



Wharf Resources Plc & Partners.
Red Gully Gas & Condensate Processing facility, Gingin,
WA.

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RED GULLY GAS AND CONDENSATE PROCESSING FACILITY

The Red Gully Gas and Condensate Processing Facility (“Red Gully”) is the first dedicated gas and condensate rich facility to be built in the onshore Perth Basin.

The Facility was commissioned on 16 September, 2013.

An agreement was reached with Alcoa of Australia for a two month ‘Post Commissioning’ period allowing for full operational delivery of gas and condensate as well as the flexibility to carry out improvements to the Facility.

Red Gully is running at design capacity with 8 terajoules (TJ) of gas delivered to Alcoa per day and up to 500 barrels delivered daily to the BP Kwinana Refinery. The condensate is delivered in a pocket road train haulage configuration which allows entry into the BP Refinery with an approved Strict Safety Case and maximises the volume of transported condensate.



The Commissioning period since June has included the validation of the “On Specification” gas quality for entry into the DBNGP and the main components of Red Gully including the Export Compressor, as well as the condensate specification for the BP Kwinana Refinery. As of 28 October, 2013 Empire announced the total gas and condensate revenue to Empire, from its 68.75% interest in EP 389 was **AUD\$3,523,382**.

SEISMIC SURVEY

WANNAMAL 3D SEISMIC SURVEY

On 4 July, 2013 the contract to process the 3D Seismic data was announced as Perth seismic processing company, DownUnder GeoSolutions. The Company’s geophysicists, including Management, are involved in this process.

Included in its processing will be information from the Gingin West 3D Seismic Survey recorded in 2008, the Gingin West-1 and Red Gully-1 discovery wells in addition to the original gas discovery wells Gingin-1 and Gingin-2 (drilled by WAPET in 1964 and 1965) and Bootine-1 in 1972.

The Survey recorded over the Wannamal and Gingin Gas Field in May and June 2013 was designed to delineate drilling prospects adjacent to the Facility to provide additional gas and condensate reserves to be treated through the Red Gully Gas and Condensate Processing Facility.

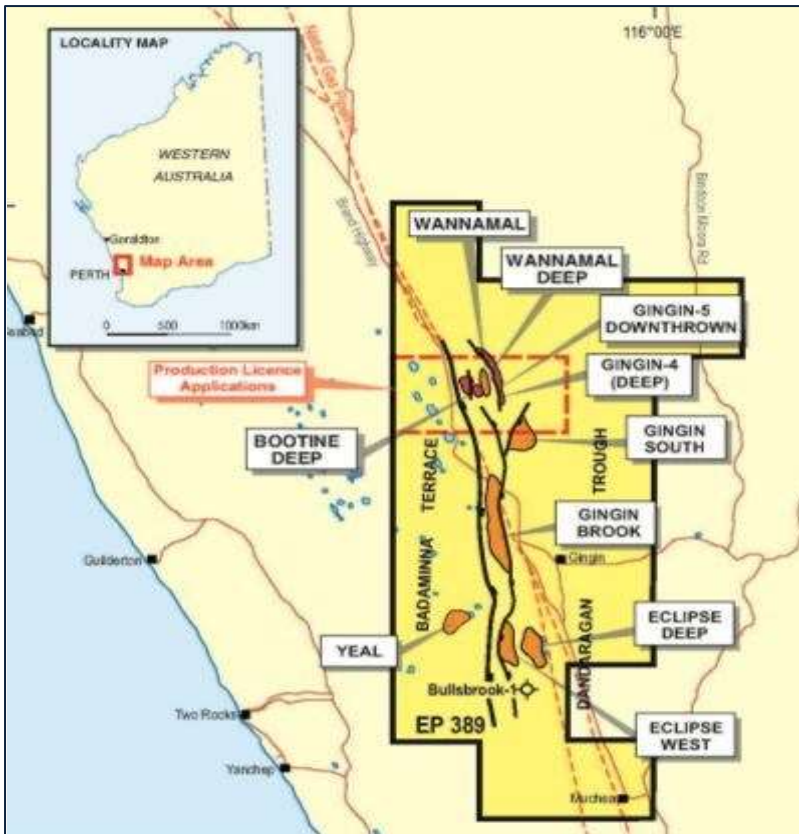
These prospects include:

- Gingin 4 Deep (Gingin-2 discovery area)
- Gingin 5 Downthrown (the Gingin-1 discovery area)
- Wannamal and Wannamal Deep
- Bootine Deep (Deepen Gingin West-1 discovery to Bootine Deep)

EXPLORATION

GINGIN GAS FIELD AND WANNAMAL AREA

There are a number of prospects identified to date that are the subject of the mapping from processed seismic data to mature drilling prospects in this area.



These Prospects have previously been announced to have an estimated unrisks potential resource of up to 205 BCF of gas and 9.2 MMBC. The interpretation of the Wannamal Seismic to date is exciting and prospectivity is likely to be re-rated favourably.

Elsewhere in the EP389 Permit, the potential un-risked conventional resources along the Gingin to Bullsbrook 60km Trend (being that trend covered by 2D Seismic are estimated to be 238 BCF and 48.5 MMBO/MMBC.

Any new discoveries made during a future drilling campaign defined by the Wannamal 3D Survey can be treated at the Red Gully Facility.



EP 389 DRILLING PROSPECTS

PERMIT	STATUS	PROSPECT	ESTIMATED UN-RISKED POTENTIAL RECOVERABLE RESOURCE
EP389 Empire – 68.75% ERM Gas – 21.25% Wharf - 10%	Recording of the Wannamal 3D Heliseismic Survey is complete. The data set is being processed.	* See below prospects defined by the Seismic Survey. (New prospects may be interpreted in addition)	
Heliseismic Survey			
Prospects	Wannamal - Fault Dependent closure the same play style as the Gingin-1 gas discovery. Wannamal is prospective in the Unit D Sands of the Upper Cattamarra.	Wannamal *	Gas 52 BCF Condensate 1.6 MMBC
	Wannamal Deep - Tilted Fault Block Prospective in the Lower Cattamarra LC1, LC3 & LC4 Sands that flowed gas in both Gingin-1 and Gingin-2.	Wannamal Deep*	Gas 14 BCF Condensate 0.7 MMBC (Total 66 BCF and 2.3 MMBC)
	Mature Bootine Tilted Fault Block beneath Gingin West-1 (Gingin West Deep). Deepen Gingin West-1 to the Bootine Deep on depletion of 'D' Sand and Coaly Unit.	Gingin West Deep	Gas 20 BCF gas and associated condensate (approx. 1.0 MMBC) or Oil 3 MMBO
	Gingin 4 will evaluate the Gingin-2 fault block and the downthrown block (B & D Sands)	Gingin 4 Deep*	Gas 32 BCF Condensate 1.6 MMBC
	Gingin-5 will evaluate the Gingin-1 downthrown block	Gingin Downthrown*	Gas 87 BCF Condensate 4.3 MMBC
	The interpretation to date of the Wannamal 3D Seismic is likely to include additional prospects		
	Seismic needs to be recorded before drilling Yeal	Yeal	Oil 25 MMBO
	Record 3D Seismic and Drill Gingin Brook-1 (Anticlinal prospect)	Gingin Brook	Gas 100 BCF Condensate 5.5 MMBC
	Record Seismic and Drill Eclipse Deep-1	Eclipse	Gas 90 BCF Condensate 1.2 MMBC
	Record Seismic and Drill Eclipse West	Eclipse West	Gas 90 BCF Condensate 4.5 MMBC
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