

# Acquisition of interest in Sinphuhorm gas field

19 January 2023



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## Oil, natural gas and natural gas liquids information

The oil, natural gas and natural gas liquids information in this Presentation has been prepared in accordance with the Society of Petroleum Engineers, World Petroleum Congress, American Association of Petroleum Geologists and Society of Petroleum Evaluation Engineers Petroleum Resource Management System ("PRMS").

A. Shahbaz Sikandar of Jadestone Energy plc, Group Subsurface Manager with a Masters degree in Petroleum Engineering, and who is a member of the Society of Petroleum Engineers and has worked in the energy industry for more than 25 years, has read and approved the technical disclosure in this presentation.

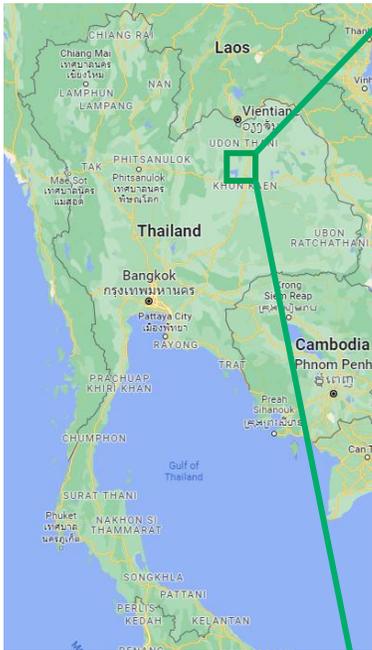
## Presentation

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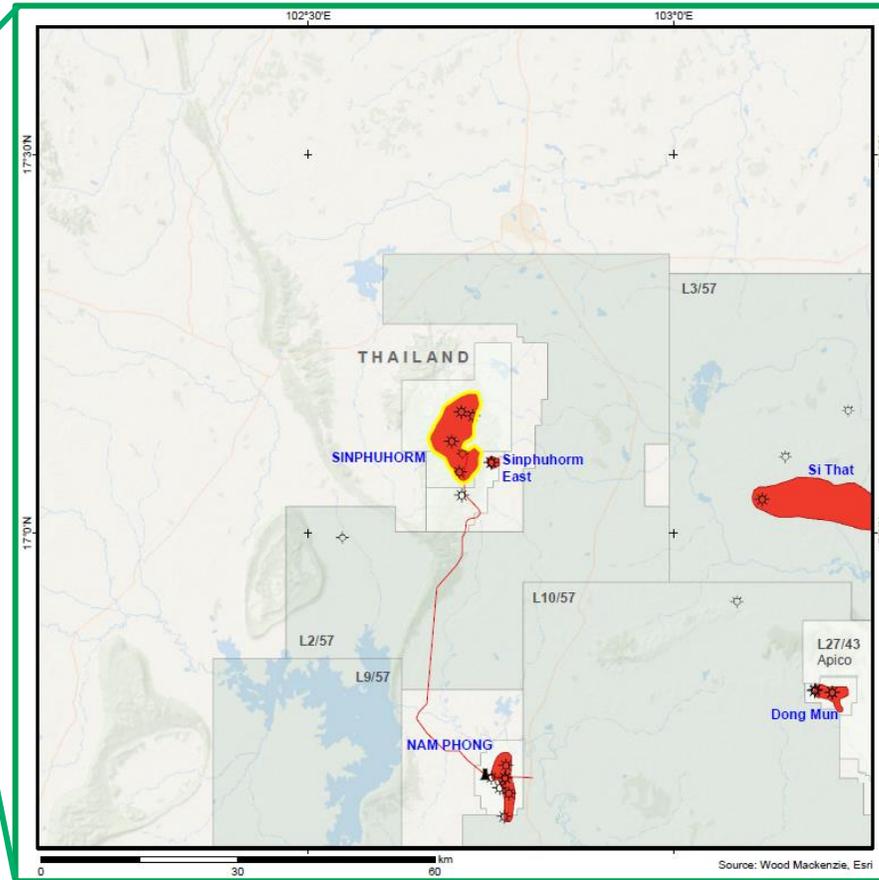
# Sinphuhorm acquisition summary and highlights

<b>Transaction overview</b>	<ul style="list-style-type: none"><li>● Acquiring a non-operated 9.52% interest in the Sinphuhorm gas field, onshore northeast Thailand</li><li>● First producing gas asset for Jadestone ahead of Akatara first gas and Vietnam commercialisation</li><li>● Scheduled to close in February 2023</li></ul>
<b>Acquiring 4.6 mmboe at US\$7.1/boe</b>	<ul style="list-style-type: none"><li>● US\$32.5 million consideration (1.1.2022 effective date), representing an acquisition cost of c.US\$7.1/boe</li><li>● Anticipated cash consideration on completion will be c.US\$26.4 million plus working capital</li></ul>
<b>Reliable asset diversifies existing production base</b>	<ul style="list-style-type: none"><li>● Highly predictable and reliable asset, close to 100% uptime in 2022, currently producing c.1,600boe/d net</li><li>● Sinphuhorm output is contracted under a long-term take-or-pay gas sales agreement (to 2031)</li><li>● Gas demand &gt; 90 mmcfd in recent years, underpinned by declining regional supplies/high import prices</li><li>● Booster compressor project currently underway to maintain long-term delivery</li></ul>
<b>Low opex and minimal abandonment</b>	<ul style="list-style-type: none"><li>● Operating costs are very low at c.US\$3/boe due to simple design of facilities and onshore location</li><li>● Minimal abandonment - net decommissioning costs estimated at US\$2 million</li></ul>
<b>Near-term upside potential</b>	<ul style="list-style-type: none"><li>● Further infill wells planned in 2023 and 2024, as well as potential development of Dong Mun</li><li>● Management believes further equity in Sinphuhorm could become available in the near-term</li><li>● Establishes Jadestone in Thailand at no incremental cost and positions it for M&amp;A opportunities</li></ul>
<b>Aligned with climate strategy</b>	<ul style="list-style-type: none"><li>● Scope 1 &amp; 2 emissions intensity of ~ 7.5 kg CO<sub>2</sub>e/boe, well below the global upstream average</li><li>● The operator has plans to explore the potential for a carbon, capture and storage project at the field</li></ul>

# Low cost, low emissions intensity and low decline production



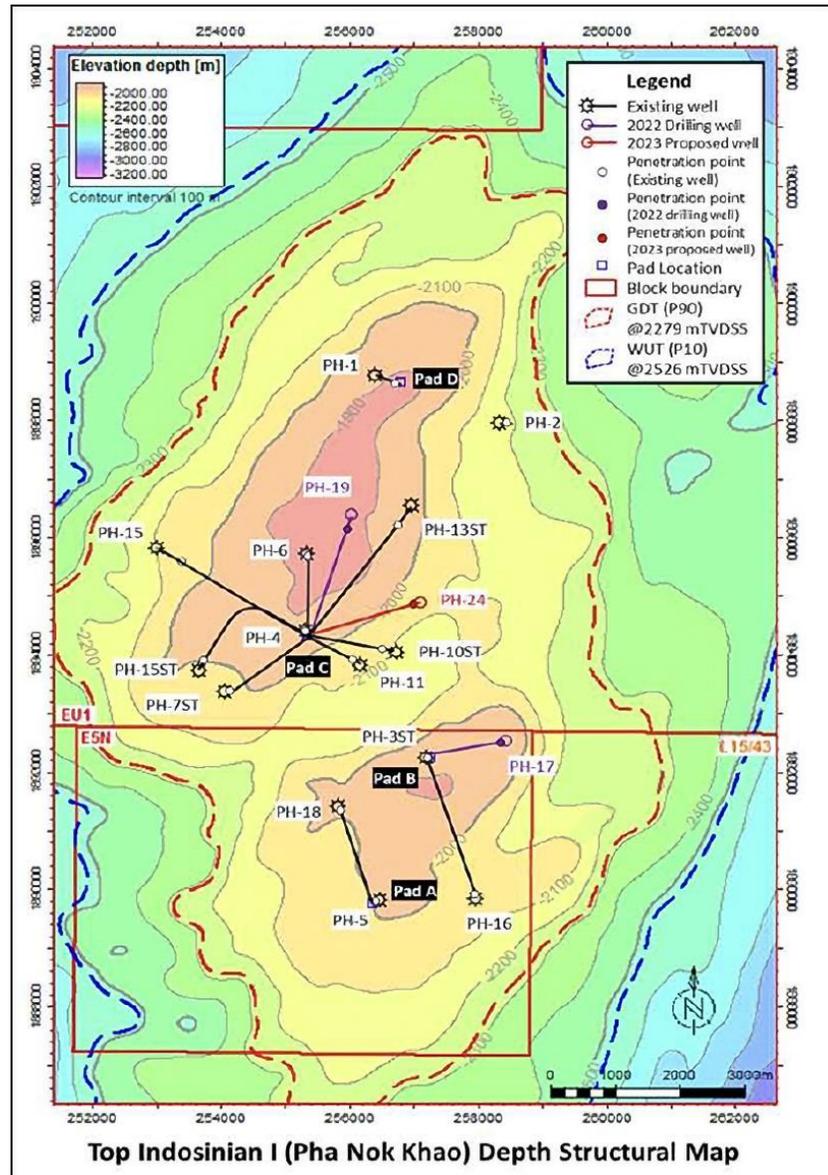
Source: Google Maps, Wood Mackenzie



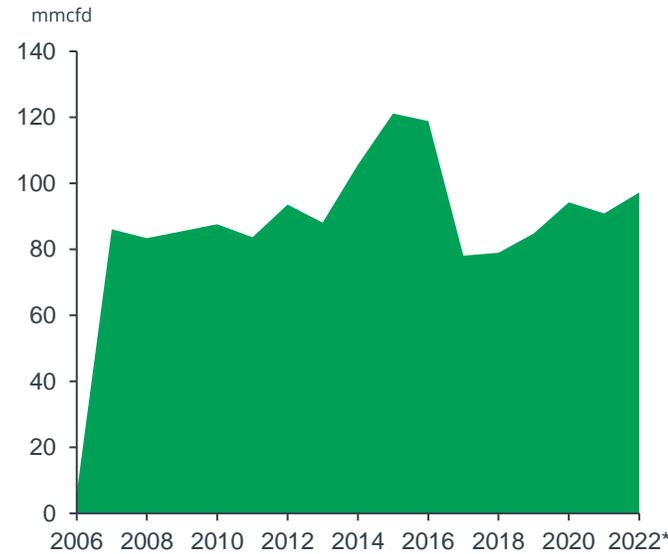
- Jadestone is acquiring a 27.2% shareholding in APICO LLC from Medco Energi, resulting in a:
  - 9.52% non-operated interest in Sinphuhorm
  - 27.2% non-operated interest in Dong Mun discovery
- Sinphuhorm is operated by PTTEP with an 80.5% interest, with Exxon owning the remaining 10% interest
- PTTEP has delivered 16 years of safe and reliable operations at Sinphuhorm
  - ~3,000 days without a lost time incident
  - PTTEP successfully delivered a license and GSA extension in 2019 and 2021 respectively
- Natural gas from Sinphuhorm plays a critical role in meeting the increasing demand for cleaner-burning fuels as Thailand transitions to a lower carbon future
  - The operations at Sinphuhorm have a Scope 1&2 GHG emissions intensity of ~ 7.5 kg CO<sub>2</sub>e/boe, well below the global upstream average
  - The operator of the Sinphuhorm has stated publicly<sup>1</sup> that it plans to explore the potential for a carbon, capture and storage project at the field, which could reduce absolute emissions and intensity even further

<sup>1</sup> <https://www.bangkokpost.com/business/2351281/pttep-allocates-300m-for-ccs-facility>

# Low risk subsurface setting leads to high predictability

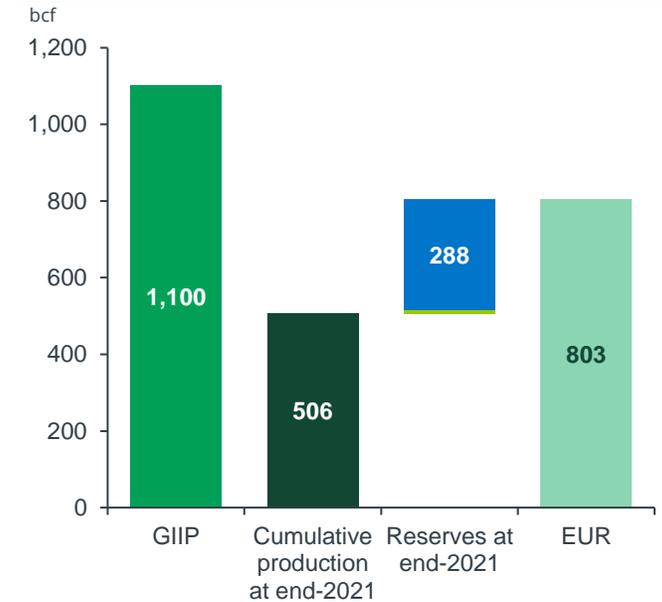


## Sinphuhorm historical production



\* For the eleven months ending November 2022

## Sinphuhorm reserves and resources



- Fully defined structure containing PNK (Pha Nok Khao) fractured carbonate reservoir
- Dry gas production with a condensate gas ratio of ~4 bbls/mmcf
- Ten active gas producers (out of eleven total producers) drilled from three surface development pads
- Two new infill wells successfully drilled in 2022: PH-17 & PH-19
- Development wells target fracture network delineated through seismic interpretation
- Good pressure communication observed across the field with further development potential in the north from a future development pad

# High uptime facility can fulfill robust demand for gas

## Sinphuhorm gas processing plant



## Sinphuhorm facilities

- Simple process with 140 mmcf/d capacity, condensate stabilisation
- Close to 100% uptime in 2022
- Eleven wells across three well pads
- Booster station expected online Q3 2024, potential to add 9 mmcf/d production
- 16" export pipeline to power plant, 64km in length with 270 mmcf/d capacity

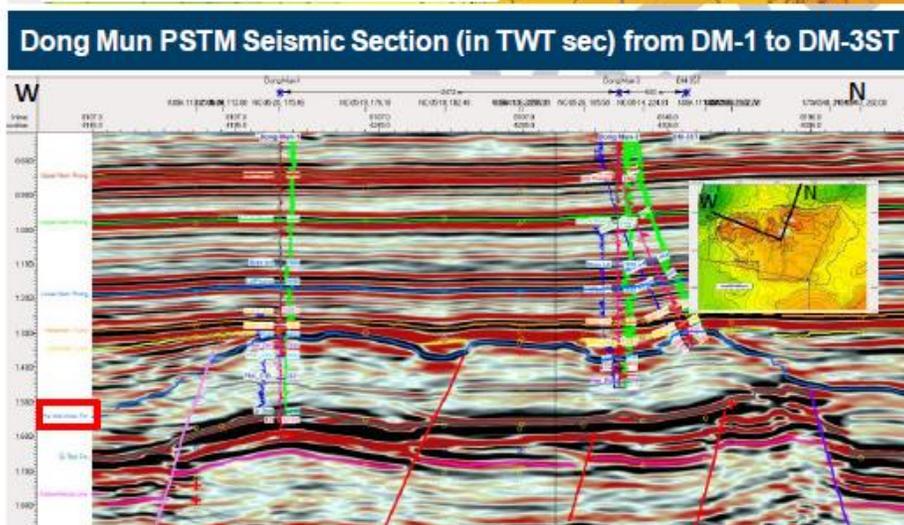
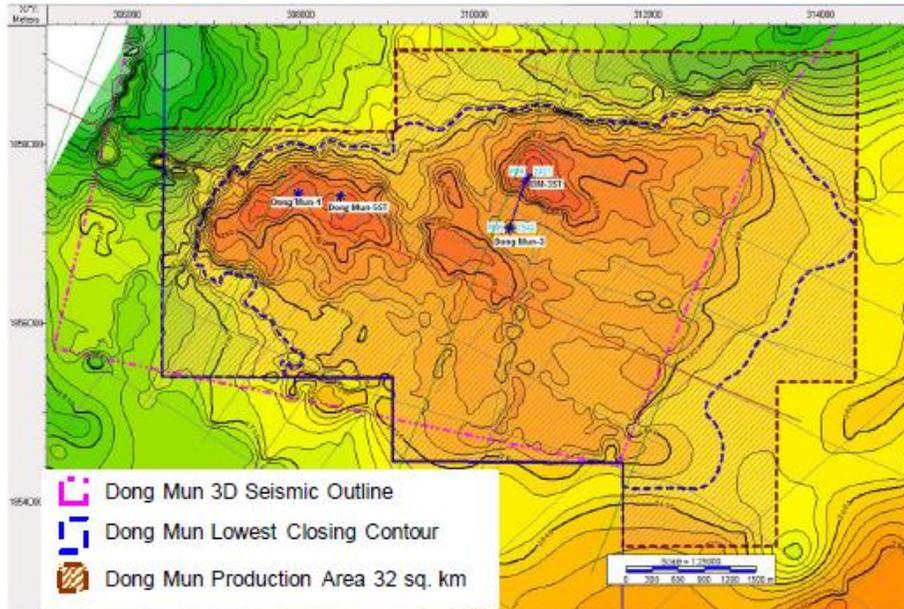
## Nam Phong power plant



## Sinphuhorm commercial structure

- Supplies Nam Phong, the largest power plant in northeast Thailand and the only one in the region which uses natural gas as fuel in electricity generation
- Long-term high take-or-pay offtake and HSFO fuel-linked pricing
- Strong domestic gas demand against a backdrop of declining regional supply and surging LNG price
  - Nominations in 2022 exceeded daily contract quantity by c.10%
- Condensate is sold to under a long-term condensate sales to PTT

# Dong Mun - upside development potential

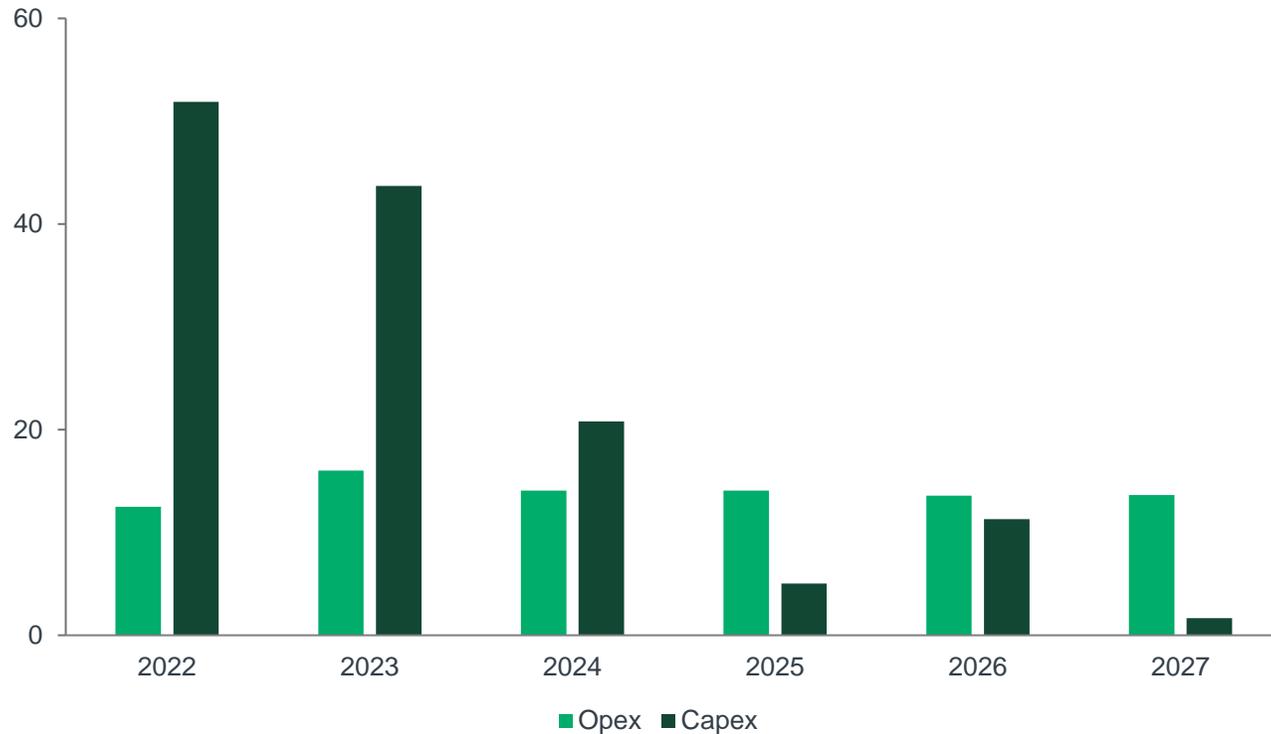


- Undeveloped gas discovery in L27/43 concession
  - 100% owned by APICO (effectively 27.2% owned by the Seller)
  - 80km southeast of Siphuhorm
  - Tested gas in PNK carbonate formation, same formation as Siphuhorm field
  - Up to 56 bcf (gross) 2C contingent resources (based on APICO estimates)
- APICO is studying development options to commercialise Dong Mun gas
  - Minimise upfront development costs
  - Fast track first production
  - Potential for compressed natural gas initially, followed by liquefied natural gas
- Jadestone assigned no value to Dong Mun in the consideration

# Low operating costs and minimal abandonment spend

## Capital and operating expenditures

US\$ million, gross



- Opex includes surface operations, repair & maintenance, logistics, well services and G&A
- Infill drilling capex includes two wells in 2022, one firm in 2023 and one provisional well in 2024
  - Drilling costs aligned with past wells
- Booster compressor capex included in the firm budget
  - EPCI contract awarded in February 2022
  - Planned onstream in Q3 2024
- Gross abandonment estimate of US\$21 million
  - US\$2 million net to the acquired interest

**Jadestone**  
Energy

