

The logo for EMPYREAN Energy Plc is located in the top left corner. It features a stylized 'E' and 'Y' in a grey square, with the company name 'EMPYREAN' in white text on a black background, and 'Energy Plc' in smaller white text below it.

EMPYREAN

Energy Plc

Investor Presentation: 2015 AGM



“A profitable onshore US oil & gas development and production company focussed primarily on the development of its productive assets in Texas and California”



Disclaimer

These presentation slides (the "Slides") relating to Empyrean Energy plc (the "Company") and any subsidiary of the Company do not constitute an offer or invitation to purchase or subscribe for any securities of the Company or of any body corporate and should not be relied on in connection with a decision to purchase or subscribe for any securities nor shall they or any part of them form the basis of or be relied upon in connection with any contract thereof. The Slides and the accompanying verbal presentation do not constitute a recommendation regarding any decision to sell or purchase securities in the Company. The Slides and accompanying verbal presentation do not purport to contain all information that a prospective investor may require and are subject to updating, revision and amendment in any way without notice or liability to any party. The Slides have been prepared by and are the sole responsibility of the Company. Although all reasonable care has been taken to ensure that the facts stated in the Slides and accompanying verbal presentation are true and accurate to the best of the directors' of the Company knowledge, information and belief and that the opinions expressed are fair and reasonable, no reliance may be placed for any purpose whatsoever on the information contained in the Slides and the accompanying verbal presentation or the completeness or accuracy of such information. No representation or warranty, express or implied, is given by or on behalf of the Company, Cenkos Securities Limited ("Cenkos") or their respective shareholders, directors, officers or employees or any other person as to the accuracy or completeness of the information or opinions contained in the Slides and the accompanying verbal presentation , and no liability is accepted for any such information or opinions (including in the case of negligence, but excluding any liability for fraud). The Slides contain forward-looking statements, which relate, inter alia, to the Company' s proposed strategy, plans and objectives. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the control of the Company that could cause the actual performance or achievements of the Company to be materially different from such forward-looking statements. Accordingly, you should not rely on any forward-looking statements and the Company accepts no obligation to disseminate any updates or revisions to such forward-looking statements. The Slides and their contents are directed only at persons who (i) fall within the definition of "Professional Client" or "Eligible Counterparty" within the meaning of Chapter 3 of the Financial Service Authority' s Conduct of Business Sourcebook, (ii) are of a kind described in paragraph 5 of Article 19 or paragraph 2 of Article 49 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (such as persons who are authorised or exempt persons within the meaning of the Financial Services and Markets Act 2000 ("FSMA") and certain other persons having professional experience relating to investments, high net worth companies, unincorporated associations or partnerships, and the trustees of high value trusts), and (iii) fall within the provisions of Article 2.1(e)(i) of the Prospective Directive. Any investment, investment activity or controlled activity to which the Slides relate is available only to such persons and will be engaged in only with such persons. The Slides have not been approved by an authorised person under section 21 of FSMA and may not therefore be subject to the controls which would apply if they were approved as a financial promotion by an authorised person. The distribution of the Slides in other jurisdictions may be restricted by law and persons into whose possession the Slides come should inform themselves about, and observe, any such restrictions. Any failure to comply with these restrictions may constitute a violation of the laws of any such other jurisdictions. The Slides are not for distribution outside the United Kingdom and, in particular, the Slides or any copy of them should not be distributed, published, reproduced or otherwise made available in whole or in part by recipients, directly or indirectly, by any means (including electronic transmission) either to persons with addresses in Canada, Australia, Japan, the Republic of South Africa and the Republic of Ireland or to persons with an address in the United States, its territories or possessions or to any citizens, nationals or residents thereof, or to any corporation, partnership or other entity created or organised under the laws thereof, or any other country outside the United Kingdom where such distribution may lead to a breach of any legal or regulatory requirement. Any such distribution could result in a violation of Canadian, Australian, Japanese, United States, South African or the Republic of Ireland law. By attending the presentation and/or accepting the Slides, you agree to keep permanently confidential the information contained herein or sent herewith or made available in connection with further enquiries unless and until it comes into the public domain through no fault of your own and the Slides are being supplied solely for your information. The Slides may not be copied, reproduced or distributed, in whole or in part, to others or published at any time without the prior written consent of the Company and Cenkos.



Empyrean Energy at a Glance

A profitable oil and gas company with a focus on onshore US assets with major upside

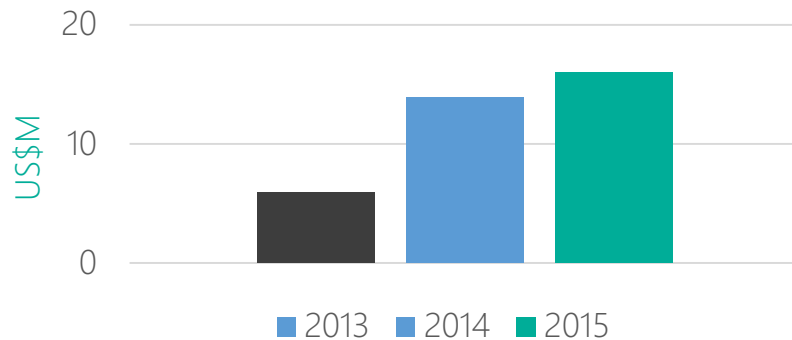
EXCELLENT PROJECT	INCREASING RESERVES	PROFITABLE	FUNDING	STRONG US OPERATOR	EXPERIENCED BOARD
<ul style="list-style-type: none"> • 3% interest in the Sugarloaf AMI in the Eagle Ford Shale Texas – the largest oil and gas development in the world based on capital invested 	<ul style="list-style-type: none"> • Successful appraisal of Austin Chalk formation led to significant increase in reserves • Upper Eagle Ford presents similar upside to where Austin Chalk was 18 months ago 	<ul style="list-style-type: none"> • Production profitable at current oil prices • Currently sourced from Eagle Ford Shale & Austin Chalk formations with upside from further formations 	<ul style="list-style-type: none"> • US\$50 million facility in place with Macquarie Bank for development subject to ongoing performance and reserve hurdles 	<ul style="list-style-type: none"> • US major Marathon Oil operates Sugarloaf AMI 	<ul style="list-style-type: none"> • Strong understanding of the oil and gas arena



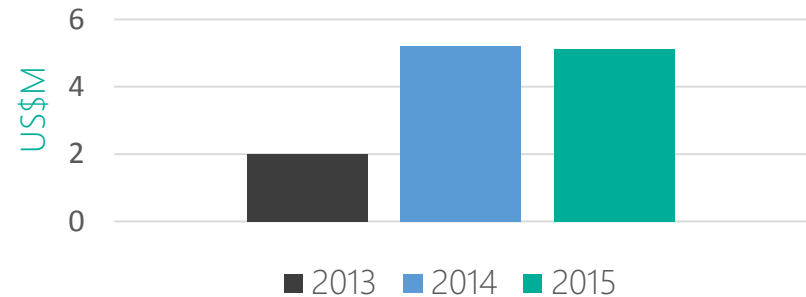
2015 Final Results at a Glance

Record revenue and production driven by further improvements at Sugarloaf AMI despite the fall in oil prices during the year

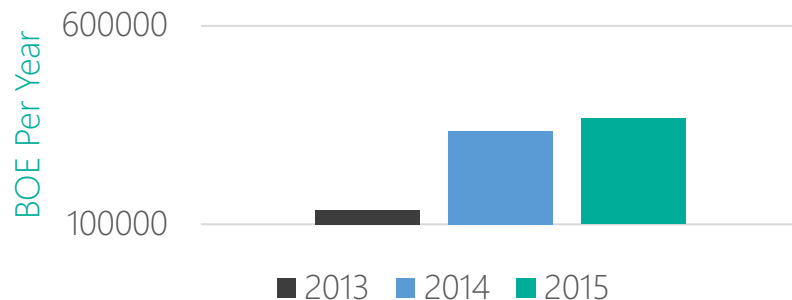
15% increase in revenues to US\$16.010m



2% decrease in net profit before tax to US\$5.122m



9% Increase in Net Production to 366,469 BOE



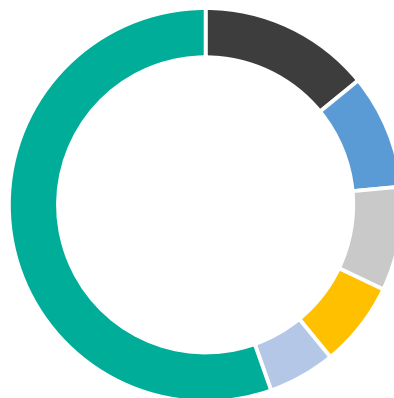
- Empyrean was profitable for the year to March 2015 and management believes production has been profitable post March despite low oil prices
- Drilling activity is being maintained at an elevated level
 - 130 wells spudded (2014: 43 wells)
 - 84 wells brought into production (2014: 39 wells)
 - Stack and Frac pilot programme commenced with early production results encouraging
 - Downward trend in drilling and completion costs continues

A non-operated interest with associated 1P reserves of 7.8 Mmboe in a neighbouring field was recently acquired for US\$125m translating to c. US\$15-16/ BOE 1P Reserves.

Empyrean booked 1P Reserves of 5.78 MMboe as at 31 December 2014, which suggest that Empyrean is significantly undervalued at present. Additionally, as at 31 December 2014, the Company had an NPV10 of 2P Reserves of approximately US\$121.7m. (see announcement dated 9 July 2015)

Market	AIM
EPIC	EME
Share Price	6.6 pence
Shares in Issue	222 million
Market Cap	£14.64m
12 month price range	4.75-20.50 pence
Debt Facility	US\$50 million

Significant Shareholders



- TD Direct Investing Nominees (Europe) Ltd 14.11%
- Tom Kelly 9.41%
- Barclays Share Nominees Ltd 8.55%
- James Kight 7%
- Dick Appleby 5.53%
- Other 55.40%



Strategy

To increase production and reserves by developing Empyrean's advanced hydrocarbon production and development projects, which have excellent technical merit, in order to build shareholder value

Capitalise on excellent production upside potential available from Austin Chalk and Upper Eagle Ford Shale at Sugarloaf AMI

On-going evaluation of prospective partnering opportunities which are value accretive

Maintain US onshore focus, particularly the Eagle Ford Shale Formation, due to low geopolitical risk, excellent infrastructure, the strong energy demand and technical expertise available in the region

Patrick Cross Non-Executive Chairman	Dr Cross is experienced in corporate finance, organisation structures, marketing and joint venture operations. His previous positions include 25 years with British Petroleum specialising in strategic business development and six years as MD of BBC World Ltd. Dr Cross has operated in South America, Far East, Europe and the UK, establishing Government European Union relationships at senior levels. He is currently non executive director of Orca Interactive Limited.
Tom Kelly Chief Executive Officer	Mr. Kelly has over 20 years corporate, finance and investment banking experience. During this period Mr Kelly has had involvement in and been responsible for the financing of numerous listed companies on the ASX and several mergers and acquisitions within the Australian corporate sector. Mr Kelly manages the commercial operations of the Company and investigates additional opportunities.
Frank Brophy Technical Director	Mr. Brophy has over 48 years experience as a petroleum geologist in the exploration, development and production of many world class projects. Mr Brophy's roles have seen him involved in operations in many locations around the world including Australia, Asia, Europe, USA and the Middle East. Recent experience includes 4 years as General Manager of the Hanoi operation in North Vietnam, for French based company Maurel & Prom. Mr Brophy's previous positions also include his former role as Manager of International Business Development for Ampolex Limited, Chief Geologist of Elf Aquitaine Australia and Exploration Manager for 5 years with Peko Oil Limited.
John Laycock Financial Director	Mr. Laycock has over 30 years experience in accounting, finance and risk management. His previous positions include 22 years with British Petroleum both in the UK and international experience in France and Japan. Mr. Laycock has a degree in Mechanical Engineering from Bristol University and is a Chartered Management Accountant. He is currently working for an electricity generating company and is based in the UK.



3% W.I. Sugarloaf AMI

Operated by
Marathon Oil

Current net
daily
production of
1,196 boe

Net acreage
of 729 acres

1P reserves
5.78MMboe
2P Reserves
12.64MMboe

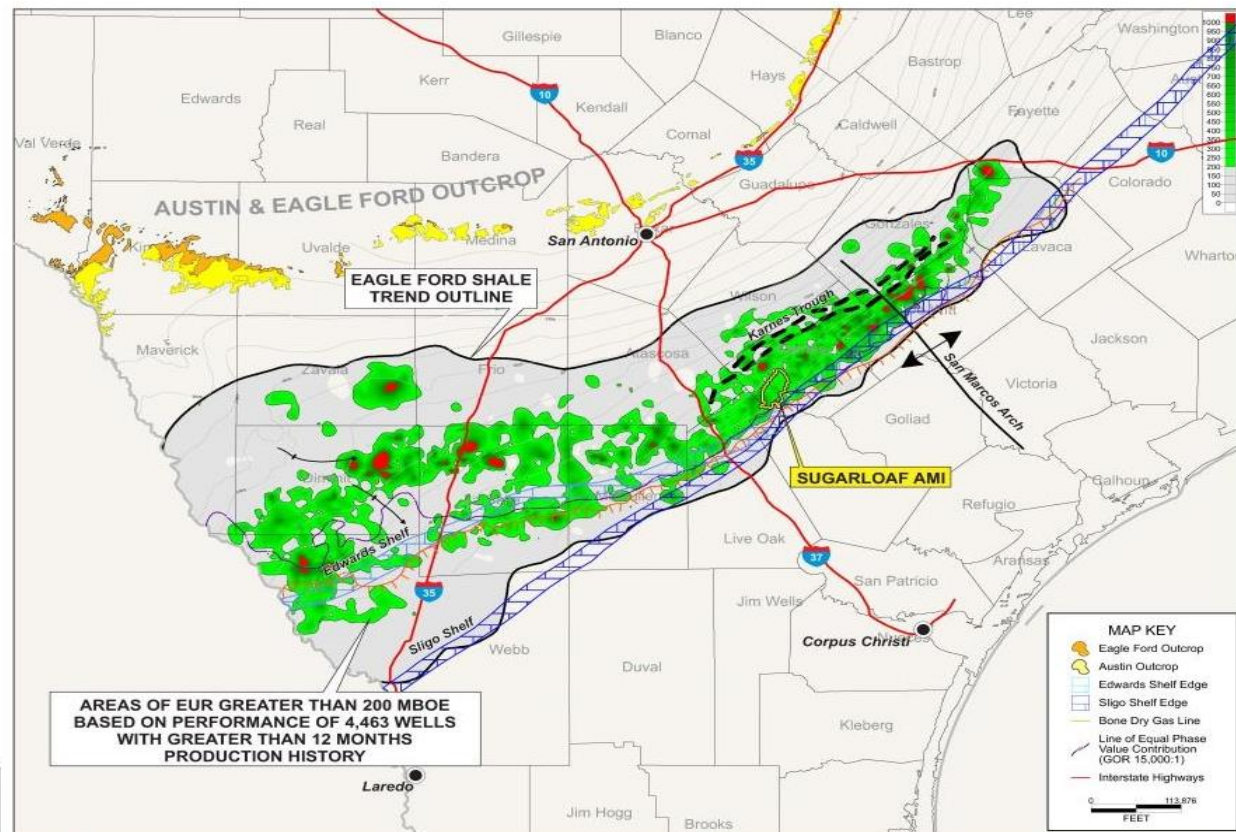
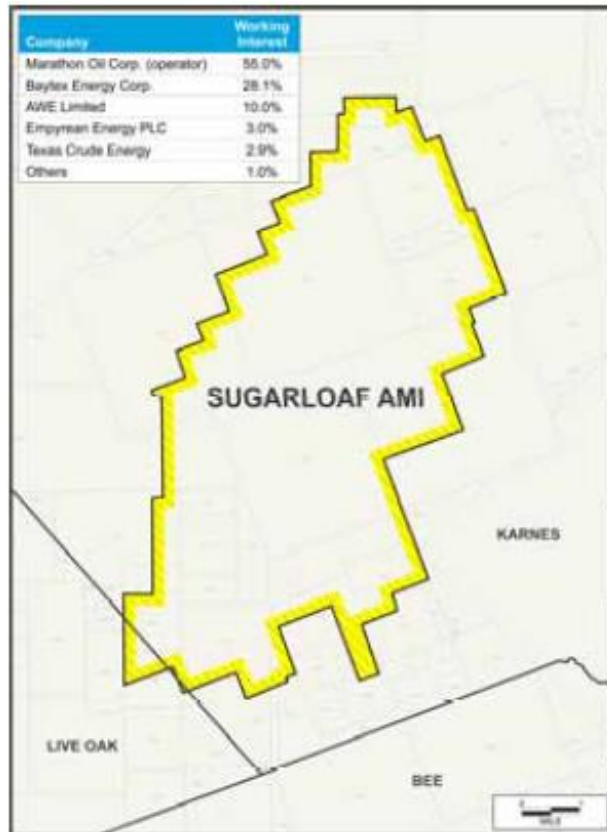
241 gross
wells
producing

Targeting Upper
& Lower EFS
and Austin
Chalk





Eagle Ford Shale Location



The Sugarloaf AMI is located in the “sweet spot” of the Eagle Ford Shale, Texas



About the Eagle Ford Shale

Eagle Ford

**1 Billion
Barrels
Produced**

The Eagle Ford Shale produced its billionth barrel of crude and condensate in November 2014. More than 70% of that has been produced in the last two years, and the Eagle Ford now accounts for about 16% of total US daily oil production.



Satellite image of the Eagle Ford Shale

- A sedimentary rock formation from the Late Cretaceous age
- 50 mile-wide by 400 mile-long formation that runs from South Texas to the east
- Produces natural gas, condensate, oil, and natural gas liquids, with margins more favourable than other shale plays
- Estimated 7-10 billion barrels of recoverable reserves (US Geological Survey)
- Estimated 2.4MMboe production per day by 2020 (Hart Energy)
- Majors operating in the region include Chesapeake, ConocoPhillips and Exxon Mobil



Source: Wood Mackenzie

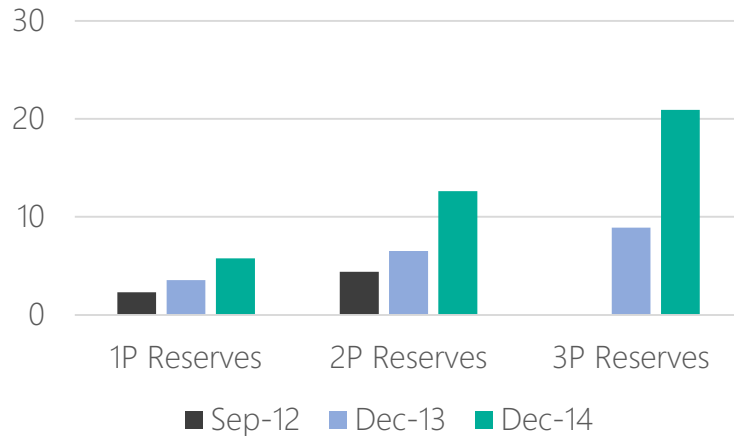
**More than
TEN
thousand
wells
completed**

2.8
MMboe/d
expected 2015
production



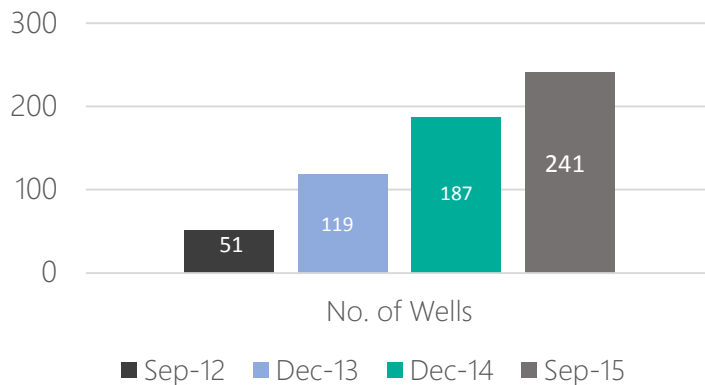
Dramatic Reserves/Resource Increase

Dramatic Reserves and Resource Increase Over Three Years

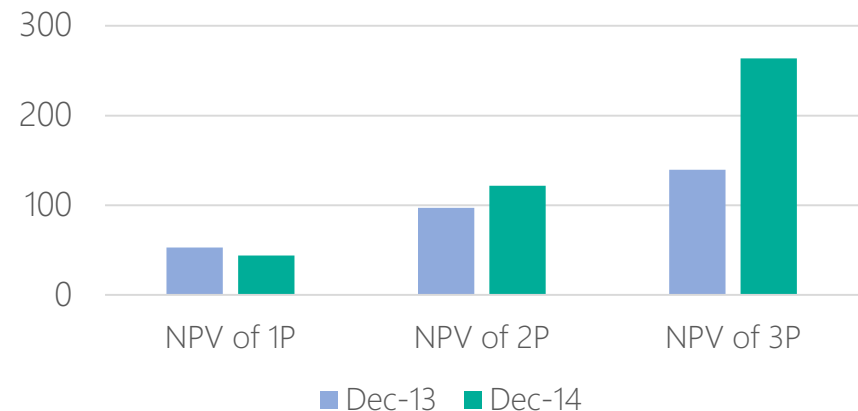


- 63% increase in 1P to 5.78 MMboe (NPV10: US\$43.8 million)
- 94% increase in 2P to 12.64 MMboe (NPV10: US\$121.7 million)
- 134% Increase in 3P Reserves to 20.91 Mmboe (NPV10 of US\$263.5 million)
- Attributable to successful appraisal of the Austin Chalk which has prompted a shift from contingent resource status into a reserve status
- Reduction in 2015 NPV for 1P Reserves due to reduced oil price

Number of Producing Wells



Reserve NPV (10)





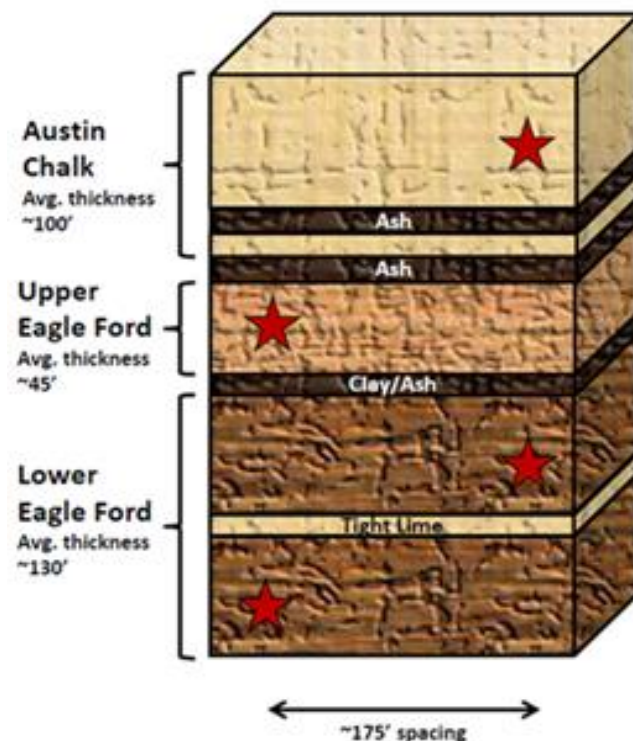
Ongoing Upside from Sugarloaf AMI

- Currently targeting the Upper Eagle Ford Shale, Lower Eagle Ford Shale and the Austin Chalk
 - Estimated further >350 wells to develop the Lower Eagle Ford Shale @ 40 acre spacing; 300-450 wells to develop the Austin Chalk depending on spacing between 40 and 60 acres; similar for Upper EFS
 - Additional potential from the Pearsall Shale and Wilcox formations
- Consistent production rates for Q2 2015 of 108,849 boe net to EME
- Upper Eagle Ford now represents similar upside potential to where the Austin Chalk was 18 months ago

Sugarloaf AMI Working Interests

Marathon Oil (Operator)	55%
Baytex	28.1%
AWE Limited (via subsidiaries)	10%
Empyrean Energy PLC	3%
Texas Crude Energy	2.9%
Others	1%

Stack & Frac Pilot Operation



Stack & Frac currently being tested by Marathon to optimise co-development of multiple horizons drilled from the one pad. It can involve the drilling of up to five wells per stack. The first "Stack and Frac" pilot commenced in September 2014 with highly encouraging initial results.



Marathon's Aggressive Development



Spudded 130 wells during year ended 31 March 2015 – 200% increase on 2014's spud-rate of 43 wells (32 drilled in Austin Chalk)



Reduced spud to TD cycle time – averaged 12 days during Q1 2015



Predominately 40-60 acre well spacing resulting in 45% increase in 30 day IP rates compared to 60+ acre spacing



Commenced Stack & Frac pilot programme - stacked targets are co-produced from the same pad with a 20-40 acre spacing



Reduced drilling and completion costs – US\$6 – US\$6.5m, down c.20% from 2014



On-going testing of various components of stimulation design to continually improve well performance and reduce costs further



Investment Case

“Empyrean offers an attractive entry to a production play that is directly geared to any increase in commodity prices” Cenkos 2015

PRODUCTION

- Strong production and revenues from the flagship Sugarloaf AMI, from proven onshore US hydrocarbon formations – focussed on increasing

ECONOMICS

- Project economics remain robust in current oil price environment, this will improve through a oil price recovery or a reduction in on-going drilling & operational costs as the service providers adapt pricing to reflect the lower levels of activity across the sector

UPSIDE

- Well-positioned to benefit from Marathon's rapid and highly-efficient drilling programme at Sugarloaf and to capitalise on the significant additional upside available from initiatives
- Upper EFS provides exciting, de-risked appraisal upside – 2C contingent resource has quick conversion potential

DE-RISKED

- Operating in proven and highly active US onshore plays including the Eagle Ford Shale in Texas, considered to be one of the most important onshore hydrocarbon discoveries in recent times

EXPERIENCE

- Experienced Board and expert technical teams with experience in developing projects and a strong network of contacts





Contact

Tom Kelly

Empyrean Energy plc

T: +61 (419) 045 044

E: tom.kelly@empyreanenergy.com

Lottie Brocklehurst/ Elisabeth Cowell

St Brides Partners Limited

T: +44 (0) 20 7236 1177

E: lottie@stbridespartners.co.uk/
elisabeth@stbridespartners.co.uk



Appendices

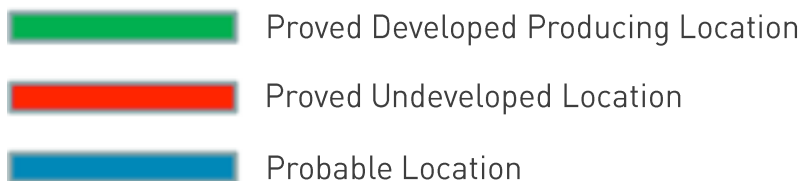




Calculating Reserves & Resources

Generic Reserve Allocation Pattern Around a Producing Well

- Diagram demonstrates how 2P and 3P reserves are allocated around a producing well



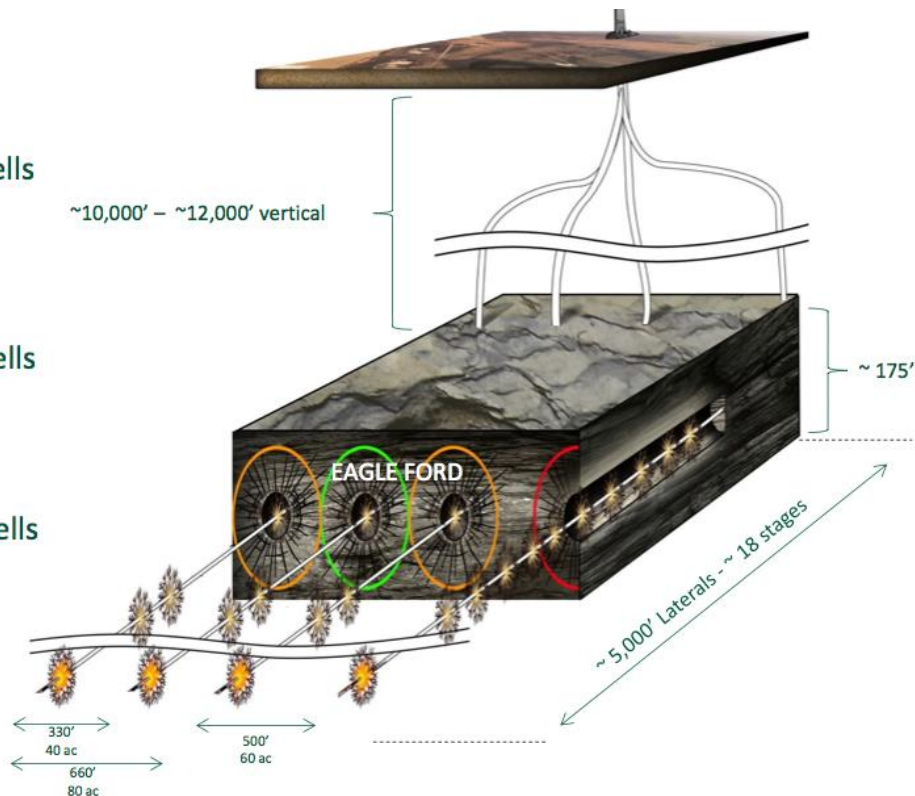


Eagle Ford Well Spacing

Well Spacing

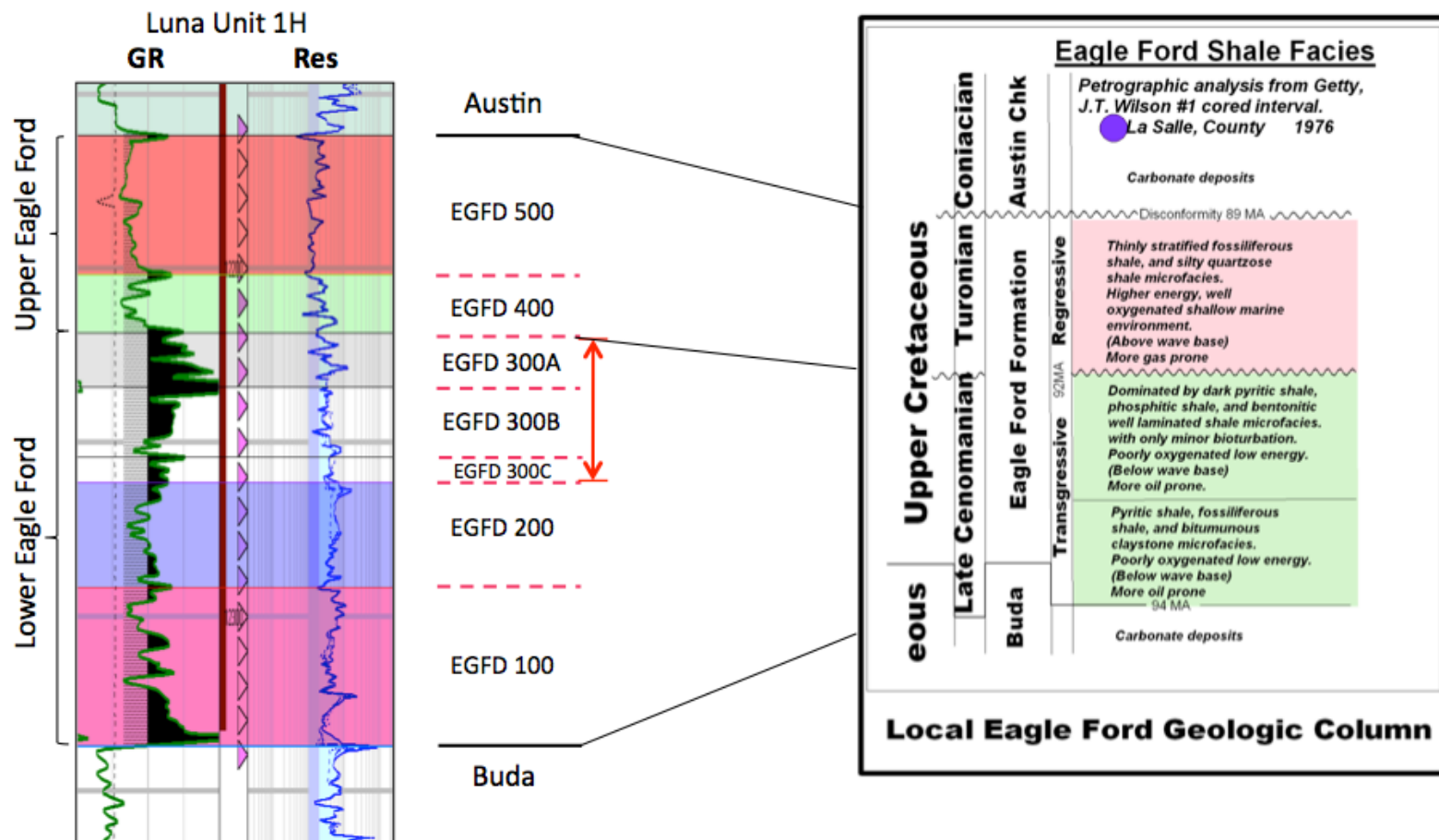
- 80 acre** 660' between wells
- 60 acre** 500' between wells
- 40 acre** 330' between wells

(1) For illustrative purposes only.
Not to scale.





Eagle Ford Stratigraphy





Texas Gulf Coast

Chronostratigraphic Chart for the Texas Gulf Coast

