



Empyrean Energy Plc

Tom Kelly – CEO/ Director

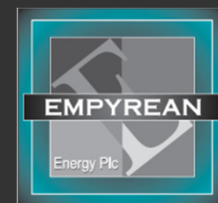
Frank Brophy – Technical Director

October 2012

About Empyrean Energy Plc (EME):

- London based oil and gas company with advanced exploration and production assets in USA
- Aggressive explorer with value being driven by projects in Texas
- Leverage from exploration and development upside
- Recent corporate activity amongst partners suggests Empyrean undervalued

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Investment Highlights



- Growing Oil and Gas Producer and Explorer
- Proven track record of making discoveries
- Undervalued relative to two recent Sugarloaf Project working interest acquisitions by Empyrean's Sugarloaf Project partners
- Funded through development with a US\$50 million debt facility with Macquarie Bank
- Substantial growth in revenue expected as development wells are drilled

PROJECTS SUMMARY



Sugarloaf Project (3-10.2%)

- Exciting success as development of new condensate/ gas discovery onshore Texas continues with Marathon Oil Company as operator
- Eagle Ford Shale is one of the most active onshore plays in the US right now

Eagle Oil Pool Development Project (48.5%)

- Lower risk exploration – onshore California

Riverbend Project (10%)

- Cartwright well flowing at a restricted rate due to downhole blockage
- Operatorship challenges needing resolution

Empyrean maintains a strategy of identifying assets that carry

- Low geopolitical risk;
- Close proximity to energy markets and infrastructure; and
- Non operating interest in drill ready prospects

Corporate Structure



Capital Structure

LSE:	AIM "EME"
12 month share price range:	4.62p – 9.25p
Shares in Issue:	216.3 million
Market Cap at UK 9.0p:	£19.5 million
Unlisted Options on Issue:	9.075 million @ 6p 26.9 million @ 8p 4.0 million @ 8.75p
Macquarie Bank	30 million @ av 9.0p *15 million @ 12p not granted yet
Convertible Notes at 6p	5.395 million approximately
Cash:	US\$1.0m
Debt Facility	US\$50million
Drawn Debt	US\$0.350 million

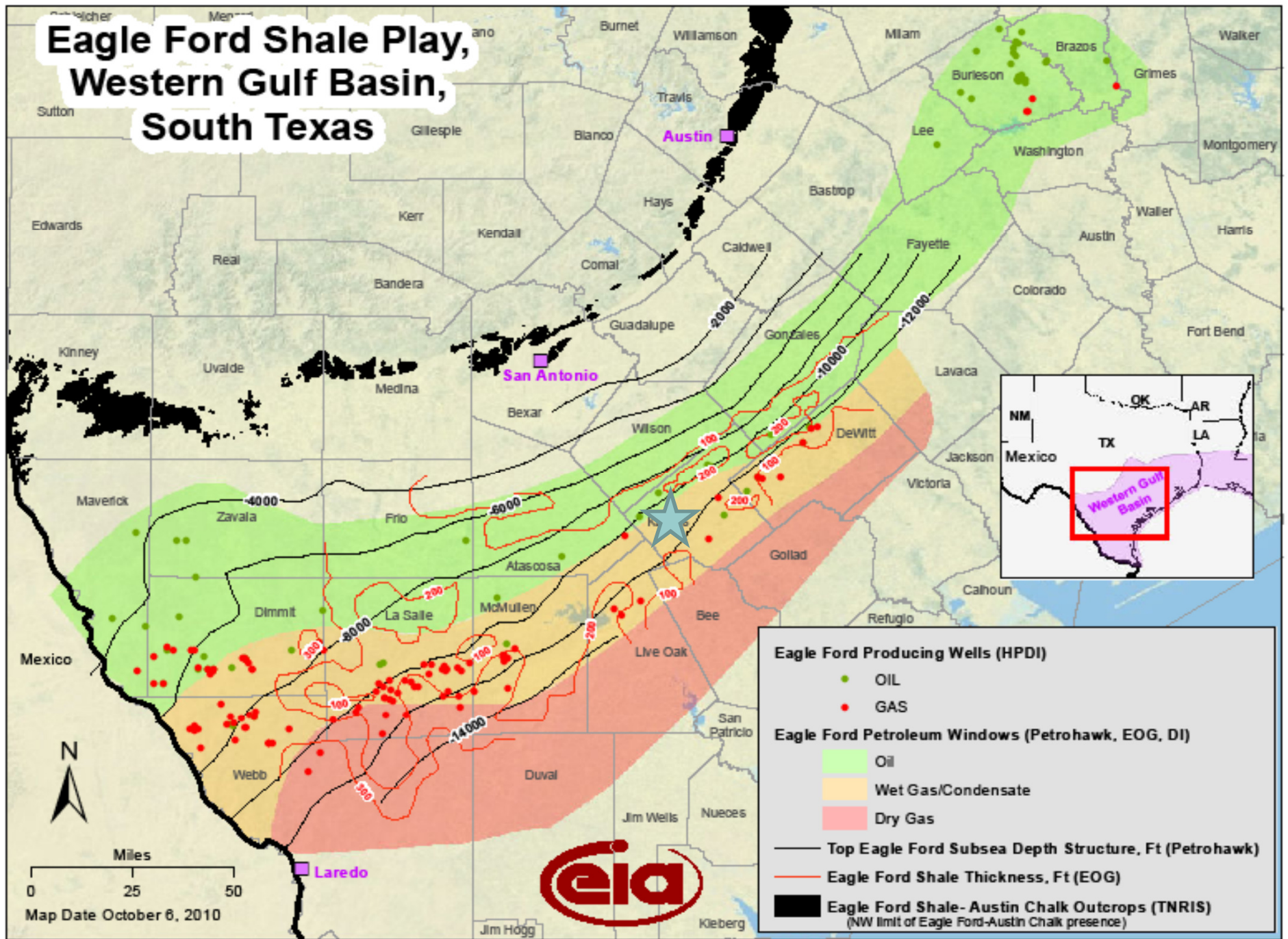
Significant Shareholders (on undiluted basis)

TD Waterhouse Nominees (Europe) Limited	14.96%
Barclay Share Nominees Limited	9.96%
Tom Kelly	9.58%
L R Nominees Limited	7.18%

Board of Directors

CEO/ Exec Director	Tom Kelly
Technical Director	Frank Brophy
Non-Executive Chairman	Patrick Cross
Finance Director	John Laycock

Eagle Ford Shale Play, Western Gulf Basin, South Texas



Sugarloaf Project



- Sugarloaf is an Eagle Ford Shale play in south Texas
- 24,100 gross acres – 726 net acres
- Empyrean has a 3%* WI across acreage with a higher interest in two wells
- Production commenced mid 2010
- 50 wells on production as at Sept 2012
- Management expects 64 new wells to be drilled 2013
- Estimated 280+ wells to develop field
- Condensate rich window of Eagle Ford Shale
- At least 80% of expected revenue to come from liquids

Sugarloaf Project



- Marathon, an experienced operator/partner is committed to optimising drilling, completion and production processes
- A number of initiatives to increase production, recoveries and reserves are underway
- Closer well spacing is being tested
- Additional formations to Eagle Ford Shale are being tested
- Pad drilling to save costs has commenced
- Ultimate aim to minimise capex and opex and surface footprint

Sugarloaf Project



Recent acquisitions of Sugarloaf Project working interests by Empyrean's partners:

- Aurora Oil and Gas (ASX : AUT) has made two recent acquisitions:
 - August 2012 – Takeover of former partner Eureka Energy for AUD\$107 million completed. Eureka's main asset was a 6.25% interest in the Sugarloaf Project.
 - July 2012 – Acquisition of a separate 6% interest in the Sugarloaf Project by Aurora for US\$95 million.
- Empyrean has a 3% interest in the Sugarloaf Project, other exciting assets and market capitalisation (undiluted basis) of approximately US\$32 million equivalent.

Sugarloaf Project



Central Facility

- Separate oil & water
- Treat oil to sales quality
- Oil storage
- Water storage
- Sales meters
- Gas processing
- Gas compression
- Expandable

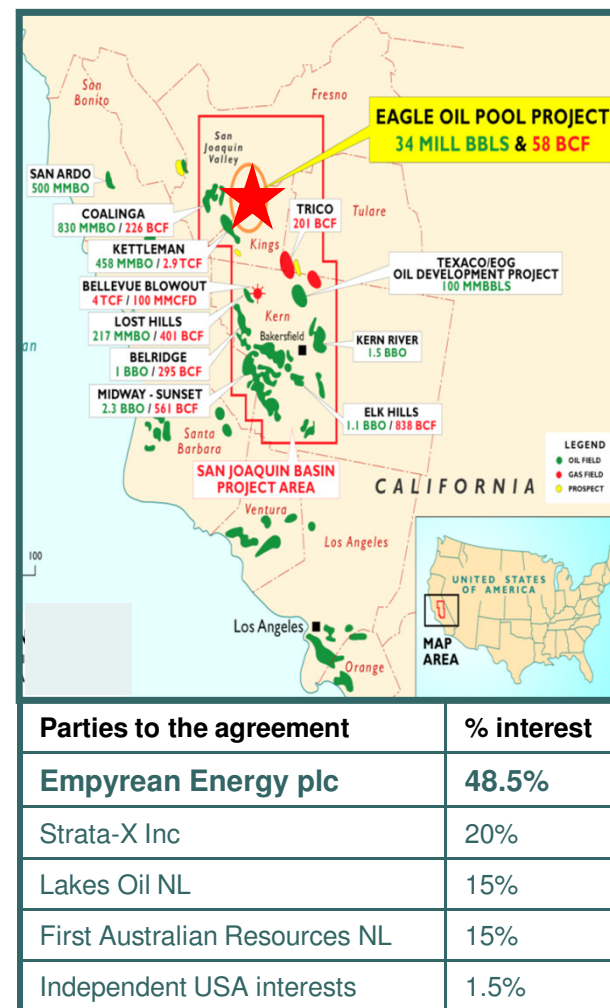
Eagle Oil Project (California, USA)

48.5% working interest



Valuable future project for the Company with large equity position

- Eagle North–1 well: 13.4 metres net pay from a gross 21 metres in the vertical well in the target sands
- Mechanical failure prevented a commercial test of the horizontal completion
- Project potential - 400 to 1000 BOPD and 1.5 to 3.5 MMCFPD gas
- Eagle Oil Pool could contain 7 – 22 million barrels of oil and 12 – 23 BCF gas
- Preliminary planning and discussions regarding a vertical test well have commenced – possibly 2013



Appendix 1 – Directors



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 6 years as Managing Director 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 17 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. He is currently a director of ASX listed Brazilian Metals Group Limited. Mr Kelly manages the commercial operations of the Company and investigating 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 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.