



EMPIRE ENERGY GROUP LIMITED
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(ASX: EEG)

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ASX Announcement

Successful Completion of Capital Raising

Empire Energy Group Limited ('Empire') is pleased to announce that it has completed a private placement of 110 million fully paid ordinary shares at 12 cents per share to sophisticated investors.

The issue will raise \$13.2 million before costs. The capital raising was significantly oversubscribed, with strong support from institutional investors.

Funds raised from the issue will be utilised towards the following Company objectives:

- Achieving production targets through the aggregation of oil and gas producing assets
- Conducting development drilling on the Company's oil prospects in Kansas
- Conducting exploration drilling in the Company's oil shale prospects in the Appalachian and Williston Basins
- Debt repayment & general working capital purposes

In addition, the Metals and Energy Capital Division of Macquarie Bank was a cornerstone investor to the Placement, committing \$3 million. Empire considers Macquarie's investment to be a significant endorsement of its business model and future growth potential.

The shares are to be issued in two tranches. Tranche 1 will be for 22 million shares issued pursuant to Empire's 15% placement capacity as provided for under Listing Rule 7.1. Tranche 2 will be for the remaining 88 million shares and will be subject to shareholder approval at the Company's Annual General Meeting scheduled for 17 May 2011.

Following the issue of shares under Tranche 1 of the placement the Company's total issued capital will be 184,623,254 shares.

In addition, Empire has agreed to offer up to \$2 million under a Share Purchase Plan ("SPP") to eligible shareholders. Further details in relation to the SPP, including the timetable will be announced in due course.

For further information please contact:

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