



EMPIRE OIL & GAS NL

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14 May 2013

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

Dear Sir,

RE: *INDEPENDENT STUDY BY RPS ENERGY SERVICES PTY LTD OF THE UNCONVENTIONAL GAS POTENTIAL IN EXPLORATION PERMITS EP368 and EP426, ONSHORE NORTH PERTH BASIN, WESTERN AUSTRALIA*

Please find attached details of the Empire commissioned Independent Study by RPS Energy Services Pty Ltd which details the unconventional gas in place volumes within both EP368 and EP426. This Report was received on 13 May 2013.

Empire has estimated from the RPS Study that a total un-risked, undiscovered gas in place volume of 32 trillion cubic feet of gas is present in the Permian Aged Irwin River Coal Measures.

Joint Venture interests are as follows:

EP368:

<i>Empire Oil & Gas NL (Empire Oil Company (WA) Limited) (Operator)</i>	80%
<i>Norwest Energy</i>	20%

EP426:

<i>Empire Oil & Gas NL (Empire Oil Company (WA) Limited) (Operator)</i>	46.91%
<i>ERM Gas Pty Ltd</i>	30.87%
<i>Norwest Energy NL (Westranch Holdings Pty Ltd)</i>	22.22%

Yours faithfully

JL CRAIG MARSHALL
Managing Director
EMPIRE OIL & GAS NL

14 May 2013

Independent Study by RPS Energy Services Pty Ltd of the Unconventional Gas Potential in Exploration Permits EP368 and EP426, Onshore North Perth Basin, Western Australia

Empire Oil & Gas NL ("Empire") is pleased to announce the results of an independent study by RPS Energy Services Pty Ltd ("RPS") of the unconventional gas potential of the Early Permian Irwin River Coal Measures in Exploration Permits EP368 and EP426.

The RPS study concluded that the un-risked, undiscovered gas-in-place potential is over 80 BCF (billion cubic feet) per square kilometre within the Irwin River Coal Measures in the southern parts of these permits. The undiscovered gas-in-place potential is composed predominantly of adsorbed and solution gas with minimal free gas being present. Taking into consideration areas excluded where the objective Irwin River Coal Measures is in excess of 5,000 metres depth or areas of low volumes, Empire estimates that a total un-risked, undiscovered gas-in-place volume of 32 TCF (trillion cubic feet) of adsorbed and solution gas is present in the interbedded shale/thin tight sand section in the Irwin River Coal Measures is a reasonable estimate of the unconventional gas potential of these permits.

Empire advises caution in the use of these volumes. Economic development of the resource would require significant well numbers and an assumption that adequate rigs and stimulation units will be available, in addition to permitting, legal, environmental permits and development and completion costs.

Following the acquisition of and subject to the interpretation of the North Erregulla 3D Seismic Survey, Empire plans to drill a conventional well on the North Erregulla Prospect and also into the deeper objective High Cliff Sandstone section. During these operations, Empire plans to cut cores through the Irwin River Coal Measures section for further shale gas studies by qualified laboratories. In addition, Empire will acquire a full suite of electric logs suitable to evaluate the shale gas potential of the Permian Aged Irwin River Coal Measures section and provide calibration with the cores.

Empire looks forward to updating shareholders on the timing of seismic and drilling operations in Exploration Permits EP368 and EP426.

Competent Person's Statement

Information in this ASX Release related to exploration results that are based on information compiled by Mr J L Craig Marshall who is a full time employee of Empire Oil & Gas NL. J L 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, with more than 30 years' experience relevant to oil and gas exploration and production.

For more information contact:
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