

Corporate Presentation Q2 2017



Empyrean at a Glance

BUILDING AN ASIAN OFFSHORE OIL AND GAS PORTFOLIO WITH MATURE TARGETS AND COMPANY MAKING RESERVE POTENTIAL



Two assets offshore Asia - China and Indonesia



China - Large block with mature, transformative oil potential in a proven basin

- 100% exploration rights for Block 29/11 located in the Peal River Mouth Basin ('PRMB')
- 2 large exploration prospects, Jade and Topaz



Indonesia - Large shallow gas discovery (Mako) and a host of additional drilling opportunities

- Close to existing pipeline and ready access to market
- 20% of the Duyung PSC - Singapore based Conrad Petroleum holds the other 80%*
- 2C and 3C Resource of 430Bcf and 640Bcf recoverable gas for Mako discovery alone

** conditional on completion of the SPA and payment of the full \$4m*



Both assets located in proven hydrocarbon basins close to proven discoveries with existing infrastructure

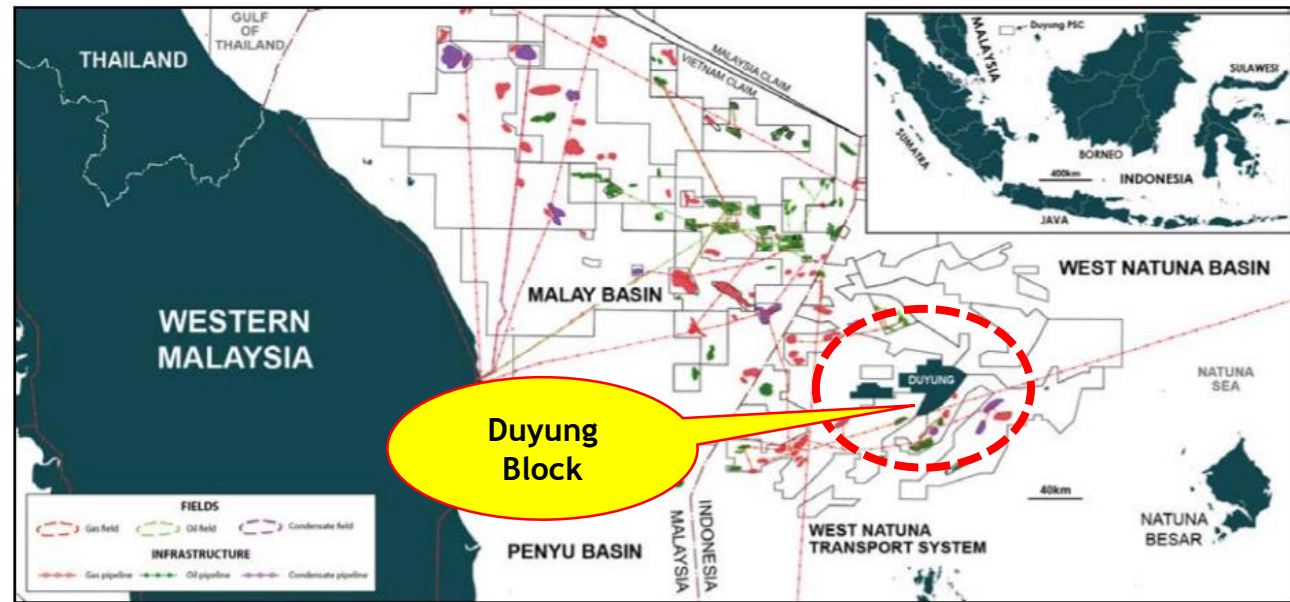
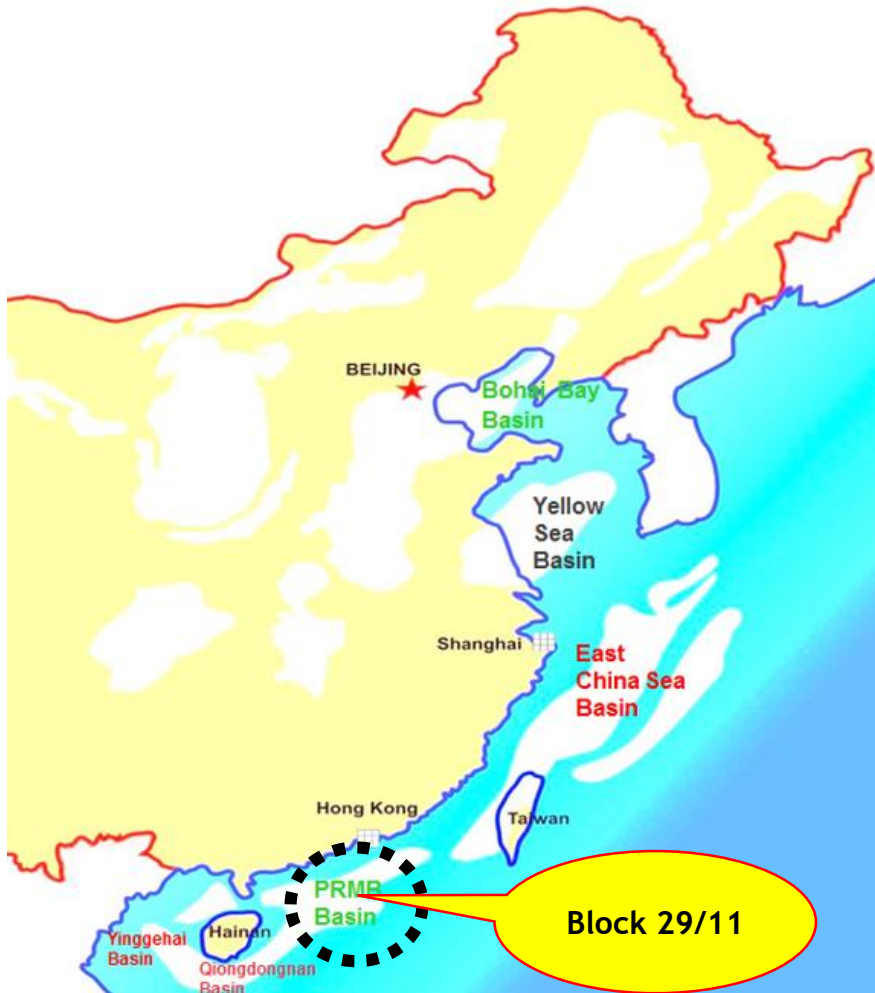


2017 programme has been carefully designed to deliver high impact activity, with drilling and 3D seismic being undertaken in the near term



Strong cash position to fund a large part of the programme from the sale of Sugarloaf AML Project

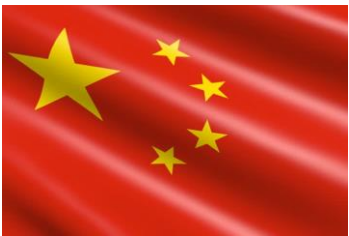
Empyrean Focus - World-Class Prolific Basins



Strategy

TO CONDUCT CAREFULLY SELECTED PROGRAMMES WITH GENUINE POTENTIAL
TO TRANSFORM THE COMPANY

China



- Conduct 3D seismic survey over two excellent prospects (Jade and Topaz) in Q2 2017
- Leverage 3D data and in-house knowledge-base to secure a farm-in partner ahead of drilling both targets



Indonesia

- Prove gas flow potential of shallow reservoir play via a new well in late Q2 / early Q3 2017 and collect crucial data for commercialisation

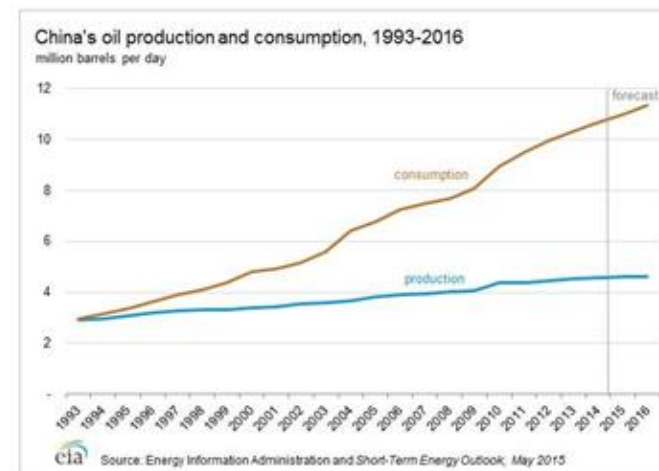
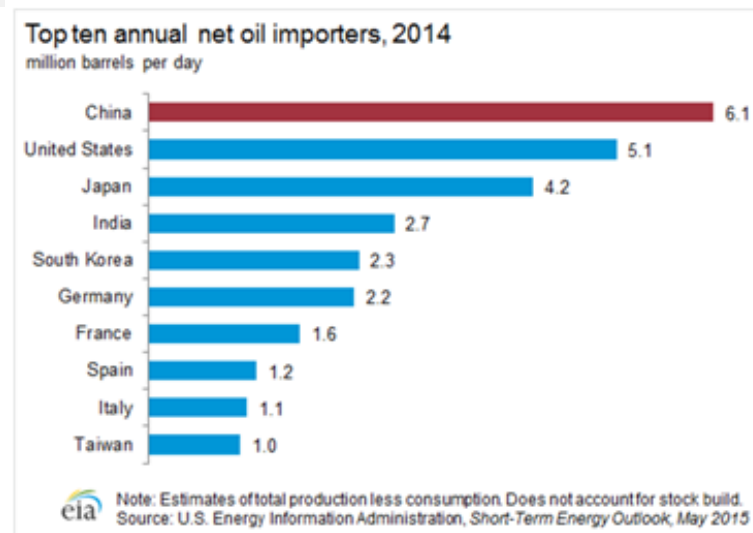


China

China: Positive Host Government

CHINA'S STRONG DEMAND FOR OIL IS CREATING AN OPPORTUNITY FOR FOREIGN INVESTORS

- The government is making greater investments in more technically challenging upstream hydrocarbon areas and renewable energy projects
- China is focused on attracting more private investment in the energy sector by streamlining the project approval process
- China benefits from well-understood geology including tertiary rift basins, mature oil source, multidarcy reservoirs and excellent seal for holding large hydrocarbon columns



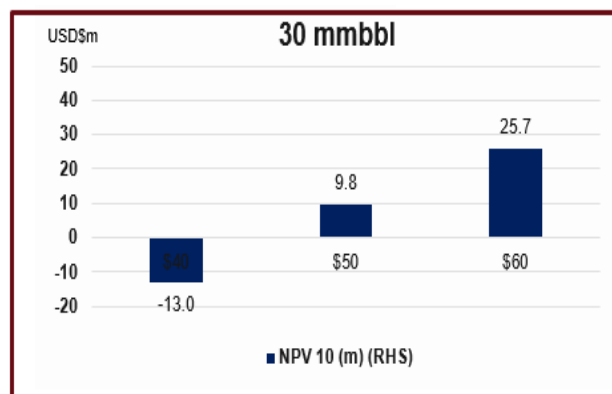
China: Favourable Commercial Terms for Low Oil Price

CHINA HAS ONE OF THE BEST FISCAL REGIMES IN ASIA AND DELIVERS ROBUST ECONOMICS AT AN OIL PRICE OF US\$40/BBL BASED ON INTERNAL CONCEPTUAL MODEL

30 mmbbl

Breakeven at an oil price of US\$45/bbl

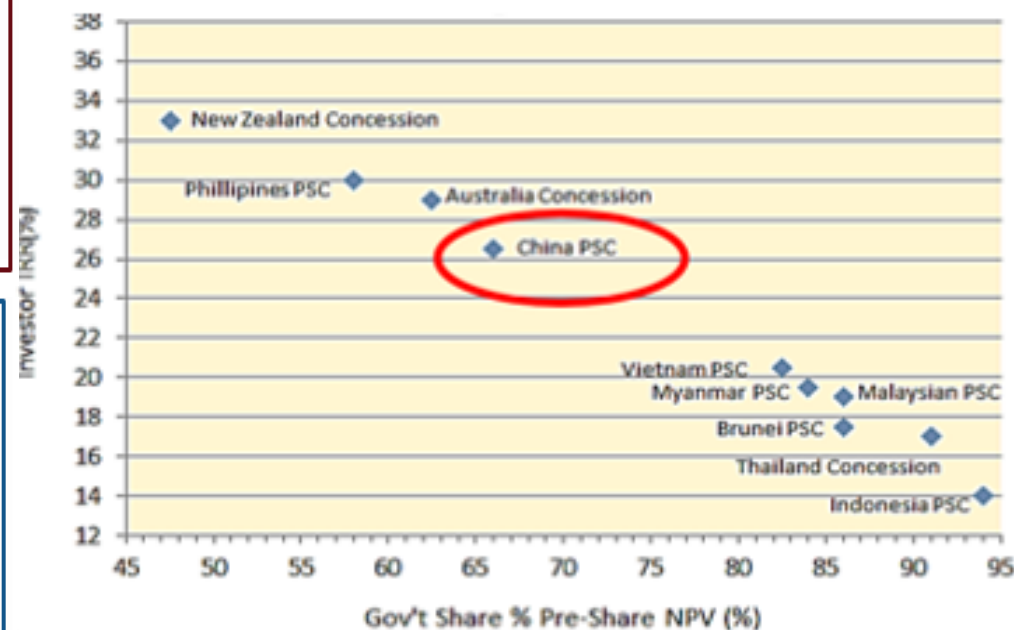
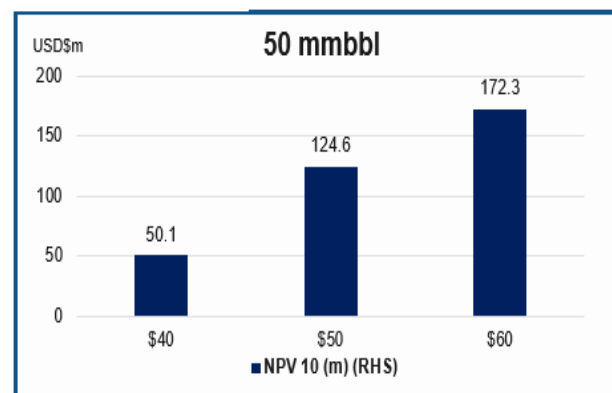
NPV10 (US\$50/bbl)
US\$10M



50 mmbbl

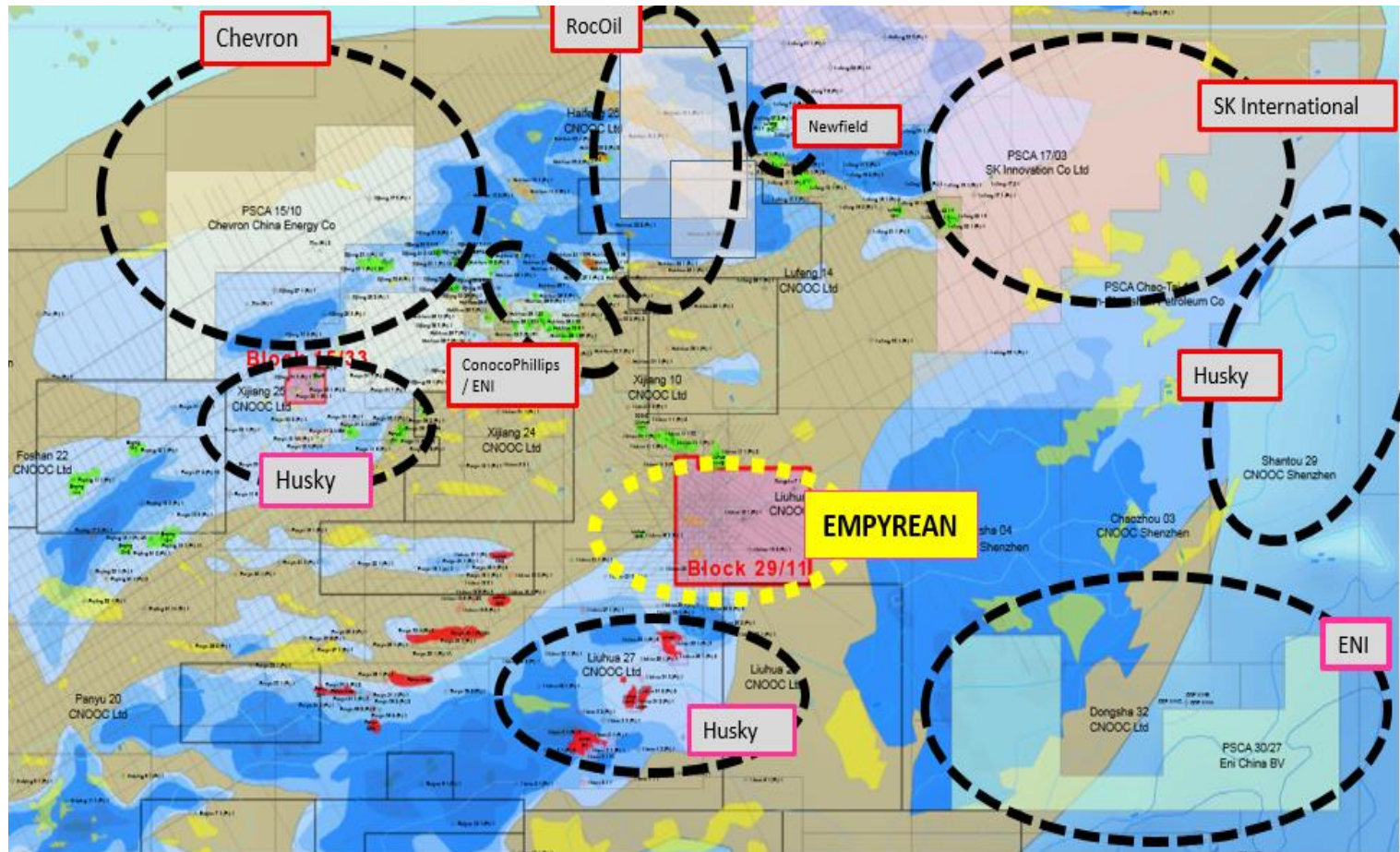
Breakeven at an oil price of US\$35/bbl

NVP10 (US\$50/bbl)
US\$125M



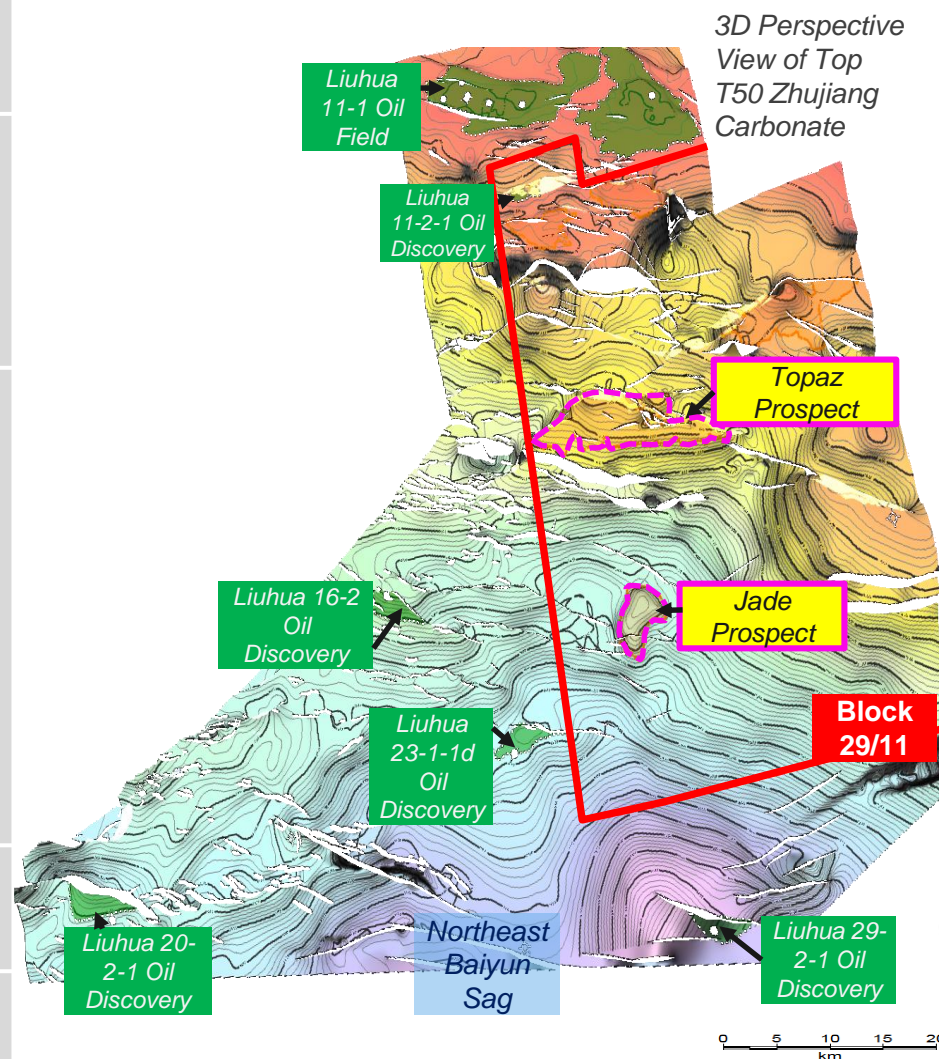
The Pearl River Mouth Basin (PRMB)

AS ONE OF THE LARGEST AND MOST PROLIFIC OFFSHORE AREAS OF CHINA, PRMB IS A DESTINATION FOR INTERNATIONAL UPSTREAM COMPANIES

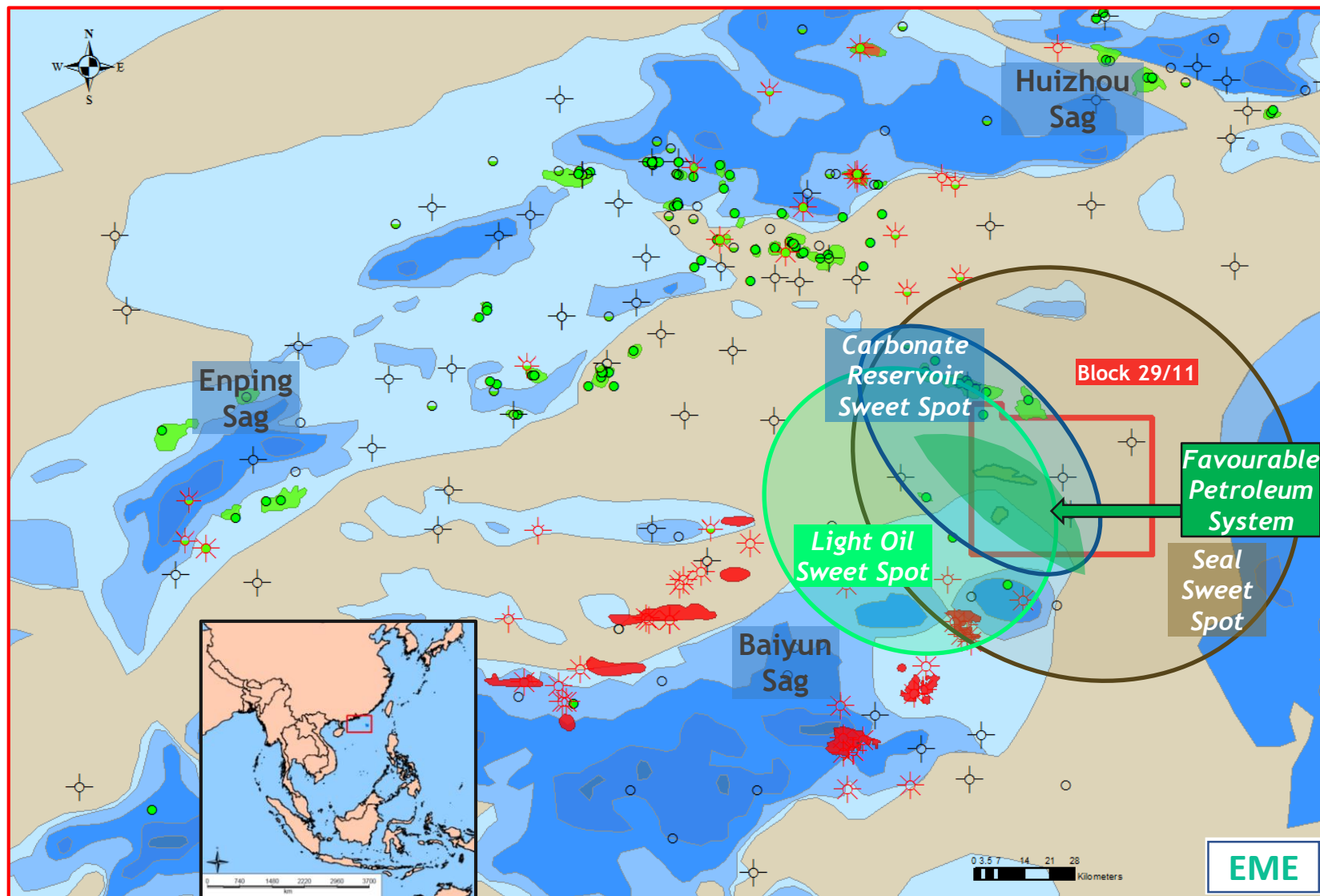


Block 29/11: A Snapshot

Operator and size	<ul style="list-style-type: none"> Empyrean 100% Operator 1,800 sq km Water depths from 340-600 meters
Location	<ul style="list-style-type: none"> Directly south of the largest oil field in the basin, Liuhua 11-1 oil field complex, which contains 1.3 billion barrels originally in-place On trend with the recent CNOOC oil discoveries immediately west and south of the block
Exploration Anticipated to be High Impact and Relatively Low Risk	<ul style="list-style-type: none"> Two key mature exploration prospects: Jade and Topaz Prospects delineated by multi-vintage, excellent quality 2D seismic data shot in 1979, 1986 and 1989 4 wells drilled (1 has an oil column and 2 with oil shows)
Low Cost Jurisdiction	<ul style="list-style-type: none"> Seismic acquisition, drilling and development costs are considerably lower in China
Commitment	<ul style="list-style-type: none"> GSA (2 years) 500km² 3D Seismic Survey PSC (Phase 1, 2.5 years): 1 exploration well



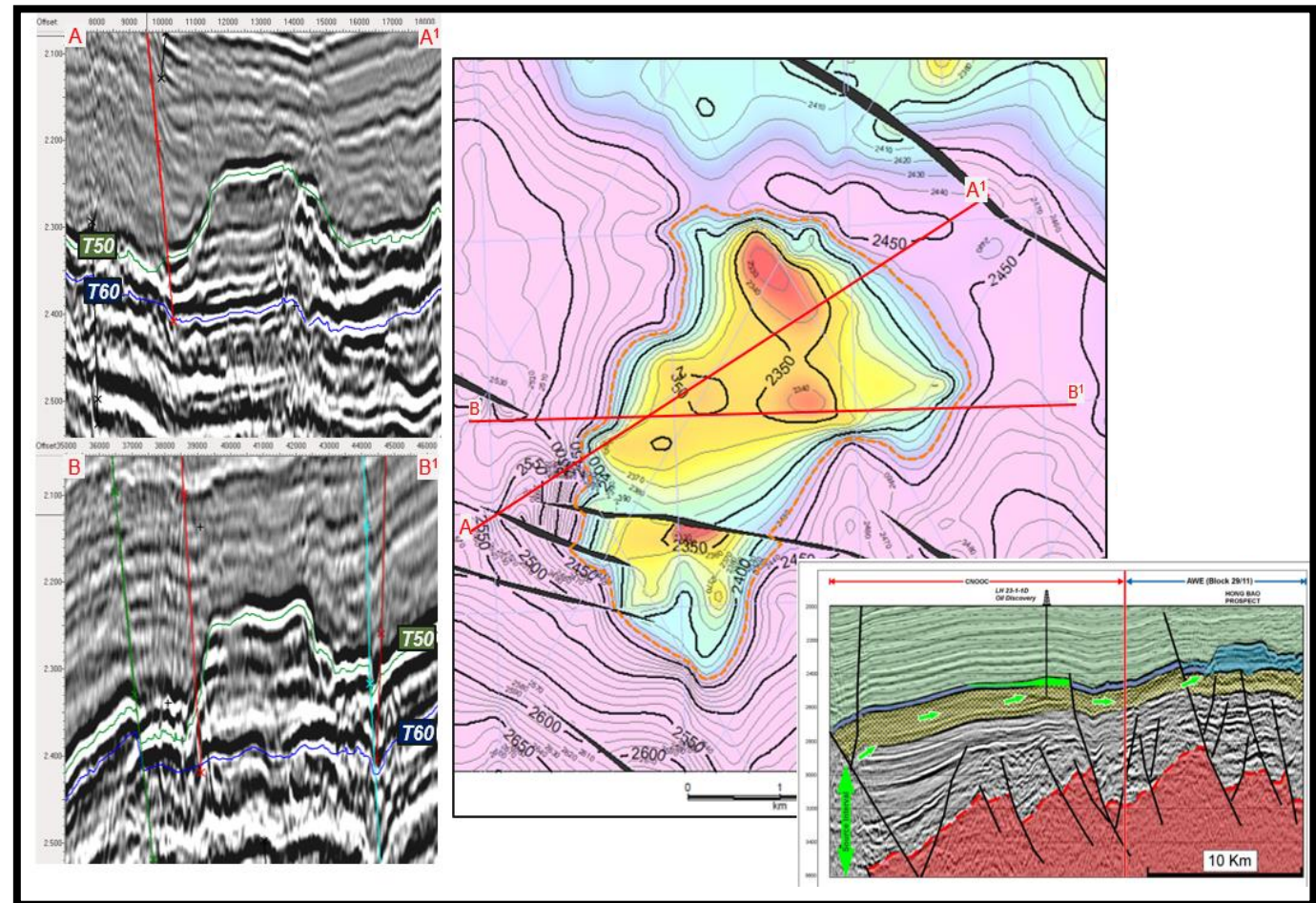
Jade & Topaz Prospects: Sweet-spot Locations



Jade Prospect

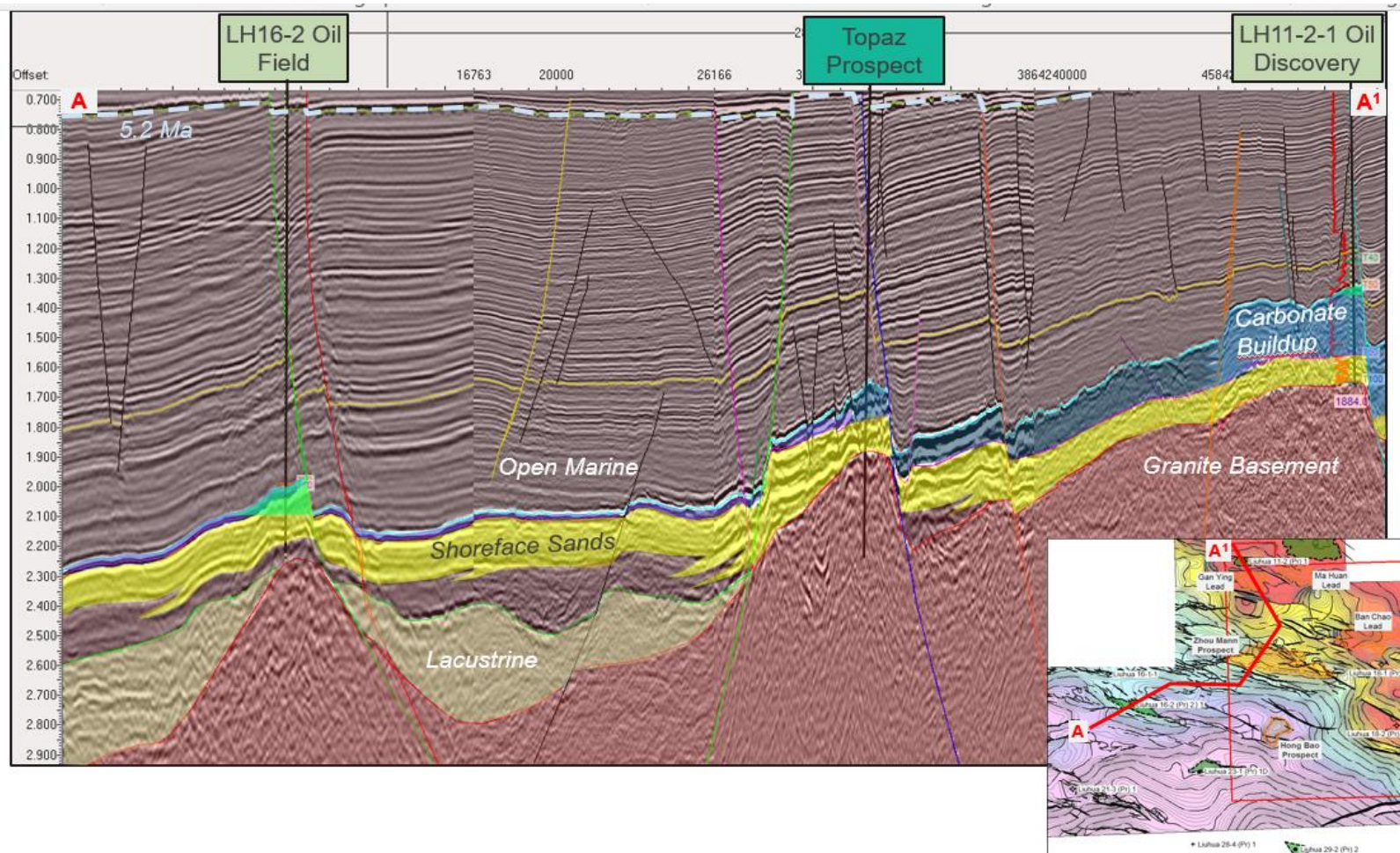
A HIGH IMPACT / LOW RISK DRILL READY TARGET

- Carbonate build-up
- 4-way dip closed structure mapped on close grid good quality 2D seismic data
- On trend with the recent CNOOC oil discoveries immediately west and south of block



Topaz Prospect

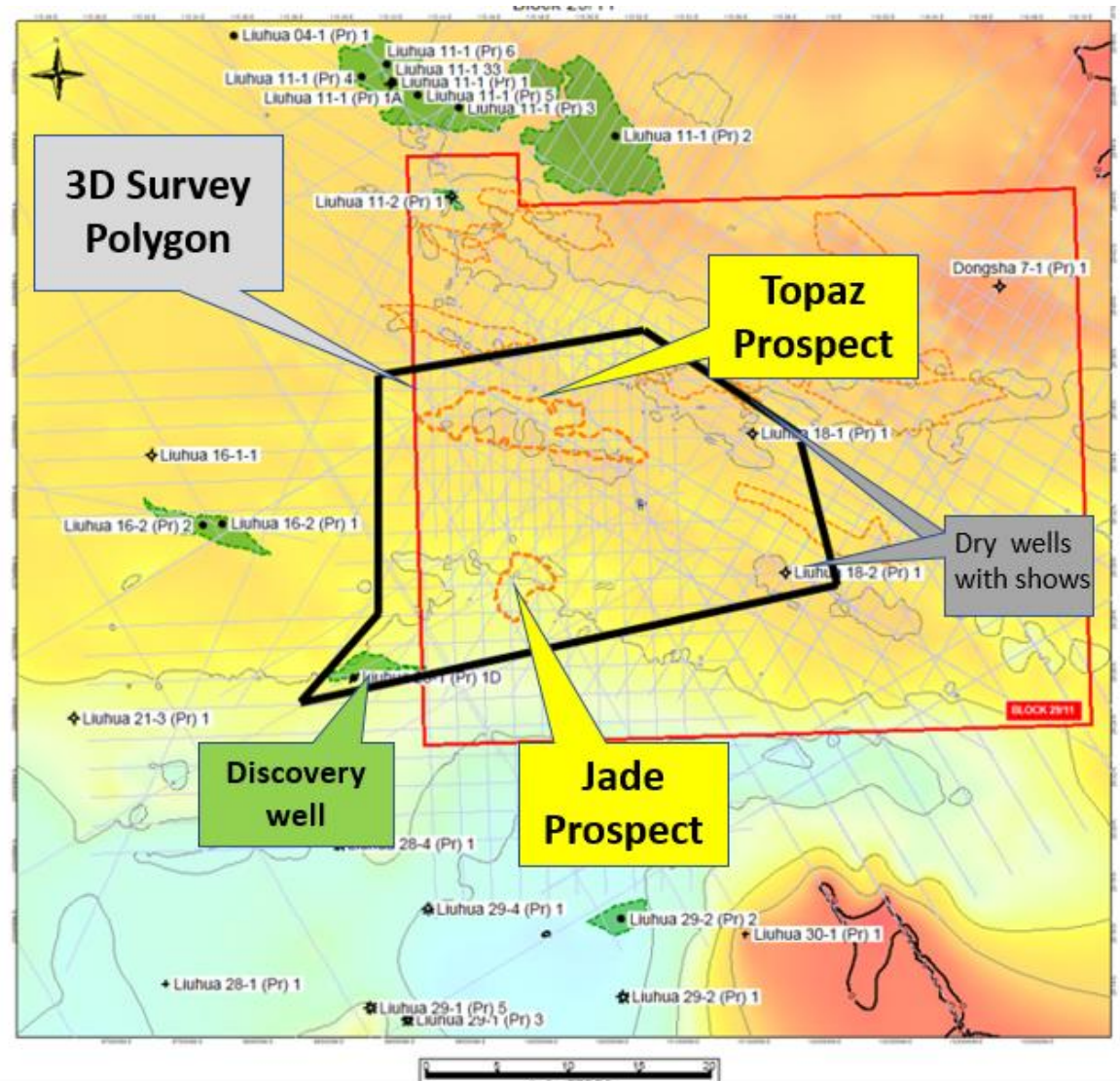
TOPAZ PROSPECT IS A LARGER ANALOGUE OF LIUHUA 16-2 OIL DISCOVERY



- A large faulted 3-way structure
- Very close analogue for nearby LH16-2 oil discovery
- Located mid-point between LH11-1 and LH16-2 oil accumulations
- Encased in marine shale

Future Work Programme: 3D Seismic Survey

- 3D survey has been optimally designed to include crucial well control
- CNOOC has granted approval to shoot seismic outside of the block's boundary
- Contract negotiation with the survey contractor nearing completion
- Aiming to commence survey in mid Q2 2017





Indonesia

Indonesia Gas Demand: Poised to Take Off

NATURAL GAS DEMAND GROWTH IS PROJECTED TO INCREASE BY 80% IN INDONESIA ALONE FROM 2015 TO 2025

- 4th largest population in the world at 260 million (expected to grow to 400 million by 2050) therefore demand for power, and therefore gas, is high
- Gas is expected to account for 35% of the 35,000 MW power acceleration programme being rolled out between 2014-2019
- Projected gas supplies show that, in order to meet Indonesia's demand for gas, LNG will be needed to be imported, leading to domestic gas prices being heavily influenced by regional LNG prices



Breakeven costs of Regional Projects (to Indonesia)

- Indonesian Government committed to supporting natural gas exploration to meet growing demand

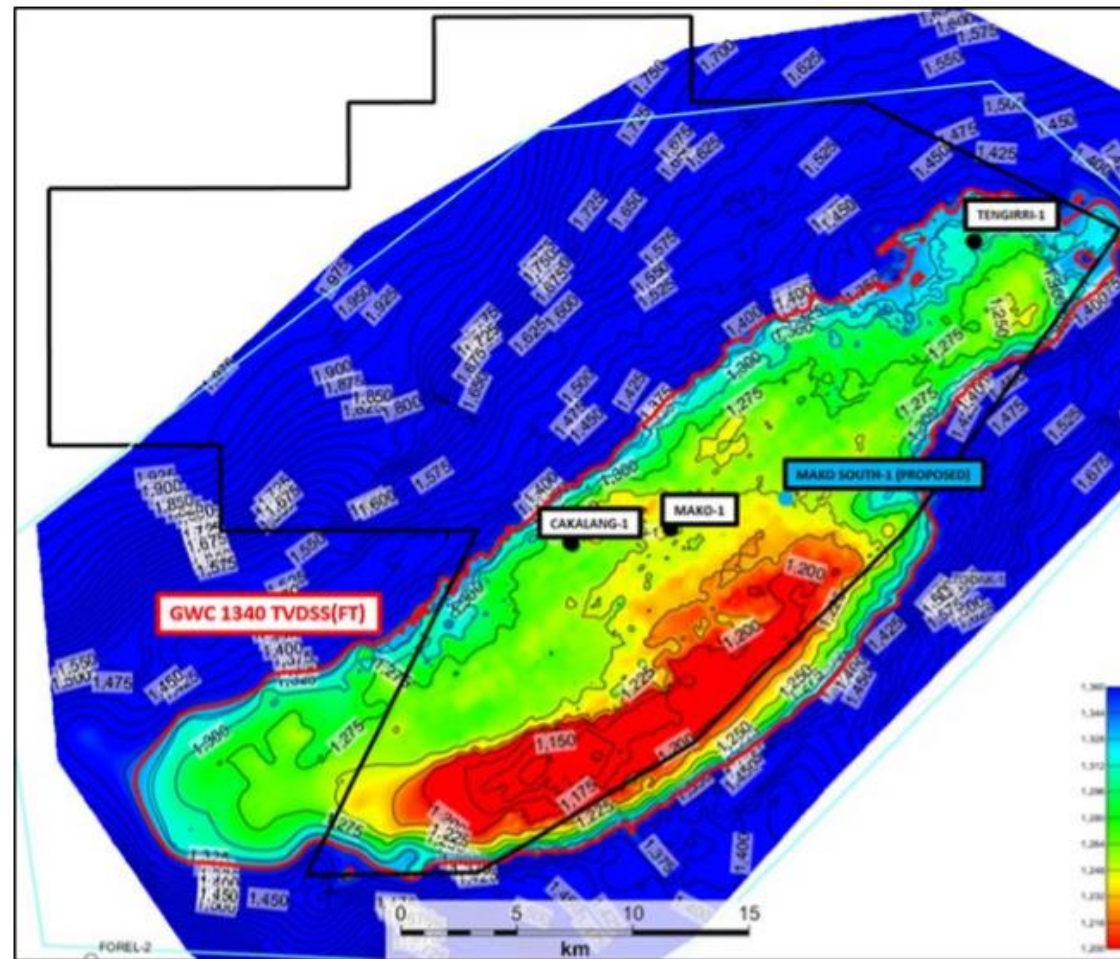
Duyung PSC: A Snapshot

AN ATTRACTIVE GROWTH OPPORTUNITY WITH A CLEAR PATH TO COMMERCIALISATION FOLLOWING SUCCESSFUL APPRAISAL, PLANNED FOR Q2/Q3 2017

Operator and size	<ul style="list-style-type: none"> Conrad Petroleum Pte (80% Interest and Operator)* Empyrean - 20% WI* 1,145 sq km
Resources	<ul style="list-style-type: none"> Competent Person Report has 2C and 3C Resource of 430Bcf and 640Bcf recoverable gas in Mako discovery alone
Location	<ul style="list-style-type: none"> Contains the Mako shallow gas discovery located in the West Natuna Basin, one of Asia's most prolific proven basins Located close to pipeline infrastructure owned by the Indonesian Government Water depth of 60-110 metres
High impact exploration potential with low associated risk	<ul style="list-style-type: none"> High impact exploration leads and prospects identified via 2D and 3D seismic Exploration potential of 4Tcf of gas and 120 mmbbls of oil 1st well will prove the Mako shallow gas play flow potential 3 wells historically encountered shallow gas but were not flow tested
Low Cost Jurisdiction	<ul style="list-style-type: none"> Development costs are expected to considerably lower due to shallow waters
Commitment	<ul style="list-style-type: none"> Total costs of the Mako South-1 Well are estimated at US\$6.5 million EME to fund first US\$4 million of well cost and then share additional well cost at 20%* EME will be paying 20% of all subsequent costs* <p><i>* conditional on completion of the SPA and payment of the full \$4m</i></p>

Mako South-1 Well Location

**MAP SHOWING THE STRUCTURE AND GAS WATER CONTACT OUTLINE OF MAKO FIELD
RELATIVE TO THE DUYUNG PSC BOUNDARIES AND LOCATION OF MAKO SOUTH-1 WELL**



Exploration Plans

The location of the well has been optimised to ensure the completion of the primary objectives:

- Establish the rock and fluid properties of the reservoir, in particular permeability and gas saturation. This will include a DST (Drill Stem Test) or similar alternative
- To test upside gas volumes in known reservoirs

2D and 3D seismic has identified the following leads:

- The Marlin Leads target the deeper syn-rift play, offering exploration upside potential of ~1.5Tcf of gas with condensate
- The Barakuda Prospect targets the syn-rift play, where Lama sands form a stratigraphic pinch-out trap configuration. Exploration upside potential of 1.9TCF (high case) of gas with condensate
- Hiu Putih Lead is an unconformity trap sub-cropping the Lower Arang Unconformity, targeting Upper and Lower Gabus sands. Exploration upside potential of 120MMbbl of oil (590MMbbl STOIIIP)

Investment Case



Building an Asian offshore oil and gas portfolio with mature targets and company making reserve potential



Targeting world-class prolific basins offshore China and Indonesia



Portfolio comprises appraisal assets located close to proven discoveries which have infrastructure



High impact news flow expected in 2017 with drilling and 3D seismic being undertaken



Strong cash position to contribute to costs following recent sale of 3% WI in Marathon Oil operated Sugarloaf AMI in Texas



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