



EMPIRE ENERGY GROUP LIMITED

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31 August 2015

Dear Optionholder,

RE: NON RENOUCEABLE PRO-RATA ENTITLEMENT OFFER

On 31 August 2015, Empire Energy Group Limited (“Empire” or the “Company”) announced a non-renounceable pro-rata entitlement offer of 61,772,736 new fully paid ordinary shares (“New Shares”) on the basis of one (1) New Share for every five (5) shares held by eligible shareholders (Existing Shares) at an offer price of \$0.0225 per New Share, to raise up to approximately \$1,389,887 (before costs) (“Entitlement Offer”).

Only holders of shares in the Company with a registered address in Australia or New Zealand as at 7:00pm Sydney time on 7 September 2015 (“Record Date”) will be eligible to participate in the Entitlement Offer (“Eligible Shareholders”).

The purpose of this letter is to give you notice that if you wish to participate in the Offer with respect to your options, you must exercise your options before the Record Date by delivering an option exercise notice together with the correct monies to the Company by no later than the Record Date. Any notice of exercise of option received after this date cannot be assured of allotment before the Record Date. If you do not wish to participate in the Offer (in respect of your options) you do not need to take any action.

You will need to check that your options are currently exercisable under the terms of your granted options and exercise your options into shares, before you can participate in the Entitlement Offer.

Before exercising your options, you are encouraged to consult your professional adviser. Relevant factors that you may wish to consider when deciding whether to exercise your options include:

- The current trading price of Company shares relative to the exercise price of your options.
- The Entitlement Offer does not in any way change the terms of your options.
- If your address is outside of Australia or New Zealand any shares you acquire as a result of exercising your options will not be eligible to participate in the Entitlement Offer.

Details of the Entitlement Offer are set out in the Company’s announcement dated 31 August 2015 and the Offer Booklet also lodged with the ASX on 31 August 2015. The Offer Booklet will be sent to Eligible Shareholders together with a personalised Entitlement and Acceptance form on 10 September 2015. A copy of the Offer Booklet will also be available for review on ASX’s website (www.asx.com.au) and on the Company’s website (www.empireenergygroup.net) once lodged with ASX.

An indicative timetable for the Offer is as follows:


Indicative Timetable

Event	Date
Announcement of Offer	31-Aug-2015
Cleansing Notice, lodgement of Appendix 3B and Offer Document lodged with ASX	31-Aug-2015
Notice sent to Shareholders	01-Sep-2015
Ex-date	03-Sep-2015
Record Date	07-Sep-2015
Offer Document and Acceptance Form despatched to Eligible Shareholder and lodged with the ASX	10-Sep-2015
Opening date for Entitlement Offer	10-Sep-2015
Last day to extend the Offer Closing Date	17-Sep-2015
Closing Date for acceptances	22-Sep-2015
New Shares are quoted on a deferred settlement basis	23-Sep-2015
Notify ASX of any under subscriptions and shortfall	25-Sep-2015
Despatch of holding statement	30-Sep-2015
Normal trading for New Shares commences	30-Sep-2015

Note: This timetable is indicative only and subject to change. Subject to the Corporations Act 2001 (Cth) and ASX Listing Rules, Empire reserves the right to vary the dates and times in connection with the Entitlement Offer, including the Closing Date, without prior notice.

For further information, please contact your professional adviser or the Company Secretary on 02 9251 1846.

Kind Regards



R Ryan
Secretary