



HIGHLIGHTS

- **Carpentaria-2H (C-2H) flow testing has recommenced with a Production Logging Tool (PLT) to be run while flowing gas to surface. This will allow Empire to obtain highly detailed data detailing the relative contribution to overall flow rates from each fracture stimulation stage and to further optimise fracture stimulation design, and therefore gas flow rate productivity, including in the Carpentaria-3H (C-3H) fracture stimulation**
- **C-3H fracture stimulation comprising up to 40 stages will commence today. This will be the largest stimulation in the Beetaloo Sub-basin and in Australian history**
- **Carpentaria-4V (C-4V) drilling to commence in approximately one week**
- **The final estimated cost of the recently completed C-3H drilling program has been revised down further to \$10 million, well below the original risked budget of \$12.3 million**
- **Current cash balance is \$32.7 million and the new \$15 million credit facility remains undrawn**

Comments from Managing Director Alex Underwood:

“Empire is executing its 2022 Beetaloo appraisal program, the most active in the history of the Beetaloo Sub-basin, to accelerate the company into commercial production as soon as possible. Gas shortages are causing serious economic strain on the Australian economy, and the only way to bring down prices sustainably is to increase supply. We believe that Empire’s Beetaloo gas can play a major role in solving this enduring challenge.

It is encouraging that our operations team is driving significant cost efficiencies already, and this program will not only provide us with more flow rates from C-3H in the new year, but also critical insights into how to further enhance gas flow productivity.

We look forward to sharing drilling, stimulation, and flow test results in the coming weeks.”

Beetaloo Operations Update

Carpentaria-2H Update

Empire Energy Group Limited (“Empire”) has mobilised a PLT to log C-2H and will flow the well while running the PLT for approximately 2 days. The well is being choked back to maintain a relatively constant rate of ~2 mscf per day while the PLT is run. The PLT will provide Empire’s technical team with highly detailed production data for each fracture stimulation cluster within each stage and will be combined with previously collected tracer data to better understand how each cluster and stage contribute to aggregate production.

The data will assist Empire to tailor its fracture stimulation completion strategy including perforation strategy, proppant concentration, fluid mix and pump schedule for the fracture stimulation operations on C-3H and future wells.

In the success case, this test will allow Empire to identify which of the fracture stimulation designs utilised in C-2H are more productive than others, so that in future wells including C-3H, Empire will be able to optimise fracture stimulation design to generate more gas production per stage and therefore drive up overall well productivity.

Carpentaria-3H Update

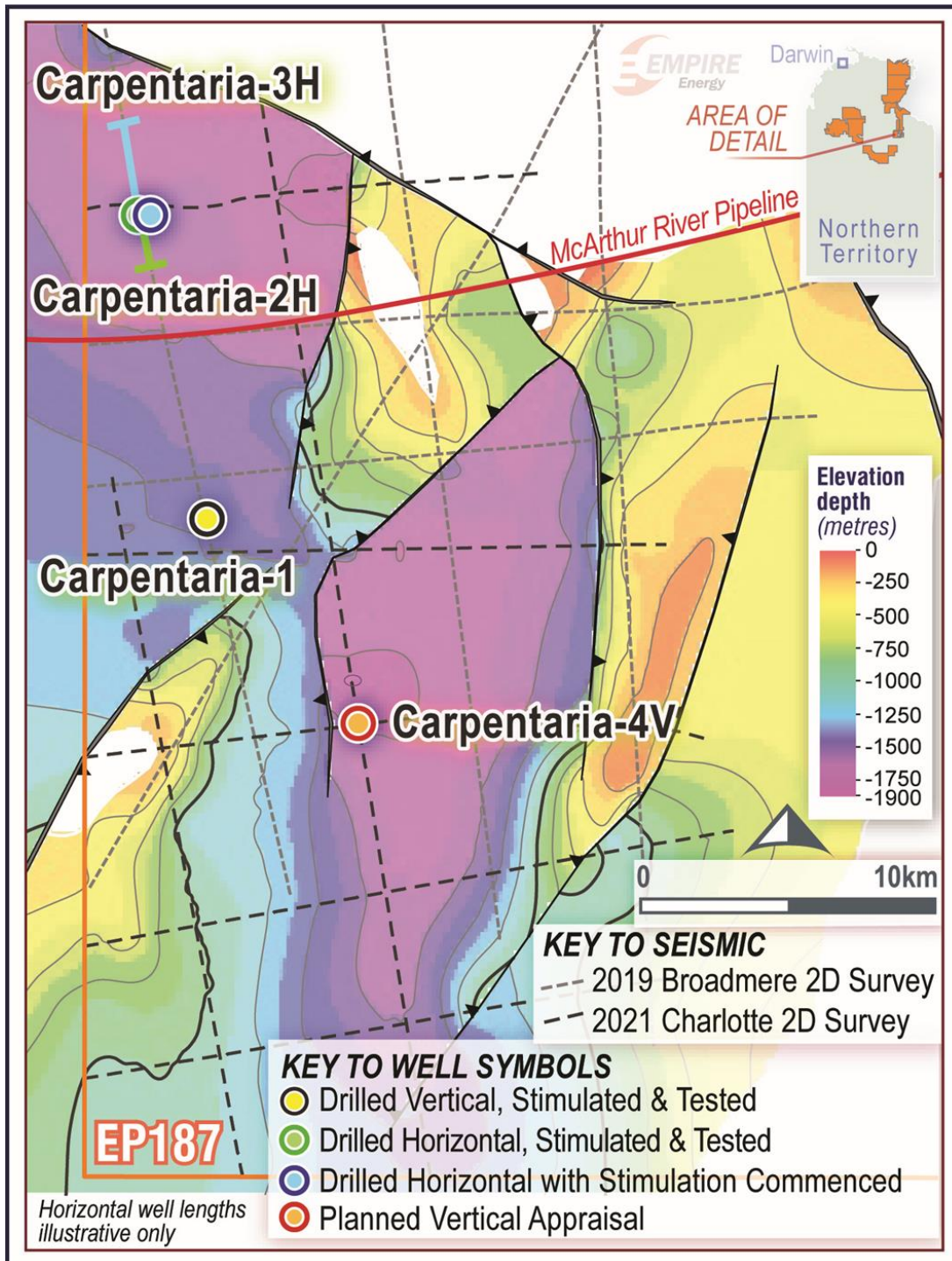
Empire will commence fracture stimulation of C-3H imminently. The plan is to stimulate up to 40 stages across approximately 2,000 metres (6,562 ft) of the 2,632 metre (8,635 ft) horizontal section with stages at a nominal ~50 metre (164 ft) spacing. The planned program at C-3H is double the size of the C-2H program where Empire successfully fracture stimulated 21 stages across a 927 metre (3,041 ft) horizontal section.

The planned C-3H fracture stimulation program will be the largest fracture stimulation operation in the Beetaloo Basin to date and in the history of the Australian onshore oil & gas industry. The C-3H activities demonstrate yet again that Empire is leading Beetaloo Basin momentum to maximise production flow rates and optimise costs.

The C-3H fracture stimulation design will benefit from the significant learnings from C-2H fracture stimulation specific to the Beetaloo Basin, and subsequent flow testing, which Empire expects will enhance well productivity and assist in further reducing our cost base.

Carpentaria-4V Update

After a short delay caused by recent rainfall, the mobilization of Schlumberger Land Rigs 185 to the C-4V drilling site is now well underway. Mobilisation is nearly complete, and drilling will commence immediately thereafter. The principal goal of the C-4V drilling program is to demonstrate that the Velkerri shales in the Western part of EP187 extend into the Carpentaria East area. In the success case, this may result in a material increase in independently assessed contingent (i.e. discovered) resources across the tenement.



EP187 location map illustrating drilling locations and depth to B Shale



Rig up of the SLB frack spread at Carpentaria-3H

This ASX release has been authorised by the Managing Director

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