

Regulatory Story

[Go to market news section](#)



Empyrean Energy PLC - EME Duyung PSC Update
Released 14:00 12-May-2017



RNS Number : 0310F
Empyrean Energy PLC
12 May 2017

Empyrean Energy PLC / Index: AIM / Epic: EME / Sector: Oil & Gas

12 May 2017

Empyrean Energy PLC ('Empyrean' or 'the Company')

Duyung PSC Update

- **Shareholders Agreement completed and signed and Initial Consideration of US\$2m remitted**
- **Empyrean now holds 10 per cent. Interest in Duyung PSC, Indonesia**
- **Extension agreed on payment of Further Consideration until 26 May 2017**

As previously announced on 4 April 2017, Empyrean has entered into a sale and purchase agreement for the acquisition (the "**Acquisition**") of up to a 20 per cent. interest in West Natuna Exploration Ltd ("**WNEL**") from Conrad Petroleum Pte Ltd ("**Conrad**"). Conrad is the registered and beneficial owner of WNEL, which holds a 100 per cent. participating interest in the highly prospective Duyung Production Sharing Contract ("Duyung PSC") in Indonesia. The Duyung PSC includes the 'Mako' shallow gas discovery with a Competent Persons Report verifying 2C and 3C resource of 430-650 Bcf recoverable gas. It is planned that the Mako South-1 well will be drilled in late Q2 / early Q3 to undertake flow test and establish reservoir quality.

Under the terms of the Acquisition, the Company agreed to pay Conrad an initial cash consideration of US\$2 million (the "**Initial Consideration**") to acquire an initial 10 per cent. interest in WNEL immediately upon signing of a shareholders' agreement (the "**Shareholder Agreement**") to be negotiated and agreed between the Company and Conrad before completion of the Acquisition and, conditional on completion, to pay a further US\$2 million (the "**Further Consideration**") in order to acquire an additional 10 per cent. interest in WNEL on or before 12 May 2017.

The Company is pleased to confirm that it has now finalised and executed the Shareholder Agreement with Conrad and has remitted the Initial Consideration to Conrad. Accordingly, Empyrean currently is entitled to a 10% interest in WNEL that will be delivered at completion.

In addition, Empyrean and Conrad have agreed an amendment to the terms of the Acquisition, which extends the long-stop date for payment of the Further Consideration to 26 May 2017. This will also be the completion date.

As previously stated, the Board proposes to use its reasonable endeavours to place those shares not taken up pursuant to the recently-closed Open Offer, amounting to 43,141,912 ordinary shares of 0.2p each ("**Ordinary Shares**"), at not less than the 3.5p per Ordinary Share, in order to raise up to the maximum proceeds under the Open Offer.

Shareholders should note that there is no guarantee that further funding will be available in order to allow the Company to satisfy the Further Consideration and acquire the additional 10 per cent. interest in WNEL.

Further announcements will be made in this regard in due course.

****ENDS****

Empyrean Energy plc

Tom Kelly

Tel: +61 8 9481 0389

Cenkos Securities plc

Neil McDonald

Tel: +44 (0) 131 220 9771

Beth McKiernan

Tel: +44 (0) 131 220 9778

Nick Tulloch

Tel: +44 (0) 131 220 9772

St Brides Partners Ltd

Elisabeth Cowell

Tel: +44 (0) 20 7236 1177

Lottie Brocklehurst

Tel: +44 (0) 20 7236 1177

This information is provided by RNS
The company news service from the London Stock Exchange

END

MSCBDGDUBUBBGRD

CLOSE

Sponsored Financial Content

dianomi

- **Telstra - right time to buy more? What telcos to buy now**
[Fat Prophets](#)
- **My top 5 investing predictions for 2017**
[Motley Fool](#)
- **No Doom Forecast by Nouriel Roubini, but Many Concerns About Trump**
[STOXX PULSE ONLINE](#)
- **How 1 Man Turned \$50,000 into \$5.3 Million**
[Investing Daily](#)

London Stock Exchange plc is not responsible for and does not check content on this Website. Website users are responsible for checking content. Any news item (including any prospectus) which is addressed solely to the persons and countries specified therein should not be relied upon other than by such persons and/or outside the specified countries. [Terms and conditions](#), including restrictions on use and distribution apply.

©2014 London Stock Exchange plc. All rights reserved