



EMPIRE ENERGY GROUP LIMITED

Australian Office  
A.B.N 29 002 148 361  
Level 7, 151 Macquarie Street  
Sydney NSW 2000 Australia  
T: +61 2 9251 1846  
F: +61 2 9251 0244

19 March 2012

Australian Securities Exchange Limited  
Level 5, Riverside Centre  
123 Eagle Street  
Sydney NSW 2000

Attention: Melissa Grundy

Dear Melissa

**RE: ASX PRICE QUERY**

With refer to your correspondence dated 19 March 2012 concerning an increase in the trading price of the Company's securities and an increase in the volume of trading since the opening of the market on Friday 16 March 2012 and advise the following:

1. The Company is not aware of any information concerning it which if known could be an explanation for recent trading in the Company's securities.
2. No announcement is pending.
3. The Company believes that the increased level of interest in the Company's securities is likely a result of the following:
  - Broker presentations have been recently undertaken by the Company, a copy of which was lodged with the ASX on 8 March 2012.
  - The Company received a write-up in the edition of the oil and Gas Weekly dated 18 March 2012.
  - The Company holds significant oil and gas resources in the Marcellus and Utica shale formation in New York State, recent statements attributed to New York State Governor Cuomo reported in an article from the New York Post have increased speculation that the New York State Moratorium on hydraulic Fracturing will be lifted in the near to medium term.
  - The Company continues to review oil and gas acquisition opportunities as part of its stated strategy to aggregate small to medium size oil and gas producing assets within the United States utilizing the existing Macquarie Bank facility and cash reserves held by the Company.

4. The Company confirms that it is in compliance with the Listing Rules and in particular Listing Rule 3.1.

Yours faithfully,

A handwritten signature in blue ink, appearing to read 'D.L.H.', is positioned above the printed name.

D L Hughes  
Secretary



19 March 2012

Mr David Hughes  
Company Secretary  
Empire Energy Limited

By email: [rryan@empiregp.net](mailto:rryan@empiregp.net)

ASX Compliance Pty Limited  
ABN 26 087 780 489  
Level 5, Riverside Centre  
123 Eagle Street  
Brisbane QLD 4000

PO Box 7055  
Riverside Centre  
Brisbane QLD 4001

Telephone 61 7 3835 4000  
Facsimile 61 7 3832 4114  
[www.asx.com.au](http://www.asx.com.au)

Dear Mr Hughes

**Empire Energy Limited (the "Company")**  
**PRICE QUERY**

We have noted an increase in the price of the Company's securities from an opening price of 16.5 cents on Friday, 16 March 2012 to an intraday high of 22.5 cents today, at the time of writing. We have also noted an increase in the number of securities traded.

In light of the price and volume change, please respond to each of the following questions.

1. Is the Company aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company?

Please note that as recent trading in the Company's securities could indicate that information has ceased to be confidential, the Company is unable to rely on the exceptions to listing rule 3.1 contained in listing rule 3.1A when answering this question.

2. If the answer to question 1 is yes, can an announcement be made immediately? If not, why not and when is it expected that an announcement will be made?

Please note, if the answer to question 1 is yes and an announcement cannot be made immediately, you need to contact us to discuss this and you need to consider a trading halt (see below).

3. Is there any other explanation that the Company may have for the price change in the securities of the Company?

4. Please confirm that the Company is in compliance with the listing rules and, in particular, listing rule 3.1.

Your response should be sent to me by email at [melissa.grundy@asx.com.au](mailto:melissa.grundy@asx.com.au) or by facsimile on (07) 3832 4114. It should not be sent to the Market Announcements Office (formerly Company Announcements Office).

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, by **2.30pm Brisbane time (3.30pm Sydney time), on Monday, 19 January 2012.**

Under listing rule 18.7A, a copy of this query and your response **will** be released to the market, so your response should be in a suitable form and separately address each of the questions asked. If you have any queries or concerns, please contact me immediately.

### **Listing rule 3.1**

Listing rule 3.1 requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in listing rule 3.1A.

In responding to this letter you should consult listing rule 3.1 and Guidance Note 8 – Continuous Disclosure: listing rule 3.1.

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

### **Trading halt**

If you are unable to respond by the time requested, or if the answer to question 1 is yes and an announcement cannot be made immediately, you should consider a request for a trading halt in the Company's securities. As set out in listing rule 17.1 and Guidance Note 16 – Trading Halts we may grant a trading halt at your request. We may require the request to be in writing. We are not required to act on your request. You must tell us each of the following.

- The reasons for the trading halt.
- How long you want the trading halt to last.
- The event you expect to happen that will end the trading halt.
- That you are not aware of any reason why the trading halt should not be granted.
- Any other information necessary to inform the market about the trading halt, or that we ask for.

The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. If a trading halt is requested and granted and you are still unable to reply to this letter before the commencement of trading, suspension from quotation would normally be imposed by us from the commencement of trading if not previously requested by you. The same applies if you have requested a trading halt because you are unable to release information to the market, and are still unable to do so before the commencement of trading.

If you have any queries regarding any of the above, please let me know.

Yours sincerely

*[Sent electronically without signature]*

Melissa Grundy  
**Manager, Listings (Brisbane)**