



EMPIRE ENERGY GROUP LIMITED

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ASX Announcement

21 April 2011

INVITATION TO PARTICIPATE IN SHARE PURCHASE PLAN

Further to the Company's announcement on 15 April 2011, the Directors of Empire Energy Group Limited ('EEG') have resolved to provide shareholders with the opportunity to subscribe to an offer of up to \$2 million of shares on the same terms as the recently completed private placement through participation in an EEG Share Purchase Plan ('Plan').

The Plan provides for eligible registered holders of the Company's shares the opportunity to purchase up to A\$10,000 worth of additional shares in EEG at a 18.36% discount to the weighted average market price over the five ASX trading days immediately preceding the announcement date of 15 April 2011 on which the Company's shares traded.

THE PLAN

Shares purchased under the Plan will not attract brokerage, stamp duty or other transaction costs. All eligible shareholders will receive the same offer irrespective of the number of shares currently held.

The right to participate in the Plan is available exclusively to Australian and New Zealand shareholders who are registered as holders of fully paid ordinary shares in EEG at 7.00pm EST on 14 April 2011 ("the Record Date"). The Plan is not conditional upon shareholders taking up any minimum number of new shares.

The offer is non renounceable and therefore cannot be assigned to any other party. The Plan is established pursuant to the Australian Securities and Investments Commission Class Order 09/425 and the ASX Listing Rules.

The Board of Directors has determined that the maximum number of shares that will be issued under the Plan will not exceed 16,666,666 fully paid ordinary shares.

SHARE PURCHASE PLAN TIMETABLE

Date	Event	
7pm (Sydney time) 14 April 2011	Record date	The date on which Empire determines eligible shareholders
4 May 2011	Open date	SPP documents dispatched to eligible shareholders
5pm (Sydney time) 27 May 2011	Closing date	Closing Date for acceptances
6 June 2011	Allotment date	Allotment of shares
14 June 2011	Dispatch date	Dispatch of shareholder statements

Should applications from eligible holders for participation in the Plan in aggregate exceed the 16,666,666 share limit, the Board of Directors will scale back applications on a pro rata basis. Excess subscription monies will be refunded (without interest).

Shares will be issued under the Plan at \$0.12 which is equivalent to the weighted average market price of all ordinary shares in EEG traded during the ordinary course of trading on the ASX Limited ("ASX") during the five days on which shares were traded immediately preceding the announcement to the ASX of the offer on 15 April 2011, less a discount of 18.36%. In calculating the number of shares to be issued at this price the Company will round-down to the next whole share.

Funds raised from this Plan will be utilised to fund the equity component of the acquisition cost of oil and gas assets in the United States, conduct development and exploration drilling on oil and oil shale prospects, net debt restructure and for working capital purposes.

Shares issued under the Plan will rank equally in all respects from the date of allotment with the existing fully paid ordinary shares on issue.

The shares subscribed for under this offer will be allotted as soon as practical after the offer closing date of 27 May 2011 and in any case no later than 6 June 2011 (if the offer period is not extended). Application will also be made for the shares to be granted official quotation on the official list of Australian Securities Exchange.

For further information please contact the offer information line on 1300 567 968 (within Australia) or 03 9415 4283 (outside Australia).

Yours faithfully
B W McLeod
Executive Chairman