



EMPIRE ENERGY GROUP LIMITED
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(ASX: EEG) (OTCQX: EEGNY)

1 September 2015

Dear Shareholder

NON-RENOUNCEABLE RIGHTS ISSUE – APPENDIX 3B NOTICE

Empire Energy Group Limited (“Empire” or the “Company”) announced on the 31 August 2015 a non-renounceable pro-rata rights issue (“Offer”) that does not require shareholder approval. In accordance with the Australian Securities Exchange Listing Rules (“ASX Listing Rules”) the Company provides the following information about the offer.

Only holders of shares in the Company with a registered address in Australia or New Zealand as at 7:00pm Sydney time on 7 September 2015 (“Record Date”) will be eligible to participate in the Entitlement Offer (“Eligible Shareholders”).

The Offer will issue up to 61,772,736 new fully paid ordinary shares (“New Shares”) to raise up to approximately \$1,420,773 (before costs). Each Eligible Shareholder will be entitled to subscribe for one (1) New Share for every five (5) shares held by Eligible Shareholders at the record date (“Existing Shares”) at an offer price of \$0.023. The Offer is not being underwritten.

Under the Offer, Eligible Shareholders who take up their Entitlement in full will also be able to apply for additional New Shares under a Top-Up Facility. New Shares that have been initially offered to Eligible Shareholders under the Offer, but have not taken up, will be:

- offered to other Eligible Shareholders under the Top-Up Facility; and then
- any remaining New Shares not taken up by Eligible Shareholders will be placed by the Directors to new shareholders within 120 days of the Closing Date of the Offer.

Directors will participate and take up their entitlement under the Offer.

Funds raised under the Offer will be used to:

- provide equity for the acquisition of distressed USA oil and gas assets that would be considered bolt-on opportunities for the Company’s existing operations;
- continuation of ongoing work programs in the Northern Territory until the proposed Farm-in agreement is completed with the next 120 days;
- general working capital purposes; and
- finance expenses of the Offer.

An Offer Booklet will be sent to Eligible Shareholders together with a personalised Entitlement and Acceptance form on 10 September 2015. A copy of the Offer Booklet is available for review on the ASX website (www.asx.com.au) and on the Company’s website (www.empireenergygroup.net). The Offer Booklet should be read in entirety before deciding whether to apply for new shares. If you do not

understand any part of the Offer Booklet, or are in any doubt as to how to deal with it or your entitlement, you should consult your financial or other professional adviser.

Pursuant to the timetable below the Company's shares will be quoted on an "ex" entitlement basis from 3 September 2015. Any shares acquired on market on or after that date will not be entitled to participate in the Offer. The Opening date for the Offer is 10 September 2015 and it is currently scheduled to Close at 5.00pm (AEST) 22 September 2015.

Indicative Timetable

Event	Date
Announcement of Offer	31-Aug-2015
Cleansing Notice, lodgement of Appendix 3B and Offer Document lodged with ASX	31-Aug-2015
Notice sent to Shareholders	01-Sep-2015
Ex-date	03-Sep-2015
Record Date	07-Sep-2015
Offer Document and Acceptance Form despatched to Eligible Shareholder and lodged with the ASX	10-Sep-2015
Opening date for Entitlement Offer	10-Sep-2015
Last day to extend the Offer Closing Date	17-Sep-2015
Closing Date for acceptances	22-Sep-2015
New Shares are quoted on a deferred settlement basis	23-Sep-2015
Notify ASX of any under subscriptions and shortfall	25-Sep-2015
Despatch of holding statements	30-Sep-2015
Normal trading for New Shares commences	30-Sep-2015

Note: This timetable is indicative only and subject to change. Subject to the Corporations Act 2001 (Cth) and ASX Listing Rules, Empire reserves the right to vary the dates and times in connection with the Rights Issue, including the Closing Date, without prior notice.

The Company also reserves the right not to proceed with the whole or part of the Offer at any time prior to the issue date. In that event, application monies will be refunded in full without interest.

Shareholders who have questions relating to the Offer should call the Company on 02 9251 1846 between 9.00am and 5.00pm (Sydney time) on business days during the offer period.

Yours faithfully



Bruce McLeod
Executive Chairman