



## EMPIRE OIL & GAS NL

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The Manager  
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### ASX RELEASE

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### **Significant combined flow rate over 50 mmscf/d achieved by AWE from Waitsia-1 well, adjacent to Empire's EP368 permit**

Emerging oil and gas producer and explorer Empire Oil and Gas notes the significant flow test results achieved by AWE at its Waitsia-1 well from the Kingia and High Cliff sandstone formations, the same formations being targeted by Empire's drilling program next year.

AWE yesterday announced that it achieved flow rates of 25.7 mmscf/d constrained by tubing size from the Kingia formation, which built on the 24.7 mmscf/d constrained by tubing size flow rate achieved from the High Cliff formation, which was announced by AWE to the market on 7 October 2015.

Empire's exploration permit, EP368 (Empire 80%, Norwest Energy 20%, ASX: NWE), lies immediately adjacent and to the east of the Waitsia discovery. EP368 contains the Lockyer Deep prospect which was identified this year during Empire's technical evaluation of the permit.

Subject to final Joint Venture approval and funding, Empire intends to drill Lockyer Deep-1 in the second half of 2016 to test the Kingia and High Cliff formations, the first time these deeper Permian targets will have been tested in the permit.

Empire Oil and Gas Chief Executive Officer Ken Aitken said the extent of the Waitsia play into EP368 wasn't confirmed, however the results of the recent AWE Irwin-1 well (located between Waitsia-1 and the Lockyer Deep prospect) suggested that the Kingia reservoir fairway increases in thickness to the east, and thus potentially into EP368.

"When combined, the Waitsia flow test results, the Irwin-1 drill results and our technical assessment of the prospect, provide an increasing level of confidence about the prospects of discovering commercial gas at Lockyer Deep should the play be confirmed by the well in our acreage," Mr Aitken said.

The results from Empire's 'Black Swan' airborne geophysical survey, acquired in Q2 2015, and state of the art seismic reprocessing of the existing 2D seismic data over the prospect that is currently being undertaken in the USA, will be finalised and incorporated into Empire's current technical assessment of the Lockyer Deep prospect.



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This additional technical work will be complete by end of Q4 2015 and will assist in further derisking of the prospect.

The proposed Lockyer Deep well is a medium risk well, targeting between 25 and 134 BCF, with a best case estimate of 58 BCF1 (see September 2 2015 Investor Presentation). It is located 16.6 kilometres east of Waitsia-1.

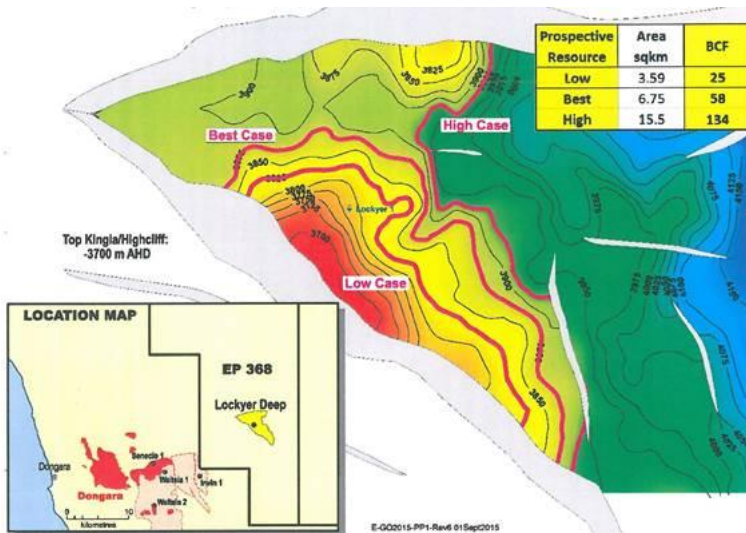
Lockyer Deep will also be used to appraise a secondary oil target from the previously discovered oil in both the Lockyer-1 and North Erregulla-1 historic wells where oil was encountered in the Dongara/Wagina sandstone in tight reservoir. The deep gas potential of the Kingia Sandstone was not reached by these wells so remains untested.

### EP368

Empire Oil Company (WA) Limited (Operator)	80.00%
Westranch Holdings Pty Ltd (Norwest Energy NL)	20.00%

### Lockyer Deep Prospective Resources – Kingia / High Cliff Sandstones

Secondary targets: Hovea Member; Dongara Sandstone; Carynginia Formation





Yours sincerely  
**For Empire Oil & Gas NL**

A handwritten signature in black ink, appearing to read 'Ken Aitken'.

**Ken Aitken**  
Chief Executive Officer

**For further information, please contact:**

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**About Empire Oil & Gas**

Empire Oil & Gas NL ('Empire' or the 'Company') is an onshore conventional gas and condensate producer and explorer listed on the Australian Securities Exchange (ASX: EGO) with key assets in the Perth Basin in Western Australia. The Company's producing assets at Red Gully are less than 150kms from the city of Perth where there is a strong gas market. Since commencing operations in 2013, the 100% owned Red Gully Processing Facility has produced and delivered over 5,000 Terajoules (TJ) of gas. Gas produced to date has been contracted to Alcoa and delivered through the Dampier to Bunbury Natural Gas Pipeline (DBNGP), which lies next to the Processing Facility. Condensate produced is transported via road to BP.

EGO is the holder of the largest net acreage in the highly prospective Perth Basin with its production licenses and permits covering more than 10,000km<sup>2</sup>, representing 48% of the currently granted acreage in the Perth Basin. Close to pipeline infrastructure and with rapid commercialisation opportunities, the Company has significant exploration potential in an underexplored, proven petroleum system.

Empire's vision is to sustainably grow the business into a mid-tier exploration and production company. Empire's strategy is to be the Perth Basin operator of choice, safely supplying WA domestic gas by growing the Red Gully production hub, delivering reserves and production growth by drilling material quality exploration prospects in the high profit margin onshore Perth Basin, enabling Empire to attract quality farm-in partners to assist in accelerating growth plans.