



## **EMPYREAN COMPLETES £700,000 PLACING**

### **EMPYREAN ENERGY PLC**

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13 February 2024

*This announcement contains inside information*

Empyrean Energy Plc / Index: AIM / Epic: EME / Sector: Oil & Gas

#### **Empyrean Energy plc**

#### **Empyrean completes £700,000 Placing**

13 February 2024

#### **Placing**

Empyrean Energy plc ("**Empyrean**" or the "**Company**"), the oil and gas development company with interests in China, Indonesia and the United States, advises that it has raised £700,000 (before costs) through a placing of 280,000,000 new ordinary shares of 0.2p each in the Company (the "**Placing Shares**") at a price of 0.25p per Placing Share (the "**Issue Price**") (the "**Placing**"). Subscribers to the Placing will also receive 1 warrant exercisable at 0.5p each for every 2 Placing Shares subscribed for (the "**Placing Warrants**"). The Placing Warrants will expire 2.5 years from the date of issue.

Investors in the Placing have agreed a 3-month lock-in on Placing Shares issued pursuant to the Placing. In addition, the Placing Warrants will only become exercisable if the relevant Placing Shares are held for a minimum period of 6 months from the date of admission to trading on AIM ("**Admission**").

The Issue Price represents a 20.6% discount to the price of the Company's ordinary shares of 0.2p each (the "**Shares**") as at close of business on 12 February 2024 (0.315p) and a 27.1% discount to the volume weighted average price of the Shares for the ten days prior to close of business 12 February 2024 (0.343p).

The funds raised from the Placing will be used:

- for ongoing prospect, licensing fees and permit costs at Block 29/11, Offshore China;
- for ongoing costs associated with advancing the Mako Gas Field toward production, including finalising the Gas Sales Agreement ("**GSA**"), binding documentation and completing Duyung PSC sell-down process; and
- for general working capital requirements.

The Placing is being completed under the Company's existing authorities and is not subject to the approval of shareholders.

#### **Mako Gas Field Update**

As previously announced, Conrad Asia Energy ("**Conrad**"), the operator and 76.5% partner in Mako is conducting a sell down process with a global investment bank in order to fund the development of Mako. Mako is the largest undeveloped gas accumulation in the immediate region.

Mako has received government approval for a Plan of Development and Conrad have agreed key (non-binding) terms with Sembcorp Gas Pte Ltd, a Singapore based major gas buyer that have been endorsed by the Indonesian regulator SKK Migas for the GSA. Subsequent commercial negotiations have resulted in an improved price formula for the GSA. Since the agreement with Sembcorp Gas Pte Ltd, a number of additional parties have expressed interest in Mako.

#### **Director Participation and Salary Sacrifice**

Of the total raised under the Placing, CEO and Managing Director of Empyrean, Tom Kelly, has subscribed for 12,000,000 Placing Shares and Technical Director of Empyrean, Gaz Bisht, has subscribed for 8,800,000 Placing Shares.

In addition, Empyrean advises that it has today issued a total of 15,330,940 new Shares (the "**Salary Sacrifice Shares**") to Tom Kelly, Gaz Bisht and its Company Secretary, Jonathan Whyte.

A total of 5,928,716 Salary Sacrifice Shares have been issued at a deemed price of 0.8p in lieu of cash remuneration for the months of September to December 2023, in accordance with the Salary Sacrifice arrangements announced on 30 May 2023.

Each of Tom Kelly, Gaz Bisht and Jonathan Whyte have agreed to continued salary sacrifice arrangements with effect from 1 February 2024. Under these arrangements, each has agreed to continue to take one third of their salaries in new Shares in

order to continue to preserve capital and ensure more funds are directed towards project activities while the Company awaits the agreement of binding terms for GSA and the completion of the sell down process noted above.

Accordingly, a total of 9,402,224 Salary Sacrifice Shares have been issued in lieu of cash remuneration at a deemed price of 0.25p (being the Issue Price) for the months of February and March 2024.

This arrangement will conclude on the earlier of (a) 31 July 2024 or (b) the signing of a binding agreement for the sale (in part or whole) of Empyrean's interest in Mako. From 1 April 2024, the deemed price of any Shares issued pursuant to the ongoing salary sacrifice arrangements will be the higher of the Issue Price and the 5 day Volume Weighted Average Price at the end of each month until conclusion.

The following table details the updated interests of each of Tom Kelly, Gaz Bisht and Jonathan Whyte:

Director/PDMR	Number of Placing Shares	Number of Salary Sacrifice Shares	Total Number of Shares held	% of Issued Share Capital
Tom Kelly	12,000,000	7,312,500	116,560,763	9.10
Gaz Bisht	8,800,000	6,324,608	50,595,279	3.95
Jonathan Whyte	-	1,693,832	2,856,380	0.22

#### Appointment of Advisor and Issue of Warrants

Novum Securities Limited ("**Novum**") has been appointed Advisor to the Placing. Empyrean advises that the Board has resolved to issue warrants in respect of 12,000,000 Shares to Novum for services provided in the Placing (the "**Advisor Warrants**").

The exercise price of the Advisor Warrants is the same as the Placing Price and they will expire 2 years from the date of issue.

#### Total Voting Rights and Admission

Application will be made for the Placing Shares and the Salary Sacrifice Shares (together the "**New Ordinary Shares**") to be admitted to trading on AIM. Admission is expected to take place on 26 February 2024. The New Ordinary Shares will rank pari passu with existing Shares in issue.

Following the issue of the New Ordinary Shares the Company's enlarged issued share capital will comprise 1,280,801,707 Shares. This figure may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, securities of the Company under the Financial Conduct Authority's Disclosure and Transparency Rules.

**Empyrean CEO, Tom Kelly, stated: "Empyrean would like to thank existing and new shareholders for their support as we look forward to the finalisation of the GSA with Sembcorp, a major milestone for the Mako Project. Whilst this has taken longer than anyone envisaged, we are delighted with the improved pricing formula for gas sales which should have positive implications for the Duyung PSC/ Mako sell-down efforts."**

For further information please contact the following:

#### Empyrean Energy plc

Tom Kelly

Tel: +61 6146 5325

#### Cavendish Capital Markets Limited (Nominated Advisor and Broker)

Neil McDonald

Tel: 0131 220 6939

Pearl Kellie

#### NOTIFICATION AND PUBLIC DISCLOSURE OF TRANSACTIONS BY PERSONS DISCHARGING MANAGERIAL RESPONSIBILITIES AND PERSONS CLOSELY ASSOCIATED WITH THEM

1	Details of the person discharging managerial responsibilities/person closely associated									
a)	Name:	Thomas Kelly								
2	Reason for the Notification									
a)	Position/Status:	Managing Director/CEO								
b)	Initial notification/ Amendment:	Initial Notification								
3	Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor									
a)	Name:	Empyrean Energy Plc								
b)	LEI:	213800ZRH1WBHEWDF57								
4	Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted									
a)	Description of the financial instrument, type of instrument: Identification code:	Ordinary shares of 0.2p each (" <b>Shares</b> ") GB00B09G2351								
b)	Nature of the transaction:	Subscription for Shares and Attaching Warrants and Issue of Salary Sacrifice Shares								
c)	Price(s) and Volume(s):	<p><b>Placing Shares</b></p> <table> <tr> <td><i>Price</i></td> <td><i>Volume</i></td> </tr> <tr> <td>0.25p</td> <td>12,000,000</td> </tr> </table> <p><b>Placing Warrants</b></p> <table border="1"> <thead> <tr> <th>Exercise Price(s)</th> <th>Volume(s)</th> </tr> </thead> <tbody> <tr> <td>0.50p</td> <td>6,000,000</td> </tr> </tbody> </table>	<i>Price</i>	<i>Volume</i>	0.25p	12,000,000	Exercise Price(s)	Volume(s)	0.50p	6,000,000
<i>Price</i>	<i>Volume</i>									
0.25p	12,000,000									
Exercise Price(s)	Volume(s)									
0.50p	6,000,000									

		<p><b><u>Salary Sacrifice Shares</u></b></p> <p><i>Price</i>                      <i>Volume</i></p> <p>Nil                              7,312,500</p>
d)	Aggregated Information: - Aggregated Volume - Price	N/A (Single transaction)
e)	Date of the Transaction:	13 February 2024
f)	Place of the Transaction:	London Stock Exchange, AIM (LON:EME)

<b>1</b>	<b>Details of the person discharging managerial responsibilities/person closely associated</b>					
a)	Name:	Gaz Bisht				
<b>2</b>	<b>Reason for the Notification</b>					
a)	Position/Status:	Technical Director				
b)	Initial notification/ Amendment:	Initial Notification				
<b>3</b>	<b>Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor</b>					
a)	Name:	Empyrean Energy Plc				
b)	LEI:	213800ZRH1WBHEWDF57				
<b>4</b>	<b>Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted</b>					
a)	Description of the financial instrument, type of instrument: Identification code:	Ordinary shares of 0.2p each ("Shares") GB00B09G2351				
b)	Nature of the transaction:	Subscription for Shares and Attaching Warrants and Issue of Salary Sacrifice Shares				
c)	Price(s) and Volume(s):	<p><b><u>Placing Shares</u></b></p> <p><i>Price</i>                              <i>Volume</i></p> <p>0.25p                              8,800,000</p> <p><b><u>Placing Warrants</u></b></p> <table border="1"> <thead> <tr> <th>Exercise Price(s)</th> <th>Volume(s)</th> </tr> </thead> <tbody> <tr> <td>0.50p</td> <td>4,400,000</td> </tr> </tbody> </table> <p><b><u>Salary Sacrifice Shares</u></b></p> <p><i>Price</i>                              <i>Volume</i></p> <p>Nil                                      6,324,608</p>	Exercise Price(s)	Volume(s)	0.50p	4,400,000
Exercise Price(s)	Volume(s)					
0.50p	4,400,000					
d)	Aggregated Information: - Aggregated Volume - Price	N/A (Single transaction)				
e)	Date of the Transaction:	13 February 2024				
f)	Place of the Transaction:	London Stock Exchange, AIM (LON:EME)				

<b>1</b>	<b>Details of the person discharging managerial responsibilities/person closely associated</b>	
a)	Name:	Jonathan Whyte
<b>2</b>	<b>Reason for the Notification</b>	
a)	Position/Status:	Company Secretary
b)	Initial notification/ Amendment:	Initial Notification
<b>3</b>	<b>Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor</b>	
a)	Name:	Empyrean Energy Plc
b)	LEI:	213800ZRH1WBHEWDF57
<b>4</b>	<b>Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted</b>	
a)	Description of the financial instrument, type of instrument: Identification code:	Warrants over ordinary shares of 0.2p each ("Shares") GB00B09G2351
b)	Nature of the transaction:	Issue of Salary Sacrifice Shares
c)	Price(s) and Volume(s):	<p><i>Price</i>                              <i>Volume</i></p> <p>Nil                                      1,693,832</p>
d)	Aggregated Information: - Aggregated Volume	N/A (Single transaction)

	- Price	
e)	Date of the Transaction:	13 February 2024
f)	Place of the Transaction:	London Stock Exchange, AIM (LON:EME)

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