



**EMPIRE OIL & GAS NL**



**ASX RELEASE**

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The Manager  
Company Announcements Office  
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## Empire signs final documentation for ERM debt refinancing

- **Empire and Mineral Resources have executed final documentation in relation to the A\$15.1m revolving working capital facility to refinance the ERM Power debt obligation maturing 31 August 2016**
- **Execution of final documentation follows the successful completion of due diligence by Mineral Resources over the last month**

Oil and gas producer Empire Oil and Gas NL ("**Empire**" or "**Company**", ASX: EGO) is pleased to announce that it has executed final documentation to refinance the existing A\$15m ERM Power Limited ("**ERM Power**", ASX: EPW) debt obligation through a revolving working capital facility provided by Mineral Resources Limited ("**Mineral Resources**", ASX: MIN). The new facility will be drawn down to repay the existing ERM Power debt obligation in full.

Completion of the drawdown is subject to satisfaction of certain conditions and is expected to be completed shortly. The key terms of the new facility are consistent with the ASX announcement dated 30 June 2016 and are summarised below.

As set out in Empire's ASX announcement dated 15 July 2016, ASX has granted a waiver of Listing Rule 10.1 on certain conditions set out in that announcement.

<b>Facility amount:</b>	A\$15,100,000
<b>Loan provider:</b>	Mineral Resources Limited
<b>Term:</b>	3 years
<b>Security:</b>	First ranking security comprising mortgages over EP 389 (Red Gully North-1), PL 18 and PL 19 and an unsecured guarantee by Empire
<b>Interest rate:</b>	Bank Bill Swap Rate (MID) +5% per annum
<b>Interest payments:</b>	Quarterly in arrears with the ability to capitalise interest (up to the Facility amount)
<b>Voluntary prepayments:</b>	Empire will have the right to repay all or a portion of the facility at any time throughout the term, without penalty, with the ability to redraw up to the Facility amount
<b>Additional options:</b>	On or prior to drawdown, Mineral Resources will receive 7.5m unlisted options over new unissued shares with an exercise price of A\$0.50 expiring 2 years from the date of issue



Yours sincerely

**For Empire Oil & Gas NL**

A handwritten signature in black ink that reads "Rachel Rees".

**Rachel Rees**

Company Secretary and Chief Financial Officer

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**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\$1.8 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.

**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.