

Empire Petroleum Corporation

RESULTS for 4th QUARTER and
FULL YEAR 2025

 [empirepetroleumcorp.com](https://www.empirepetroleumcorp.com)

 NYSE American: EP



Forward Looking Statements

This presentation has been prepared by Empire Petroleum Corporation (the “Company”) to assist Investor in making its own evaluation of the Company and any proposed transaction between the Company and Investor. This presentation does not purport to be all-inclusive or contain all of the information needed to evaluate a transaction or an investment in the Company. In all cases, interested parties should conduct their own investigation and analysis of the Company, any of its prospects and the data set forth in this presentation. The Company makes no representation or warranty as to the accuracy or completeness of the information contained herein.

The information contained herein includes certain statements and estimates provided by the Company with respect to the projected future performance of the Company. Such statements, estimates, and projections reflect various assumptions by management of the Company concerning possible anticipated results, which assumptions may or may not be correct. No representations are made as to the accuracy of such statements, estimates, or projections.

All statements, other than statements of historical fact, contained in this report are forward-looking statements. Forward-looking statements generally are accompanied by words such as “anticipate,” “believe,” “estimate,” “expect,” “may,” “might,” “potential,” “project” or similar statements. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to be correct.

Factors that could cause actual results to differ materially from those discussed in such forward-looking statements include, but are not limited to: (i) unforeseen capital requirements, (ii) unforeseen or increased costs incurred in exploration and development, (iii) unforeseen engineering, mechanical or technological difficulties in drilling wells, (iv) uncertainty of exploration results, (v) operating hazards, (vi) competition from other natural resource companies, (vii) fluctuations of prices for oil and gas, (viii) the effects of governmental and environmental regulation, (ix) uncertainties associated with legal and regulatory matters, (x) successful completion of the Rights Offering, and (xi) general economic conditions, including inflation, tariffs and interest rates, and other risks described in reports the Company files with the SEC, including its Annual Report on Form 10-K.

Non-GAAP Reconciliation

Certain financial information included in Empire’s financial results are not measures of financial performance recognized by accounting principles generally accepted in the United States, or GAAP. These non-GAAP financial measures include “Adjusted Net Loss”, “EBITDA” and “Adjusted EBITDA”. These disclosures may not be viewed as a substitute for results determined in accordance with GAAP and are not necessarily comparable to non-GAAP performance measures which may be reported by other companies.

Adjusted Net Loss is presented because the timing and amount of these items cannot be reasonably estimated and affect the comparability of operating results from period to period, and current periods to prior periods.

The Company defines Adjusted EBITDA as net loss plus net interest expense, depreciation, depletion and amortization (“DD&A”), accretion, amortization of right of use assets, income tax provision (benefit), and other adjustments. Company management believes this presentation is relevant and useful because it helps investors understand the Company’s operating performance and makes it easier to compare its results with those of other companies that have different financing, capital and tax structures. Adjusted EBITDA should not be considered in isolation from or as a substitute for net income (loss), as an indication of operating performance or cash flows from operating activities or as a measure of liquidity. In addition, Adjusted EBITDA does not represent funds available for discretionary use.

See the Appendix to this presentation for reconciliations to the most comparable GAAP measure.



During Q4-2025, Empire advanced its multi-phase Texas gas development program, designed to unlock incremental production, enhance system reliability, and position the field for scalable long-term growth

- **The Company's three phase development program consists of the following steps:**
 - Reactivating multiple wells to restore baseline production and re-establish stable field deliverability, with operations currently active on 10 wells
 - Executing targeted recompletions and well-deepening operations to bring additional pay zones online across the Glen Rose, Rodessa, James Lime, Travis Peak, and the Haynesville-Bossier formations
 - Evaluating deeper gas potential, including a planned 17,000-21,000 foot cleanout and technical evaluation to determine the viability of deeper targets and to refine opportunities within both established and emerging zones in the consolidated Cotton Valley-Bossier and Western Haynesville intervals supported by existing seismic coverage
- **Initial wells from this program have now begun flowing during cleanup, marking the start of early production response across the area**
- **Empire currently has one active workover rig in the field, with ongoing progress across workovers, recompletions, and facility optimization efforts as the staged reactivation program advances**
- **The Company is executing a broad field program, including ongoing flowline construction and repair work, new location and pad development, and tie-in preparation activities to support sustained deliverability and system readiness for upcoming development phases**
- **Compression capacity at Empire's Texas Midstream plant doubled from its 2025 capacity of 1.5 million cubic feet per day ("MMcfd") to 3.0 MMcfd in Q1-2026 and is expected to increase over 600% to 9.5 MMcfd in Q2-2026, with preparation underway for an additional two bays of compression activity**
- **In Q2-2026, Empire plans to progress its Texas development program with a dedicated drilling rig to deepen wells from 3,500 to 7,000 feet in depth, increasing the Company's 2026 development plan to 12-30 new wells**



During Q4-2025, Empire continued to advance the conceptual and technical redesign of its hydrocarbon vaporization technology, with a focus on improving thermal efficiency, enhancing heat utilization, and strengthening long-term operating stability to support enhanced oil recovery (“EOR”) operations in the Starbuck Drilling Program (“Starbuck”)

- The Company experienced steam unit closures during Q4-2025 and Q1-2026 due to extreme cold weather, with the shut-ins cutting production by over 25%
- Empire is currently working on upgrades to the thermal insulation on its steam units, focusing on improved protection and performance within the combustion chamber and coil assemblies to enhance heat-transfer efficiency and injection-system reliability
- Through Q4-2025 and into early 2026, Empire continued well completion and artificial life optimization, including targeted upgrades to existing sucker-rod pumping systems across the Starbuck field and other Rockies region assets to improve operational performance and production consistency
- The Company also advanced technical evaluations to improve injected-water quality, including refining chemical treatment formulations to mitigate scale formation and related operational impacts;



Produced FY 2025 Net Oil Production of 1,437 Bbls /d

- Reported 2,242 barrels of oil equivalent per day (“Boe/d”)
- Boe/d is comprised ~64% oil, ~18% natural gas liquids (“NGLs”) and ~18% natural gas





In Q1-2026, Empire launched a subscription rights offering (“Rights Offering”) that was initially sized at \$6.0 million, which has since been expanded to raise gross proceeds of up to approximately \$10.0 million, due to increased shareholder interest

- As stated in previous filings, Energy Evolution Master Fund, Ltd., the Company’s largest shareholder, has indicated its intent to participate in the Rights Offering and fully subscribe to the shares of Common Stock corresponding to its subscription rights, as well as its intent to fully exercise its over-subscription rights to purchase its pro rata share of the underlying securities related to the Rights Offering that remain unsubscribed at the Expiration Date
- Phil E. Mulacek, Chairman of the Board of Empire, also has indicated his intent to participate
- The Rights Offering is expected to expire at 5:00p.m., Eastern Time, on March 18, 2026, subject to extension or earlier termination



In early 2026, Empire strengthened forward cash-flow visibility by locking in crude oil swap contracts by hedging roughly 90% of estimated oil production for the remaining three quarters of 2026 at a blended price in excess of \$72 per barrel verses roughly \$54 realized price barrel in Q4-2025



Financial Performance and Recent Developments

- **FY 2025 total product revenue of \$34.2MM and net loss of \$72.1MM**
 - Net loss primarily driven by lower average oil and NGLs realized pricing, lower than expected oil production primarily due to redrilling efforts in North Dakota, and impairment loss of \$51.3MM
- **Reported 2025 Adjusted EBITDA of (\$5.4)MM**
- **During Q1-2026, the Company entered into and settled the \$3.0 million convertible note held by Phil Mulacek, ahead of its May 2026 maturity, through the issuance of 1,003,344 shares of Empire common stock, further strengthening its capital structure**
 - Approximately \$5.0 million of Empire’s debt was removed and replaced by \$3.0 million of equity

1 Texas – East Texas Basin & Louisiana

- In 2026, Empire expects to scale its Texas gas development program by transitioning from early reactivation and recompletion work into broader field optimization and targeted production growth initiatives, which shifts the initial target of 10-12 wells in 2026 to a 12-30 well target by year-end 2026
- The Company is advancing well activity, key infrastructure and commercial improvements, which includes expansion of central and booster compression to support higher production volumes and improve pressure management, installation of a high-pressure sales point to increase takeaway capacity and reduce system constraints
- Advancement of engineering work for deep gas and liquids development has progressed beyond the concept phase and will move into well activity during the second quarter of 2026, including completion and testing across multiple lower formations and continued evaluation of potential horizontal pilot opportunities
- Additional recompletions and reactivation candidates are expected to be sequenced throughout the year, supported by ongoing subsurface evaluation and lessons learned from early-2026 results
- Empire plans to progress deep-gas assessment activities, including diagnostic work and preparatory steps required for potential deeper-zone testing later in the year
- In Louisiana, the Company is in final due diligence for a three-well participation opportunity that would expand Empire's economic footprint in developing oil and gas properties
- Collectively, these initiatives across Texas and Louisiana are expected to increase production optionality, enhance field reliability, and strengthen Empire's overall asset base while positioning the Company for sustained growth through 2026 and beyond

2

North Dakota – Williston Basin

- **Empire is evaluating enhanced water purification and filtration solutions for feedwater supplying steam units, aimed at improving water quality control, mitigating scaling risk, and extending equipment life**
 - A technical issue on one steam unit has temporarily reduced injection capacity, but mitigation steps, including unit diagnostics, component replacement, and installation of upgraded insulation, are in progress to support a timely return to normal operations
- **The Company is working on improvements and adaptations to surface facilities at central tank batteries, including upgrades to treaters and enhancements to oil and produced-water storage tank infrastructure, supporting safer operations, improved handling capacity, and overall facility reliability**
- **Looking ahead, Empire continues to evaluate opportunities to replicate and enhance its proprietary steam injection EOR model across additional assets, including the South of Starbuck, Wayne, and Landa oil fields, supporting longer-term development in North Dakota**



3

New Mexico – Permian Basin

- **On September 12, 2025, the Commission⁽¹⁾ issued the Order⁽²⁾ regarding Empire’s rights to the ROZ⁽³⁾ in the EMSU’s⁽⁴⁾ Unitized Interval. The Commission unanimously affirmed the existence of a ROZ in the Grayburg and San Adres formations within the EMSU and confirmed Empire’s exclusive rights to produce the ROZ under the 1984 Commission Order.**
 - On December 17, 2025, the Commission issued its “Amended Order Denying Goodnight’s⁽⁵⁾ Applications & Partially Granting/Partially Denying Empire’s Applications” (“Order R-24004-A”) reiterating and clarifying matters from its Order, but leaving implementation of the Order’s suspension to the discretion of the OCD⁽⁶⁾
 - On January 15, 2026, OCD issued a letter with “Implementation of OCC Orders 24004 and 24004-A” providing deadlines for Empire’s CO2 EOR pilot project and the suspension of Goodnight’s four SWD⁽⁷⁾ wells located within the EMSU boundaries
 - Both Empire and Goodnight have appealed the Order and Order R-24004-A
 - Empire plans to proceed with motions to revoke the existing permits granted to the remaining three SWD Companies disposing wastewater in the EMSU and Arrowhead Grayburg Unit Unitized Interval, while concurrently advancing litigation for trespass and damages
- **The Company expects final resolution of this matter to result in a meaningful reduction in operating expenses and contribute to improved financial performance in New Mexico going forward**



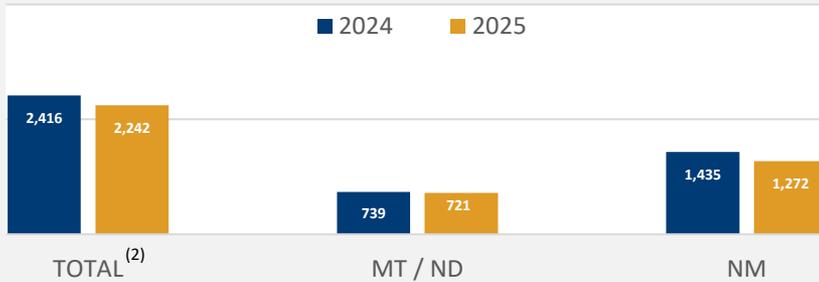
(1) New Mexico Conversation Commission (“Commission”)
(2) Order No. R-24004 (the “Order”)
(3) Residual Oil Zone (“ROZ”)

(4) Eunice Monument South Unit (“EMSU”)
(5) Goodnight Midnight Permian, LLC (“Goodnight”)
(6) Oil Conservation Division (“OCD”)

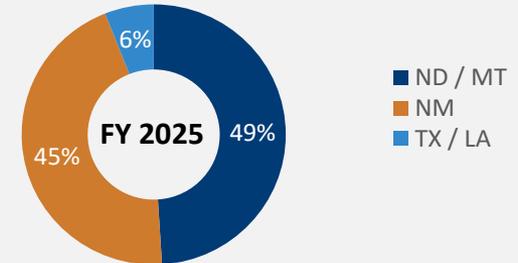
(7) Saltwater Disposal Well (“SWD”)

Operational and Financial Performance

EQUIVALENT PRODUCTION (BOE⁽¹⁾ /D)



OIL PRODUCTION BY REGION (BBL/D)



- Total Capital expenditures of ~\$4.6MM for 2025**
 - Primarily related to the continued drilling and completions activity related to the Starbuck Drilling Program in North Dakota
 - Empire also acquired the remaining interest of certain New Mexico interest with certain undeveloped properties in North Dakota subsequent to year end 2025
- As of 12/31/2025, Empire has ~\$1.2MM cash on hand and ~\$2.5MM available on its credit facility**
- Completed a subscription rights offering in August 2025, which raised ~\$2.5MM of gross proceeds, before transactions costs**
 - Launched a subscription rights offering in Q1-26 expanded to raise gross proceeds of up to ~\$10.0MM, expected to expire 3/18/26

OPERATING LOSS (\$MM)



NET LOSS (\$MM)



ADJUSTED EBITDA (\$MM)⁽³⁾



(1) BOE – Barrel of oil equivalent, determined using a ratio of 6Mcf of natural gas equal to one barrel of oil equivalent

(2) Total Includes: Montana, North Dakota, New Mexico, Texas and Louisiana

(3) Non-GAAP Adjusted EBITDA defined on the Disclaimer slide with further reconciliation details in appendix

Thank you

Phil Mulacek, Chairman of the Board

Mike Morrisett, President, CEO & Director

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Disclaimer: This presentation is for information purposes only and does not constitute an offer to sell or issue, or the solicitation of an offer to buy, acquire or subscribe for any shares in the Company in any jurisdiction.

Note: See website and corporate presentation for additional details, disclosures, and reconciliations.



APPENDIX

Statement of Operations (Condensed)

<i>(in thousands)</i>	1Q 2024	2Q 2024	3Q 2024	4Q 2024	1Q 2025	2Q 2025	3Q 2025	4Q 2025
Revenue:								
Oil Sales	\$9,442	\$12,287	\$10,341	\$9,445	\$8,049	\$8,005	\$8,790	\$6,804
Gas Sales	377	(116)	9	74	548	221	196	(67)
Natural Gas Liquids Sales	416	617	542	558	395	521	388	312
Total Product Revenues	10,235	12,788	10,892	10,077	8,992	8,747	9,374	7,049
Other	10	11	15	11	10	7	14	10
Gain (Loss) on Derivatives	(858)	(1)	470	-	-	-	-	-
Total Revenue	9,387	12,798	11,377	10,088	9,002	8,754	9,388	7,059
Costs and Expenses:								
Lease Operating Expense	7,387	7,543	6,734	5,881	5,766	6,387	5,735	7,335
Production and Ad Valorem Taxes	833	1,066	984	887	712	768	755	619
Depletion, Depreciation & Amortization	1,490	2,677	2,596	2,493	2,226	2,576	2,794	2,999
Impairment	-	-	-	-	-	-	-	51,289
Accretion of Asset Retirement Obligation	485	492	510	520	526	534	534	545
<i>General and Administrative</i>	<i>2,879</i>	<i>2,354</i>	<i>3,636</i>	<i>3,713</i>	<i>3,197</i>	<i>2,906</i>	<i>2,881</i>	<i>3,011</i>
<i>Stock based compensation</i>	<i>710</i>	<i>592</i>	<i>335</i>	<i>519</i>	<i>531</i>	<i>486</i>	<i>238</i>	<i>168</i>
Total General and Administrative	3,589	2,946	3,971	4,232	3,728	3,392	3,119	3,179
Total Cost and Expenses	13,784	14,724	14,794	14,013	12,958	13,657	12,937	65,966
Operating Loss	(4,397)	(1,926)	(3,418)	(3,925)	(3,956)	(4,903)	(3,549)	(58,907)
Other Income and (Expense):								
Interest Expense	(315)	(735)	(196)	(269)	(296)	(334)	(388)	(529)
Other Income (Expense)	738	(1,729)	(27)	1	31	181	93	483
Loss before Taxes	(3,974)	(4,390)	(3,641)	(4,193)	(4,221)	(5,056)	(3,844)	(58,953)
Income Tax Benefit (Provision)	-	-	-	-	-	-	-	-
Net Loss	(\$3,974)	(\$4,390)	(\$3,641)	(\$4,193)	(\$4,221)	(\$5,056)	(\$3,844)	(\$58,953)

Operating Data (Condensed)

	1Q 2024	2Q 2024	3Q 2024	4Q 2024	1Q 2025	2Q 2025	3Q 2025	4Q 2025
Net Sales Volumes:								
Oil (Bbl)	130,760	160,283	144,674	145,442	119,635	135,854	144,098	125,059
Natural Gas (Mcf)	211,820	241,242	255,195	208,698	199,868	237,133	207,677	215,921
Natural Gas Liquids (Bbl)	34,785	39,612	39,137	36,556	31,453	39,091	41,938	37,743
Total Equivalent (Boe)	200,848	240,103	226,344	216,781	184,400	214,467	220,648	198,788
Average daily equivalent sales (Boe/d)	2,207	2,638	2,460	2,356	2,049	2,357	2,398	2,161
Average Price per Unit								
Oil (\$/Bbl)	\$72.21	\$76.66	\$71.48	\$64.94	\$67.28	\$58.92	\$61.00	\$54.41
Natural Gas (\$/Mcf)	\$1.78	(\$0.48)	\$0.04	\$0.35	\$2.74	\$0.93	\$0.94	(\$0.31)
Natural Gas Liquids (\$/Bbl)	\$11.97	\$15.58	\$13.85	\$15.26	\$12.56	\$13.33	\$9.25	\$8.27
Total Equivalent (\$/Boe)	\$50.96	\$53.26	\$48.12	\$46.48	\$48.76	\$40.78	\$42.48	\$35.46
Operating Costs and Expenses per Boe								
Lease operating expense	\$36.78	\$31.41	\$29.75	\$27.13	\$31.27	\$29.78	\$25.99	\$36.90
Production and ad valorem taxes	\$4.15	\$4.44	\$4.35	\$4.09	\$3.86	\$3.58	\$3.42	\$3.11
Depreciation, Depletion, Amortization	\$7.42	\$11.15	\$11.47	\$11.50	\$12.07	\$12.01	\$12.66	\$17.83
Accretion of Asset Retirement Obligation	\$2.42	\$2.05	\$2.25	\$2.40	\$2.85	\$2.49	\$2.42	\$2.74
General & administrative (including stock-based compensation)	\$17.87	\$12.27	\$17.54	\$19.52	\$20.22	\$15.82	\$14.14	\$16.00
General & administrative (excluding stock-based compensation)	\$14.33	\$9.80	\$16.06	\$17.13	\$17.34	\$13.55	\$13.06	\$15.15

Adjusted EBITDA Reconciliation ⁽¹⁾

<i>(in thousands)</i>	1Q 2024	2Q 2024	3Q 2024	4Q 2024	1Q 2025	2Q 2025	3Q 2025	4Q 2025
Net Loss	(\$3,974)	(\$4,390)	(\$3,641)	(\$4,193)	(\$4,221)	(\$5,056)	(\$3,844)	(\$58,953)
Add Back:								
Interest expense	315	735	196	269	296	334	388	529
Depreciation, Depletion & Amortization	1,490	2,677	2,596	2,493	2,226	2,576	2,794	2,999
Impairment	-	-	-	-	-	-	-	51,289
Accretion	485	492	510	520	526	534	534	545
Amortization of right-of-use assets	136	136	136	132	121	120	117	111
EBITDA	(1,548)	(350)	(203)	(779)	(1,052)	(1,492)	(11)	(\$3,480)
Adjustments:								
Stock-based compensation	710	592	335	519	531	486	238	168
Settlement on or purchases of derivative instruments	(11)	(253)	282	-	-	-	-	-
Loss (gain) on commodity derivatives	858	1	(471)	-	-	-	-	-
Loss (gain) on financial derivatives	(738)	1,736	-	-	-	-	(97)	(484)
Loss (gain) on sale of oil and natural gas properties	-	-	-	-	-	(175)	7	-
Loss (gain) on sale of other fixed assests	-	-	-	-	(32)	-	-	2
Adjusted EBITDA	(\$729)	\$1,726	(\$56)	(\$260)	(\$553)	(\$1,181)	\$137	(\$3,794)

(1) Non-GAAP Adjusted EBITDA defined on the Disclaimer slide



Environmental

- Good corporate citizenship is a key part of our cultural identity, which includes being positive stewards to the environment and the communities in which we operate.
- Our focus on minimizing our operational impact is multi-faceted, including seeking to reduce air emissions, prevent spills, and safeguard local water supplies, as well as utilizing advanced drilling, completion and operations technologies that minimize our environmental impact.
- Our ongoing programs are designed to not only reduce our operational impacts but also improve efficiency, lower costs and reduce risk. This further promotes the long-term sustainability of our business as we continue to enhance our relationships with the communities in which we operate.



Social

- Our success starts with our people who consistently operate with the principles of honesty, integrity, and accountability, and unceasingly align our interests with our partners.
- Our employees are committed to the prudent growth of our organization and adhere to the values expected by our stakeholders. In accordance, we place strong emphasis on attracting, hiring, and developing a talented and diverse workforce, and endeavor to support our employees through market-competitive compensation and benefit programs.
- We treat our employees with respect and recognize that a diverse workforce provides the best opportunity to obtain unique perspectives, experiences and ideas to help our business succeed. As such, we strive to maintain a work culture that treats employees fairly and with respect, promotes inclusivity, and provides equal opportunities for professional growth and advancement based on merit.



Governance

- Supported by the oversight and guidance of our executive management team, our Board of Directors is responsible for our strategy and governance.
- We leverage corporate governance practices that promote transparency and accountability as key tenants to our long-term success. We are committed to operating with sound corporate governance practices and hold ourselves accountable, including ensuring that all our business interactions are performed with honesty and integrity.
- We interact with all partners and parties with the highest legal and ethical standards. In support of our efforts, we have adopted fundamental governance policies applicable to our team members and others with whom we do business.