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## Quarterly Report – For the period ending 31 March 2016

29 April 2016

### 1<sup>st</sup> QUARTER OVERVIEW

The Directors wish to provide the following update of the Company's operations:

- The Farm-out with AEGP Pty Ltd, an affiliate of American Energy Partners, LP ('AEP'), signed on December 22, 2015, did not close on April 20, 2016. The Parties remain in discussion in terms of satisfying the Conditions Precedent and how to resolve the commercial and political risk of operating in the Northern Territory following the recent announcement by the NT Labor Party of a potential fracking review or moratorium. The proposed work program of around A\$35 million, including seismic acquisition and the drilling of up to 2 wells over 2016 has been deferred. Ongoing exploration expenses are expected to be met under the terms of the Farm-out.
- In Kansas, the Company completed arrangements to act as Operator for the Butler County assets (previously announced by Empire as a potential acquisition). The Company made arrangements with a third party to acquire the 60% working interest with the Company retaining a right to buy back into the project over 2016.
- The Company extended its US\$200 million Credit Facility with Macquarie Bank for a further 3 years. This can be utilized to acquire producing oil and gas assets.
- In New York State, negotiations were completed for the acquisition of an estimated 1bcf of net recoverable natural gas and operating wells, along with approximately 30,000 gross, held by production, acres. Payback is expected to be around 9 months.
- Estimated revenues US\$3.2 million (4Q2015: US\$4.2 million).
- Gross production
  - Oil: 46,296 Bbl (4Q2015: 49,286) -6.1%
  - Gas: 476,531 Mcf (4Q2015: 529,985) -10.1%
- Unaudited Operating EBITDAX US\$1.3 million (4Q2015: US\$2.1 million).
- Estimated Group EBITDAX for the period was US\$0.40 million (4Q2015: US\$0.89 million).
- Current marked to market oil and natural gas hedge book approximately +US\$9.1 million.
- Although the Company continues to reduce operating and G & A costs, these costs over the quarter were higher than budgeted due costs related to audit and rollover of the Macquarie Bank Credit Facility.

## OPERATING REVIEW

### A. EMPIRE ENERGY USA, LLC (100%)

The Company's USA operations are in the Mid-Con (oil) and the Appalachian Basin (oil & gas). The Company remains focused on reducing operating costs and overheads.

#### 1. Appalachia (Western New York and Pennsylvania):

In March 2016 over 450 wells were shut in due to low gas prices. With an increase in gas prices and new marketing agreements and a decrease in the differentials these wells were returned to production in April 2016.

A new pipeline has been completed allowing Company gas to be moved to a higher priced market. Discussions are ongoing with 3 producers for the acquisition of 191 wells in New York State, these wells fit in with existing Empire facilities and will allow flexibility and opportunities to move gas to higher priced markets.

Remedial work has been completed on the 88 wells purchased in the last quarter of 2015. Workovers on the 157 wells acquired in early 2016 has begun, along with implementing production improvements. This work is expected to be completed in May 2016.

The Company has recently entered in to an agreement to operate and administer gas properties for an independent producer.

#### 2. Mid-Continent (Kansas and Oklahoma):

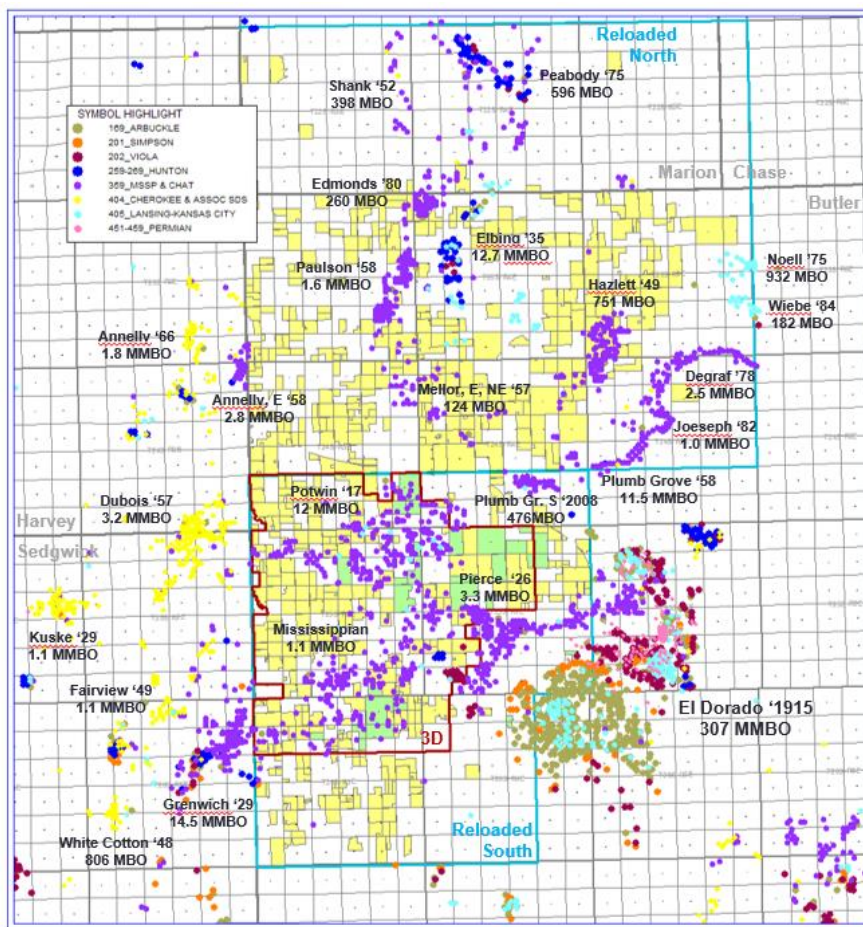
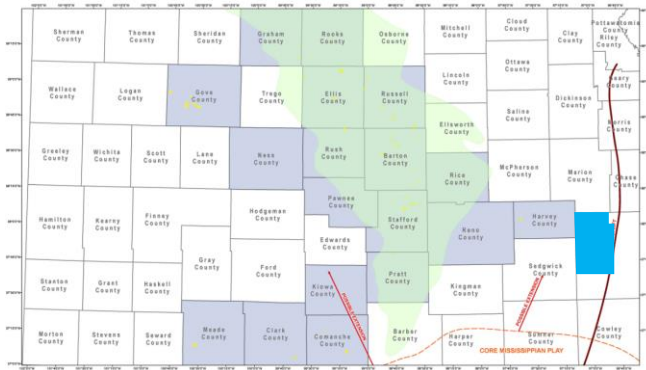
Quarterly production was 540 BOEPD, a decrease of 86 BOEPD or 14% compared with 1st quarter 2015, a direct result of curtailing marginal production. Acting prudently, the Company has continued to defer drilling and recompletion activities, keeping CAPEX low until prices rebound to a workable level. In combination, focus also remains on reducing OPEX through operating efficiencies and other cost cutting measures. These actions carry the Company through these challenging times and positioned to ramp up activity and development once prices recover.

The Company is continually searching out and evaluating acquisition opportunities that can be integrated with no additional overhead. In addition, planning is underway to operate properties for other companies. This proposed plan will have several benefits including reducing overhead, sharing resources and providing an avenue for knowledge sharing.

The Company has recently entered in to an agreement to operate and administer properties for two independent oil producers.

In Butler County the Company has been appointed as the operator for the assets shown in the map below. The region covers approximately 70,000 acres with 4 operating wells and 78 square miles of 3D seismic currently under interpretation. A number of target fields have been identified from the 3D interpretation.

The following map shows the Butler County acreage (yellow), held by production (green) and 3D seismic (red outline). Butler County has produced over 612 MMBoe. The regional map shows the assets (highlighted in blue) in relation to the Company’s existing operations (grey).



### 3. Macquarie Bank - US\$200 million Credit Facility

Empire extended its Credit Facility for a further 3 years. Over this period Empire has undertaken to ensure the Adjusted PV Ratio is bought back to the covenant ratio of 1.5 times. This will be undertaken by reducing the outstanding debt, in the short term by a partial payment from the expected payment from the McArthur Basin Farm-out Agreement, and, or by the revaluation of existing reserves at expected higher prices towards the end of 2016. In addition, at the end of 2015, Empire did not include Min-Con oil 'Behind Pipe', 'Shut-in wells' or 'Puds' in reserves due to the breakeven nature at the time. As the oil price increases these assets will be bought back onto the reserve base valuation.

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**Production:**

Description	3 months to 31/03/2016	3 months to 31/03/2015	Year-to-Date 31/03/2016	Year-to-Date 31/03/2015
<b>Gross Production:</b>				
Oil (Bbls)	46,296	54,914	46,296	54,914
Natural gas (Mcf)	476,531	509,252	476,531	509,252
<b>Net Production by Region:</b>				
Oil (Bbls)				
Appalachia	1,013	240	1,013	240
Mid-Con	28,993	35,027	28,993	35,027
Total Oil	30,006	35,267	30,006	35,267
<b>Weighted Avg Sales Price (\$/Bbl)</b>				
Before Hedge	27.49	43.18	27.49	43.18
After Hedge	59.99	71.96	59.99	71.96
<b>Natural gas (\$/Mcf)</b>				
Appalachia	369,115	399,101	369,115	399,101
Mid-Con	2,688	4,163	2,688	4,163
Total Natural Gas	371,803	403,264	371,803	403,264
<b>Weighted Avg Sales Price (\$/Mcf)</b>				
Before Hedge	1.65	2.26	1.65	2.26
After Hedge	3.53	4.20	3.53	4.20
<b>Oil Equivalent (Boe):</b>				
Appalachia	62,532	66,757	62,532	66,757
Mid-Con	29,441	35,721	29,441	35,721
Total	91,973	102,478	91,973	102,478
<b>Boe/d</b>	<b>1,011</b>	<b>1,126</b>	<b>1,011</b>	<b>1,126</b>
<b>Weighted Avg Sales Price (\$/Boe)</b>				
Before Hedge	15.64	23.75	15.64	23.75
After Hedge	33.86	41.31	33.86	41.31
<b>Lifting Costs (incl. taxes):</b>				
Oil - Midcon (\$/Bbl)	22.52	27.37	22.52	27.37
Natural gas - Appalachian (\$/Mcf)	2.39	2.42	2.39	2.42
Oil Equivalent (\$/BOE)	17.00	18.95	17.00	18.95
<b>Net Back (\$/Boe)</b>	<b>16.86</b>	<b>22.36</b>	<b>16.86</b>	<b>22.36</b>

**Financials:**

Description	3 months to 31/03/2016	3 months to 31/03/2015	Year-to-Date 31/03/2016	Year-to-Date 31/03/2015
Net Revenue:				
Oil Sales	1,800,188	2,537,855	1,800,188	2,537,855
Natural Gas Sales	1,311,999	1,691,906	1,311,999	1,691,906
Working Interest	1,983	3,685	1,983	3,685
Net Admin Income	109,764	86,446	109,764	86,446
Other Income	12,103	22,799	12,103	22,799
<b>Total Revenue</b>	<b>3,236,037</b>	<b>4,342,691</b>	<b>3,236,037</b>	<b>4,342,691</b>
Production costs:				
Lease operating expenses - Oil	630,136	886,626	630,136	886,626
Lease operating expenses - Gas	723,557	783,588	723,557	783,588
Taxes - Oil	46,506	78,480	46,506	78,480
Taxes - Natural Gas	46,157	84,022	46,157	84,022
<b>Total</b>	<b>1,446,356</b>	<b>1,832,716</b>	<b>1,445,356</b>	<b>1,832,716</b>
<b>Field EBITDAX</b>	<b>1,789,681</b>	<b>2,509,975</b>	<b>1,789,681</b>	<b>2,509,975</b>
<b>Less:</b>				
Inventory adjustment	(6,485)	205,553	(6,485)	205,553
Reserve Enhancements	640	2,595	640	2,595
Nonrecurring expenses	222,105	338,810	222,105	338,810
G & G Costs	17,442	1,046	17,442	1,046
Field Overhead	243,000	180,000	243,000	180,000
<b>Total</b>	<b>476,702</b>	<b>728,004</b>	<b>476,702</b>	<b>728,004</b>
<b>Operating EBITDAX</b>	<b>1,312,979</b>	<b>1,781,971</b>	<b>1,312,979</b>	<b>1,781,971</b>
<b>Less:</b>				
Field G & A	153,178	218,090	153,178	218,090
Corporate G & A	503,573	417,629	503,573	417,629
Delay rental payments	23,768	31,389	23,768	31,389
Land Overhead & Non-leasing costs	2,720	113	2,720	113
Dry hole expenses	-	-	-	-
<b>Total</b>	<b>683,239</b>	<b>667,221</b>	<b>683,239</b>	<b>667,221</b>
<b>EBITDAX</b>	<b>629,740</b>	<b>1,114,750</b>	<b>629,740</b>	<b>1,114,750</b>

Revenue estimates have been made for the last 2 production months of the quarter under review due to customer payment/invoice cycles. As such, there may be changes to production, revenues and operating ratios for the previous quarter as final production statements are received.

**Notes to the above table:** At the beginning of the financial year a review was completed of field operating costs. From this review a reallocation of expenses was made between Field Overhead and Field G & A. Aggregate expenses remained similar to previous periods.

Corporate G & A was higher in the 2016 quarter mainly due to additional end of year audit requirements, along with the legal and reserve engineering expenses related to the rollover of the Macquarie Bank Credit Facility. These are one off costs, although final costs relating to the rollover will be expensed in the second quarter.

**Exploration/Acquisition Expenses:**

Description	3 months to 31/03/2016	3 months to 31/03/2015	Year-to-Date 31/03/2016	Year-to-Date 31/03/2015
<b>EBITDAX</b>	629,740	1,114,750	629,740	1,114,750
Less:				
Geological Services	7,273	4,650	7,273	4,650
Acquisition related expenses	21,290	(19,140)	21,290	(19,140)
Capital raise expenses	-	17,115	-	17,115
<b>Total</b>	<b>28,563</b>	<b>2,625</b>	<b>28,563</b>	<b>2,625</b>
<b>EBITDA</b>	<b>601,177</b>	<b>1,112,125</b>	<b>601,177</b>	<b>1,112,125</b>

**Net Earnings:**

Unaudited earnings for the period are shown below:

Description	3 months to 31/03/2016	3 months to 31/03/2015	Year-to-Date 31/03/2016	Year-to-Date 31/03/2015
<b>EBITDA</b>	601,177	1,112,125	601,177	1,112,125
Less:				
Depn, Depl, Amort & ARO	910,514	1,462,539	910,514	1,462,539
Interest	483,700	502,051	483,700	502,051
(Gain) loss on sale of assets	-	618,691	-	618,691
P&A vs. ARO	-	(84)	-	(84)
Non-Cash & Interest Expenses	1,394,214	2,583,197	1,394,214	2,583,197
<b>Earnings before Tax</b>	<b>(793,037)</b>	<b>(1,471,072)</b>	<b>(793,037)</b>	<b>(1,471,072)</b>
<b>EBITDA/Interest (times)</b>	<b>1.24</b>	<b>2.22</b>	<b>1.24</b>	<b>2.22</b>

**Capital Expenditure/Asset Sales:**

Description	3 months to 31/03/2016	3 months to 31/03/2015	Year-to-Date 31/03/2016	Year-to-Date 31/03/2015
Capital Expenditures				
Acquisition Capital	77,500	50,588	77,500	50,588
New Wells - IDC	2,608	91,868	2,608	91,868
New Wells - Capital	10,285	15,055	10,285	15,055
Undeveloped Leases	15,992	381,344	15,992	381,344
<b>Capital Expenditures</b>	<b>106,385</b>	<b>538,855</b>	<b>106,385</b>	<b>538,855</b>

**Credit Facilities:**

At the end of the quarter the Company had US\$39.4 million drawn at an average cost of LIBOR + 4.35%. Empire Energy retains Credit Facility availability of US\$160.6 million, which can be utilized for acquisitions and development drilling subject to normal energy borrowing base requirements.

	Drawdown End of Qtr US\$M	Interest Rate LIBOR +
Term	\$36,353	4.50%
Revolver	\$3,000	2.50%
	<b>\$39,353</b>	<b>4.35%</b>



**Hedging:**

A hedging policy has been implemented by the Company with the underlying objective to ensure the cash flows are protected over the period the Credit Facility is drawn for the funding of a defined set of assets. Hedge contracts are a component of Empire's Credit Facility and no cash margins are required if contracts are outside the marked to market price for each commodity hedged.

The following table summarizes current hedging in place based on NYMEX – Henry Hub and WTI Contracts:

Year	Est. Net mmBtu	Hedged mmBtu	%	Average \$/mmBtu	Est. Net Bbl	Hedged Bbl	%	Average \$/Bbl
2016	1,300,000	1,005,000	77.3%	\$ 4.32	95,000	74,700	78.6%	\$ 72.04
2017	1,675,000	1,068,000	63.8%	\$ 4.05	115,000	92,400	80.3%	\$ 72.01
2018	1,620,000	1,008,000	62.2%	\$ 4.11				
2019	1,550,000	491,500	31.7%	\$ 3.45				
	6,145,000	3,572,500	58.1%	\$ 4.06	210,000	167,100	79.6%	\$ 72.02

**NET INCOME SUMMARY - USA OPERATIONS**

The accompanying table is for comparative purposes and consists of unaudited, condensed, consolidated financial statements prepared in accordance with generally accepted accounting principles in the United States of America ("U.S. GAAP") for interim financial information. Accordingly, they do not include all of the information and footnotes required by U.S. GAAP for complete financial statements, although the Company believes that the disclosures made below are adequate to make the information not misleading.

Description	3 months to 31/03/2016	3 months to 31/03/2015	Year-to-Date 31/03/2016	Year-to-Date 31/03/2015
<b>Revenues:</b>	3,236,037	4,342,691	3,236,037	4,342,691
<b>Less Costs &amp; Expenses:</b>				
Production costs & taxes	1,923,059	2,560,720	1,923,059	2,560,720
Depn, Depletion, Amort & ARO	910,514	1,462,539	910,514	1,462,539
General & Administration	711,801	669,846	711,801	669,846
<b>Income from Operations</b>	<b>(309,337)</b>	<b>(350,414)</b>	<b>(309,337)</b>	<b>(350,414)</b>
<b>Less:</b>				
Interest	483,700	502,051	483,700	502,051
(Gain)/Loss on sale of assets	-	618,691	-	618,691
P&A vs. ARO	-	(84)	-	(84)
<b>Net Income/(Loss) before Tax</b>	<b>(793,037)</b>	<b>(1,471,072)</b>	<b>(793,037)</b>	<b>(1,471,072)</b>

**B. IMPERIAL OIL & GAS PTY LTD (100%):**

The Company's operations are in the Northern Territory, Australia.

**Operations:**

Current quarter actual and accrued expenses (Company policy is to expense all exploration costs):

Description – US\$	3 months to 31/03/2016	3 months to 31/03/2015	Year-to-Date 31/03/2016	Year-to-Date 31/03/2015
Exploration Expenses – NT	375,051	187,870	375,051	187,870

The Northern Territory Labor Party ('NTLP') recently announced that if it is elected in August 2016 it may undertake a review of, or introduce a fracking moratorium. This NTLP policy statement has put at risk the proposed Farmout Agreement with American Energy Partners affiliate, AEGP Pty Ltd, and the proposed 2016 seismic and drilling program. The Company is currently seeking advice on its alternative commercial and legal alternatives to ensure it protects the significant amount of funds it has outlaid in developing this project since 2010.

Future exploration expenses are expected to be met under the Farm-out Agreement.

**Ongoing work programs**

With the Conditions Precedent relating to the proposed Farm out with AEGP Pty Ltd not being met due to the potential fracking review that the NTLP may put in place in August 2016, the planned 2016, ~A\$35 million exploration program has been scaled back to a maximum of:

- Research into the petroleum generation potential of the Tawallah Group (Wollogorang and McDermott Formations). This will include continued field mapping and shale sampling along key outcrop intervals. Earlier studies on the Tawallah Group by Imperial have identified high potential in areas previously considered barren and now recognized as containing extensive acreage (~2,000,000 acres) of high TOC potential Tawallah Group Formations within EP184 and EPA 183 and underlying the eastern portion of EP187.
- Research and mapping of the northwards extension of the Tawallah Group Formations into the Company's EPA's 180, 181 and 182 where this formation represents a new potentially volumetrically important petroleum play covering up to 10,000,000 acres.
- Continue to populate and refine the Tenement Lead & Prospect Inventory including identifying drilling targets in areas proximal to previously observed live oil and gas shows.
- Continue discussions to upgrade the McArthur Mine gas pipeline which runs W-E through the centre of EP187 subject to a successful drilling program in 2016/17.

**Northern McArthur Basin exploration EPA's 180, 181, 182**

- Further discussions on the intent of the Aboriginal Yolgnu People across Arnhem Land has been undertaken to progress the EP(A)180/181 and 182 tenement applications to grant. The traditional owners of East Arnhem land have expressed their desire to complete an agreement with the Company across this region and to embrace a proactive future where they are involved in resource projects that can have substantial socio-economic benefits without impacting their cultural heritage.



- The ongoing study of electromagnetic anomalies continues to be undertaken using an existing historical AEM data set in conjunction with a review of the regional gravity profiles to identify any significant conventional structures and any currently unmapped faults that may exist through the region.
- Imperial continues its program of research and mapping of the northwards extension of the Tawallah Group McCaw Formation and geo-chronostratigraphic equivalents into EPA's 180, 181 and 182 where this formation represents a new potentially volumetrically important petroleum play covering up to 10,000,000 acres.

### **Southern McArthur Basin exploration EP's 184/187 and EPA's 183/188**

Through the (wet season) quarter Imperial undertook extensive backend development work to facilitate the planned seismic and drilling program across EP184 and EP187, which included:

- Continuing consultations with the management of the McArthur River gas pipeline and individual stakeholder discussions for land access to conduct the exploration works. This included the development of a formal Land Access Agreement (Petroleum) for negotiation with all relevant pastoralist stakeholders in compliance with updated NT Gov't Petroleum Regulations.
- Completion of stage one of an extensive ground surface water and flora and fauna study across the granted tenements. The study included an extensive review of existing water bore water quality and flow rates within EP187 and a comprehensive hydrogeology and hydrology report for the tenement.
- Extensive mapping and development of relevant GIS data to enable work activities while allowing for protection of sites of cultural and environmental sensitivity.
- Negotiations with potential seismic contractors for the acquisition of the planned 2D seismic across EP184/187.
- A number of surface sediments were sampled and tested for compatibility with proposed development of hydraulic stimulation processes for the drilling phase of the exploration program. This program involved extensive communication and discussion with USA technical specialists to introduce the correct technologies to the NT.
- Continuing review of the potential of the Tawallah Group within EP184, EP(A)183 and EP187 and its equivalents in EP(A)180/181 and 182.
- An independent audit of the environmental rehabilitation of the exploration works conducted by the Company through late 2014 was completed. This audit clearly demonstrated the Company has successfully and carefully restored the region to its environmental state before the program commenced.

## C. EMPIRE ENERGY GROUP LIMITED

Empire Energy Group Limited's head office is located in Sydney, Australia. Operating costs cover all Group overhead, including the costs of listing on both the Australian Securities Exchange and the OTCQX Exchange, New York, USA.

Description – US\$	3 months to 31/03/2016	3 months to 31/03/2015	Year-to-Date 31/03/2016	Year-to-Date 31/03/2015
Revenue	71,300	39,708	71,300	39,708
Less Expenses:				
Consultants	83,072	68,827	83,072	68,827
Directors/Employment Costs	66,877	54,177	66,877	54,177
Listing Expenses	30,659	23,515	30,659	23,515
G&A	124,936	113,110	124,936	113,110
<b>EBITDAX – Head office (EEG)</b>	<b>(234,244)</b>	<b>(219,921)</b>	<b>(234,244)</b>	<b>(219,921)</b>
<b>EBITDAX – (EEUS)</b>	<b>629,740</b>	<b>1,114,750</b>	<b>629,740</b>	<b>1,114,750</b>
<b>EBITDAX – GROUP</b>	<b>395,496</b>	<b>894,829</b>	<b>395,496</b>	<b>894,829</b>

## ABOUT EMPIRE ENERGY GROUP LIMITED

Empire Energy is a conventional oil and natural gas producer with operations in Appalachia (New York and Pennsylvania) and the Mid-Con (Kansas and Oklahoma). In 2010 the Company secured approximately 14.6 million acres in the McArthur Basin, Northern Territory, which is considered highly prospective for large shale oil and gas conventional and unconventional resources. Work undertaken by the Company over the past 5 years demonstrates that the Central Trough of the McArthur Basin, of which the Company holds around 80%, is a major Proterozoic depo-centre that forms one segment of a series of extensive prolific hydrocarbon basins extending through Oman, Siberia and southern China, and which contain resources of many billions of barrels of oil equivalent.

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## Financial Terminology

Statements in this announcement may make reference to the terms “EBITDAX”, Field EBITDAX, “field netback” or “netback”, “cash flow” and “payout ratio”, which are non-IFRS financial measures that do not have any standardised meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other companies. Investors should be cautioned that these measures should not be construed as an alternative to net income calculated in accordance with IFRS. Management believes that these measures provide useful information to investors and management since these terms reflect the quality of production, the level of profitability, the ability to drive growth through the funding of future capital expenditures and sustainability of either debt repayment programs or distribution to shareholders. However, management have attempted to ensure these non-IFRS measures are consistent with reporting by other similar E&P companies so useful production and financial comparisons can be made.

### Note Regarding Barrel of Oil Equivalent

Empire Energy has adopted the standard of 6 Mcf to 1 Bbl when converting natural gas to Boe. Boe may be misleading, particularly if used in isolation. A Boe conversion ratio of 6 Mcf to 1 Bbl is based on energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. In addition, given that the value ratio based on the current price of oil as compared to natural gas is significantly different from the energy equivalent of six to one, utilizing a Boe conversion ratio of 6 Mcf to 1 Bbl would be misleading as an indication of value.

### Note Regarding Reserves

Reserve references in this report have been extracted from the Company’s announcement “2015 Year End Reserves Review” released to the ASX on 15 March 2016. The Company confirms that it is not aware of any new information or data that materially affects the information contained in the announcement 15 March 2016 and that all material assumptions and technical parameters underpinning the estimates in that announcement continue to apply and have not materially changed. Reserves were reported as at 1 January 2016. All volumes presented are net volumes and have had subtracted associated royalty burdens. The probabilistic method was used to calculate P50 reserves. The deterministic method was used to calculate 1P, 2P & 3P reserves. The reference point used for the purpose of measuring and assessing the estimated petroleum reserves is the wellhead.

### Note Regarding Forward- Looking Statements

Certain statements made and information contained in this press release are forward-looking statements and forward looking information (collectively referred to as “forward-looking statements”) within the meaning of Australian securities laws. All statements other than statements of historic fact are forward-looking statements.

## Glossary

<b>AFE</b>	- Authority for expenditure	<b>PDNP</b>	- Proved developed non producing
<b>Bbl</b>	- One barrel of crude oil, 42 US gallons liquid volume	<b>PDP</b>	- Proved, developed producing well
<b>Boe</b>	- Barrel of oil equivalent, determined using the ratio of six Mcf of natural gas to one Bbl of crude oil, condensate or natural gas liquids	<b>PV10</b>	- Pre-tax value of a cash flow stream, over a defined time period, discounted at 10%
<b>Delay Rentals</b>	- Payments made to Lessor to maintain leases	<b>Royalty</b>	- Funds received by the landowner for the production of oil or gas, free of costs, except taxes
<b>GIP</b>	- Gas in place	<b>ROW</b>	- Right of way
<b>HBP</b>	- Held by production	<b>Tcf</b>	- Trillion cubic feet
<b>Mcf</b>	- One thousand cubic feet (natural gas volumetric measurement)	<b>TOC</b>	- Total organic content
<b>M or MM</b>	- M = Thousand, MM = Million	<b>WI</b>	- Working interest
<b>NRI</b>	- Net revenue interest		

**Changes to Lease holdings 1 January 2016 through to 31 March 2016**

<u>State</u>	<u>Minerals</u>	<u>Operator</u>	<u>Empire ID</u>	<u>NRI</u>	<u>WI</u>	<u>Acres</u>	<u>Maturity</u>	<u>Status</u>	<u>Formation</u>
NY	O&G	Empire Energy E&P, LLC	310110562	0.8488	1.00	84.1	1/09/2016	Released	All Horizons
NY	O&G	Empire Energy E&P, LLC	310110563	0.8488	1.00	49.4	20/02/2017	Released	All Horizons
NY	O&G	Empire Energy E&P, LLC	310110565	0.8488	1.00	161.1	12/01/2017	Released	All Horizons
NY	O&G	Empire Energy E&P, LLC	310110566	0.8488	1.00	89.2	11/01/2017	Released	All Horizons
NY	O&G	Empire Energy E&P, LLC	310110568	0.8488	1.00	123	17/01/2017	Released	All Horizons
NY	O&G	Empire Energy E&P, LLC	310630001	0.8750	1.00	215.79	20/02/2017	Released	All Horizons
NY	O&G	Empire Energy E&P, LLC	310630002	0.8750	1.00	20.8	20/02/2017	Released	All Horizons
NY	O&G	Empire Energy E&P, LLC	310690132	0.8750	1.00	239.5	7/01/2017	Released	All Horizons
NY	O&G	Empire Energy E&P, LLC	310690133	0.8750	1.00	35	7/01/2017	Released	All Horizons
NY	O&G	Empire Energy E&P, LLC	310690134	0.8750	1.00	152.2	7/01/2017	Released	All Horizons
NY	O&G	Empire Energy E&P, LLC	310690135	0.8750	1.00	35	8/02/2017	Released	All Horizons
NY	O&G	Empire Energy E&P, LLC	310990418	0.8488	1.00	100.9	6/02/2018	Released	All Horizons
NY	O&G	Empire Energy E&P, LLC	310990420	0.8488	1.00	101	7/02/2018	Released	All Horizons
NY	O&G	Empire Energy E&P, LLC	311170421	0.8488	0.50	257.24	9/01/2017	Released	All Horizons
NY	O&G	Empire Energy E&P, LLC	311170423	0.8488	0.50	101.7	7/01/2017	Released	All Horizons
NY	O&G	Empire Energy E&P, LLC	311170474	0.8488	1.00	124.4	12/02/2017	Released	All Horizons
NY	O&G	Empire Energy E&P, LLC	311170507	0.8488	0.50	21.75	12/02/2018	Released	All Horizons
NY	O&G	Empire Energy E&P, LLC	311170508	0.8488	0.50	46.6	11/02/2018	Released	All Horizons
NY	O&G	Empire Energy E&P, LLC	311170511	0.8488	0.50	9.7	15/02/2018	Released	All Horizons
NY	O&G	Empire Energy E&P, LLC	311170512	0.8488	1.00	15.08	7/02/2018	Released	All Horizons
NY	O&G	Empire Energy E&P, LLC	311170542	0.8488	1.00	20.78	5/02/2018	Released	All Horizons
NY	O&G	Empire Energy E&P, LLC	311170548	0.8488	1.00	31.09	29/01/2018	Released	All Horizons
NY	O&G	Empire Energy E&P, LLC	311170549	0.8488	1.00	13.5	17/02/2018	Released	All Horizons
NY	O&G	Empire Energy E&P, LLC	311170569	0.8750	1.00	193	16/02/2017	Released	All Horizons
NY	O&G	Empire Energy E&P, LLC	311170570	0.8750	1.00	44.59	16/02/2017	Released	All Horizons
NY	O&G	Empire Energy E&P, LLC	311170577	0.8750	1.00	35.34	26/02/2017	Released	All Horizons
NY	O&G	Empire Energy E&P, LLC	311170578	0.8750	1.00	48.86	26/02/2017	Released	All Horizons
NY	O&G	Empire Energy E&P, LLC	311170592	0.8750	1.00	22.83	27/02/2018	Released	All Horizons
NY	O&G	Empire Energy E&P, LLC	311170594	0.8750	1.00	59.62	13/02/2018	Released	All Horizons
NY	O&G	Empire Energy E&P, LLC	310030029	0.8750	1.00	195	3/02/2016	Expired	All Horizons
NY	O&G	Empire Energy E&P, LLC	310030034	0.8750	1.00	76	1/01/2016	Expired	All Horizons
NY	O&G	Empire Energy E&P, LLC	310110499	0.8488	1.00	151.6	19/01/2016	Expired	All Horizons
NY	O&G	Empire Energy E&P, LLC	310110508	0.8488	1.00	249.8	24/01/2016	Expired	All Horizons
NY	O&G	Empire Energy E&P, LLC	310670049	0.8488	1.00	21.82	20/01/2016	Expired	All Horizons
NY	O&G	Empire Energy E&P, LLC	310090557	0.8750	1.00	297.00	13/07/1935	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090558	0.8750	1.00	203.04	23/06/1999	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090559	0.8750	1.00	308.00	2/08/1998	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090560	0.8750	1.00	98.00	18/09/1998	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090561	0.8750	1.00	88.00	2/06/1997	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090562	0.8750	1.00	140.00	4/01/1982	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090563	0.8750	1.00	8.45	10/06/1997	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090564	0.8750	1.00	10.27	24/09/1998	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090565	0.8750	1.00	60.00	28/10/1996	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090566	0.8750	1.00	60.90	6/08/1999	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090567	0.8750	1.00	76.20	15/03/1994	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090568	0.8750	1.00	65.04	15/09/1993	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090569	0.8750	1.00	117.96	28/08/1996	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090570	0.8750	1.00	84.00	29/05/1997	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090571	0.8750	1.00	5.86	29/05/1997	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090572	0.8750	1.00	140.00	24/06/1999	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090573	0.8750	1.00	72.00	10/12/1981	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090574	0.8750	1.00	230.00	10/12/1981	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090575	0.8750	1.00	151.00	4/01/1982	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090576	0.8750	1.00	217.00	24/09/1980	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090577	0.8750	1.00	46.98	24/09/1980	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090578	0.8750	1.00	200.00	29/09/1981	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090579	0.8750	1.00	114.00	29/09/1980	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090580	0.8750	1.00	202.00	1/12/1973	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090581	0.8750	1.00	236.00	5/07/1980	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090582	0.8750	1.00	56.00	4/01/1982	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090583	0.8750	1.00	69.00	3/10/1981	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090584	0.8750	1.00	95.93	7/10/1980	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090585	0.8750	1.00	2.63	7/10/1980	New Lease	All Depths

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NY	O&G	Empire Energy E&P, LLC	310090586	0.8750	1.00	192.00	28/01/1982	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090587	0.8750	1.00	184.00	28/01/1982	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090588	0.8750	1.00	106.00	24/09/1980	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090589	0.8750	1.00	227.00	30/09/1980	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090590	0.8750	1.00	4.00	12/12/1981	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090591	0.8750	1.00	200.00	18/11/1981	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090592	0.8750	1.00	98.00	18/11/1981	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090593	0.8750	1.00	378.00	16/12/1981	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090594	0.8750	1.00	88.88	18/11/1981	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090595	0.8750	1.00	210.00	3/10/1981	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090596	0.8750	1.00	2.00	3/10/1981	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090597	0.8750	1.00	119.28	25/09/1980	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090598	0.8750	1.00	11.28	21/12/1982	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090599	0.8750	1.00	225.00	29/03/1981	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090600	0.8750	1.00	80.00	25/09/1980	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090601	0.8750	1.00	83.76	3/12/1981	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090602	0.8750	1.00	106.21	30/09/1982	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090603	0.8750	1.00	15.08	14/10/1981	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090604	0.8750	1.00	41.00	29/09/1980	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090605	0.8750	1.00	372.00	12/07/1973	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090606	0.8750	1.00	172.00	21/10/1980	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090607	0.8750	1.00	99.00	26/09/1980	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090608	0.8750	1.00	202.00	29/09/1982	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090609	0.8750	1.00	212.78	1/03/1983	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090610	0.8750	1.00	11.25	21/10/1980	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090611	0.8750	1.00	129.00	29/09/1981	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090612	0.8750	1.00	75.00	29/01/1982	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090613	0.8750	1.00	153.00	16/04/1982	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090614	0.8750	1.00	177.00	24/09/1981	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090615	0.8750	1.00	192.00	31/07/1967	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090616	0.8750	1.00	147.02	5/12/1981	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090617	0.8750	1.00	75.00	5/02/1982	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090618	0.8750	1.00	57.83	20/10/1980	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090619	0.8750	1.00	100.00	2/03/1982	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090620	0.8750	1.00	160.00	28/10/1980	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090621	0.8750	1.00	111.58	6/02/1981	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090622	0.8750	1.00	45.50	29/11/1976	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090623	0.8750	1.00	184.78	7/08/1982	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090624	0.8750	1.00	95.69	25/09/1980	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090625	0.8750	1.00	200.00	14/10/1980	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090626	0.8750	1.00	123.50	30/11/1977	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090627	0.8750	1.00	64.47	25/01/1982	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090628	0.8750	1.00	250.00	15/05/1976	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090629	0.8750	1.00	191.00	8/12/1961	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090630	0.8750	1.00	401.00	28/10/1980	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090631	0.8750	1.00	160.00	5/04/1973	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090632	0.8750	1.00	109.50	1/09/1982	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090633	0.8750	1.00	240.00	25/10/1960	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090634	0.8750	1.00	143.00	27/07/1967	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090635	0.8750	1.00	100.00	12/06/1973	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090636	0.8750	1.00	204.68	18/08/1999	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090637	0.8750	1.00	138.24	30/06/1999	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090638	0.8750	1.00	211.00	4/01/1982	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090639	0.8750	1.00	8.65	28/09/1998	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090640	0.8750	1.00	250.00	15/05/1976	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090641	0.8750	1.00	90.00	3/12/1981	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090642	0.8750	1.00	4.20	20/05/2005	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090643	0.8750	1.00	155.00	24/08/2000	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090644	0.8750	1.00	118.00	26/09/1980	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090645	0.8750	1.00	412.00	9/05/1988	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090646	0.8750	1.00	141.60	17/09/1981	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090647	0.8750	1.00	24.19	28/10/1980	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090648	0.8750	1.00	344.00	21/12/1981	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090649	0.8750	1.00	234.17	3/06/1984	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090650	0.8750	1.00	250.00	14/02/1991	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090651	0.8750	1.00	262.50	25/05/1964	New Lease	All Depths

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NY	O&G	Empire Energy E&P, LLC	310090652	0.8750	1.00	85.27	20/09/1980	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090653	0.8750	1.00	200.00	2/06/1926	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090654	0.8750	1.00	47.30	11/01/2005	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090655	0.8750	1.00	64.00	11/07/2002	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090656	0.8750	1.00	1.50	26/09/2001	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090657	0.8750	1.00	250.00	14/02/1991	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090658	0.8750	1.00	160.00	23/08/2001	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090659	0.8750	1.00	131.42	27/08/2001	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090660	0.8750	1.00	6.60	9/01/2002	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090661	0.8750	1.00	401.00	7/01/1974	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090662	0.8750	1.00	4.98	6/05/1982	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090663	0.8750	1.00	17.83	21/10/1980	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090664	0.8750	1.00	11.25	21/10/1980	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090665	0.8750	1.00	77.01	11/11/1983	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090666	0.8750	1.00	4.35	19/04/1982	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090667	0.8750	1.00	11.58	10/02/1982	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090668	0.8750	1.00	6.86	29/09/1980	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090669	0.8750	1.00	6.30	29/09/1980	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090670	0.8750	1.00	262.00	12/08/1983	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090671	0.8750	1.00	132.00	28/10/1980	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090672	0.8750	1.00	184.00	28/01/1982	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090673	0.8750	1.00	12.50	9/06/1982	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090674	0.8750	1.00	122.00	23/01/1982	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090675	0.8750	1.00	15.61	1/02/1983	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090676	0.8750	1.00	37.45	12/12/1981	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090677	0.8750	1.00	94.95	30/10/1980	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090678	0.8750	1.00	2.49	16/03/1983	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090679	0.8750	1.00	1.23	6/06/1982	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090680	0.8750	1.00	34.01	27/01/1982	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090681	0.8750	1.00	16.34	24/01/1982	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090682	0.8750	1.00	85.27	20/09/1980	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090683	0.8750	1.00	4.44	28/11/1980	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090684	0.8750	1.00	105.00	7/10/1980	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090685	0.8750	1.00	9.30	23/03/1982	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090686	0.8750	1.00	132.00	28/10/1980	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090687	0.8750	1.00	23.35	22/02/1984	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090688	0.8750	1.00	375.00	29/06/1982	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090689	0.8750	1.00	415.00	9/05/1988	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090690	0.8750	1.00	127.00	25/07/1967	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090691	0.8750	1.00	31.08	24/09/1980	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090692	0.8750	1.00	94.95	26/09/1980	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090693	0.8750	1.00	132.00	28/11/1980	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090694	0.8750	1.00	9.77	3/06/1982	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090695	0.8750	1.00	15.00	4/02/1982	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090696	0.8750	1.00	4.77	26/09/1980	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090697	0.8750	1.00	87.29	21/10/1981	New Lease	All Depths
NY	O&G	Empire Energy E&P, LLC	310090698	0.8750	1.00	65.00	20/11/1981	New Lease	All Depths

**Note:** For a full list of petroleum tenements held by the Company and its subsidiaries please refer to the ASX Announcement dated 30 March 2016 titled 'Petroleum Tenements'.