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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.

Luna-1H (3% WI)

The Luna-1H well has been on production for a period of 30 days and Empyrean is pleased to provide the market with an update on the produced volumes during that period

	Total Gas Production (mmscf)	Total Condensate Production (bbls)	Average Daily Equivalent Gas Rate (mcsfe/d)*	Average Daily Equivalent Oil Rate (boe/d)*
Luna-1H	61	21,570	11.17	931

- 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.

This well continues to be produced on a small choke setting with limited tubing head pressure and production declines being observed. This has led to increases in production each time the choke is incrementally opened. The average production rate over the last 15 days of the reported 30 day period was 1,070 boe/d

Kowalik-1R (10.2% WI)

This well is presently cleaning up to sales following the recent workover. Consistent with other Sugarloaf wells the Kowalik-1R well is being produced on a restricted choke setting in order to minimise decline rates and maximise

recoverable volumes for each well. The well commenced flowing to sales on 11th December and the following early production data is based on the last 24 hours and provides an indication of recent flowrates from the well.

	Gas Production Rate (mscf/d)	Condensate Production Rate (bbls/d)	Average Daily Equivalent Gas Rate (mscfe/d)*	Average Daily Equivalent Oil Rate (boe/d)*
Kowalik -1R	1,895	537	8,810	735

Urrutia-1H (3% WI)

Following a fracture stimulation of 19 stages across approximately 4,400 ft of horizontal section this well has been cleaned up to sales since the 12th December. Consistent with other recent wells the Urrutia-1H well has been produced on a restricted choke setting in order to minimise decline rates and maximise recoverable volumes for each well. The following early production data is based on the last 24 hours and provides an indication of early flowrates from the well.

	Gas Production Rate (mscf/d)	Condensate Production Rate (bbls/d)	Average Daily Equivalent Gas Rate (mscfe/d)*	Average Daily Equivalent Oil Rate (boe/d)*
Urrutia #1H	1,940	752	11,450	954

Direct Assets-1H (3% WI)

Whilst running the isolation plug after the 10th stimulation stage on this well the assembly became stuck and remedial operations are presently underway to remove this and allow the remaining 3 stages to be stimulated. Once complete the well will be cleaned up to sales.

Gilley-1H (3% WI)

Drilling operations are now complete with TD being reached at a depth of 16,969 ft. Casing is presently being run and cemented in place to secure 4,200 ft of horizontal reservoir section. Empyrean will provide further updates on this well once stimulation activity has commenced.

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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