by Steve Adams in 2023 using proven technique for old wells resulting in a significant increase in expected permeabilities
- Production Simulation Modelling Indicates commerciality – **80MMSCF/Day** from the discovered 2C Contingent Resource around the Judith-1 Well.
- Environmental Plan (EP) for drilling approval is 85% complete

Figure 1: Gippsland Basin, Bass Strait

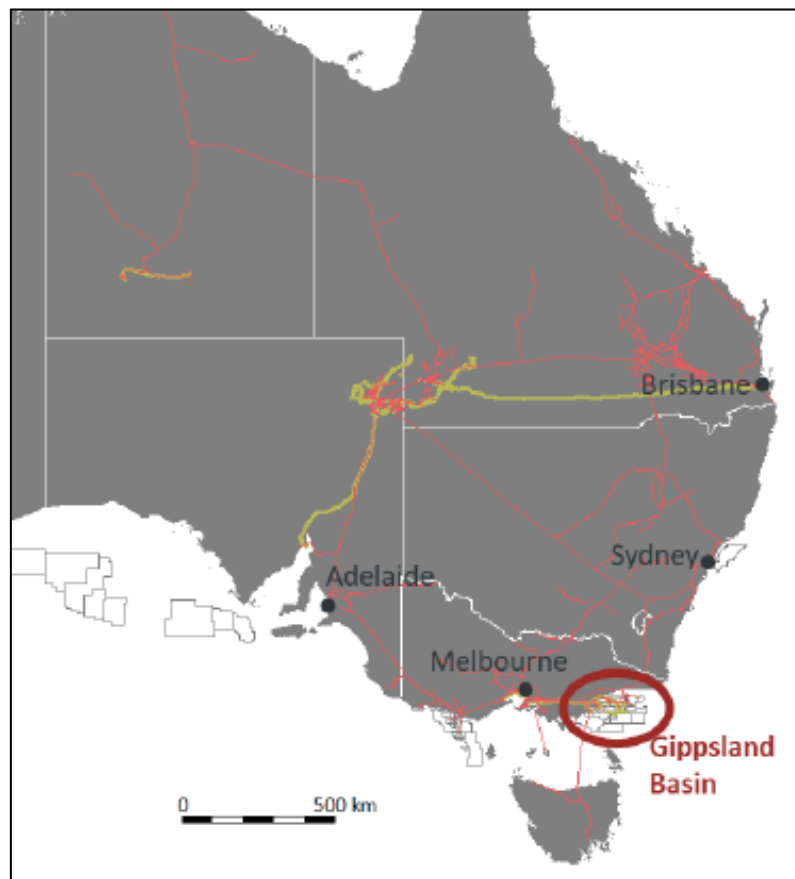




Figure 2: Judith Gas Field, Gippsland Basin, 40km offshore

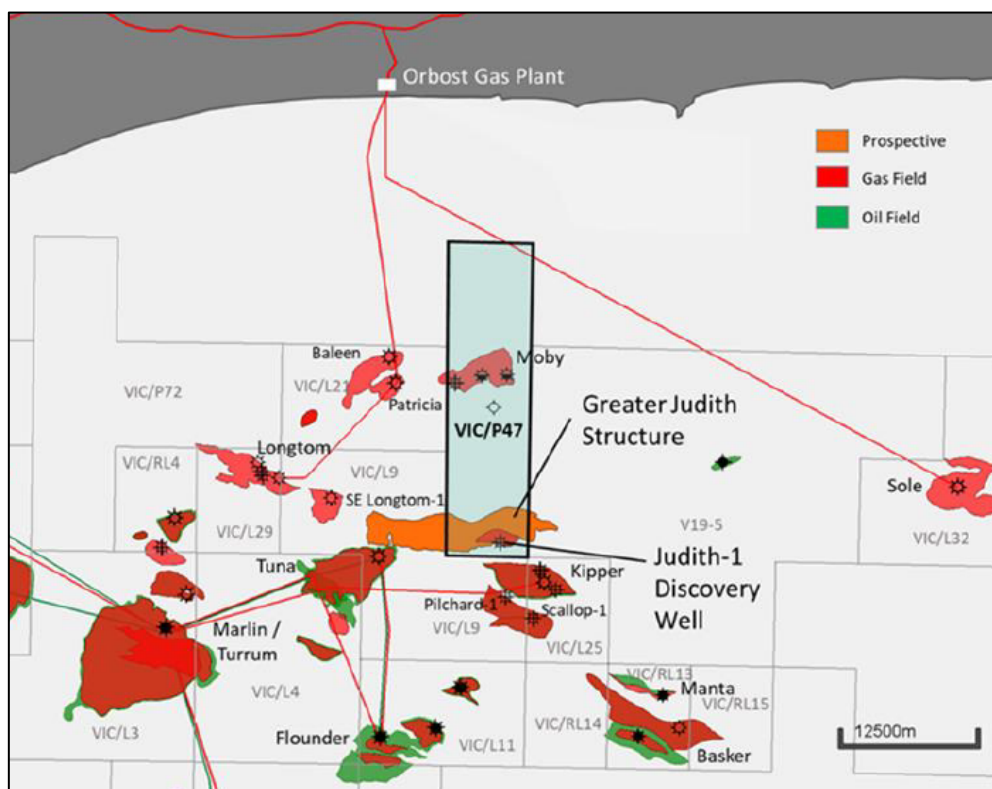
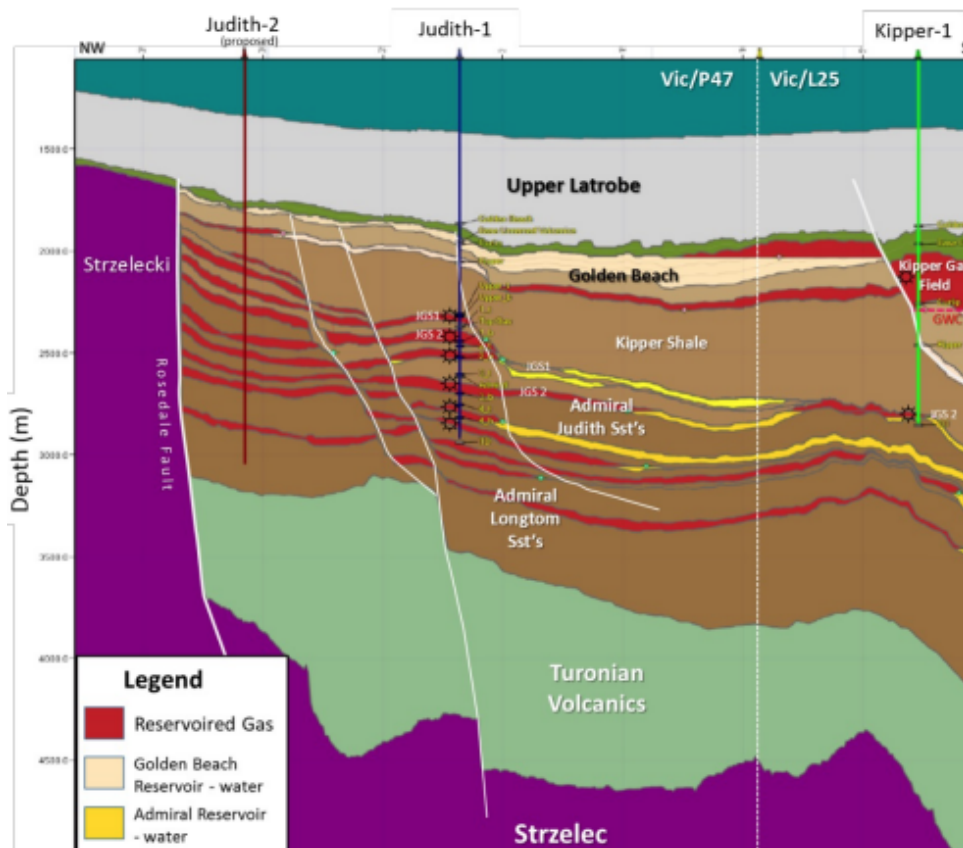


Figure 3: Seismic AVO Modelling showing proposed Judith-2 Well Location





Resources

The Judith Gas Field gas resources provided in the tables below are 100% attributable to the Vic/P47 Exploration Permit, of which Emperor Energy holds 100% equity.

The resource statement was provided in October 2022 by consulting geologists 3D-GEO who have apportioned resources in accordance with the Society of Petroleum Engineers' internationally recognised Petroleum Resources Management System (SPE-PRMS 2018). Resources are allocated to both the Golden Beach and Emperor Sub-groups.

Table 2.1: Summary of Contingent Resources for Judith area of VIC/P47 (3D-GEO, October 2022) (Probabilistic determination)

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 2.2: 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
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
Total	Bcf	346	1627	3452

Table 2.3: Summary of Lead Prospective Resources for Judith area of VIC/P47 Kipper and Golden Beach Sandstones (3D-GEO, March 2022)

Greater Judith Area		Unrisked Prospective Resources		
		P90	P50	P10
New Resource Statement				
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
Total	Bcf	356	622	996

Source: EMP ASX Release 13 October 2022.



EMPEROR ENERGY
LIMITED

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

Yours faithfully

Carl Dumbrell
Company Secretary

Ph +61 402 277 282

carl@emperorenergy.com.au

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Competent Persons Statement – Petroleum Resources

Consents

The Resources information in this ASX release is based on, and fairly represents, data and supporting documentation supplied in an Independent Technical Specialist's Report (ITSR) prepared by 3D-GEO Pty Ltd. The preparation of this report has been managed by Mr Keven Asquith who is Chairman and Director of 3D-GEO Pty Ltd.

Mr Asquith holds an Honours BSc. Geological Sciences – University of Western Ontario, Canada, 1978, and a Diploma in Project Management from the University of New England, Australia - 2000. Mr Asquith has over 35 years' experience in the sector and is a long-time member of the American Association of Petroleum Geologists (AAPG).

Mr Asquith is a qualified Petroleum Reserves and Resources Evaluator as defined by ASX listing rules. The Resources information in this ASX announcement was issued with the prior written consent of Mr Asquith in the form and context in which it appears.

3D-GEO Pty Ltd is an independent oil and gas consultancy firm. All the 3D-GEO staff engaged in this assignment are professionally qualified engineers, geoscientists or analysts, each with many years of relevant experience and most have in excess of 25 years of industry experience.

3D-GEO was founded in 2001 to provide geotechnical evaluations to companies associated with the oil and gas industry. 3D-GEO services domestic and international clients with offices in Melbourne and Madrid.

Reserves and resources are reported in accordance with the definitions of reserves, contingent resources and prospective resources and guidelines set out in the Petroleum Resources Management System (PRMS) approved by the Board of the Society of Petroleum Engineers in 2018.

The Independent Technical Specialist's Report (ITSR) has been prepared in accordance with the Code for the Technical Assessment and Valuation of Mineral and Petroleum Assets and Securities for Independent Expert Reports 2005 Edition ("The VALMIN Code") as well as the Australian Securities and Investment Commission (ASIC) Regulatory Guides 111 and 112.

SPE-PRMS Society of Petroleum Engineer's Petroleum Resource Management System - Petroleum resources are the estimated quantities of hydrocarbons naturally occurring on or within the Earth's crust. Resource assessments estimate total quantities in known and yet-to-be discovered accumulations, resources evaluations are focused on those quantities that can potentially be recovered and marketed by commercial projects. A petroleum resources management system provides a consistent approach to estimating petroleum quantities, evaluating development projects, and presenting results within a comprehensive classification framework. PRMS provides guidelines for the evaluation and reporting of petroleum reserves and resources.

Under PRMS "**Reserves**" are those quantities of petroleum which are anticipated to be commercially recoverable from known accumulations from a given date forward. All reserve estimates involve some degree of uncertainty. The uncertainty depends chiefly on the amount of reliable geologic and engineering data available at the time of the estimate and the interpretation of these data. The relative degree of uncertainty may be conveyed by placing reserves into one of two principal classifications, either proved or unproved. Unproved reserves are less certain to be recovered than proved reserves and may be further sub-classified as probable and possible reserves to denote progressively increasing uncertainty in their recoverability.

"**Contingent Resources**" are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations, but the applied project(s) are not yet considered mature enough for commercial development due to



one or more contingencies. Contingent Resources may include, for example, projects for which there are currently no viable markets, or where commercial recovery is dependent on technology under development or gaining access to existing infrastructure or where evaluation of the accumulation is insufficient to clearly assess commerciality. Contingent Resources are further categorized in accordance with the level of certainty associated with the estimates and may be sub-classified based on project maturity and/or characterized by their economic status.

“**Prospective Resources**” are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects. Prospective Resources have both a chance of discovery and a chance of development. Prospective Resources are further subdivided in accordance with the level of certainty associated with recoverable estimates assuming their discovery and development and may be sub-classified based on project maturity.

The estimated quantities of petroleum that may potentially be recovered by the application of future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

End