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PROPOSED FUNDRAISE AND CAPITAL REORGANISATION

[EMPYREAN ENERGY PLC](#)

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Empyrean Energy PLC
06 November 2024

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6 November 2024

Empyrean Energy Plc
("Empyrean" or the "Company")

Proposed New Project, Fundraising and Proposed Capital Reorganisation

Empyrean Energy plc ("Empyrean" or the "Company"), the oil and gas development company with interests in Indonesia and the United States, is pleased to announce that it has conditionally raised £1.12 million (before costs) through direct subscriptions (the "Subscription") for, and a placing (the "Placing") of, 1,120,500,000 new Ordinary Shares in the Company at a price of 0.1 pence per share (the "Issue Price").

CMC Markets Plc, trading as CMC CapX, is the Company's placing agent in respect of the Placing.

A retail offer to raise up to £250,000 on the same terms as the Placing and the Subscription (the "Retail Offer" and, together with the Placing and the Subscription, the "Fundraising"), will commence immediately following this announcement and is expected to close within three (3) days of its launch. Details of the Retail Offer will be announced separately.

Funds raised pursuant to the Fundraising will be used for the Company's general working capital purposes and, if appropriate, to drill the Wilson prospect (see further details below).

As the Company is not permitted by law to issue ordinary shares at an issue price which is below their nominal value, currently 0.2 pence per existing ordinary share ("Existing Ordinary Share"), the Company further announces that it proposes

to carry out a capital reorganisation of the ordinary share capital of the Company to subdivide each Existing Ordinary Share into one new ordinary share of 0.01 pence each and one deferred share of 0.19 pence each (the "**Capital Reorganisation**").

Director's proposed participation in the Subscription

Of the total amount raised under the Subscription, the Non-Executive Chairman, John Laycock has conditionally subscribed for 10,000,000 Subscription Shares at the Issue Price.

Following this Subscription, Mr Laycock has an interest in 17,000,000 Ordinary Shares, representing approximately 0.70 per cent. of the issued share capital of the Company, as enlarged by the Fundraising.

General Meeting

Completion of the Fundraising and Capital Reorganisation is conditional upon, *inter alia*, Shareholder approval at a General Meeting to be held on or around 2 December 2024 (the "**General Meeting**"). A circular containing further details of the Fundraising, Capital Reorganisation and Notice of General Meeting is expected to be despatched to Shareholders by 12 November 2024.

Proposed New Project

Empyrean is in advanced discussions to acquire an option (the "**Option**") from Apnea Holdings Pty Ltd ("**Apnea**") to participate in a conventional oil exploration project (the "**Wilson prospect**") which is situated close to existing infrastructure in the prolific Cooper Basin in South West Queensland, Australia, adjacent to several producing oil fields operated by Santos-Beach (Cooper Basin JV) and Bridgeport Energy.

The Wilson prospect lies within lease ATP 1173 and is being prepared for near term drilling once final surveys are complete and permits granted. The Wilson prospect has multiple stacked reservoir targets, lies within a NW to SE oil migration pathway and shares similar structural orientation and features to fields immediately NW of the prospect.

The Wilson prospect has been mapped with a combination of 2D and 3D seismic and has estimated prospective oil in place in the range of 8.7MMBOE to 37.4MMBOE with a mean of 21.3MMBOE. Nearby fields have recovery factors up to 50 per cent.

The proposed acquisition of the Option will allow Empyrean to earn a minimum 40 per cent. Working Interest in the permit by paying two thirds of the gross cost of drilling an exploration well at the Wilson prospect, estimated at approximately AUD\$2.8m (gross). The joint venture partners are in negotiations on a drilling contract and the remaining funding for the well.

Apnea is a company wholly owned by Thomas Kelly, Managing Director of Empyrean. Under the proposed terms of the acquisition of the Option, Apnea will receive consideration in the form of new ordinary shares in Empyrean representing 5 per cent. of the enlarged issued capital of Empyrean at the time, but only in the event that the Wilson prospect is declared a commercial discovery. Accordingly, it is expected that the acquisition of the Option by Empyrean will be classified as a related party transaction for the purposes of Rule 13 of the AIM Rules for Companies.

Whilst the Company and Apnea have agreed the key commercial terms outlined above in principle, the acquisition of the Option by Empyrean remains subject to the completion of customary due diligence and the negotiation of legally binding documentation. Accordingly, it should be noted that there can be no guarantee that the parties will progress with the proposed transaction on the current terms or at all.

Application will be made for the Placing Shares to be admitted to trading on AIM subject to Shareholder approval at the General Meeting. Admission is expected to take place on 3 December 2024.

Further announcements regarding the acquisition of the Option, the Capital Reorganisation and the Fundraising will be made in due course.

For further information please visit www.empyreanenergy.com or contact the following:

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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	John Hugh Spencer Laycock

2.	Reason for the Notification	
a)	Position/status	Non-Executive Director of the Company
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):	
a)	Description of the Financial instrument, type of instrument	Ordinary Shares of 0.2p each (" Ordinary Shares ")
	Identification code	GB00B09G2351
b)	Nature of the Transaction	Subscription for Ordinary Shares
c)	Price(s) and volume(s)	<i>Price</i> <i>Volume</i>
		0.1p per Ordinary Share 10,000,000
d)	Aggregated information	N/A (Single transaction)
	Aggregated volume Price	
e)	Date of the transaction	6 November 2024
f)	Place of the transaction	London Stock Exchange, AIM (LON:EME)

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