

Regulatory Story

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Company [Empyrean Energy PLC](#)
TIDM EME
Headline Replacement: US\$1m sale of Hercules asset
Released 10:33 02-Mar-2012
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 Empyrean Energy PLC
 02 March 2012

The following text has been added to the '[US\\$1m sale of Hercules asset and grant of options](#)' announcement released on 2 March 2012 at 08.31 under RNS No 5686Y.

"The Remuneration Committee of Empyrean held a meeting on 16 February 2012 and subsequently put forward a recommendation to the board that was approved at the 28 February 2012 meeting, but because the board of Empyrean believed that negotiations with respect to the sale of the Hercules Project placed them in a close period at the time, the approval was conditional upon the sale of Hercules concluding. The announcement above removes the close period and also the condition to grant."

All other details remain unchanged.

The full amended text is shown below.

2 March 2012

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

- **Sale of non-core Hercules Project for US\$1 Million**
- **Grant of options**

Empyrean is pleased to announce that it has reached agreement and concluded a sale of its 10% interest in the Hercules Project ("the Project") in Texas for total cash consideration of US\$1,000,000.

Empyrean has sold its interest to Gulf Coast Midwest Energy Capital #5, LP and BI Gulf Coast, LLC two entities associated with Gulf Coast Midwest Energy Partners LLC who has been one of Empyrean's partners in the Project.

Proceeds from the sale of Hercules have been transferred from the purchaser to Empyrean.

Empyrean has sold the Project to focus on its core assets, in particular its working interest in the Sugarloaf Project, an Eagle Ford Shale development project in Texas that is already producing and selling condensate, non-gas liquids and gas.

Commenting today Empyrean CEO, Tom Kelly said "We are delighted to have achieved the sale of Hercules at this point in time. We see the proceeds from sale as complimenting our funding efforts for the development of Sugarloaf and helping to provide the right mix of development capital. We continue to assess proposals for a reserve based debt funding facility and believe that this additional US\$1 million being received with no dilution to the company should be welcomed by shareholders. This sale effectively brings forward the net production revenue from a number of potential development wells at Hercules that we would have had to provide additional development capital towards in order to subsequently benefit from over the life of production. Gulf Coast Midwest Energy Partners LLC have been terrific partners and we look forward to further potential business with them in the future."

Grant of Options

Empyrean also announces that it has today granted share options over a total of 14,800,000 ordinary shares of 0.2p each in the Company to directors and employees of the Company.

The Remuneration Committee of Empyrean held a meeting on 16 February 2012 and subsequently put forward a recommendation to the board that was approved at the 28 February 2012 meeting, but because the board of Empyrean believed that negotiations with respect to the sale of the Hercules Project placed them in a close period at the time, the approval was conditional upon the sale of Hercules concluding. The announcement above removes the close period and also the condition to grant. Options were granted to the following directors:

Director	Number of options over ordinary shares	Exercise price of options	Date of expiry
Patrick Cross	750,000	£0.08	2 March 2015
Thomas Kelly	7,500,000	£0.08	2 March 2015
Frank Brophy	5,000,000	£0.08	2 March 2015
John Laycock	750,000	£0.08	2 March 2015

An additional 800,000 options were granted to employees of the Company.

The options have been granted as part of an overall strategy to retain and incentivise directors and management.

Following the grant of options to Directors, each director will have the following interest in the Company:

Director	Number of ordinary shares	Total % of Ordinary issued share capital	Number of options over ordinary shares	Exercise price of options
Patrick Cross	340,000	0.16	1,900,000	500,000 @ £0.06 expiring 28-May-13 650,000 @ £0.08 expiring 30-Apr-14 750,000 @ £0.08 expiring 2 March -15
Thomas Kelly	19,591,562	9.34	19,700,000	1,800,000 @ £0.04 expiring 31-Mar-12 4,400,000 @ £0.06 expiring 28-May-13 6,000,000 @ £0.08 expiring 30-Apr-14 7,500,000 @ £0.08 expiring 2 March -15
Frank Brophy	1,333,333	0.63	12,450,000	1,000,000 @ £0.04 expiring 31-Mar-12 2,450,000 @ £0.06 expiring 28-May-13 4,000,000 @ £0.08 expiring 30-Apr-14 5,000,000 @ £0.08 expiring 2 March -15
John Laycock	400,000	0.19	1,700,000	300,000 @ £0.06 expiring 28-May-13 650,000 @ £0.08 expiring 30-Apr-14 750,000 @ £0.08 expiring 2 March -15

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