

Emperor Energy Limited

ABN 56 006 024 764

Half-year Financial Report - 31 December 2024

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Emperor Energy Limited
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31 December 2024

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Emperor Energy Limited
Corporate directory
31 December 2024

Directors	Carl Dumbrell Nigel Harvey Philip McNamara
Company secretary	Carl Dumbrell
Registered office & Principal place of business	Level 4, 55 York Street Sydney NSW 2000
Share register	Automic Pty Ltd Level 5, 126 Phillip Street Sydney NSW 2000
Lawyer	Thomson Geer Exchange Tower Level 27, 2 The Esplanade Perth WA 6831
Auditor	In.Corp Audit & Assurance Pty Ltd Level 1 6-10 O'Connell Street Sydney NSW 2000
Stock exchange listing	Emperor Energy Limited shares are listed on the Australian Securities Exchange (ASX: EMP)
Website	www.emperorenergy.com.au

Emperor Energy Limited
Directors' report
31 December 2024

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Emperor Energy Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2024.

Directors

The following persons were directors of Emperor Energy Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Carl Dumbrell (Non-Executive Director)

Nigel Harvey (Non-Executive Director)

Philip McNamara (Non-Executive Director)

Principal activities

During the financial half-year the principal continuing activities of the consolidated entity consisted of investment in selected exploration, production and development opportunities in the upstream oil and gas sector.

Review of operations

The loss for the consolidated entity after providing for income tax amounted to \$457,018 (31 December 2023: \$472,680).

Financial Position

The net assets of the consolidated entity increased by \$3,631,456 to \$9,274,429 as at 31 December 2024 (30 June 2024: \$5,642,973). The consolidated entity's working capital, being current assets less current liabilities was in surplus as at 31 December 2024 by \$3,150,350 (30 June 2024: surplus \$30,804). The consolidated entity had a negative cash flows from operating activities of \$481,097 for the six months (31 December 2023: deficit of \$360,093) and expended \$364,449 (31 December 2023: \$110,785 in relation to exploration and evaluation activities).

Significant changes in the state of affairs

There were no other significant changes in the state of affairs of the consolidated entity during the financial half-year.

Matters subsequent to the end of the financial half-year

No other matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the consolidated entity's operations, results of those operations, or the consolidated entity's state of affairs in future financial years.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

Tenement holding summary

Below is a list of the tenements held by Emperor Energy Limited as of 31 December 2024:

Petroleum Tenement	Location	Beneficial Percentage held
Vic/P47	Victoria	100% / Operator
Backreef Area	Western Australia	100% / Operator
Gold Mining Lease	Location	Beneficial Percentage held
ML 1352	Queensland	100% / Operator
ML 1353	Queensland	100% / Operator
ML 1439	Queensland	100% / Operator

Emperor Energy did not acquire or dispose, farm in or farm out, or incur any change of beneficial interest in any petroleum or mining tenements during the period.

Emperor Energy Limited
Directors' report
31 December 2024

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors



Carl Dumbrell
Director

27 February 2025

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AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

To the Directors of Emperor Energy Limited

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 31 December 2024 there have been:

- no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in relation to Emperor Energy Limited and the entities it controlled during the half-year.

In.Corp Audit & Assurance Pty Ltd



Daniel Dalla
Director

Sydney, 27 February 2025

In.Corp Audit & Assurance Pty Ltd
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Emperor Energy Limited
Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2024

		Consolidated	
	Note	31 December 2024	31 December 2023
		\$	\$
Revenue		6,475	1,933
Expenses			
Administration expenses		(449,933)	(470,101)
Finance costs		(13,500)	(4,512)
Impairment		(60)	-
Loss before income tax expense		(457,018)	(472,680)
Income tax expense		-	-
Loss after income tax expense for the half-year attributable to the owners of Emperor Energy Limited		(457,018)	(472,680)
Other comprehensive income for the half-year, net of tax		-	-
Total comprehensive loss for the half-year attributable to the owners of Emperor Energy Limited		<u>(457,018)</u>	<u>(472,680)</u>
		Cents	Cents
Basic earnings per share	13	(0.11)	(0.17)
Diluted earnings per share	13	(0.11)	(0.17)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Emperor Energy Limited
Statement of financial position
As at 31 December 2024

		Consolidated	
	Note	31 December 2024 \$	30 June 2024 \$
Assets			
Current assets			
Cash and cash equivalents	4	3,398,245	221,900
Trade and other receivables		62,129	22,434
Other financial assets	5	36,114	36,903
Total current assets		<u>3,496,488</u>	<u>281,237</u>
Non-current assets			
Financial Assets designated as FVTPL		70	130
Exploration expenditure	6	6,114,064	5,612,039
Fixed assets		9,945	-
Total non-current assets		<u>6,124,079</u>	<u>5,612,169</u>
Total assets		<u>9,620,567</u>	<u>5,893,406</u>
Liabilities			
Current liabilities			
Trade and other payables	7	346,138	250,433
Total current liabilities		<u>346,138</u>	<u>250,433</u>
Total liabilities		<u>346,138</u>	<u>250,433</u>
Net assets		<u>9,274,429</u>	<u>5,642,973</u>
Equity			
Issued capital	8	36,991,968	32,764,744
Reserves		1,500	140,250
Accumulated losses		<u>(27,719,039)</u>	<u>(27,262,021)</u>
Total equity		<u>9,274,429</u>	<u>5,642,973</u>

The above statement of financial position should be read in conjunction with the accompanying notes

Emperor Energy Limited
Statement of changes in equity
For the half-year ended 31 December 2024

Consolidated	Contributed equity \$	Accumulated losses \$	Reserves \$	Total equity \$
Balance at 1 July 2023	31,744,732	(26,457,702)	140,250	5,427,280
Loss after income tax expense for the half-year	-	(472,680)	-	(472,680)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive loss for the half-year	-	(472,680)	-	(472,680)
<i>Transactions with owners in their capacity as owners:</i>				
Share placement to directors	225,000	-	-	225,000
Contributions of equity, net of transaction costs (note 8)	343,040	-	-	343,040
Balance at 31 December 2023	<u>32,312,772</u>	<u>(26,930,383)</u>	<u>140,250</u>	<u>5,522,639</u>
Consolidated	Contributed equity \$	Accumulated losses \$	Reserves \$	Total equity \$
Balance at 1 July 2024	32,764,744	(27,262,021)	140,250	5,642,973
Loss after income tax expense for the half-year	-	(457,018)	-	(457,018)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive loss for the half-year	-	(457,018)	-	(457,018)
<i>Transactions with owners in their capacity as owners:</i>				
Issue of options	-	-	1,500	1,500
Options lapsed	140,250	-	(140,250)	-
Contributions of equity, net of transaction costs (note 8)	4,086,974	-	-	4,086,974
Balance at 31 December 2024	<u>36,991,968</u>	<u>(27,719,039)</u>	<u>1,500</u>	<u>9,274,429</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

Emperor Energy Limited
Statement of cash flows
For the half-year ended 31 December 2024

		Consolidated	
	Note	31 December 2024	31 December 2023
		\$	\$
Cash flows from operating activities			
Payments to suppliers and employees (inclusive of GST)		(472,027)	(362,046)
Other receipts		2,955	-
Interest & other finance costs paid		(18,500)	-
Interest received		6,475	1,953
		<u> </u>	<u> </u>
Net cash used in operating activities		(481,097)	(360,093)
		<u> </u>	<u> </u>
Cash flows from investing activities			
Payments for exploration and evaluation		(364,449)	(110,785)
		<u> </u>	<u> </u>
Net cash used in investing activities		(364,449)	(110,785)
		<u> </u>	<u> </u>
Cash flows from financing activities			
Proceeds from issue of shares		4,334,987	350,000
Payment of share issue costs		(283,096)	(7,260)
Proceeds from borrowings		100,000	-
Repayments of borrowings		(130,000)	-
		<u> </u>	<u> </u>
Net cash from financing activities		4,021,891	342,740
		<u> </u>	<u> </u>
Net (decrease)/increase in cash and cash equivalents		3,176,345	(128,138)
Cash and cash equivalents at the beginning of the financial half-year		221,900	313,070
		<u> </u>	<u> </u>
Cash and cash equivalents at the end of the financial half-year	4	<u><u>3,398,245</u></u>	<u><u>184,932</u></u>

The above statement of cash flows should be read in conjunction with the accompanying notes

1. General information

Emperor Energy Limited is a listed public company limited by shares, incorporated and domiciled in Australia. The address of the registered office and principal place of business is Level 4, 55 York Street, Sydney, NSW 2000.

The principal activities of the consolidated entity consisted of investment in selected exploration, production and development opportunities in the upstream oil and gas sector.

2. Presentation of financial statements

The financial statements cover Emperor Energy Limited as a consolidated entity consisting of Emperor Energy Limited and the entities it controlled at the end of, or during, the year. The financial statements have been presented in Australian dollars (\$) as this is the currency of the primary economic environment that the group operates in.

3. Material Accounting Policy Information

The general purpose financial statements for the interim half-year reporting period ended 31 December 2024 have been prepared in accordance with Australian Accounting Standard AASB 134 '*Interim Financial Reporting*' and the *Corporations Act 2001*, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with Financial Reporting Standard IAS 34 '*Interim Financial Reporting*'.

The general-purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2024 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

3.1 New Accounting Standards and Interpretations adopted

The Consolidated Entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

3.2 New Accounting Standards and Interpretation not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the period ended 31 December 2024.

3.3 Going concern

The financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

For the six months ended 31 December 2024, the consolidated entity incurred a loss after tax of \$457,018 (31 December 2023: \$472,680) and had net cash outflows from operating and exploration activities of \$845,546 (31 December 2023: \$470,878). Additionally, as at 31 December 2024 the consolidated entity had a net current asset of \$3,150,350 (30 June 2024: net current assets \$30,804) and net assets of \$9,274,429 (30 June 2024: \$5,642,973).

In considering the appropriateness of this basis of preparation, the directors have reviewed the consolidated entity working capital forecasts for a minimum of 12 months from the date of the approval of this financial statement. At 31 December 2024, the consolidated entity had \$3,398,245 of available cash.

Since the end of the last financial year, the directors have taken a number of actions to ensure the consolidated entity can continue to fund its operations and further explore and develop the consolidated entity's tenements. These steps comprise:

1. Capital raise in September / November and December 2024;
2. Global search to secure a farm-in partner for Vic/P47.

The directors have prepared a detailed cash flow forecast through to 31 March 2026 and based on the budgeted expenditure, the consolidated entity will be required to raise additional funds (through the methods set out above) with a minimum overall raising of \$5,000,000 for exploration and operating costs (which excludes any drilling activities) before capital raising costs by 31 March 2026.

3. Material Accounting Policy Information (continued)

The consolidated entity currently does not have any production income and in order to continue as a going concern is reliant on achieving a capital raising of at least \$5,000,000 over the 12 months to 31 March 2026.

Based on the current management plan, management believes that these funds will be sufficient for the expenditure to date as well as the planned forecast expenditure for the forthcoming twelve months. As a result of that review the Directors consider that it is appropriate to adopt the going concern basis of preparation.

In the event that the consolidated entity is unsuccessful in the matters set out above, there is material uncertainty whether the consolidated entity will continue as a going concern and therefore whether it will realise its assets and discharge its liabilities in the normal course of business and at the amounts stated in the financial report.

This financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the consolidated entity not continue as a going concern.

4. Current assets - cash and cash equivalents

	Consolidated	
	31 December	30 June
	2024	2024
	\$	\$
Cash at bank	<u>3,398,245</u>	<u>221,900</u>

5. Current assets – other financial assets

	Consolidated	
	31 December	30 June
	2024	2024
	\$	\$
Prepayments	<u>36,114</u>	<u>36,903</u>

6. Non-current assets - exploration expenditure

	Consolidated	
	31 December	30 June
	2024	2024
	\$	\$
Exploration and evaluation - at cost	<u>6,114,064</u>	<u>5,612,039</u>

Note 6. Non-current assets - exploration expenditure (continued)

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

Consolidated	Exploration \$
Balance at 1 July 2024	5,612,039
Expenditure during the half-year	<u>502,025</u>
Balance at 31 December 2024	<u><u>6,114,064</u></u>

The recoverability of the carrying amount of the exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

7. Trade and other payables

	Consolidated 31 December 2024 \$	30 June 2024 \$
Trade and other payables	<u>346,138</u>	<u>250,433</u>

8. Equity - issued capital

	Consolidated			
	31 December 2024 Shares	30 June 2024 Shares	31 December 2024 \$	30 June 2024 \$
Ordinary shares – fully paid	<u>710,435,250</u>	<u>383,464,751</u>	<u>36,991,968</u>	<u>32,764,744</u>

Movements in ordinary share capital

Details	Date	No of shares	Issue price	\$
Balance	1 July 2024	383,464,751		32,764,744
Placement	23 August 2024	6,250,000	\$0.008	50,000
Placement	3 October 2024	63,035,758	\$0.007	434,250
Placement	12 November 2024	127,249,958	\$0.007	882,263
Lapse of options	17 December 2024	-	-	140,250
Placement	31 December 2024	130,434,783	\$0.023	3,000,000
Less costs	31 December 2024	-	-	(279,539)
Balance	31 December 2024	<u>710,435,250</u>		<u>36,991,968</u>

8. Equity - issued capital (continued)

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

9. Equity - dividends

There were no dividends paid, recommended or declared during the current or previous financial half-year.

10. Commitments

Exploration and evaluation

Committed at the reporting date but not recognised as liabilities, payable:

Within one year

One to five years

	Consolidated 31 December 2024 \$	30 June 2024 \$
Within one year	360,755	799,500
One to five years	25,341,510	25,340,000
	<u>25,702,265</u>	<u>26,139,500</u>

The consolidated entity has interests in exploration and evaluation permits. These interests give rise to expenditure commitments.

11. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries.

Name	Principal place of business / Country of incorporation	Ownership interest 31 December 2024 %	30 June 2024 %
OBL Backreef No.10 Pty Ltd	Australia	100.00	100.00
Emperor Resources Pty Ltd	Australia	100.00	100.00
Shelf Oil Pty Ltd	Australia	100.00	100.00
Backreef Energy Pty Ltd	Australia	100.00	100.00

12. Events after the reporting period

No matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the consolidated entity's operations, results of those operations, or the consolidated entity's state of affairs in future financial years:

13. Earnings per share

	Consolidated	
	31 December 2024	31 December 2023
	\$	\$
Loss after income tax attributable to the owners of Emperor Energy Limited	(457,018)	(472,680)
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	418,501,368	275,787,000
Weighted average number of ordinary shares used in calculating diluted earnings per share	418,501,368	275,787,000
	Cents	Cents
Basic earnings per share	(0.11)	(0.17)
Diluted earnings per share	(0.11)	(0.17)

Emperor Energy Limited
Directors' declaration
31 December 2024

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2024 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors



Carl Dumbrell
Director

27 February 2025

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EMPEROR ENERGY LIMITED

INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of Emperor Energy Limited

Conclusion

We have reviewed the accompanying half-year financial report of Emperor Energy Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, notes to the financial statements including material accounting policy information, other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group is not in accordance with the *Corporations Act 2001* including:

- giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and
- complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including independence standards)* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical requirements in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Emperor Energy Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

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EMPEROR ENERGY LIMITED

INDEPENDENT AUDITOR'S REVIEW REPORT (continued)

Emphasis of Matter - Material Uncertainty Related to Going Concern

We draw attention to Note 3 in the financial report, which notes that the Group incurred a net loss of \$457,018 and has net cash outflows from operating and exploration activities of \$845,546 during the half-year ended 31 December 2024. Note 3 sets forth events and conditions, along with other matters that indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Directors' Responsibility for the Half-Year Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the half year ended on that date, and complying with AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

In.Corp Audit & Assurance Pty Ltd



Daniel Dalla
Director

Sydney, 27 February 2025