



Empyrean Energy PLC - EME Update on Fundraising
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Empyrean Energy Plc / Index: AIM / Epic: EME / Sector: Oil & Gas

Empyrean Energy plc

Update on Fundraising

Empyrean Energy ("**Empyrean**" or the "**Company**"), the oil and gas development company with interests in China, Indonesia and the United States, announced on 14 April 2020 that it had raised £410,950 through a direct subscription (the "**Subscription**") by a number of existing investors and directors of the Company for a total of 11,741,429 new ordinary shares of 0.2p each (the "**Subscription Shares**") at 3.5p per share (the "**Issue Price**") alongside a proposed placing to raise up to a further £1 million (the "**Placing**").

The Company confirms that, due to continued volatility in global commodities markets and the effect of a further decline in the price of oil over recent days, it has elected not to proceed with the Placing at this time. However, the Company has received indications of interest from a number of potential investors and confirms that it plans to launch an open offer to enable all qualifying existing shareholders to subscribe for shares in the Company at the Issue Price, further details of which will be announced in the coming days.

As previously announced, the Company expects that the net proceeds of the Subscription will be sufficient to satisfy its share of final costs in relation to the recent drilling in Q4 2019, including post drilling resource updates, and to provide sufficient working capital through to the end of May 2020. The net proceeds of the open offer will provide the Company with additional working capital and ensure greater financial flexibility as the Company seeks to capitalise on and realise a portion of the significant value created in its diverse asset base. The Company also has access to financing for its ongoing working capital requirements through the £10m equity placement facility entered into with Long State Investments, the details of which were announced on 24 December 2019.

Accordingly, a total of 11,741,429 Subscription Shares will be issued pursuant to the Subscription. Application has been made to the London Stock Exchange for the Subscription Shares to be admitted to trading on AIM. It is expected that admission to trading ("**Admission**") will become effective and that dealings in the Subscription Shares will commence on AIM at 8.00 a.m. on 21 April 2020.

The Subscription Shares will be issued and credited as fully paid and will rank in full for all dividends and other distributions declared, made or paid after the admission of those Ordinary Shares and will otherwise rank on Admission pari passu in all respects with each other and with the existing Ordinary Shares in the Company.

The total issued share capital of the Company immediately following Admission will be 459,339,006 Ordinary Shares.

Empyrean CEO Tom Kelly stated:

"Whilst the decision has been made not to proceed with the proposed placing at this time, a number of existing shareholders indicated that they would like to have the opportunity to participate and the Company plans to accommodate all shareholders through an open offer and to continue to work with potential new investors ."

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