



EMPIRE ENERGY GROUP LIMITED
Level 7, 151 Macquarie Street
Sydney NSW 2000
T: 02 9251 1846
F: 02 9251 0244
(ASX: EEG)

EMPIRE IMPLEMENTS UNMARKETABLE PARCEL SHARE SALE FACILITY

Key points

- **Significantly reduces the cost to Empire Energy of administration**
- **Holders of Unmarketable Parcels can sell their shares without incurring brokerage**
- **Holders of Unmarketable Parcels can elect not to participate and retain their shares.**

Empire Energy Group Limited (ASX: EEG) (**the Company** or **Empire Energy**) advises that it has established an Unmarketable Parcel Sale Facility.

An "Unmarketable Parcel" is defined by the ASX Listing Rules as a shareholding with a market value of less than \$500. Empire Energy is providing the facility to enable holders of Unmarketable Parcels to sell their shares without incurring brokerage and handling costs which could otherwise make the sale uneconomic or impractical. Shareholders with Unmarketable Parcels are not obliged to sell their shares. However, they will need to opt out of the facility or their shares will be automatically sold for them.

As at market close on 26 July 2019, (**Record Date**), an Unmarketable Parcel of shares in the Company is any shareholding of 2,173 shares or less, based on the closing price of \$0.23 per share. This represents 973,773 ordinary shares in the Company, held by 1,689 shareholders (representing approximately 0.42% of total issued capital).

Blue Ocean Equities Pty Ltd has been appointed as the broker for shares sold under the facility. Sales proceeds will be forwarded to participating shareholders as soon as practicable following settlement. All associated costs and brokerage fees will be paid by Empire Energy, excluding any tax consequences, which will remain the shareholder's responsibility.

By facilitating the sale of Unmarketable Parcels, Empire Energy will significantly reduce the costs associated with maintaining a large number of small holdings. In particular, Empire Energy expects to reduce the substantial costs associated with printing and mailing documentation to shareholders.

Empire Energy will complete the Unmarketable Parcel sale process before 30 September 2019.

KEY DATES

Unmarketable Parcels Record Date	26 July 2019
Letters sent to shareholders holding Unmarketable Parcels	1 August 2019
Unmarketable Parcels Announcement to ASX	1 August 2019
Closing Date for receipt of Notice of Retention forms	13 September 2019



EMPIRE ENERGY GROUP LIMITED

Level 7, 151 Macquarie Street
Sydney NSW 2000
T: 02 9251 1846
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(ASX: EEG)

1 August 2019

Dear Shareholder,

Unmarketable Parcels of Shares in Empire Energy Group Limited

Empire Energy is implementing an Unmarketable Parcel Sale Facility. The ASX Listing Rules define an “Unmarketable Parcel” of shares as one with a market value of less than \$500.

The Unmarketable Parcel Sale Facility will apply to parcels of shares in the Company with a market value of less than \$500 as at close of trade on 26 July 2019 (**Record Date**). Shareholders with an Unmarketable Parcel are not obliged to sell their shares. However, those who wish to retain an Unmarketable Parcel will need to opt out of the Facility otherwise the parcel will be sold and the relevant proceeds sent to them (see details below).

Shareholders whose shares are sold under the Facility, which is offered in accordance with the ASX Listing Rules and the Company’s Constitution, will not have to act through a broker or pay brokerage or handling fees. The Company will pay all costs associated with the sale and transfer (excluding any tax, which will be the Shareholder’s responsibility).

However, if on the Closing Date the value of your shares has increased such that you no longer hold an Unmarketable Parcel (eg due to an increase in the Company’s share price or the number of shares you hold), your shares will NOT be sold.

By facilitating the sale of Unmarketable Parcels, Empire Energy will significantly reduce the administrative costs associated with maintaining a large number of small holdings. In particular, Empire Energy expects to reduce the substantial costs associated with printing and mailing documentation to shareholders.

Key Dates

EVENT	DATE
Unmarketable Parcels Record Date	26 July 2019
Unmarketable Parcels Announcement ASX	1 August 2019
Letters sent to shareholders holding Unmarketable Parcels	1 August 2019
Closing Date for receipt of Notice of Retention forms	13 September 2019

Please also note that the Company will not sell your shares in the event that a third party announces a takeover offer for the Company. In accordance with its continuous disclosure obligations, the Company may release information to the ASX which may affect your decision as to whether you wish to sell or retain your shares. If such information is released, it will be published on the ASX website (www.asx.com.au, ASX:EEG) and on the Company's website (www.empireenergygroup.net).

WHAT DO I NEED TO DO?

As a holder of an Unmarketable Parcel, your options are described below:

1. Sell your Unmarketable Parcel

If you wish to sell your shares through the Facility, you do NOT need to take any action. By refraining from taking any action, you will be deemed to have irrevocably appointed the Company as your agent:

- (a) to sell all of your shares at a price to be determined by when and how the shares are sold, without any costs being incurred by you; and
- (b) to deal with the proceeds of the sale as set out in this letter.

If you have more than one holding on the Company's share register, you may wish to consider contacting the share registry to amalgamate your holdings. This may result in your holding no longer being classified as an Unmarketable Parcel.

The Company has appointed Blue Ocean Equities Pty Ltd to sell the unmarketable parcels. Payment will be forwarded to you as soon as practicable, following settlement of the sale.

Please note that the Company will not sell your shares in the event a third party announces a takeover offer of the Company.

2. Retain your Unmarketable Parcel

If you do not wish to sell your Unmarketable Parcel, you must opt out of the Facility by completing and returning the enclosed Notice of Retention form to the address on the form so that it is received before the Closing Date.

If our share registry has not received your Notice of Retention form by the Closing Date, your shareholding will be sold under the Facility.

I have enclosed an Information Sheet about the Unmarketable Parcel Sale Facility. However, the Company does not provide any recommendation or advice on whether you should sell or retain your shares. If you are unsure, you should seek independent financial, legal or taxation advice prior to making a decision as to whether you wish to participate in the Facility.

Yours sincerely

Julian Rockett
Company Secretary

INFORMATION SHEET - UNMARKETABLE PARCEL SALE FACILITY

1. What is an Unmarketable Parcel?

An Unmarketable Parcel is a holding of shares in Empire Energy Group Limited (Company) valued at less than \$500. Based on the closing share price the Company's Shares as at the Record Date of 26 July 2019, this is equivalent to a holding of 2,173 shares or less.

2. What was the closing price at the Record Date?

The closing price of a share in the Company at the Record Date was \$0.23 per share.

3. Why is the Facility being offered?

The Company is providing the Facility to enable you to sell your Unmarketable Parcel without incurring brokerage or handling costs that could otherwise make a sale of your Unmarketable Parcel uneconomic or difficult. The Facility will assist the Company to reduce administrative costs associated with maintaining a number of relatively small holdings of shares.

4. What do I need to do to sell my shares?

Nothing. Your Unmarketable Parcel will be sold through the Facility unless you return a Notice of Retention form by the Closing Date.

5. How will my shares be sold under the Facility?

Your shares will be sold by the appointed broker, Blue Ocean Equities Pty Ltd, on the Australian Stock Exchange (ASX).

6. What price will I receive for shares sold through the Facility?

The shares will be sold at the market price of the Company's shares on the ASX (ASX:EEG), at or around the Closing Date. If at the Closing Date the value of your shares has increased so that you no longer have an Unmarketable Parcel (eg due to an increase in the share price or in the number of shares you hold) your shares will NOT be sold.

You will not have control over the time at which your shares are sold, and the price you receive may differ from the price appearing in the media or quoted by the ASX on any day and may not be the best price on the day your shares are sold.

7. Do I need to pay anything if I participate in the Facility?

The Company will pay all costs and expenses arising in connection with the Facility. Any tax consequences from the sale will be your responsibility.

8. When will I receive the proceeds for the shares sold?

Payment will be forwarded to you following settlement of all shares sold under the Facility, or otherwise as soon as it is practicable. If your direct credit details or address require updating, you can amend your details online through Computershare's Investor Centre website at <http://www.computershare.com.au/investor>. Payment will be made in Australian Dollars.

INFORMATION SHEET - UNMARKETABLE PARCEL SALE FACILITY

9. What are the advantages and disadvantages of participating in the Facility?

Advantages include:

- receiving a cash payment from the sale of your Unmarketable Parcel;
- avoiding any brokerage or related selling expenses;
- utilising a cost-effective way of disposing of an Unmarketable Parcel; and
- the sale price being determined by reference to market price.

Disadvantages include:

- no longer holding any shares in the Company (unless you subsequently buy more);
- possible capital gains tax being payable; and
- the price of the Company's shares may subsequently rise.

10. What if I do not wish to sell my Unmarketable Parcel?

If you do not wish to sell your Unmarketable Parcel, you must complete the Notice of Retention form and ensure that it is returned so that it is received by our share registry before 13 September 2019. If our share registry has not received your Notice of Retention form by this date, your shareholding will be sold under the Facility.

11. If I buy more shares in the Company, will I retain my holding?

The Company will not sell your shares if you increase your holding to a marketable parcel, being a holding of shares with a market value of at least \$500 based on the ASX closing price of shares in the Company as at the Closing Date. Any additional shares acquired must be registered by the Closing Date, under the same name and address and with the same holder number (SRN or HIN) as set out in the accompanying Notice of Retention form.

12. What if I hold multiple Unmarketable Parcels of shares?

If you hold multiple Unmarketable Parcels of shares in the Company, you must complete and return a Notice of Retention form for each separate Unmarketable Parcel you wish to retain.

13. What if my holding of shares in the Company is a CHESS Holding?

If your shares remain in a CHESS Holding, the Company may move those shares to an Issued Sponsored Holding and the shares will then be sold under the Facility.

14. Where can I obtain further information?

If you have any queries regarding the practical operation of the Facility, please contact Empire Energy's Kylie Arizabaleta on (02) 9251 1846 during regular office hours.

15. Important Notes

If you are in doubt about what to do, you should consult a financial, legal or taxation adviser. This Information Sheet does not constitute advice, nor is it a recommendation to sell, buy or hold shares in the Company.

The Company reserves its right to change any of the dates referred to in the accompanying letter, this Information Sheet or the Notice of Retention form by written notice to the ASX.

Before a sale is made under the Facility, the Company may elect to suspend or terminate the Facility either generally, or in specific cases.



ABN 29 002 148 361

EEG

MR SAM SAMPLE
UNIT 123
SAMPLE STREET
SAMPLETOWN NSW 2001

Return your Form to the Company's share registry:

✉ **By Mail:**
Computershare Investor Services Pty Limited
GPO Box 52
Melbourne Victoria 3001
Australia

For all enquiries:

☎ **Phone:**
(within Australia) 02 9251 1846
(outside Australia) +61 2 9251 1846

Share Retention Form

If you wish to retain your shares, your form must be received by 13 September 2019

This is an important document that requires your immediate attention. It can only be used in relation to the shareholding represented by the details printed overleaf. If you are in doubt about how to deal with this form, please contact your financial or other professional adviser.

Step 1: Shareholding Details

Use this form if you wish to retain your shares in Empire Energy Group Limited. If you have recently bought or sold shares your shareholding may differ from that shown. If you have already sold all your shares in Empire Energy Group Limited, do not complete or return this form. If you have more than one shareholding on Empire Energy Group Limited's register and you do not wish to sell your shares under the Small Shareholding Sale Facility, you should consider consolidating them. For further advice on how to do this, contact Computershare Investor Services Pty Limited (CIS) on the number above.

Please check the details provided and update your address via www.investorcentre.com if any of the details are incorrect.

If you have a CHES sponsored shareholding, please contact your Controlling Participant to notify a change of address.

Step 2: Signing Instructions

Individual: Where the shareholding is in one name, the shareholder must sign.

Joint Shareholding: Where the shareholding is in more than one name, all of the shareholders must sign.

Power of Attorney: Where signing as Power of Attorney (POA), you must attach an original certified copy of the POA to this form.

Companies: Where the shareholding is in the name of a Company, this form must be signed in accordance with the Corporations Act, either as:

- a Sole Director and Sole Company Secretary **OR** a Sole Director (if no Company Secretary exists), **OR**
- two Directors, **OR**
- a Director and Secretary.

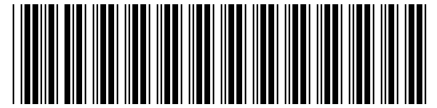
Overseas Companies: Where the shareholding is in the name of an Overseas company (companies incorporated outside Australia) the form must be signed as above, or documentation must be provided showing that the company can sign in an alternate manner.

Deceased Estate: Where the shareholding is in the name of a deceased estate, all executors must sign; and a certified copy or original, of the required documentation must accompany this form. Details of the documentation required can be found by searching "deceased estates" on our website www.computershare.com or by calling Computershare Investor Services Pty Limited on 1300 850 505 or +61 3 9415 4000. If the shareholding is in more than one name the surviving shareholder may sign the form and return it together with a certified copy of the death certificate of the other joint shareholder.

Step 3: Contact Details

Entering contact details is not compulsory, but will assist us if we need to contact you.

Turn over to complete the form →



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Share Retention Form

For your security keep your SRN/
HIN confidential.

STEP 1 Shareholding Details

MR SAM SAMPLE
UNIT 123
SAMPLE STREET
SAMPLETOWN NSW 2001



Change of address. If incorrect, mark this box and make the correction in the space to the left. Shareholders sponsored by a broker (reference number commences with 'X') should advise their broker of any changes.

Shares held as at 5:00pm (Sydney time) on 26 July 2019:

2000

STEP 2 Signature of Shareholder(s) *This section must be completed.*

By signing and returning this form, in accordance with the requirements set out in 'Step 2: Signing Instructions' overleaf, I/we confirm that I/we understand that my/our **SHARES WILL NOT BE SOLD** under the Small Shareholding Sale Facility.

Individual or Shareholder 1

Sole Director and Sole Company Secretary/
Sole Director (cross out titles as applicable)

Shareholder 2

Director

Shareholder 3

Director/Company Secretary
(cross out titles as applicable)

STEP 3 Contact Details

Contact Name _____ Contact Daytime Telephone _____ Date ____/____/____

Email Address _____

Privacy Notice

The personal information you provide on this form is collected by Computershare Investor Services Pty Limited (CIS), as registrar for the securities issuers (the issuer), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. In addition, the issuer may authorise us on their behalf to send you marketing material or include such material in a corporate communication. You may elect not to receive marketing material by contacting CIS using the details provided above or emailing privacy@computershare.com.au. We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to the issuer for whom we maintain securities registers or to third parties upon direction by the issuer where related to the issuer's administration of your securityholding, or as otherwise required or authorised by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at privacy@computershare.com.au or see our Privacy Policy at <http://www.computershare.com/au>.