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ASX Announcement

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NORTHERN TERRITORY OPERATIONS AND KANSAS SALE UPDATE

Empire Energy Group Limited (“Empire” or the “Company”) is pleased to provide shareholders an update on its Northern Territory operations and progress on the Kansas sale.

EP187 2019 2D SEISMIC PROGRAM

Empire’s EP187 2019 2D Seismic Environment Management Plan (“EMP”) was accepted for formal assessment by the Northern Territory Government in Q2 2019.

Subject to timing of regulatory approvals, which Empire expects to be granted by the end of Q3 2019, the company intends to commence seismic line land clearing in late Q3 2019 with seismic acquisition following shortly thereafter. Empire will then process and interpret the seismic data which will be used to inform the selection of drilling locations on EP187, and ultimately the drilling and completion design for appraisal and development wells.

The seismic program is expected to be completed in Q4 2019 and is fully funded from cash at bank.

A map showing Empire’s 2D seismic program and major upcoming exploration and appraisal activities by major operators across the Beetaloo and McArthur Basins is contained at Appendix A.

EP187 EXPLORATION DRILLING PLANNING

Once the EP187 2D seismic data is acquired, processed and interpreted, Empire will be in a position to select drilling locations to carry out exploration drilling in EP187.

In Q3 2019, Empire, through its wholly owned subsidiary Imperial Oil & Gas, submitted an EMP for the drilling of up to two wells in EP187 which the Northern Territory Government has accepted for formal assessment.

Once approved by the Northern Territory Government, the EMP would remain in place for five years, thereby providing Empire with significant flexibility regarding timing and planning for prospective drilling operations.

Empire is the first junior oil and gas operator in the Beetaloo and McArthur Basins to reach this stage in the regulatory approval process since the lifting of the fracking moratorium and implementation of new regulations.

It is Empire's view that gaining Government approvals for drilling will enhance the attractiveness of the project to potential joint venture partners as Empire will be one of the few companies in the Beetaloo and McArthur Basins with 100% equity in its project and 'drill ready' prospects.

The anticipated period for approvals to be granted is approximately 90 days. Empire will keep shareholders updated as the approval process progresses.

These developments follow recent announcements from other major operators¹ regarding a significant ramp up in exploration and work programs at their Beetaloo and McArthur Basin projects.

KANSAS SALE UPDATE

The sale of the Kansas assets is proceeding well and remains on track to reach financial close by the end of Q3 2019.

Empire will keep shareholders informed as the transaction progresses.

ABOUT EMPIRE ENERGY GROUP LIMITED

Empire Energy is a conventional oil and natural gas producer with operations in Appalachia (New York and Pennsylvania) and the MidCon (Kansas and Oklahoma).

The Company has over 14.5 million acres in the McArthur & Beetaloo Basins, Northern Territory, both of which are considered highly prospective for large shale oil and gas resources. Work undertaken by the Company since 2010 demonstrates that the Central Trough of the McArthur Basin, of which the Company holds around 80%, is highly prospective, with key similarities to those extending through Oman, Siberia and Southern China and which contain resources of billions of barrels of oil equivalent.

¹ <https://www.santos.com/media/4802/2019-half-year-results-announcement.pdf> Slide 28

https://www.originenergy.com.au/content/dam/origin/about/investors-media/documents/190822_fy19_investorpres_final.pdf Slide 38

<https://falconoilandgas.com/2019/08/22/kyalla-117-n2-horizontal-appraisal-well-emp-approved/>

APPENDIX A

MAP DETAILING UPCOMING WORK PROGRAMS ACROSS THE BEETALOO AND MCARTHUR BASINS

