ASX Announcement | ASX:FDR
7 November 2024

UPDATE - KUDA TASI & JAHAL DEVELOPMENT PROJECT

This announcement provides an update on key workstreams and upcoming milestones. FDR is attacking the front end of the PSC 19-11 work program to maximise the potential to accelerate First Oil from the Kuda Tasi and Jahal Oil Development (the **Project**).

The Project represents significant value for FDR and progressing swiftly through the early project milestones is our highest priority. We are fortunate to benefit from the risk capital invested by previous owners to de-risk the Project through the exploration and appraisal phase, allowing us to move into development and quickly realise the value of these resources.

Already we are seeing early interest from several potential partners, either in the form of capital or vessels or other development solutions which have potential to greatly benefit the Project. We will look to capitalise on these opportunities to maximise value in parallel with execution of the Project workstreams which will provide clarity on our operational and capital requirements.

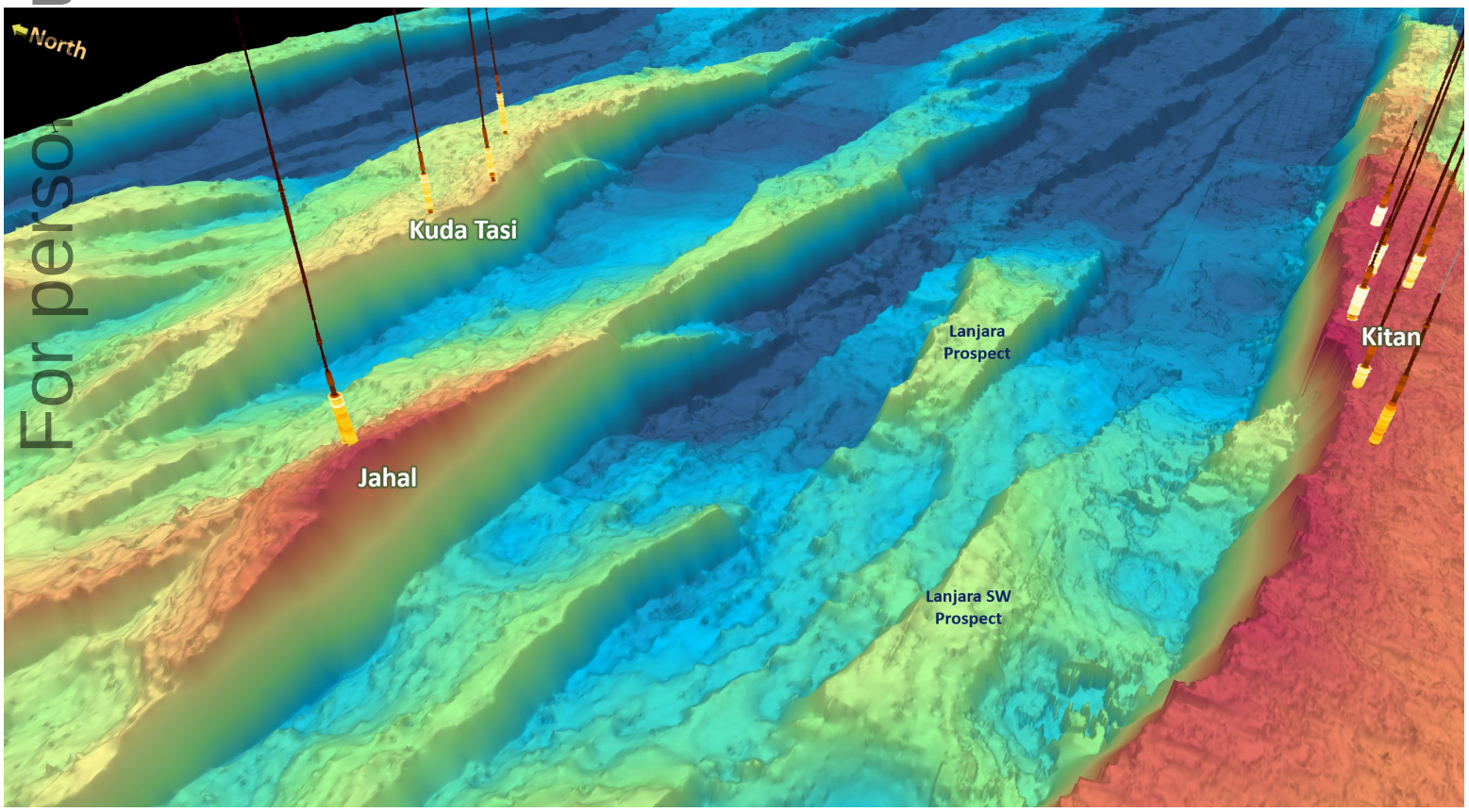

Figure 1 –3D visualisation of the top of the reservoir showing Kuda Tasi and Jahal oil fields and well penetration and the nearby low-risk Lanjara and Lanjara SW exploration prospects

Engineering

FDR is evaluating alternative development scenarios. Some scenarios offer advantages over others, among the key considerations are reduced Capex, accelerated First Oil, reduced Opex, risk and sources of funding. Our overriding concerns are expediency and cost.

Development scenarios for Kuda Tasi and Jahal are centred around an FPSO. An FPSO is a Floating Production Storage and Offloading vessel, essentially a converted oil tanker with production topsides connected via sub-sea flexible flowlines and umbilicals to a number of wells on the sea floor (as shown in the schematic in Figure 2). FPSO's can be readily purchased (increasing Capex and reducing Opex) or they can be leased (reducing Capex and increasing Opex).

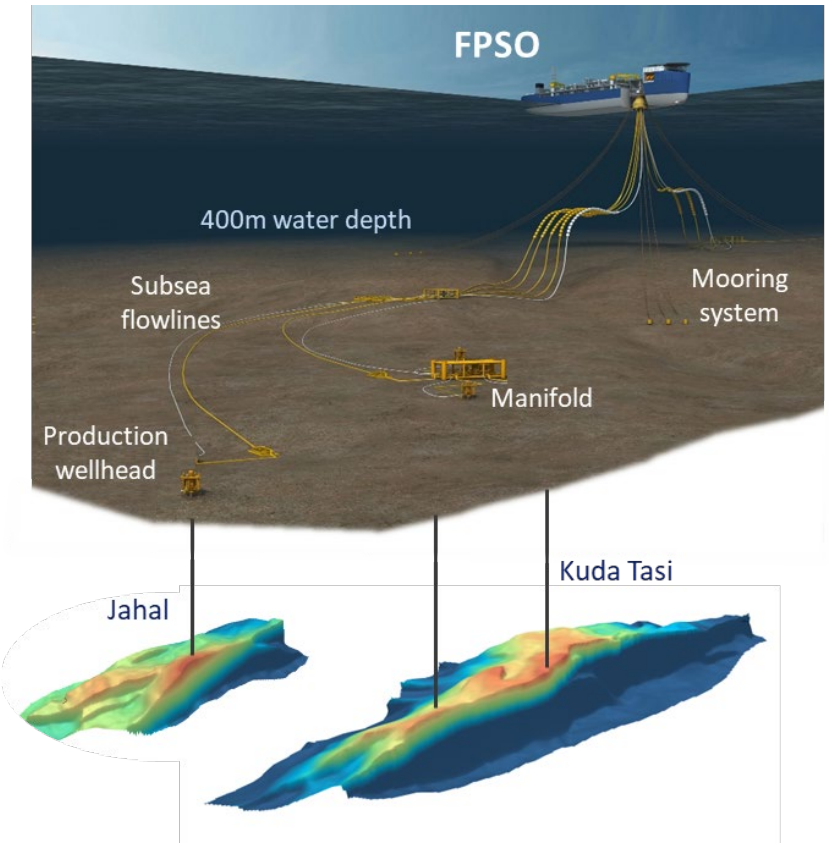

Figure 2 - Development scenario showing a FPSO and 3 development wells

Finder has undertaken a Global Target Asset Market Survey to identify available FPSO's and is evaluating the suitability of vessels identified and, where applicable, the costs of any modification and Class Society certification. Preliminary feasibility discussions are underway, which now include consideration of the potential for an Early Production System (**EPS**). The EPS concept is a low Capex (single well or phased) development based on rapid deployment to accelerate cash flow.

Finder attended the FPSO World Congress in Singapore which is the largest gathering dedicated to the FPSO community with around 400 delegates. FDR has also joined the Asia-Pacific Scout Group (**APSG**), London Asia-Pacific Scout Groups (**LAPS**) and the Australian Oil and Gas Scout Group (**AOGS**). These societies are well represented by developers in the Asia-Pacific region providing ideal opportunities for FDR to discuss the Project with ship owners and potential industry partners.

Reservoir Engineering

Dynamic modelling simulations are currently being carried out across a number of scenarios to take into account production topside requirements and FPSO capacities such as oil and water treatment. High flow tests on Kuda Tasi-2 demonstrate superior reservoir performance due to excellent Laminaria Formation reservoir parameters such as porosity (Figure 3) and permeability. The regionally connected aquifer provides high pressure support which leads to high recovery factors.

Initial production rates are expected to be in the range of 25,000-40,000 bopd, depending on well count, reservoir performance and FPSO facility constraints. Excellent production rates have been proven at the nearby Laminaria/Corallina, Kitan and Buffalo oil fields (all which produced from the same reservoir formation).

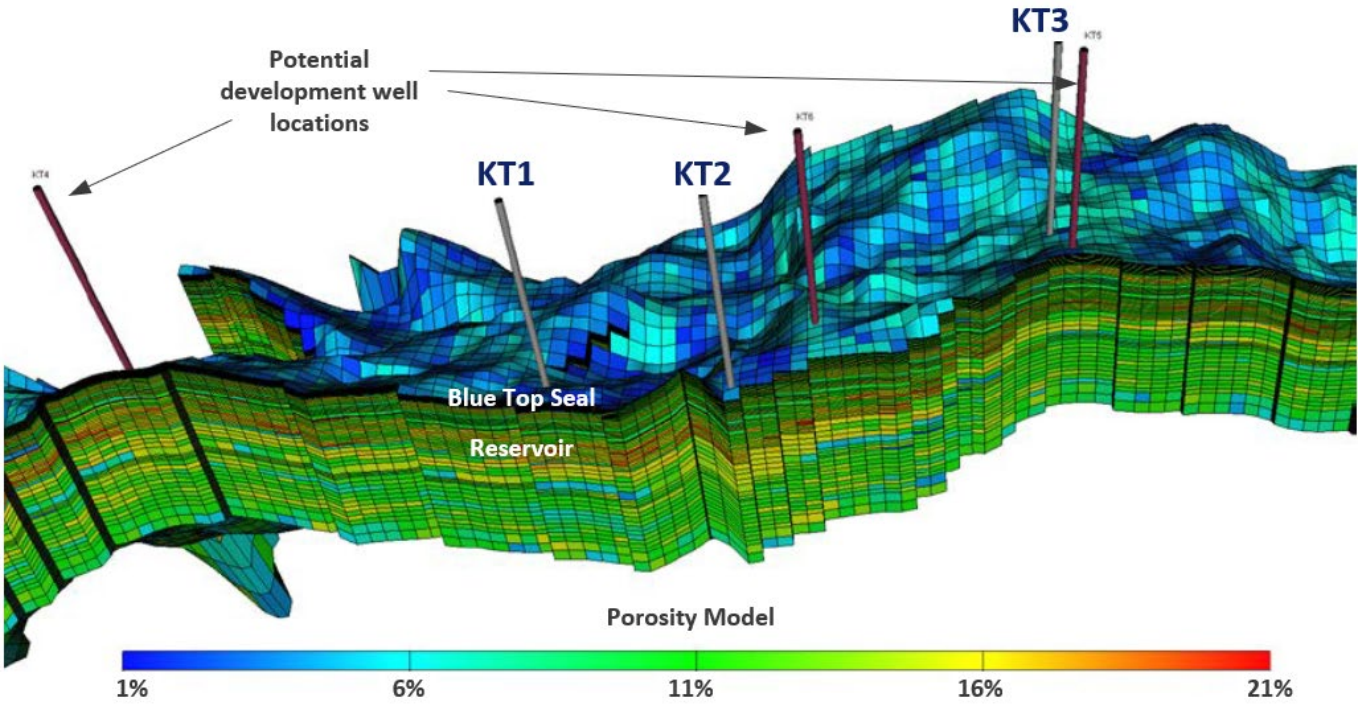

Figure 3 – Kuda Tasi subsurface porosity facies model used in the reservoir engineering dynamic modelling.

Subsurface

Finder commenced reprocessing of the Ikan 3D seismic data during mid-September and is 20% completed by the end of October. The reprocessing utilises high-end modern PSDM reprocessing technology, including broadband de-ghosting and full waveform inversion (**FWI**) to enhance subsurface imaging.

The main objectives of the project are:

1. Enhanced mapping of the Kuda Tasi and Jahal reservoirs and faulting to optimise placement of development wells to maximise production and recovery; and
2. To evaluate the updip appraisal potential of the Krill and Squilla discoveries and derisk exploration prospects, including tie-back opportunities around Kuda Tasi and Jahal.

FDR's industry-leading experience in reprocessing projects ensures that we will get the maximum uplift in sub-surface imaging and deliver this project on schedule and on budget. The processing project is expected to be completed by April 2025, with interpretation and updated dynamic modelling to follow.

Look Ahead

The Project is currently in the Concept Select Phase. This phase is critical to refining the development concepts, costs and economics leading into FEED and ultimately the Project Field Development Plan and FID. The work being done during the early part of this phase will also feed into the process to secure a development partner.

The Project is attracting interest from a diverse range of groups, not only industry partners but FPSO owners and other sources of development funding. De-risking the development is a critical step in realising the value of the Project.

The FDR team is excited about the potential to bring Kuda Tasi and Jahal into production quickly and the transformation of FDR into a producer with material production and cash flow.

A number of critical milestones will be reached over the next 12 months as we focus on fast-tracking the development, minimising costs and securing partners:

- Update dynamic modelling simulation and production forecasts Q4 2024
- Target Asset FPSO evaluations Q4 2024/Q1 2025
- Development partner ..... CY 2025
- Completion of reprocessing of Ikan 3D data Q2 2025
- New dynamic modelling simulation and production forecasts Q3 2025
- Interpretation and resource certification Q3 2025
- Project Basis of Design and Concept Select Phase project gate completion Q3 2025
- Commence FEED Q4 2025

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

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Definitions, Abbreviations and Disclaimers

Acronym	Definition
3D	Three dimensional seismic data
Bopd	Barrels of oil per day
Capex	Capital expenditure
Class Society	A classification society is a non-governmental organization that establishes and maintains technical standards for the construction and operation of ships and offshore structures
FDR or Finder	Finder Energy Holdings Limited
FEED	Front end engineering and design
FID	Final Investment Decision for development of a discovery
First Oil	Commencement of commercial production on a sustained basis
FPSO	Floating Production Storage and Offtake vessel
FWI	Full Waveform Inversion
K	Thousand
km	Kilometres
km²	Square kilometres
M	Million
Opex	Operating expenditure
PSDM	Pre-Stack Depth Migration

Forward-looking statements: This announcement 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.