

Extension agreed for first phase at Block 29/11

EMPYREAN ENERGY PLC

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Empyrean Energy plc

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12-month extension for first phase exploration drilling at Block 29/11, China

Empyrean Energy ("**Empyrean**" or the "**Company**"), the oil and gas exploration and development company with interests in China, Indonesia and the United States, provides the following update on its Block 29/11, offshore China.

Highlights

- 12-month extension to the first phase of exploration on Block 29/11
- The Company now has until 12 June 2022 to drill its first well on Block 29/11
- However, the Company remains committed to safely drilling its first well as soon as practicable

Due to the COVID-19 pandemic and the resultant global control policies, the Company proactively engaged with China National Offshore Oil Corporation ("CNOOC") and applied for a 12-month extension to the first phase of the exploration period for the Petroleum Contract for Block 29/11.

The Company is pleased to announce that CNOOC has now granted a 12-months extension to the first phase of exploration. As a result, the first phase of the exploration period for the Petroleum Contract for Block 29/11 has been extended to 12 June 2022. CNOOC has informed the company that the existing current contract will be suitably amended in due course.

The exploration commitment for the first phase of exploration is to drill an exploration well. The Company is taking all necessary steps for safely drilling the first exploration well on Block 29/11 as soon as practicable.

Empyrean CEO, Tom Kelly, stated:

"This 12-month extension is a further example of the excellent cooperation and understanding between CNOOC and Empyrean. The extension provides enormous de-risking and flexibility with respect to the planning and drilling of the first phase exploration well in Block 29/11 without having to invoke force majeure. COVID-19 has made many operations unsafe and uncertain, especially travel, and this extension provides the flexibility for a much safer approach to our operations. It is Empyrean's intention to drill this first exploration well as soon as practicable and we continue to take proactive steps towards a safe drilling operation in China. Put simply, if we can safely drill this first well ahead of the new extension - we will."

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