



Progress Update

March 2021

ASX:GAS



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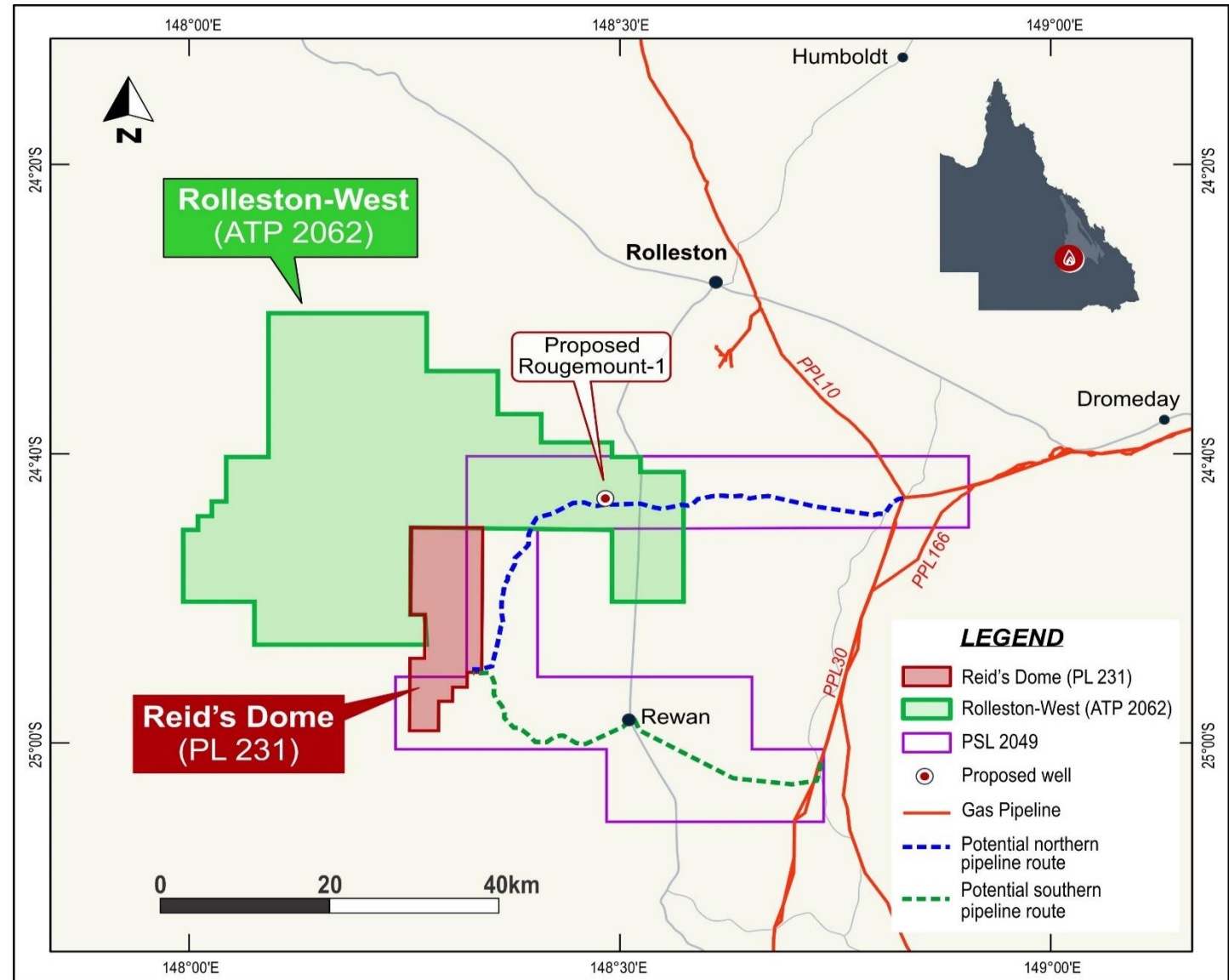
Project Areas

PL 231

- ✓ Nyanda-7 and 8 drilled in Dec. 2020 and together with Nyanda-4, on production test
- ✓ Preparations made for resumption of drilling after wet season

ATP 2062 (granted in Sep. 2020)

- ✓ Land access progressing
- ✓ Drilling targeted for post wet (mid-late Apr)
- ✓ Additional Rougemont well locations sited
- ✓ Increasing confidence from data traded with local coal explorers



Reid's Dome (PL 231) Phase 2 Objectives

Objective

- Confirm producibility at Nyanda north & south west
- Confirm successful well construction techniques
- Obtain indicative gas & water production metrics
 - Through pilot testing on several wells
- Confirm Nyanda area for early development
- Identify which seams are productive
 - Through a production log
- Confirm production potential of centre & north
 - Pilot testing well in north & central areas

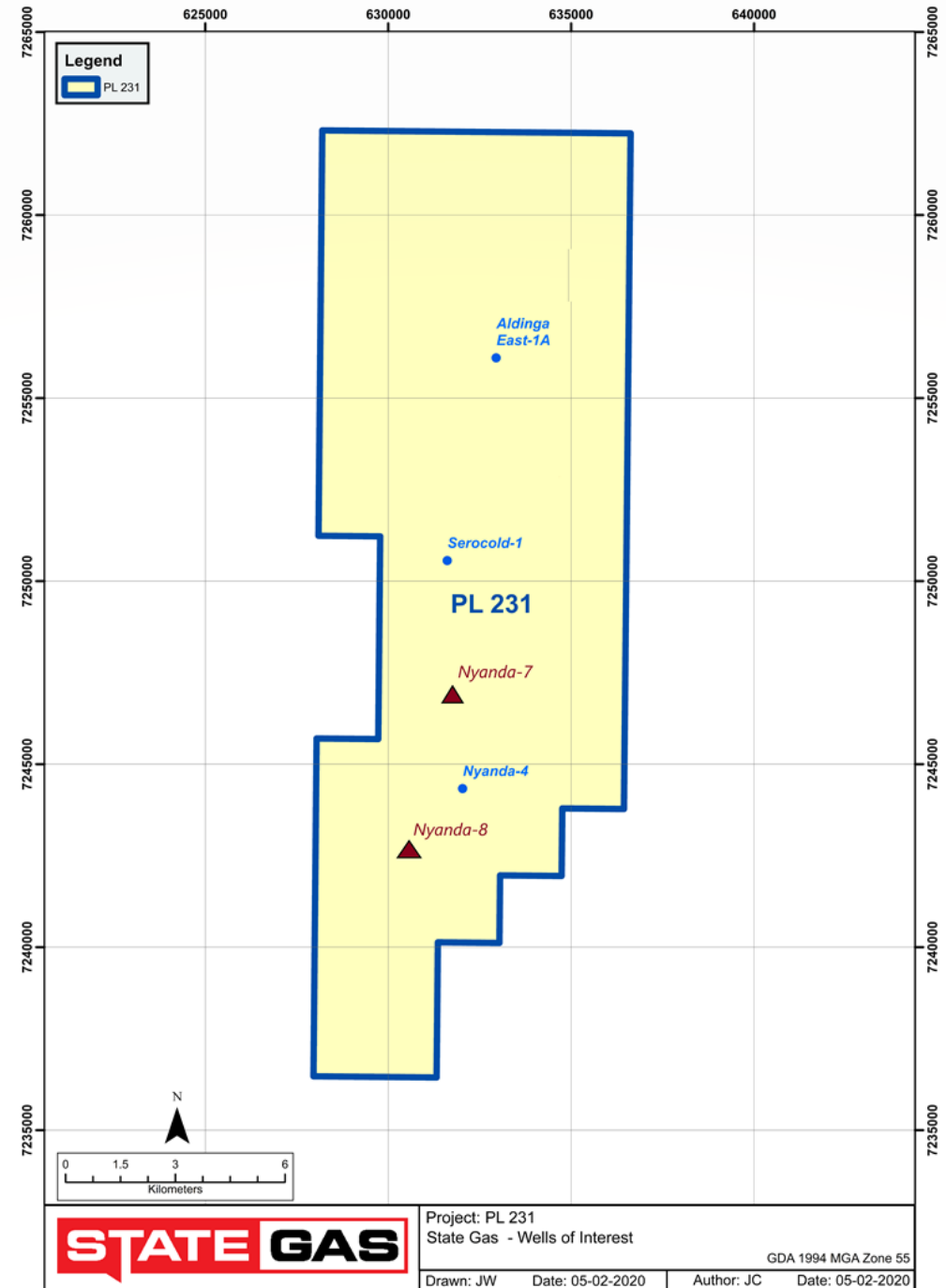
Achieved



In Progress

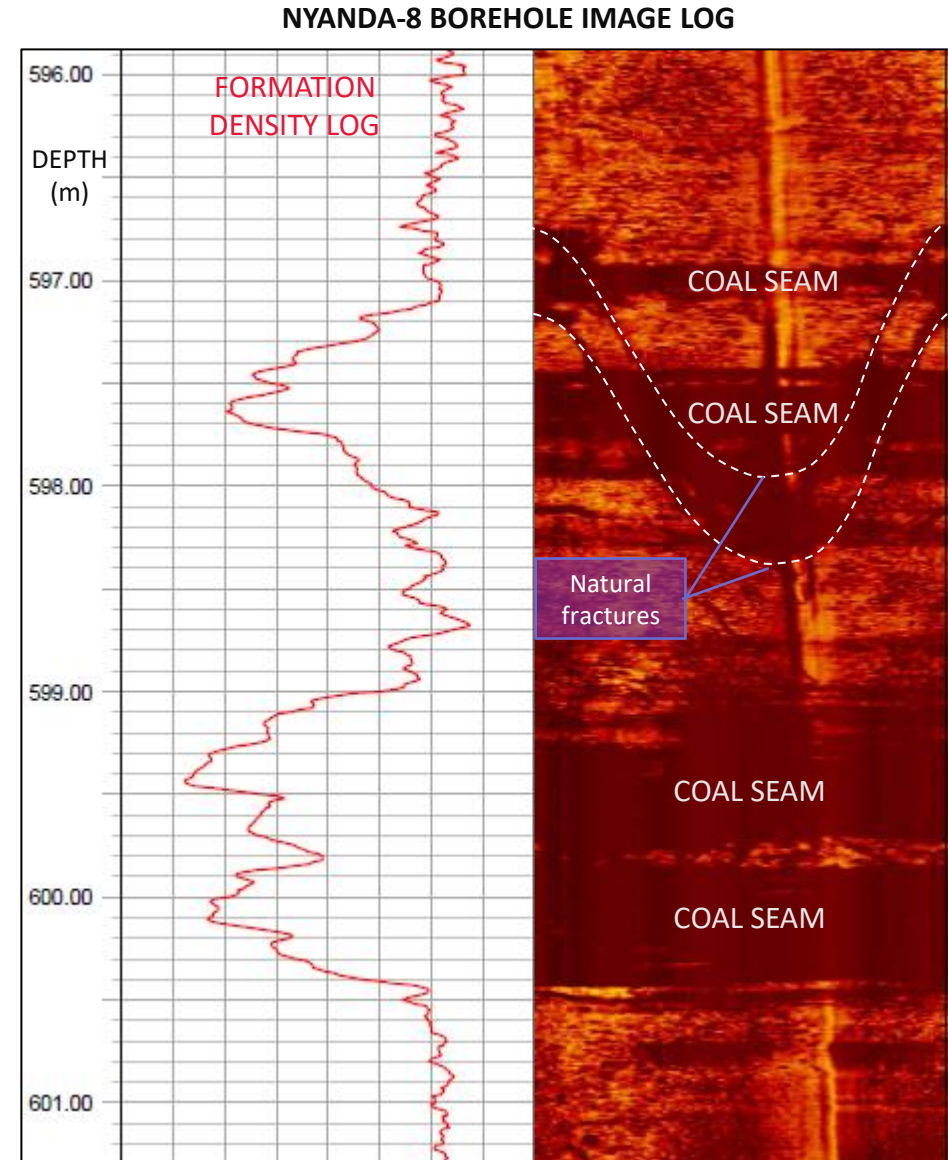


To Come



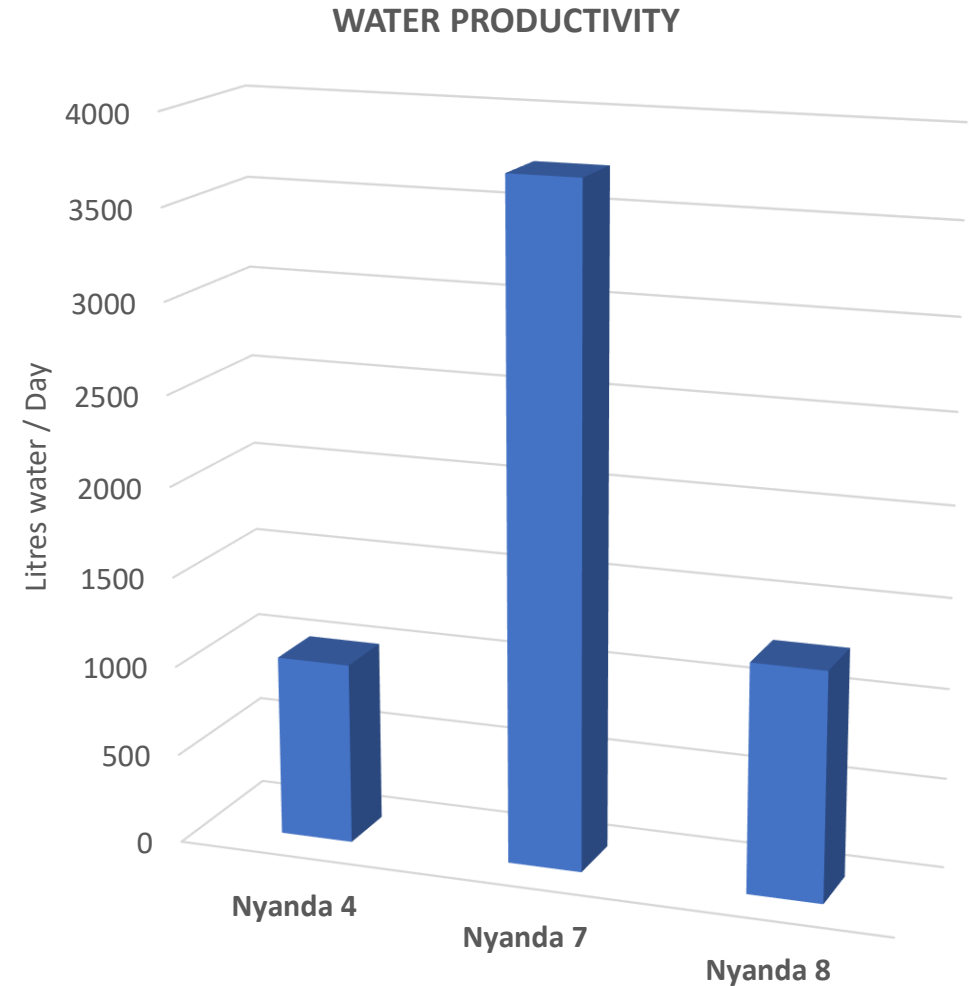
PL-231- What Have We Found ?

- New step out wells appear better than, or on par with Nyanda-4:
 - Nyanda-7: more coal and better permeability than Nyanda-4
 - Nyanda-8: coal appears similar to Nyanda-4
 - Image logs (not obtained for N4) show natural open fractures throughout the well bores, providing significant additional access to the gas-bearing reservoir
- Initial production testing results exceed expectations:
 - Nyanda-4 production similar to prior period
 - Nyanda-7 water productivity 3 times Nyanda-4 consistent with better permeability
 - Nyanda-8 water productivity equal to Nyanda-4



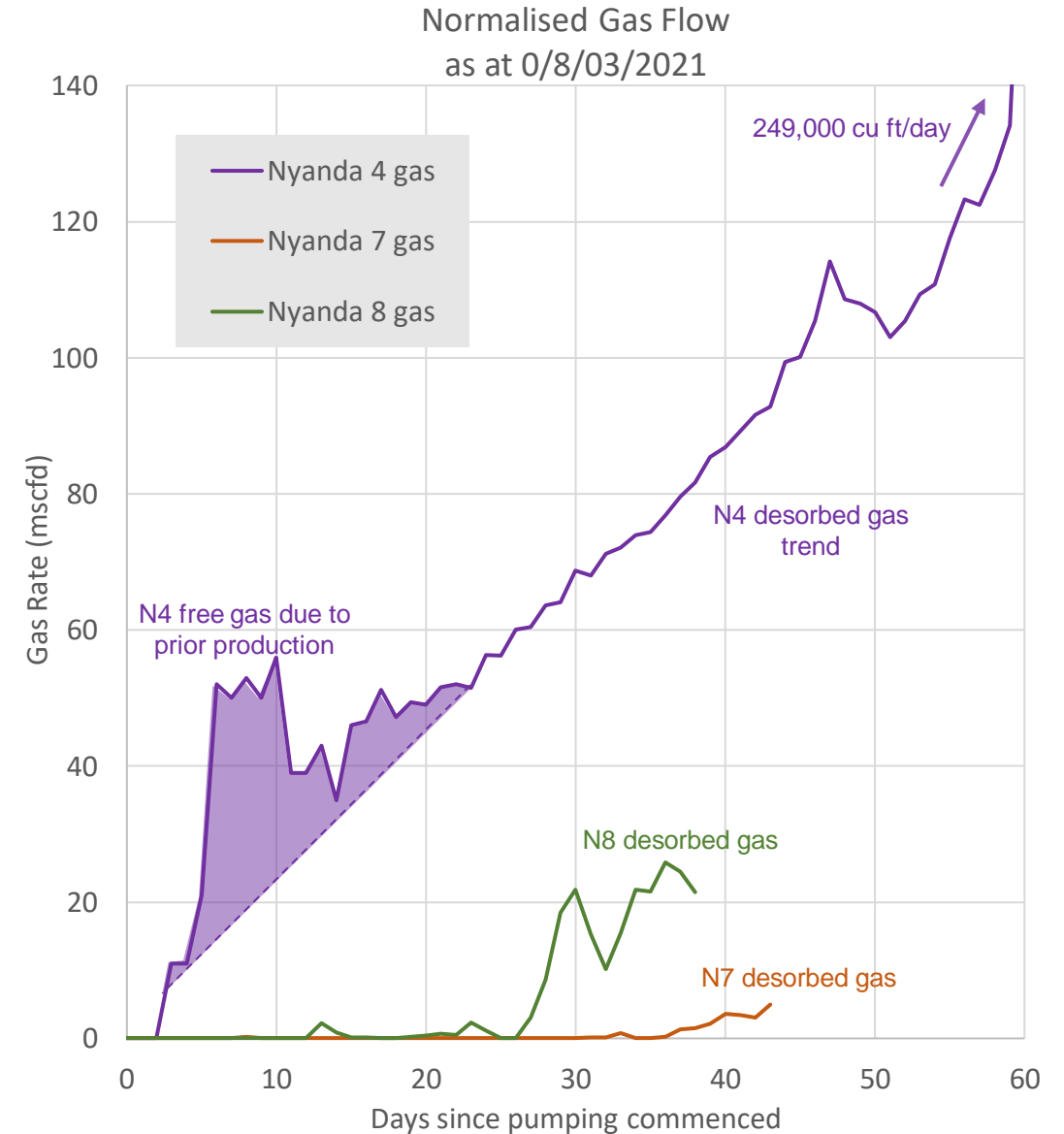
Why Water Productivity is Important

- Production of gas depends on:
 - a) Gas moving through the coal to the well bore; and
 - b) Gas being desorbed from the coal.
- Desorption occurs when the pressure in the coal seam is reduced - by removal of the water in the coal
- Water and gas will move through the coal using the same paths:
 - So, the ease by which water moves through the coal indicates the ease by which the gas will move
 - High water production coupled with high gas saturation suggests high gas rates to come



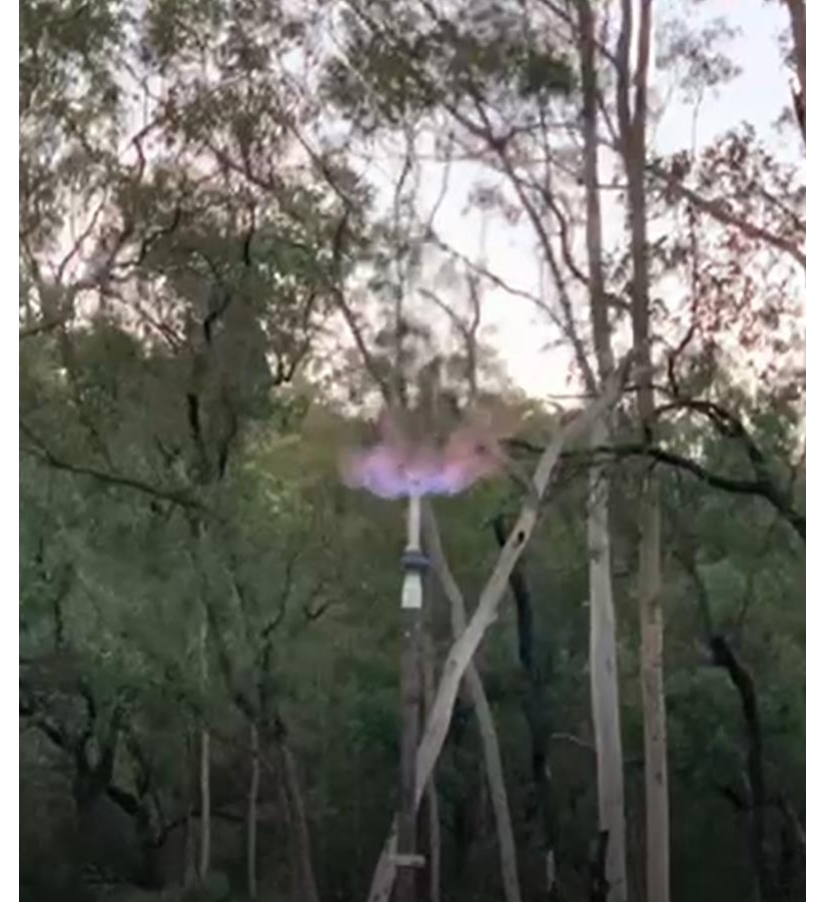
Nyanda Pilot Test Gas Production

- Nyanda-4, 7 and 8 currently on production test and all have similar gas saturation
- Nyanda-4 production aided by free gas at crest of structure and prior production period
- Nyanda-7 and 8 gas flow commences as reservoir pressure reduced by water extraction
- Nyanda-7 has highest water productivity, therefore takes longest to reach desorption pressure and commence gas flow
- Nyanda-8 water productivity similar to Nyanda-4, but not aided by free gas



Implications

- Phase 2 at PL 231 results fortify our confidence that early development at Nyanda area should be commercial
- Further data obtained through data trade with coal explorers enhances our already positive view of the prospectivity of the recently awarded ATP 2062 (Rolleston West)
- Bandanna CSG play within ATP 1062 is in close proximity to PL 231 and will be developed synergistically



Gas production at Nyanda-8, Feb 2021



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