

CONDOR ENERGY TO ACQUIRE 100% INTEREST IN TEA 86, OFFSHORE PERU

Simplifies structure and positions Condor for licence conversion, strengthening the pathway for partnering, exploration and development

- Condor executes binding term sheet to acquire Jaguar's 20% interest in TEA 86, offshore Peru
- Condor to move to 100% ownership of TEA 86, consolidating control across the entire Tumbes Basin area
- Consideration via issue of performance shares, subject to shareholder and ASX approval
- Performance shares convert upon successful conversion of TEA 86 to a Licence Contract, ensuring alignment with project progression and regulatory approvals
- Streamlines equity structure and enhances flexibility for farm-in, exploration and development transactions
- Strengthens Condor's position across both the Piedra Redonda gas field and multi-billion-barrel oil prospect portfolio. Reinforces Condor's commitment to advancing the commercialisation and growth of its Peru assets

Condor Energy Limited (ASX: CND) ("Condor" or "the Company") is pleased to announce that it has executed a binding term sheet with Jaguar Exploration Inc. to acquire their 20% participating interest in Technical Evaluation Agreement (TEA 86) offshore Peru. Upon completion, Condor will hold a 100% interest in the TEA 86 area, subject to regulatory approvals.

Managing Director Serge Hayon Commented:

"This transaction is a key step in positioning Condor for the next phase of growth. Moving to 100% ownership simplifies our structure and provides full control as we progress licence conversion, partner engagement and our exploration and development work programmes. Importantly, the structure aligns vendor consideration with future value creation while maintaining flexibility across multiple pathways to advance the asset."

TRANSACTION OVERVIEW

Under the binding term sheet, Condor will acquire the remaining 20% interest in TEA 86 from Jaguar and other minority beneficial holders through the issue of 140,127,490 performance shares, subject to shareholder approval for the issue of the Performance Shares and ASX approval of the Performance Share terms.

Transfer of the 20% interest in TEA 86 from Jaguar and the other minority beneficial holders will take effect on and subject to Perupetro approval for the transfer and addenda to reflect Condor as 100% owner of TEA 86.

The consideration Performance Shares will convert into fully paid ordinary shares on a one for one basis upon the conversion of all or part of TEA 86 into a Licence Contract (LC) following Perupetro approval for the conversion. The agreement includes an outer longstop date of 30 June 2027.¹

The number of performance shares to be issued was determined through commercial negotiation, taking into account Condor's existing 80% interest, the prospective resource potential of TEA 86 and the current stage of technical and commercial maturity.

The consideration is structured to be contingent on the successful conversion of TEA 86 to a Licence Contract, aligning vendor outcomes with shareholder value creation. No cash consideration is payable, with value delivered only upon successful project progression.

STRATEGIC RATIONALE

The acquisition represents a deliberate and disciplined consolidation step, providing Condor with full control and flexibility over the future direction of the Peru portfolio as the Company advances discussions with potential farm-in and gas commercialisation partners.

Key benefits include:

- **Enhanced Strategic Control:** Condor will control the entire equity position across the highly prospective offshore Tumbes Basin, simplifying future farm-in negotiations and commercial structuring.
- **Strengthened Market Position:** The transaction consolidates Condor's interest in the multi-Tcf Piedra Redonda gas field and multi-billion-barrel oil prospect portfolio, reaffirming the Company's strong position in one of South America's most under-explored basins.
- **Optimised Partnering Pathway:** By pre-establishing a single ownership structure, Condor can streamline equity allocation to incoming partners under a future licence contract.
- **Alignment with Growth Strategy:** The arrangement supports Condor's broader strategic objectives of advancing key value catalysts across exploration, commercialisation, and growth opportunities.

¹ As announced on 23 July 2025, the Company has secured a 12-month extension from Perupetro for TEA 86, demonstrating strong regulatory support and alignment with Condor's long term vision.



NEXT STEPS

Following execution of the agreement:

- Applications have been submitted to Perupetro for approval of the assignment and execution of addenda to reflect Condor as 100% owner of TEA-86;
- Condor will prepare a Notice of Meeting to obtain shareholder approval for the issue of performance shares; and
- Subject to approvals, completion is expected to occur prior to the end of calendar year 2026.

As noted above, the Performance Shares to be issued on conversion will convert into ordinary shares on a one for one basis upon the conversion of all or part of TEA 86 into a LC following Perupetro approval for the conversion. Perupetro approval to convert all or part of TEA 86 into a Licence Contract will require Condor to satisfy the necessary technical and financial requirements for licence award, either independently or in conjunction with potential partners.

Authorised for release by the Board of Condor Energy Limited.

For further information please contact:

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Competent Persons Statement

The information in this report is based on information compiled or reviewed by Mr Serge Hayon, Managing Director of Condor Energy Limited. Mr Hayon is a Geoscientist and Reservoir Engineer with more than 25 years' experience in oil and gas exploration, field development planning, reserves and resources assessment, reservoir characterisation, commercial valuations and business development. Mr Hayon has a Bachelor of Science (Hons) degree in Geology and a Master of Engineering Science in Petroleum Engineering from Curtin University and is a member of the Society of Petroleum Engineers (SPE).



ABOUT THE TUMBES BASIN TEA

A Technical Evaluation Agreement (TEA) is an oil and gas contract that provides the holder with the exclusive right to negotiate a Licence Contract over the TEA area.

In August 2023 the Company, with its partner Jaguar Exploration, Inc. (Jaguar), entered into the 4,858km² TEA LXXXVI offshore Peru with Perupetro (Figure 1).

The TEA area covers almost all of the Peruvian offshore Tumbes Basin in shallow to moderate water depths of between 50m and 1,500m.

The under-explored block is surrounded by multiple historic and currently producing oil and gas fields, and contains the undeveloped shallow water Piedra Redonda gas field which contains ‘Best Estimate’ **Contingent Resources of 1 Tcf** (100% gross) of natural gas².

Exploration is a major focus, with NSAI performing an independent resource assessment confirming **multibillion barrel potential**, with a combined best estimate gross **unrisked 2U prospective resource of 3 billion barrels of oil**¹ (2.4 billion barrels net to Condor) across the Bonito, Raya, Salmon, Caballa and Tiburon prospect areas.

In addition, Condor has identified the Raya West prospect, increasing the Company’s total best estimate prospective resource base to over 3.3 billion barrels (gross).

Including the internally estimated Raya West Prospect, Condor’s total best estimate **unrisked 2U Prospective Resources now exceed 3.3 billion barrels**¹ (2.7 billion barrels net to Condor).

Condor is 80% holder of the TEA, with Jaguar and its nominees currently holding the remaining 20%. Condor has executed a binding term sheet to acquire Jaguar’s 20% interest in TEA 86.

¹Cautionary Statement: Prospective Resources are the estimated quantities of petroleum that may potentially be recovered by the application of a future development project related to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration, appraisal and evaluation are required to determine the existence of a significant quantity of potentially recoverable hydrocarbons. See company announcement dated 9 April 2025 and 16th January 2025. The Company confirms that it is not aware of any new information or data that materially affects the information included in this announcement and that all material assumptions and technical parameters underpinning the estimates continue to apply.



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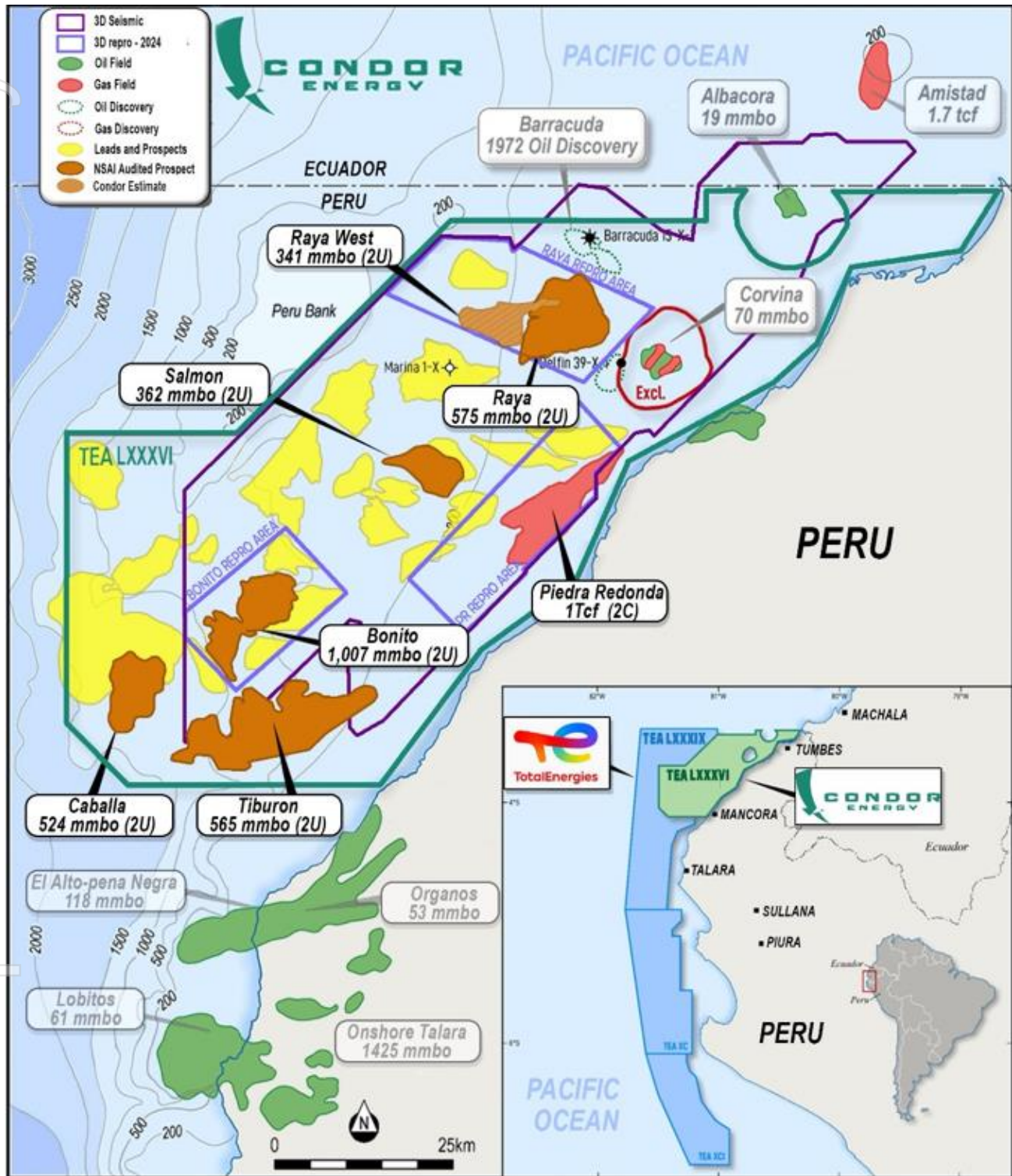


Figure 1: TEA LXXXVI, Leads & Prospects with Independent estimate of prospective resources across five prospects shown in orange, Raya, Salmon, Bonito, Caballa and Tiburon. Raya West estimate performed by Condor. Piedra Redonda gas discovery shown in red.