

P2530 Farmout to Serica Energy

Finder Energy Holdings Limited (ASX:FDR) (**Finder** or the **Company**) is pleased to announce the signing of a farmout agreement to assign a 40% interest in Seaward Production Licence P2530 (**P2530** or **Licence**) to Serica Energy (UK) Limited (**Serica**). Finder will retain a 20% interest in, and operatorship of, the Licence.

The transaction is conditional on the written direction of the North Sea Transition Authority (**NSTA**) extending the Licence term, the NSTA approving the transfer to Serica and other required consents and approvals. The NSTA has provided a letter to Finder stating that it will grant a 9 month extension to Phase B to 31 August 2026 and a 12 month extension to Phase C to 31 August 2028. Finder is working toward the satisfaction of the remaining conditions precedent and expects the transaction will complete before year end.

The consideration payable to Finder under the farmout agreement comprises:

- £500,000 (~A\$1 million) payable on completion;
- a carry of Finder's share of joint venture costs to the end of Phase B; and
- £936,000 (~A\$1.9 million) subject to the Licence transitioning to Phase C.

P2530 contains the Wagtail Discovery (19 MMbbl Gross 2C Contingent Resources¹) and the low-risk Marsh and Bancroft exploration prospects. Wagtail was discovered in 1986 and intersected an 11 metre net oil column in the Fulmar reservoir sandstones. Finder completed a high-end reprocessing of the seismic data, called the Big Bird 3D and integrated this with new geotechnical studies which showed the Wagtail Fulmar reservoir sands increasing in thickness and quality towards the east of the discovery well.

Additionally during Phase B, Finder completed a pre-feasibility study for the potential development of Wagtail via tieback to the Triton FPSO via the Pict field 20km to the south (see **Figure 1**). The Triton FPSO is operated by Dana Petroleum, Finder's current partner in P2530. Serica is also a partner in the Triton FPSO and the wider area, making them a natural partner for P2530 and the Wagtail Discovery.

The 9 month extension of Phase B will allow for additional development engineering feasibility studies to confirm integration of Wagtail with the Triton FPSO and its surrounding subsea infrastructure. These studies are required to support a decision to enter Phase C of the Licence and commit to drill an appraisal well on Wagtail or discontinue the Licence at the end of Phase B.

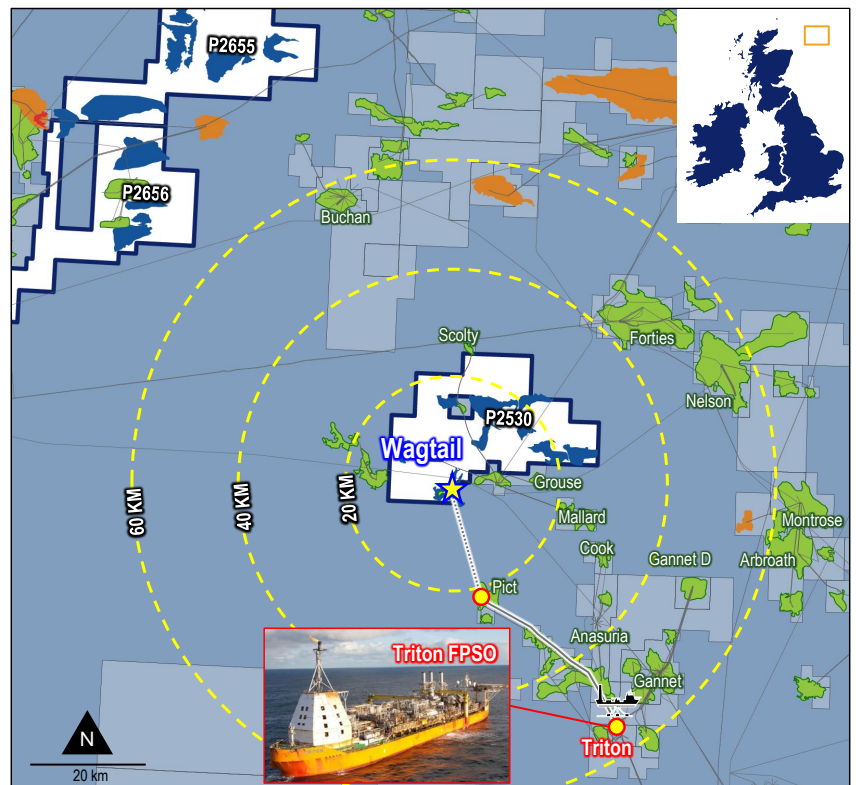


Figure 1: P2530 Licence and Wagtail Discovery showing tieback to Pict field and Triton FPSO.

¹ Refer to FDR ASX Announcement 27 June 2023 and Disclosures for further details on Petroleum Resource estimations.
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With Serica joining the P2530 joint venture, both owners of the Triton hub will now be partners in P2530 which will facilitate development in the event of a successful appraisal of Wagtail.

This ASX announcement has been authorised for release by the CEO of Finder.

For further information, please contact:

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Disclosures

Forward-looking statements

This report contains certain "forward-looking statements", which can generally be identified by the use of words such as "will", "may", "could", "likely", "ongoing", "anticipate", "estimate", "expect", "project", "intend", "plan", "believe", "target", "forecast", "goal", "objective", "aim", "seek" and other words and terms of similar meaning. Finder cannot guarantee that any forward-looking statement will be realised. Achievement of anticipated results is subject to risks, uncertainties and inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from past results and those anticipated, estimated or projected. You should bear this in mind as you consider forward-looking statements, and you are cautioned not to put undue reliance on any forward-looking statement.

Notes Regarding Petroleum Resources

Cautionary Statement

There are numerous uncertainties inherent in estimating reserves and resources and in projecting future production, development expenditures, operating expenses and cash flows. Oil and gas reserve engineering and resource assessment must be recognised as a subjective process of estimating subsurface accumulations of oil and gas that can't be measured in an exact way. Oil and gas Reserves and Resource estimates are expressions of judgment based on knowledge, experience and industry practice. Estimates that were valid when originally calculated may alter significantly when new information or techniques become available. Additionally, by their very nature, Reserve and Resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional production, drilling and analysis, the estimates are likely to change. This may result in alterations to development and production plans which may, in turn, adversely impact the Company's operations. Reserves estimates and estimates of future net revenues are, by nature, forward looking statements and subject to the same risks as other forward looking statements.

The estimates of petroleum resources contained in this report are current at time of release. Finder confirms that it is not aware of any new information or data that materially affects the petroleum resource estimates, and all material assumptions and technical parameters underpinning the resource estimations continue to apply and have not materially changed.

Contingent Resources

Contingent resources are estimated quantities of petroleum that are potentially recoverable but not yet considered mature enough for commercial development due to one more contingencies such as technological or business hurdles or where evaluation of the accumulation is insufficient to clearly assess commerciality. These estimates have a risk of development. For contingent resources to move into the reserves category, the key conditions, or contingencies, that prevented commercial development must be clarified and removed. Further appraisal and/or evaluation is required to mature the contingent resources and move it into the reserves category.

Competent person statement

The Reserves and Resources estimates in this release are based on, and fairly represent, information and supporting documentation prepared by, or under the supervision of a Qualified Petroleum Reserves and Resources Evaluator (QPRRE) employed by Finder. The QPRRE is Mr Aaron Bond who holds a B.Sc.(Hon) in Geology, and is a member of the American Association of Petroleum Geologists and the Society of Petroleum Engineers. Mr. Bond is the Exploration Manager for the Company and has worked in the petroleum industry as a practicing geologist for more than 23 years. Mr. Bond has consented to the inclusion in this report of matters based on his information in the form and context in which it appears.

Additional Notes;

Finder calculates reserves and resources according to the Society of Petroleum Engineers Petroleum Resource Management System (SPE-PRMS) definition of petroleum resources. Finder reports reserves and resources in line with ASX listing rules.

The estimates of petroleum resources contained in this report are current at time of release. Finder confirms that it is not aware of any new information or data that materially affects the petroleum resource estimates, and all material assumptions and technical parameters underpinning the resource estimations continue to apply and have not materially changed.

Unless otherwise stated Finder has completed its own estimation of petroleum resources its UK assets. Finder use probabilistic methods for its estimation of petroleum resources.

Conversion Factors - unless otherwise stated, all petroleum resource estimates are quoted at standard oilfield conditions of 14.696 psi (101.325 kPa) and 60 degrees Fahrenheit (15.56 deg Celsius). MMboe means millions of barrels of oil equivalent. Gas volumes are converted to oil equivalent volumes via a constant conversion factor, which for Finder is 6.0 mscf of dry gas per 1 bbl. Volumes of oil and condensate are converted from MMbbls (million stock tank barrels) to MMboe on a 1:1 ratio.

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