

11 October 2011

Manager of Company Announcements
 ASX Limited
 Level 8 Exchange Plaza
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By E-Lodgement

Georgian Drilling Update

Red Emperor Resources NL (ASX: RMP | AIM: RMP) along with its joint venture partners Strait Oil and Gas UK Ltd and Range Resources Limited (ASX: RRS | AIM: RRL) advises that the Mukhiani Well has been drilled to the intermediate depth of 1544 meters with a proposed total depth of 3500 meters.

Drilling operations are continuing after a short interruption to undertake a comprehensive data collection program for close analysis. The analysis is deemed prudent to determine if the well has reached the Paleozoic granite basement or is drilling through a sub-volcanic intrusive which is masking the targeted primary reservoir objective at a depth of about 2300m as interpreted from the helium survey and exists with other similar discoveries found under sub-volcanic intrusives. An additional factor for undertaking the analysis is the slow drilling rates that are being achieved through the highly variable intrusive complex.

A full suite of wireline logs has been successfully recorded. Additional valuable information has been obtained through the successful collection of 10 sidewall cores from critical intervals. Preparations are underway for cutting a full diameter conventional core within the nearest future. Once the coring program is completed, a Vertical Seismic Profile (VSP) survey will be run.

The new data will then be integrated into the full data set and the subsurface situation reinterpreted as appropriate. This reinterpretation will then be used to determine the next steps for the well depending on the progress of the well at that point in time. The VSP survey will be undertaken in approximately 10 to 14 days.

The Mukhiani Well is targeting the Vani 3 prospect, which has the following estimated undiscovered stock tank oil-in-place ("STOIIP"):

Vani 3 Prospect - STOIIP (MMbbls)

	P90	P50	P10	Mean
Gross (100%)	41.7	92.7	178.2	115.2
Net Attributable to RMP (20%)	8.3	18.5	35.6	23.0

The geochemical helium survey undertaken by JV partner, Range Resources, confirmed the suitability of the first drill location with oil exploration and development prospectivity complementing the earlier seismic work completed on the target.

For and on behalf of the Board



Greg Bandy
 Executive Director

BOARD & MANAGEMENT

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 EXECUTIVE DIRECTOR

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 NON-EXECUTIVE DIRECTOR

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ASX CODE

RMP

AIM CODE

RMP



Background

Red Emperor Resources NL (ASX: RMP) is a natural resources exploration company with interests in the frontier state of Puntland, Somalia, the Republic of Georgia and Western Australia.

- *In Puntland, Red Emperor holds a 20% working interest in two licenses encompassing the highly prospective Dharoor and Nugaal valleys. These two exploration areas cover over 36,000km² and have independently been assessed to potentially contain a combined 19 billion barrels of oil in-place. Red Emperor's joint venture partner and PSA operator Africa Oil Corp. (TSXV: AOI) has signed a contract with a drilling company Sakson Drilling and Oil Services and expects the first well to be drilled in Dharoor in Q4, 2011.*
- *In the Republic of Georgia, Red Emperor has a 20% working interest in onshore blocks VIa and VIb, covering approx. 6,500km². Joint Venture partner Range Resources Limited (ASX: RRS | AIM: RRL) last year funded a 410km 2D seismic program with independent consultants RPS Energy identifying 68 potential structures containing an estimated 2.045 billion barrels of oil-in-place (on a mean 100% basis). Two wells are to be drilled this year as part of the proposed drill program.*
- *The Company also has a 25% interest in the Jillewarra Project, a copper and gold project in Western Australia. This interest is free carried through until bankable feasibility study.*