



EMPIRE ENERGY GROUP LIMITED
Level 7, 151 Macquarie Street
Sydney NSW 2000
T: 02 9251 1846
F: 02 9251 0244
(ASX: EEG)

ASX Announcement – NT Drilling Update

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NORTHERN TERRITORY EXPLORATION – NT GOVERNMENT FUNDING CONTRIBUTION

Imperial Oil & Gas Pty Ltd has now commenced shallow core drilling in the Northern Territory in EP184. The Company has drilled three shallow core holes with drilling of the fourth hole commencing this week. The objective of the shallow core holes is to collect rock samples for geochemical analysis of potentially petroleum prospective black shales that are known to be petroleum-bearing in the south of the basin. The core drilling programme was designed using the results from a geological survey undertaken by Imperial in EP184 during 2013. Results of the initial core drilling program will be released once available.

The Company is very pleased to announce that The Northern Territory Government, through the Geological Survey has awarded Imperial Oil & Gas Pty Ltd with co-funding of \$100,000 for the EP184 St Vidgeon Core Drilling Program. The co-funding has been awarded under the Geophysics and Drilling Collaborations program which is part of the NT Government's CORE (Creating Opportunities for Resource Exploration) initiative which provides co-funding assistance to successful applicants for selected exploration drilling and geophysical acquisition projects in frontier basins where there is a paucity of geological information.

Only high quality, technically and economically sound projects are considered that seek to broaden geological knowledge and promote innovative exploration and which have the potential to open up new areas for exploration and resource development. The Company is very pleased to be a part of this initiative that presents an opportunity for Imperial to work closely on the results from the programme with technical experts from the Northern Territory Geological Survey.

ABOUT EMPIRE ENERGY GROUP LIMITED

In early 2007, the Company established Empire Energy USA, LLC a wholly owned subsidiary. Empire Energy USA is an oil and natural gas producer with operations in Appalachia (New York and Pennsylvania) and the Central Kansas Uplift (Kansas). Current production is around 1,350Boe/d.

The Company holds approximately 232,000 net acres of Marcellus Shale and 148,000 net acres of Utica Shale in western New York State and Pennsylvania. In addition, the Company has Exploration Licence Applications over 14.6 million acres in the McArthur Basin, Northern Territory, Australia, which is considered prospective for oil and gas shale.

Empire Energy holds a US\$200 million credit facility with Macquarie Bank Limited, which can be utilised for the acquisition and development of oil and gas assets in the USA. This facility has around US\$41m of the debt facility currently drawn.