



EMPIRE OIL & GAS NL

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5 December 2011

The Manager
The Australian Securities Exchange
The Company Announcements Office
Level 4/20 Bridge Street
SYDNEY NSW 2000

Dear Sir

RE: *ORIGIN ENERGY LIMITED HAS SETTLED THE FARMIN AGREEMENT INTO THE NORTH PERTH BASIN PERMITS EP 368 AND EP 426*

Please find details of the Farmin Agreement terms entered into at 10.00 am WST, today 5 December 2011 with Empire Oil & Gas N.L. and the other parties to the EP 368 and EP 426 Joint Ventures, North Perth Basin, Western Australia.

The Parties to this ASX Release are:

Empire Oil & Gas N.L.
ERM Power Limited
Allied Oil & Gas PLC
Norwest Energy NL
Origin Energy Limited

Yours faithfully

JL CRAIG MARSHALL
Managing Director
EMPIRE OIL & GAS NL



STOCK EXCHANGE RELEASE

5 December 2011

ORIGIN ENERGY LIMITED HAS SETTLED THE FARMIN AGREEMENT INTO NORTH PERTH BASIN PERMITS EP 368 AND EP 426

Empire Oil Company (WA) Limited ("Empire"), a wholly-owned subsidiary of Empire Oil & Gas N.L., is pleased to announce the execution of Farmin Agreements with Origin Developments Pty Ltd ("Origin"), a wholly-owned subsidiary of Origin Energy Limited for petroleum exploration permits EP 368 and EP 426 in the North Perth Basin at 10.00 am today 5 December 2011.

These Farmin Agreements provide for the recording of a 100 square kilometre 3D Seismic Survey within EP 368 and EP 426 ("North Erregulla 3D Seismic Survey") to provide for the delineation of drillable prospects in EP 368 and EP 426.

The parties to these Farmin Agreements are:

EP 368 Origin and Empire

EP 426 Origin, Empire, ERM Gas Pty Ltd ("ERMG") and Allied Oil & Gas PLC ("Allied")

Origin will earn a 40% interest in each of EP 368 and EP 426 by paying 80% of the costs of the North Erregulla 3D Seismic Survey.

Empire, ERMG and Allied will have their costs fully carried by Origin for the North Erregulla 3D Seismic Survey. Norwest Energy N.L. ("Norwest") has elected to maintain its 20% working interest and will contribute 20% to the costs of the North Erregulla 3D Seismic Survey.

Origin will conduct the North Erregulla 3D Seismic Survey with Western Geco 3D seismic equipment which is being mobilised from the Middle East to conduct the activity. The Western Geco equipment consists of high technology source and recording equipment.

Empire will retain the operatorship of EP 368 and EP 426 following the North Erregulla 3D Seismic Survey and will conduct the drilling programmes upon maturing drilling locations where structural closures are confirmed by the North Erregulla 3D Seismic Survey. Upon a decision to undertake an appraisal and development programme being made, Origin will assume operatorship.

The North Erregulla Prospect is located approximately 28 kilometres east of the Dongara Gasfield and the Hovea/Jingemia oilfields and 30 kilometres north west of the Beharra Springs Gasfield.

Based on the current mapping and reservoir parameters in the North Erregulla-1 well and the volume of the current mapped structure, Empire has calculated that the entire North Erregulla tilted fault block structure has the potential to have estimated recoverable oil in the order of 22 million barrels of oil in the Dongara Sandstone and 3 million barrels in the Arranoo Member.

There is also potential to trap a further 100 billion cubic feet of gas in the deeper Irwin River Coal Measures and the High Cliff Sandstone.

The pre and post farmin equities are as follows:

<i>Exploration Permit</i>	<i>Current Parties</i>	<i>Current %</i>	<i>Parties % after Farmin</i>	
EP 368 North Perth Basin	Empire Oil & Gas NL *Norwest Energy NL	80% 20%	Empire Oil & Gas NL Norwest Energy NL Origin Energy Developments Pty Ltd	40% 20% 40%
EP 426 North Perth Basin	Empire Oil & Gas NL ERM Power Limited *Norwest Energy NL Allied Oil & Gas PLC	42.22% 27.78% 20% 10%	Empire Oil & Gas NL ERM Power Limited *Norwest Energy NL Allied Oil & Gas PLC Origin Energy Developments Pty Ltd	21.11% 13.89% 20% 5% 40%

*Norwest Energy N.L. is not a party to the Farmin Agreements and will contribute pro-rata its 20% interest.

Competent Person's Statement

Information in this ASX Release relates to exploration results that are based on information compiled by Mr JL Craig Marshall who is a full time employee of Empire Oil & Gas NL. JL Craig Marshall is a Fellow of the Australian Institute of Mining and Metallurgy and is a Certified Practising Geologist BSc (Hons), F.Aus.IMM, CPGEO, and has more than 30 years experience relevant to oil and gas exploration and production.

For further information, please contact:

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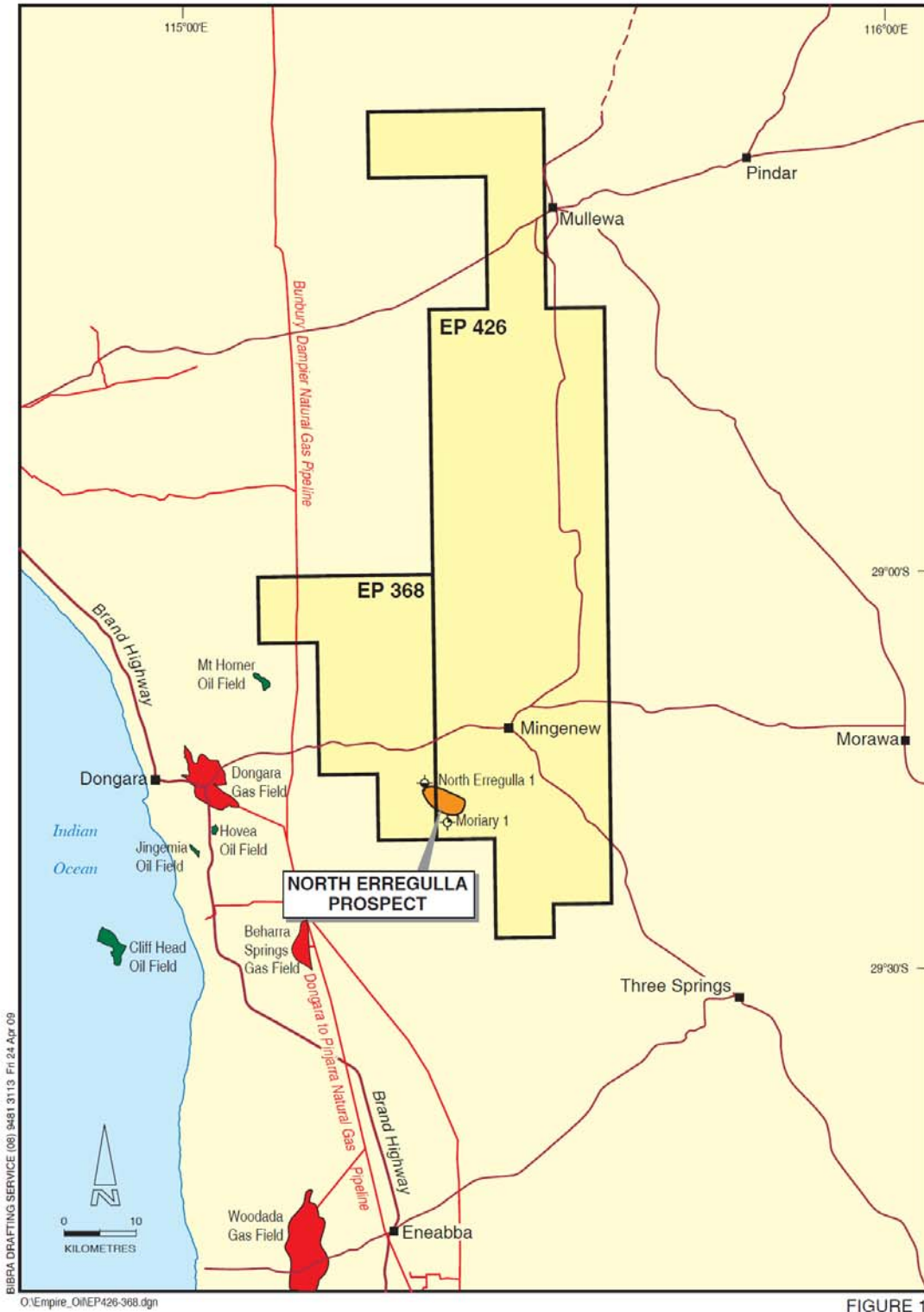


FIGURE 1