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Empyrean Energy PLC
 ("Empyrean" or the "Company"; Ticker (EME))

Sugarloaf Project, ("Sugarloaf"), Block B, Texas USA

Empyrean is pleased to provide the following update on operations at the Sugarloaf Project within the Sugarkane Gas & Condensate Field, Texas.

May -1H

The May-1H well has been fracture stimulated and is currently flowing to sales. This well is the first well to be drilled, stimulated and produced on a post farmout basis within the Sugarloaf Project. Revenue will therefore accrue directly to Empyrean for its 3.0% working interest ("WI") share after royalties have been paid.

The well was stimulated with 16 stages across approximately 4,800 ft of horizontal section. The well commenced flow back on the 5th November 2010 and was gradually unloaded to sales. The reservoir management technique of utilizing highly restricted chokes has continued with the May-1H well. The objective of this approach is to limit drawdown and therefore maintain reservoir pressure to improve decline curves, annual production volumes and ultimate recoveries. To date, results have been encouraging with production rates at the May-1H well continuing to increase with each change of the choke setting. The following are recently recorded daily and average production rates:

	Gas Production Rate (mscf/d)	Condensate Production Rate (bbls/d)	Average Daily Equivalent Gas Rate (mscfe/d)*	Average Daily Equivalent Oil Rate (boe/d)*
May - 1H	1,934	634	10,020	835

*The equivalent rates have been calculated to reflect value using a 12:1 conversion ratio for condensate and a 25% uplift on gas equivalent volumes due to the high

calorific value of the produced gas.

The following comments should be considered when assessing these initial production rates.

- Recent wells within the Sugarkane field have successfully utilized a restricted choke setting to improve the production profile decline curve. The choke setting for this early production rate is the smallest used to date and the flowing tubing head pressure is one of the highest observed to date.
- This is an early production rate that has been observed over a 24 hour period during clean up and as such is not yet indicative of a short or long term production profile and should not be compared with earlier announced IP rates.
- The well still has considerable fluid to recover from the fracture stimulation.
- The well is currently producing through the production casing. A production tubing string will be installed in due course.

Luna-1H (3% WI)

The fracture stimulation of the Luna-1H well is complete and this well commenced cleaning up to sales on the 18th November 2010. The well was stimulated with 14 stages across just over 5,000 ft of horizontal section. Empyrean will provide further guidance on this well once stabilized flow has been achieved. In a similar fashion to the May-1H well, the choke setting on this well is being gradually increased over a period of many days as part of a process of optimizing drawdown on the wells.

Direct Assets-1H (3% WI)

The fracture stimulation of this well has commenced using a similar design to that utilized in other recent wells. Empyrean will provide the market with a further update once the well has unloaded and cleaned up.

Kowalik-1R (10.2% WI)

The remedial operations on this well have been successfully carried out and the isolation plugs have been removed from the well. Production tubing will now be installed before the well is flowed back to sales.

Gilley-1H (3% WI)

Operations are now underway at the Gilley-1H well. Empyrean will provide further updates on this well once drilling has been completed.

Commenting today, Empyrean director - Tom Kelly said "The production sales at the May-1H well represent a significant new milestone for the company as these sales are accumulating our first post farmout revenue from the Sugarloaf Project. In a relatively short period of time a number of additional wells will come on to production to add to this revenue."

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.

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