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ASX Announcement – NT Fracking Inquiry Final Report

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NORTHERN TERRITORY FRACKING INQUIRY UPDATE – FINAL REPORT RELEASED

The Directors of Empire Energy Group Limited (“Empire” or “the Company”) are pleased to provide shareholders an update on the release of the Final Report of the Scientific Inquiry into Hydraulic Fracturing in the Northern Territory.

Empire’s 100% owned subsidiary, Imperial Oil & Gas Pty Limited (“Imperial”), has over 14.5 million acres in the McArthur and Beetaloo Basins, Northern Territory, both of which are considered highly prospective for large shale oil and gas resources.

The Report is the culmination of 15 months of work by the Inquiry, during which the Panel:

- Met 12 times;
- Held 52 community forums;
- Conducted 151 public hearings;
- Published 31 community updates; and
- Received 1257 submissions.

The overall finding of the Inquiry was that, if all of its recommendations are implemented in full, the risks associated with fracture stimulation of unconventional reservoirs can be adequately managed, and in some cases eliminated.

The Report does not make any recommendations as to whether fracture stimulation of unconventional reservoirs should be allowed, as that decision lies with the Northern Territory Government. However, the Report makes 135 recommendations for the regulation of the onshore shale gas industry, should it be allowed to develop by the Government.

The Inquiry Chair, Justice Rachel Pepper, said: “No industry is without risk, and any onshore shale gas industry is no exception. However, it is the Panel’s opinion, expressed in the Final Report, that if all of the recommendations are implemented, the identified risks associated with any onshore shale gas industry can be mitigated or reduced to an acceptable level, and in some cases, the risks can be eliminated.”

Empire welcomes the findings of the Inquiry and looks forward to the decision by the Northern Territory Government regarding whether to lift the moratorium and allow the onshore shale gas industry to develop.

Empire is committed to responsible development of its Northern Territory tenements, job and skills creation for the people of the Northern Territory, especially Traditional Owners, the highest standard of environmental stewardship, and the adoption of world class standards of oil and gas field practice.

Alex Underwood, CEO of Imperial, said:

“We welcome the Final Report by the Inquiry, which had a very broad scope and was undertaken by the Panel in a diligent, impartial and professional manner.

The potential lifting of the moratorium by the Northern Territory Government will pave the way for the introduction of a joint venture partner to fund development activities.

We look forward to the Northern Territory Government’s decision, which if positive, will allow us to commence the responsible development of our Northern Territory assets, creating local skills and jobs, long term economic growth for the people of the Northern Territory, and clean, affordable energy for the Northern Territory, Australia and the region.”

Fracking Inquiry Final Report

The full Final Report can be found on the scientific inquiry website at the following link: <https://frackinginquiry.nt.gov.au/inquiry-reports/final-report>.

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 over the past 5 years 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.