

Regulatory Announcement

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Empyrean Energy PLC

("Empyrean" or the "Company"; Ticker: (EME))

Project Margarita, Gulf Coast Texas USA

- Completion of the shallow drilling program at Project Margarita

AIM quoted Empyrean Energy PLC today announces the following update with regards Project Margarita:

Empyrean has been advised by the Houston based operator, Wandoo Energy LLC, that drilling operations on the three programmed wells within the second phase of the shallow drilling program of the Margarita Gas Exploration Project have concluded.

Drilling of these last three wells resulted in 2 commercial gas discoveries which had been or are currently awaiting connection to gas sales lines. The discovery wells were Dona Carlota and Agavero with an interpreted gross recoverable resource of 1.3 billion cubic feet of gas. The Climaco well was plugged and abandoned after penetrating the objective section and encountering gas shows, however the gas shows were determined to be non commercial after running wire line logs. The table below summarizes flow rates and the status of these phase 2 wells.

Prospect	Total Well Depth metres	Current Flow Rate mscfd	Status
Dona Carlota	1,524	500 (on sales)	Gas discovery, well currently producing to sales gas line. Plan to increase sales rate to approx. 1 million cubic feet per day after treatment to the well bore scheduled within one week.
Agavero	1,341	647 test	Gas discovery flow tested 0. 647 million cubic feet (on flow per day awaiting tie into sales gas line. Gas sales are expected to commence within one to two weeks.
Climaco	1,858	No Flow Test	Plugged & abandoned as non commercial gas well.

Commenting on the Margarita Gas Exploration Project outcome, Tom Kelly, commercial director of Empyrean said:

"A success rate of 3 commercial discoveries from 6 wildcat wells is a terrific result given that industry statistics are about 1 from 12.

US gas prices are strong and we expect to have approximately 2.3 million cubic feet of gross gas production per day from all three wells combined - this initial production and cash flow is a great result"

Participants in the Margarita Project are:

Empyrean Energy PLC*	44.00%
Sun Resources NL#	20.00%
Victoria Petroleum NL#	20.00%
Wandoo Energy LLC +	16.00%
Total:	100.00%

ASX listed

* AIM listed

+ USA Private Interest

The information contained in this announcement was completed and reviewed by the Technical Director of Empyrean Energy Plc, Mr Frank Brophy BSc (Hons) who has over 40 years experience as a petroleum geologist.

For further information:

Charlie Geller/ Ed Portman

Conduit PR

Tel: +44 (0) 207 429 6605/ +44 (0) 7979955923

Empyrean Energy plc

Tel : +44(0) 207 182 1746

Rod Venables/ Cecil Jordaan

HB Corporate

Tel: +44(0) 207 510 8600

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