

- **Carpentaria-5H successfully drilled, cased and cemented to a TD of 5,310 metres (17,421 feet) including a 3,310 metre (10,860 foot) horizontal section, in fewer days than anticipated and slightly under budget**
- **Carpentaria-5H will be fracture stimulated and flow tested in Q2 2025**
- **First gas deliveries from the Carpentaria Pilot Project expected later this year**
- **Northern Territory Government environmental approval for the Carpentaria Pilot Project received**
- **R&D Tax Offset for FY2023 of \$4.0 million in cash received**
- **\$65 million Beetaloo financing package secured with Macquarie Bank Limited**
- **Total liquidity at the end of the Quarter was \$53.8 million, comprising cash of \$25.6 million with an additional \$28.3 million of funding available and undrawn under the recently established Macquarie facility**

Comments from Managing Director Alex Underwood:

“Our team’s focus during the Quarter was the drilling of Carpentaria-5H, securing financing for the Carpentaria Pilot Project and securing regulatory approvals.

Carpentaria-5H was drilled within time and budget, with the entire 3,310 metre horizontal section drilled, cased and cemented within the target Middle Velkerri B shale zone.

We had planned to stimulate the well immediately after drilling. However, to do so would have exposed our shareholders to material financial risks associated with weather (namely, that if we had not been able to demobilize the stimulation equipment, we would have incurred substantial standby costs). We have rescheduled stimulation to Q2 2025, immediately after the Wet Season, following which we will carry out an extended production test.

We secured a binding commitment from Macquarie Bank Limited for a \$65 million funding package during the Quarter and completed documentation of Facility A and the Performance Bond Facility as detailed below. Documentation of the Midstream Infrastructure Facility is expected to complete this Quarter. Funds under the facilities will be applied to the Carpentaria Pilot Project, with substantially reduced dilution of shareholders’ interests in the Company compared to equity financing.

We received NT environmental approvals for the Carpentaria Pilot Project. We are working closely with the Northern Land Council (“NLC”) to facilitate traditional owner consent for sale of test gas. The NLC has advised us that the on-country meeting to seek that consent is scheduled for April 2025.”

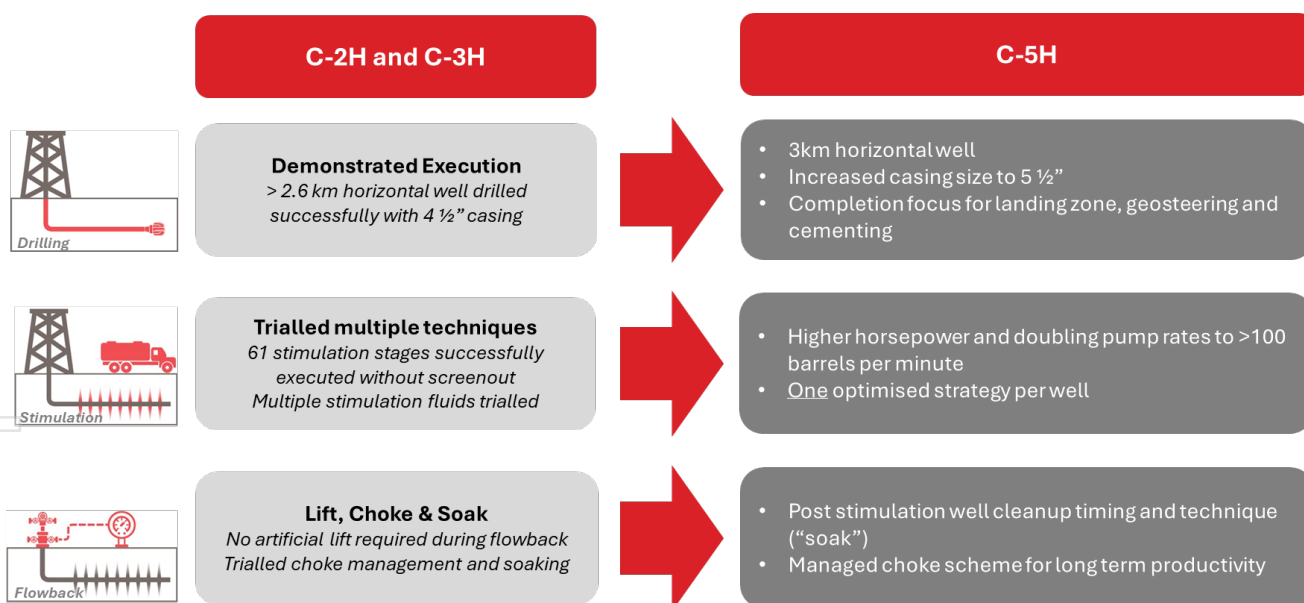
Northern Territory Operations Update

Carpentaria Pilot Project Update

During the Quarter, Empire Energy Group Limited (“Empire”) drilled the Carpentaria-5H (“C-5H”) well. The primary objective of C-5H is to produce gas for the Carpentaria Pilot Project (“CPP”) which is wholly owned and operated by Empire within the EP187 permit located in the Beetaloo Basin, Northern Territory.

C-5H was drilled from the same pad as Carpentaria-2H (“C-2H”) and Carpentaria-3H (“C-3H”) and is the longest well drilled by Empire to date with a total depth of 5,310 metres (17,421 feet), including a 3,310 metre (10,860 foot) horizontal section. The horizontal section was entirely drilled in the target Velkerri B Shale at an average depth of ~1,575 metres (~5,170 feet) below ground level. C-5H will be fracture stimulated and flow tested commencing in Q2 2025 following the northern Australian wet season.

The fracture stimulation stage depths are currently being finalised with scope for over 60 stages along the horizontal section. The focus of C-5H will be adapting the Beetaloo specific lessons learnt from the prior two wells, C-2H and C-3H, and transitioning from demonstrating execution to optimising gas productivity. Improvements are focused on fluid selection, pump strategies and perforation strategies. These improvements will, in the success case, drive increased gas recovery and flow rates.



Comparison of C-2H and C-3H to C-5H

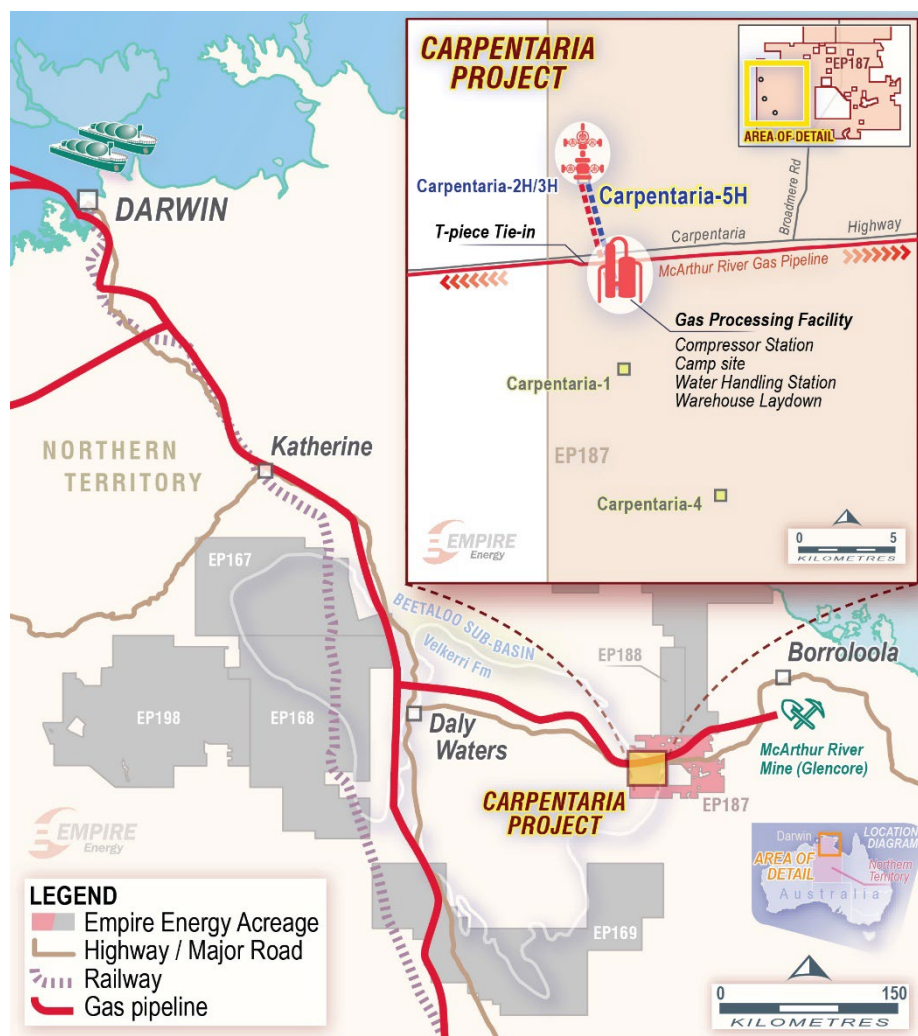
C-5H was drilled in 41 days from spud to rig release, compared to a pre-drill forecast of 45 days.

The forecast total cost for the drilling of C-5H is ~\$19.7 million which includes drilling, casing, cementing and suspending the well in preparation for fracture stimulation. A large portion of this cost is transport and logistics including mobilisation and demobilisation for the single-well campaign in a remote location. Such costs are expected to materially decrease in future drilling campaigns due to the spread of cost over multiple wells, optimization and the development of an in-basin supply network as activity increases in the Beetaloo.

For personal use only

The CPP continues to build momentum towards first gas deliveries expected later in 2025, subject to construction of midstream gas processing infrastructure and receipt of *Beneficial Use of Test Gas* approval under the provisions of the NT Petroleum Act for the sale of gas. Receipt of this approval requires Traditional Owner consent and negotiation of a production royalty with the Northern Land Council who acts as agent to the Traditional Owners on the land in which we operate. Stakeholder consultations are well advanced and are presently anticipated to conclude in Q2 2025 with regulatory approval shortly thereafter.

Carpentaria project activities anticipated in 2025 include the stimulation and testing of C-5H, the construction of the Carpentaria Gas Plant and associated infield infrastructure and tie-in of C-2H, C-3H and C-5H for first gas production.



Map of the Carpentaria Pilot Project

Northern Territory Government Environmental Approval for the Carpentaria Pilot Project Received

During the Quarter, the Northern Territory Government approved Empire's Environment Management Plan ("EMP") for the CPP. The EMP provides all environmental approvals for the CPP including up to 9 new wells, installation of the Carpentaria Gas Plant, and above ground process facilities with access to the McArthur River Pipeline for export of gas to markets.

Other Corporate News

Research and Development Tax Offset

The R&D Tax Incentive Scheme is designed to encourage companies to undertake R&D activities and pioneer innovation in Australia. The scheme entitles companies with an aggregate global turnover of less than \$20 million to access a refundable tax offset of 43.5% of eligible expenditure on eligible R&D activities.

During the Quarter, Empire received an R&D Tax Offset for FY2023 of \$4.0 million in cash following finalisation of its 2023 tax return.

After Quarter-end, \$1.827 million was applied to full repayment of loan drawings under Facility A (Revolving Credit Facility) with Macquarie Bank Limited.

\$65 million Beetaloo Financing Package

On 27 November 2024, Empire announced it had executed binding term sheets with Macquarie Bank Limited ("Macquarie") for the establishment of new credit facilities totalling \$65 million. The \$65 million credit facilities with Macquarie comprise:

- **R&D Facility (\$30 million upsized from \$2.25 million existing facility):** Facility sized at 80% of the FY2024 and FY2025 estimated tax rebates under the Australian Government's R&D Tax Incentive Scheme. The R&D Facility provides Empire with additional liquidity and will allow Empire to effectively manage its working capital requirements. Funds can be applied to Northern Territory exploration, appraisal and development activities including C-5H and construction of infield infrastructure;
- **Performance Bond Facility (\$5 million, same size as existing facility):** to meet Empire's Northern Territory environmental bonding obligations through Macquarie bank guarantees in favour of the Northern Territory Government on a non cash-backed basis; and
- **Midstream Infrastructure Facility (\$30 million new facility):** proceeds can be applied to the refurbishment and construction of the Carpentaria Pilot Gas Plant. Repayment of the Midstream Infrastructure Facility will be via a tolling fee.

Empire has executed facility documentation with Macquarie for the amendment, extension and upsizing of the R&D Facility and Performance Bond Facility. Completion of the R&D Facility and Performance Bond Facility has increased Empire's available liquidity by ~\$28.5 million.

Documentation of the Midstream Infrastructure Facility is expected to be completed in Q1 2025. The facility will become available for drawdown following receipt of *Beneficial Use of Test Gas* approval under the NT Petroleum Act for the sale of gas and execution of facility documentation of this new facility.

Change of Company Secretary

Empire has appointed Gillian Nairn as Company Secretary of Empire and its wholly owned Australian subsidiaries, Imperial Oil & Gas Pty Limited and Imperial Oil & Gas A Pty Limited. Empire thanks its previous Company Secretary, Mr Ben Johnston, for his service.

For the purposes of ASX Listing Rule 12.6, Ms Nairn is the person responsible for communication between Empire and the ASX.

Empire Tenements

Per ASX Listing Rule 5.4.3, Empire has included a schedule of its oil & gas leases at Appendix A.

NT Petroleum Sector Update

- **17 December 2024:** Tamboran Resources (ASX: TBN) announced that it and its joint venture partner, Daly Waters Energy, LP had entered into binding agreements with APA Group (ASX: APA) whereby APA will build, own and operate the 12-inch diameter Sturt Plateau Pipeline for the proposed Shenandoah South Pilot Project. Construction of the pipeline is expected to occur in H2 2025, with the Sturt Plateau Pipeline available to accept gas from the Shenandoah South Pilot Project in H1 2026.¹
- **23 December 2024:** Tamboran Resources announced that the Shenandoah South-3H well had been successfully drilled, cased and cemented with 5 ½" casing to a measured depth of 21,169 feet (6,452 metres) within Beetaloo Basin exploration permit EP98. The well was drilled in 25 days (spud to total depth) with a useable 10,000-foot (3,048 metre) horizontal section.²
- **19 November 2024:** Santos (ASX: STO) stated within its investor presentation that an appraisal campaign is planned for EP161 (adjoining EP187) in 2026.³

Balance Sheet & Liquidity

Empire's cash balance as at 31 December 2024 was \$25.6 million of which \$18.8 million was held in Australian dollars, and US\$4.4 million held in United States dollars.

Empire's total available liquidity as at 31 December 2024, was \$53.8 million, comprising total cash of \$25.6 million and \$28.3 million undrawn under Facility A (Revolving Credit Facility) with Macquarie Bank. The \$5.0 million Facility B (Performance Bond Facility) also with Macquarie Bank which is available to meet Northern Territory environmental bonding obligations was drawn to \$4.8 million at Quarter-end.

Payments to Related Parties of the Company and their Associates

Item 6.1: Appendix 5B description of payments to related parties of the Company:

| | |
|---|------------------|
| Director Fees | \$62,812 |
| Managing Director and Related Parties ⁴ Remuneration | \$187,786 |
| Total (Item 6.1) | \$250,598 |

¹ Tamboran Resources ASX release entitled "Tamboran enters binding agreements with APA to deliver the Sturt Plateau Pipeline" dated 17 December 2024

² Tamboran Resources ASX release entitled "EP98 Operational Update: Shenandoah South-3H drilled to TD in 25 days" dated 23 December 2024

³ Santos 2024 Investor Day presentation dated 19 November 2024

⁴ Managing Director remuneration include his spouse, Melissa Underwood, who earns consulting fees under an arm's length contract approved by the Audit and Risk Committee of the Board

Liquidity

| Quarter Ended | 31 Dec 2024 | 30 Sep 2024 | 30 Jun 2024 | 31 Mar 2024 |
|--------------------------------------|---------------------|---------------------|---------------------|--------------------|
| Cash (A\$) | \$25,631,533 | \$39,835,277 | \$51,568,023 | \$12,028,913 |
| Debt (A\$) ⁵ | \$(6,659,860) | \$(6,224,896) | \$(6,224,896) | \$(8,888,405) |
| Net Cash / (Debt)⁶ | \$18,971,673 | \$33,610,381 | \$45,343,127 | \$3,140,508 |

Production and Development Expenditure (ASX Listing Rule 5.2.1)

Empire did not incur production and development expenditure on its assets during the Quarter.

Exploration Expenditure (ASX Listing Rule 5.2.2)

| Asset | Nature of Expenditure | Amount |
|---------------------------------------|--|---------------------|
| Capitalised | | |
| EP187 | Carpentaria Pilot Project | \$14,205,998 |
| Total Capitalised | | \$14,205,998 |
| Expensed | | |
| EP184 | Annual licensing fees (NT Government) | \$12,949 |
| EP187 | Annual Licensing and Administrative fees (NT Government and NLC) | \$386,650 |
| | Environmental, compliance and cultural monitoring | \$733,942 |
| | Carpentaria Pilot Project - FEED | \$551,384 |
| | Consulting and advisory expenses | \$2,015,799 |
| EP167 and EP168 (Western Beetaloo) | Annual Licensing fees (NT Government) | \$95,692 |
| | Consulting and advisory expenses | \$110,450 |
| Total Expensed | | \$3,906,866 |

Empire did not incur exploration expenditure on its other assets during the Quarter.

⁵ Debt is comprised of \$1,827,000 under Facility A (Revolving Credit Facility), fully repaid after quarter end, and \$4,832,860 owing under Facility B (Performance Bond Facility) with Macquarie Bank Limited

⁶ Net Cash / (Debt) is defined as cash minus debt for the purposes of this calculation



Carpentaria C5 Ensign drill rig on location in EP187

This ASX release has been authorised by the Board of Directors

For queries about this release, please contact:

Alex Underwood, Managing Director

Ph: (02) 9251 1846

For personal use only

About Empire Energy

Empire Energy holds 28.9 million acres of highly prospective exploration tenements in the McArthur Basin and Beetaloo Sub-basins, Northern Territory. Work undertaken by the Company since 2010 demonstrates that the Eastern depositional Trough of the McArthur Basin, of which the Company holds around 80%, has enormous conventional and unconventional hydrocarbon potential. The Beetaloo Sub-basin, in which Empire holds a substantial position, has world-class hydrocarbon volumes in place and a ramp up in industry activity to appraise substantial discoveries already made by major Australian oil and gas operators is ongoing.



Registered Office

Level 5, 6-10 O'Connell Street
Sydney NSW 2000

Phone: +61 2 9251 1846

Facsimile: +61 4 9251 1022

Website: empireenergygroup.net

Media and Investor Enquiries

Nick Kell

Phone: +61 2 9251 1846

Empire Energy Group Limited

ABN 29 002 148 361

Securities Exchange

ASX: EEG

Share Registry

Computershare Investor Services

Phone: 1300 850 505

**APPENDIX A
DECEMBER 2024
OIL & GAS LEASES (ASX LISTING RULE 5.4.3)**

Imperial Oil & Gas Pty Limited

| Lease | Holder | Status | Working Interest | Current Area | Area Units | SqKm | Applied Date | Grant Date | Expiry Date |
|-------|--------------------|-------------|------------------|--------------|------------|-------|--------------|------------|-------------|
| EP180 | Imperial Oil & Gas | Application | 100% | 199 | blocks | 14810 | 12/04/10 | N/A | N/A |
| EP181 | Imperial Oil & Gas | Application | 100% | 182 | blocks | 14423 | 12/04/10 | N/A | N/A |
| EP182 | Imperial Oil & Gas | Application | 100% | 174 | blocks | 12502 | 12/04/10* | N/A | N/A |
| EP183 | Imperial Oil & Gas | Application | 100% | 22 | blocks | 857 | 12/04/10 | N/A | N/A |
| EP184 | Imperial Oil & Gas | Granted | 100% | 173 | blocks | 11170 | 12/04/10 | 21/08/13 | 20/08/25 |
| EP187 | Imperial Oil & Gas | Granted | 100% | 52 | blocks | 2988 | 12/04/10 | 20/03/15 | 02/11/27 |
| EP188 | Imperial Oil & Gas | Application | 100% | 27 | blocks | 1448 | 12/04/10 | N/A | N/A |
| EP319 | Imperial Oil & Gas | Application | 100% | 4 | blocks | 88 | 12/04/10 | N/A | N/A |
| EP320 | Imperial Oil & Gas | Application | 100% | 2 | blocks | 4 | 12/04/10 | N/A | N/A |
| EP321 | Imperial Oil & Gas | Application | 100% | 4 | blocks | 7 | 12/04/10 | N/A | N/A |
| EP322 | Imperial Oil & Gas | Application | 100% | 1 | blocks | 10 | 12/04/10 | N/A | N/A |
| EP323 | Imperial Oil & Gas | Application | 100% | 8 | blocks | 287 | 12/04/10 | N/A | N/A |
| EP324 | Imperial Oil & Gas | Application | 100% | 1 | blocks | 4 | 12/04/10 | N/A | N/A |
| EP325 | Imperial Oil & Gas | Application | 100% | 4 | blocks | 31 | 12/04/10 | N/A | N/A |
| EP326 | Imperial Oil & Gas | Application | 100% | 2 | blocks | 23 | 12/04/10 | N/A | N/A |
| EP327 | Imperial Oil & Gas | Application | 100% | 2 | blocks | 6 | 12/04/10 | N/A | N/A |
| EP328 | Imperial Oil & Gas | Application | 100% | 1 | blocks | 5 | 12/04/10 | N/A | N/A |
| EP329 | Imperial Oil & Gas | Application | 100% | 1 | blocks | 15 | 12/04/10 | N/A | N/A |
| EP330 | Imperial Oil & Gas | Application | 100% | 1 | blocks | 7 | 12/04/10 | N/A | N/A |
| EP331 | Imperial Oil & Gas | Application | 100% | 1 | blocks | 8 | 12/04/10 | N/A | N/A |
| EP332 | Imperial Oil & Gas | Application | 100% | 2 | blocks | 5 | 12/04/10 | N/A | N/A |
| EP333 | Imperial Oil & Gas | Application | 100% | 1 | blocks | 7 | 12/04/10 | N/A | N/A |
| EP334 | Imperial Oil & Gas | Application | 100% | 4 | blocks | 66 | 12/04/10 | N/A | N/A |
| EP335 | Imperial Oil & Gas | Application | 100% | 4 | blocks | 6 | 12/04/10 | N/A | N/A |
| EP336 | Imperial Oil & Gas | Application | 100% | 2 | blocks | 24 | 12/04/10 | N/A | N/A |
| EP337 | Imperial Oil & Gas | Application | 100% | 2 | blocks | 12 | 12/04/10 | N/A | N/A |
| EP338 | Imperial Oil & Gas | Application | 100% | 2 | blocks | 3 | 12/04/10 | N/A | N/A |
| EP339 | Imperial Oil & Gas | Application | 100% | 2 | blocks | 2 | 12/04/10 | N/A | N/A |
| EP340 | Imperial Oil & Gas | Application | 100% | 4 | blocks | 4 | 12/04/10 | N/A | N/A |
| EP341 | Imperial Oil & Gas | Application | 100% | 2 | blocks | 25 | 12/04/10 | N/A | N/A |
| EP342 | Imperial Oil & Gas | Application | 100% | 5 | blocks | 29 | 12/04/10 | N/A | N/A |

*Revised application 7/05/20

For personal use only

Imperial Oil & Gas A Pty Limited

| Lease | Holder | Status | Working Interest | Current Area | Area Units | SqKm | Applied Date | Grant Date | Expiry Date |
|-------|------------------------|---------|------------------|--------------|------------|-------|--------------|------------|-------------|
| EP167 | Imperial Oil and Gas A | Granted | 100% | 131 | blocks | 10617 | N/A | 10/01/13 | 9/01/25 |
| EP168 | Imperial Oil and Gas A | Granted | 100% | 200 | blocks | 15852 | N/A | 10/01/13 | 9/01/25 |
| EP169 | Imperial Oil and Gas A | Granted | 100% | 193 | blocks | 14434 | N/A | 24/07/24 | 23/07/29 |
| EP198 | Imperial Oil and Gas A | Granted | 100% | 128 | blocks | 10306 | N/A | 24/07/24 | 23/07/29 |

Empire Energy Group Limited

On 12 April 2024, Empire announced it had divested all of its US oil & gas leases to PPP Future Development Inc. Empire has retained an economic interest in the shale formations sitting below the oil & gas leases which produce oil & gas from conventional reservoirs via the retention of a 3.75% free carried working interest on all formations below the base of the Medina Sandstone formation. A full list of the tenements previously owned by Empire in which the carried working interest applies can be found on the Empire website at:

<https://app.sharelinktechnologies.com/announcement/asx/b7cbffae643848735210c692a87786aa>