

## **EMPIRE ACQUIRES FIT FOR PURPOSE GAS PROCESSING FACILITY TO SUPPORT THE CARPENTARIA PROJECT**

- **Empire has acquired AGL Limited's Rosalind Park Gas Plant ("RPGP") for \$2.5 million in cash**
- **This significantly accelerates the path to Carpentaria Pilot Project ("Pilot Project") production and reduces capital expenditure required to commence gas sales**
- **RPGP has a design capacity of 42 TJ / day and supported AGL's Camden Gas Project until it ceased production in August 2023**
- **RPGP is a fit for purpose facility that has passed Empire's stringent technical due diligence process**
- **Empire estimates that the acquisition of the RPGP may result in >\$30 million in cost savings and reduce lead time by ~12 months compared to new build alternatives**
- **Empire is focused on reaching a final investment decision for the Pilot Project in the coming months**

### **Comments from Managing Director Alex Underwood:**

"This is a material development for Empire, its shareholders and all stakeholders involved in the development of the Beetaloo Sub-basin, and the substantial economic benefits and energy security that Empire's Beetaloo project can provide for all Australians.

The Rosalind Park Gas Plant has been very well managed by AGL during its time processing gas for supply into the Sydney market and meets the specifications Empire requires for processing its low CO<sub>2</sub> Beetaloo gas for supply into NT market and Australian East Coast markets from the EP187 Carpentaria Pilot Project, and in future larger scale development scenarios.

This comes at a critical time for energy security for the NT market, given that existing sources of supply continue to decline.

Success at the Carpentaria Pilot Project would achieve two critical goals for Empire and its shareholders: one, the generation of material cash flow to support our ongoing growth, and two, demonstration of the long-term deliverability of development wells in the Beetaloo Basin, all while reducing the emissions that would otherwise result from flaring test gas.

The Empire team continues its hard work progressing towards a final investment decision for the pilot project, and is targeting the field installation of the RPGP, drilling of development wells and connection of the project to the McArthur River Pipeline in next year's dry season, which would result in gas sales commencing in 2025."

## Acquisition of AGL Rosalind Park Gas Plant (RPGP)

Empire has acquired AGL Limited's (ASX: AGL) RPGP for \$2.5 million in cash, significantly accelerating the path to Pilot Project gas production.

The cash consideration was funded from Empire's existing cash at bank.

The RPGP previously supported the Camden Gas Project ("Camden") which had been producing natural gas from the Sydney basin since 2004. The Camden Gas Project was comprised of 144 coal seam gas wells. The RPGP was located in Menangle, New South Wales, where natural gas was collected via low pressure underground gathering lines, then dried, compressed, and transmitted into the Greater Sydney natural gas network. Decommissioning of Camden commenced in August 2023 and the site is now being progressively rehabilitated.

Prior to its closure, Empire identified the RPGP as a fit for purpose facility that met all Pilot Project specifications. RPGP passed Empire's stringent technical due diligence process.



*Empire Energy Managing Director inspecting the offline Rosalind Park Gas Plant with representatives of InGauge Energy and AGL*

As part of Camden decommissioning, AGL disassembled and preserved the RPGP, following which Empire transported the entire equipment suite to storage facilities in Roma, Queensland. These storage facilities are proximal to service providers where the RPGP will be refurbished in advance of transportation and reassembly at the Carpentaria Pilot Project in 2024 (subject to regulatory approvals and Carpentaria Pilot Project FID in the coming months).

The benefits to Empire of the acquisition of the RPGP include:

- **Cost Saving:** Empire estimates that acquisition of the RPGP may result in cost savings of more than \$30 million when compared with new build alternatives for midstream infrastructure alternatives;
- **Accelerated Timeline to First Gas:** Due to current global supply chain issues for gas compressors, procurement of either new or other used gas processing plant alternatives would add an additional ~12 months to the timeline to first gas. Empire is now well positioned to meet its timeline for 2025 first gas subject to regulatory approvals and FID;
- **RPGP has a long history of strong operational performance** and following refurbishment is expected to continue to operate for many years;
- **RPGP has a design capacity of 42 TJ / day**, providing throughput for additional gas volumes well in excess of Empire's target of 25 TJ / day for the Pilot Project;
- The acquisition package includes the physical assets as well as all historical maintenance / inspection records, engineering design documentation, operation / maintenance manuals and procedures. There is also a potential opportunity to redeploy AGL RPGP employees to the Carpentaria Pilot Project to ensure continuity of operations and retention of knowledge / expertise within Empire.

Empire continues to work with APA Group under its Initial Agreement which may result in the funding of the engineering and construction of midstream infrastructure assets, if further approvals are obtained and long form agreements are entered into.





*One of the compressor engines at the Rosalind Park Gas Plant*



*Rosalind Park Gas Plant, Menangle, New South Wales*

**This ASX release has been authorised by the Managing Director**

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