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Copies of this document are being sent to Shareholders. If you have sold or otherwise transferred all of your ordinary shares in Empyrean Energy PLC please forward this document and the accompanying form of proxy on at once to the purchaser or transferee or to the stockbroker or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee. If you have sold or transferred part only of your holding in ordinary shares in Empyrean Energy PLC you should retain this document and consult the stockbroker, bank or other agent through whom the sale or transfer was effected.

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(Empyrean Energy PLC, incorporated and registered in England with registered number 5387837)

NOTICE OF GENERAL MEETING

Notice of a General Meeting of the Company to be held at The Royal Institution of Great Britain, 21 Albemarle Street, London W1S 4BS on 27 July 2015 at 10.00 a.m. is set out at Part II of this document. A form of proxy is enclosed with this document for use at the Meeting. Forms of proxy should be completed and returned to Capita Asset Services, PXS1, 34 Beckenham Road, Beckenham, BR3 4ZF as soon as possible and in any event so as to be received not later than 48 hours before the time fixed for the Meeting.

PART I - LETTER FROM THE CHAIRMAN



(Incorporated and registered in England with registered number 5387837)

Directors:

Dr. Patrick Cross (*Non-Executive Chairman*)

Thomas Kelly (*Chief Executive Officer*)

Frank Brophy (*Technical Director*)

John Laycock (*Finance Director*)

Company Secretary: Amanda Wilton-Heald

Registered Office: 200 Strand, London WC2R 1DJ

10 July 2015

To the Shareholders and, for information only, to the Option Holders

Dear Shareholder,

Notice of General Meeting

I am writing to you to explain the Resolutions to be proposed at a General Meeting (the “**Meeting**”) of Empyrean Energy plc (“**Empyrean**” or the “**Company**”) to be held at The Royal Institution of Great Britain, 21 Albemarle Street, London W1S 4BS at 10.00 a.m. on 27 July 2015 and which are set out in the Notice of General Meeting at Part II of this document. After conclusion of the formal business of the Meeting there will be time for a presentation and questions from shareholders.

Background

On 1 April 2015, Empyrean announced that it had reached an agreement with Macquarie Bank Limited (“**Macquarie**”) for additional debt funding under Tranche B of its facility (the “**Facility**”). The further proceeds from the Facility are to be used to finance the Company’s continued participation in the continued development of its flagship Sugarloaf AMI Project in onshore Texas (“**Sugarloaf**”).

Empyrean has a 3 per cent. working interest in Sugarloaf, which is operated by Marathon Oil Company, a subsidiary of US major Marathon Oil Corporation.

Macquarie agreed to make a further US\$11 million available to the Company under the Facility and the total amount currently outstanding on the Facility is US\$20.67 million.

The interest rate payable on the Facility remained unchanged at 9 per cent. per annum plus LIBOR. The Company also restructured the amortisation and repayment profile of the Facility, such that loan repayments were reduced to US\$1 million per quarter commencing 31 March 2015 through to 30 June 2016, after which they will increase to US\$3 million, US\$4 million, US\$5 million and US\$6 million on 30 September 2016, 31 December 2016, 31 March 2017 and 30 June 2017 respectively.

In order to secure the financing described above, the Company conditionally agreed to grant a further tranche of options to Macquarie to subscribe for 15,000,000 ordinary shares of 0.2p each in the Company (the “**Options**”) with an exercise price of 10 pence per share and with an expiry date of four years from the date of grant of the

Options. As the Company does not currently have sufficient authority to enable the grant of the Options, it agreed that Shareholder approval would be sought for the grant of the Options at a general meeting of Shareholders to be held on or before 27 July 2015. In the event that such Shareholder approval is not obtained, under the terms of the Facility, the Company will be required to pay to Macquarie an amount in cash or other consideration acceptable to Macquarie having a value equivalent to the Options which have not been granted.

In addition to the above, the Company agreed that the expiry date attaching to all existing tranches of options granted to Macquarie will be amended as follows:

<i>Options</i>	<i>Exercise Price</i>	<i>Old expiry</i>	<i>New expiry</i>
15,000,000	£0.08	19 July 2016	19 July 2017
15,000,000	£0.10	19 July 2016	19 July 2017
15,000,000	£0.12	25 March 2017	25 March 2018

Resolutions to be proposed at the General Meeting

Resolution 1 – Authority to issue ordinary shares – Macquarie Bank Financing Options

Resolution 1 is an Ordinary Resolution authorising the Directors to allot shares and/or grant options up to a nominal amount of £30,000 in relation to the proposed grant of the Options. The authority is necessary as part of the re-financing of the Company's Facility with Macquarie under which the Company has conditionally agreed to grant options to Macquarie to subscribe for 15,000,000 ordinary shares of 0.2p each in the Company with an exercise price of 10p per share and exercisable at any time for four years from the date of grant of the Options.

Resolution 2 – Dis-application of pre-emption rights – Macquarie Bank Financing Options

Resolution 2 is a Special Resolution authorising the Directors to issue shares for cash on a non pre-emptive basis pursuant to the authority conferred by Resolution 1 above up to a nominal amount of £30,000 in relation to any exercise of the proposed Options. This will allow the Board to allot shares without recourse to the shareholders if Macquarie exercise any of the Options they may be granted if Resolution 1, above, is passed.

Action to be taken

A form of proxy for use at the Meeting is enclosed. If you would like to vote on the Resolutions but cannot come to the Meeting please complete and sign the form of proxy and return it to the Registrars so as to arrive no later than 10.00 a.m. on 25 July 2015. The return of the form of proxy will not, however, prevent you from attending the Meeting and voting, in person, should you wish to do so.

Recommendation

The Board considers that each of the Resolutions is in the best interests of the Company and its shareholders as a whole. Your Board will be voting in favour of each Resolution and they unanimously recommend that you should vote in favour of each of them as well.

Yours faithfully



DR. PATRICK CROSS
CHAIRMAN

PART II - NOTICE OF GENERAL MEETING



(Incorporated and registered in England with registered number 5387837)

Notice is hereby given that a General Meeting of the Company will be held at The Royal Institution of Great Britain, 21 Albemarle Street, London W1S 4BS on 27 July 2015 at 10.00 a.m. to consider, and, if thought fit, pass the following Resolutions of which Resolution 1 will be proposed as an Ordinary Resolution and Resolution 2 will be proposed as a Special Resolution.

Terms used in this notice shall have the same meanings as defined in the circular to shareholders of the Company dated 10 July 2015, unless the context requires otherwise.

1. As an Ordinary Resolution

That the Directors be and are hereby generally and unconditionally authorised for the purposes of Section 551 of the Companies Act 2006 (the “Act”) to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for, or to convert any security into, shares in the Company (“Rights”) up to an aggregate nominal amount of £30,000 in relation to Options with an exercise price of 10 pence per share provided that such authority shall expire at the commencement of the Annual General Meeting held in 2015 after the passing of this resolution save that the Company may pursuant to the authority make an offer or agreement or other arrangement before the expiry of the authority which would or might require shares to be allotted or Rights to be granted after such expiry and the Directors shall be entitled to allot shares and grant Rights pursuant to such offers or agreements as if this authority had not expired; and all unexercised authorities previously granted to the Directors to allot shares and grant Rights be and are hereby revoked.

2. As a Special Resolution

That, subject to the passing of Resolution 1 set out above, the Directors be empowered, pursuant to Section 570 of the Act, to allot equity securities, within the meaning of Section 560 of that Act, for cash pursuant to the authority conferred by Resolution 1 above, as if Section 561 of that Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities up to an aggregate nominal amount of £30,000 in relation to the Options with an exercise price of 10 pence per share and such power shall expire upon the expiry of the authority conferred by Resolution 1 set out above, save that the Directors shall be entitled to make offers or agreements before the expiry of such power which would or might require equity securities to be allotted after such expiry and the Directors shall be entitled to allot equity securities pursuant to any such offers or agreements as if the power conferred hereby had not expired.

Registered Office
200 Strand
London
WC2R 1DJ

Amanda Wilton-Heald
Company Secretary
by order of the Board
10 July 2015

NOTES

- (1) A member entitled to attend, speak and vote is entitled to appoint a proxy to attend, speak and vote on his behalf. A proxy need not be a member of the Company.
- (2) Forms of proxy, together with any power of attorney or other authority under which it is executed or a notarially certified copy thereof, must be completed and, to be valid, must reach the Registrar of the Company at Capita Asset Services, PXS1, 34 Beckenham Road, Beckenham, BR3 4ZF not less than 48 hours before the time appointed for the holding of the meeting.
- (3) To appoint a proxy or to give or amend an instruction to a previously appointed proxy via the CREST system, the CREST message must be received by the issuer's agent RA10 by not less than 48 hours before the time appointed for the holding of the meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message. After this time any change of instructions to a proxy appointed through CREST should be communicated to the proxy by other means. CREST Personal Members or other CREST sponsored members, and those CREST Members who have appointed voting service provider(s) should contact their CREST sponsor or voting service provider(s) for assistance with appointing proxies via CREST. For further information on CREST procedures, limitations and system timings please refer to the CREST Manual. We may treat as invalid a proxy appointment sent by CREST in the circumstances set out in Regulation 35(5) (a) of the Uncertificated Securities Regulations 2001. In any case your proxy form must be received by the company's registrars no less than 48 hours before the time appointed for the holding of the meeting.
- (4) Shares held in uncertified form (i.e. in CREST) may be voted through the CREST Proxy Voting Service in accordance with the procedures set out in the CREST manual.
- (5) If the appointor is a corporation, the form of proxy must be under its common seal or under the hand of an officer or attorney duly authorised.
- (6) The appointment of a proxy does not preclude a member from attending and voting at the meeting.
- (7) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote of the other registered holder(s) and for this purpose seniority shall be determined by the order in which the names stand in the register of members.
- (8) Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 (SI 2001/3755). Reg. 41(1) and (2), only those shareholders on the Register of Shareholders at 6.00 p.m. on 25 July 2015 shall be entitled to attend and vote at the meeting in respect of the number of shares registered in their names at that time. If the meeting is adjourned by more than 48 hours, then to be so entitled, shareholder must be entered on the Company's Register of Shareholders at the time which is 48 hours before the time appointed for holding the adjourned meeting or, if the Company gives notice of the adjourned meeting, at the time specified in that notice.
- (9) You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, you should contact the Company's Registrar at the address given in Note 2 above and make necessary arrangements.
- (10) A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the Resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.
- (11) As at the close of business on 7 July 2015 (being the latest practicable date before the publication of this Notice), the Company's issued share capital comprised 221,833,853 ordinary shares of £0.002 each. Each ordinary share carries the right to one vote at a general meeting of the Company, and therefore the total number of voting rights in the Company as at the time and date given above is 221,833,853.

- (6) The appointment of a proxy does not preclude a member from attending and voting at the meeting.
- (7) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote of the other registered holder(s) and for this purpose seniority shall be determined by the order in which the names stand in the register of members.
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- (9) You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, you should contact the Company's Registrar at the address given in Note 2 above and make necessary arrangements.
- (10) A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the Resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.
- (11) As at the close of business on 7 July 2015 (being the latest practicable date before the publication of this Notice), the Company's issued share capital comprised 221,833,853 ordinary shares of £0.002 each. Each ordinary share carries the right to one vote at a general meeting of the Company, and therefore the total number of voting rights in the Company as at the time and date given above is 221,833,853.