

3 February 2021

COMPLETION OF THE ACQUISITION OF HARTSHEAD RESOURCES LIMITED AND COMPLETION OF OVER-SUBSCRIBED PLACEMENT RAISING A\$8.0 MILLION

ANSILA ENERGY TRANSFORMED INTO A UK NORTH SEA FOCUSED GAS DEVELOPMENT COMPANY

Ansila Energy NL (**Ansila**, **ANA** or the **Company**) is pleased to announce that, following shareholder approval at its 2020 Annual General meeting (**AGM**) held on Friday 29 January 2021, it has successfully completed its transaction with the vendors of Hartshead Resources Limited Limited (**Hartshead** or **HRL**) to acquire the remaining 78.4% interest in Hartshead that it did not already own. As a result of the transaction Hartshead is now a wholly-owned subsidiary of ANA, which is transformed into a new UK North Sea gas development company.

The Company has issued a total of 1,000,000,000 new Ordinary shares to the vendors of Hartshead which are subject to voluntary and ASX escrow for 12 months as consideration for the transaction.

The Company is also pleased to announce, contemporaneously with the transaction, completion of a heavily over-subscribed Placement at a price of A\$0.025 per share which has raised a total of A\$8.0 million (before costs).

The Company received strong interest from investors, including demand from a UK institutional fund manager and a UK high net-worth professional investor. As a result of the additional demand driven primarily out of the UK the Company has accepted oversubscriptions for a further A\$1.0 million in addition to the A\$7.0 million announced by the Company on 14 December 2020.

Under the Placement, the Company has issued a total of 320,000,000 new ordinary shares to professional and sophisticated investors. Of these shares, 280,000,000 shares were issued pursuant to shareholder approval given at the Company's AGM and a further 40,000,000 shares were issued using the Company's existing placement capacity under ASX Listing Rule 7.1. The Company has also issued 20,000,000 Adviser Shares subject to 12 months voluntary escrow for services rendered in respect of the Placement as approved by shareholders at the AGM.

Trading in the Company's shares will recommence today.

All other shareholder resolutions presented at the AGM were approved.



Hartshead's success in the UK 32nd Offshore Licensing Round resulted in the formal award of five contiguous blocks in the Southern North Sea (**HRL License**) as announced on 25 January 2021, with four existing discoveries totalling **354 Bcf**¹ of 2C Contingent Resources.

Of the A\$8.0 million Placement, A\$7.0 million enables Ansila to fully fund the work programme commitments of Phase I operations through to the preliminary field development plan submission and the additional A\$1.0 million raised enables Ansila to progress work on the Phase II assets as part of a multi-phased development of existing gas discoveries:

Phase I: Victoria and Viking Wx fields with **217² Bcf of audited 2C Contingent Resources**

Phase II: Audrey NW and Tethys North fields with **139¹ Bcf of 2C Contingent Resources**

A Competent Person Report (**CPR**), compiled by Oilfield Production Consultants Ltd, for the Phase I development fields ascribed a total of **217 Bcf**² of 2C Contingent Resources.

In addition to the Phase I and Phase II fields the awarded license area also contain a Phase III exploration portfolio with **141 Bcf**³ of 2U Prospective Resources in two drill-ready exploration prospects.

In respect of the 2U Prospective Resources (not the Contingent Resources), the estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

Commencement of Initial Phase I Workstreams

Work on the Phase I projects is already underway and will focus on selecting the optimal development concept to take forward to the preliminary field development plan (FDP)/Front-end engineering and design (FEED) stage gate. The Phase I FDP project will incorporate subsurface, drilling & completion,

¹ Hartshead management estimates.

² Volumetric estimates are from Oilfield Production Consultants (OPC) Ltd, Independent Competent Persons Report (CPR) entitled "Contingent Resources Review and Audit (Victoria and Viking Wx)" dated October 2020.

³ Hartshead management estimates.



facilities, pipelines, HSE and commercial analysis and planning. The deliverables from the project will be well placement and design, frac design, production forecasting, facilities concept framing, host facility requirements, economic analysis and development concept evaluation and selection. In parallel with this Hartshead plan to initiate contact with third party host facility owners to discuss access to spare capacity in order to enable transmission of Hartshead's produced gas to the onshore gas processing facilities and sales point.

Hartshead is currently in discussions with several oil and gas field development service providers to award key project work covering the FDP project, to be carried out during the coming twelve months. Ansila will be able to update shareholders once these contracts have been awarded and work has commenced, expected within the next few weeks.

We also look forward to updating investors regularly regarding the progress of these various Phase I project workstreams.

Chris Lewis, CEO, commented *"The completion of this transaction and capital raise will see Ansila Energy transformed into a gas development company with ready to develop projects on the UK continental shelf. The next twelve months will see us invest in the planning for the Phase I field development, move the portfolio closer to production and create significant value for shareholders and stakeholders alike. There are multiple milestones to reach in the coming months and we look forward to progress on all fronts and keeping shareholders fully informed along the way"*.

Chief Executive Officer and Chief Financial Officer Appointments

As part of the transaction completion existing Executive Directors of the Company will now take on specific management roles. Christopher Lewis has now been appointed as Chief Executive Officer and Dr Andrew Matharu has been appointed as Chief Financial Officer. The Company intends to enter into executive service agreements with each of Mr Lewis and Dr Matharu in relation to these appointments on terms acceptable to the parties which are usual for executive appointments of this nature. The terms of their appointments will be agreed following Completion.

They will be supported by the Board and an entrepreneurial management team with over 250 years combined industry experience and UK Southern Gas Basin specific knowledge having successfully managed several Southern North Sea focussed oil & gas companies.

Mr Christopher Lewis – Chief Executive Officer

Chris is a geophysicist with over 28 years' experience in the oil and gas industry having worked for major E&P companies, junior and small cap companies and service companies and was the Chief Executive Officer of Hartshead Resources Limited. Over the last 17 years Chris has held a variety of



executive and senior management positions, has managed oil and gas operations in Europe and Africa and has been instrumental in the start-up and rejuvenation of multiple small companies.

Chris has been involved in multiple, small oil and gas ventures including successful exits from:

- Zeta Petroleum: Built a portfolio of assets in Romanian and sold to GMI Limited (CEO: 2005-2009);
- Centric Energy: Awarded license in the Kenya Tertiary Rift Basin, farmed out to Tullow Oil and then sold to Africa Oil (VP Exploration: 2010);
- VP Exploration: Lion Petroleum: The company had two blocks onshore Kenya and was successfully reversed into TSX listed Taipan Resources (VP Exploration: 2011); and
- Black Star Petroleum: Awarded exploration licenses offshore Guinea Bissau and Namibia and sold company to Impact Oil and Gas (Co-Founder: 2013-2014).

Chris's technical strengths are in exploration and development subsurface management and delivering effective and valuable sub-surface projects. Commercially Chris has been involved in license applications, negotiations with government bodies, new ventures transactions and capital raising for a variety of organisations.

Chris was previously the Technical Director of Ansila Energy NL.

Dr Andrew Matharu – Chief Financial Officer

Andrew has over 26 years' experience in the oil and gas industry and equity capital markets having commenced his career as a Petroleum Engineer with Chevron and Kerr McGee in the UK North Sea and was the Chief Financial Officer of Hartshead Resources Limited.

Following a move into investment banking he focussed on oil & gas equity research and corporate finance within roles at JP Morgan-Cazenove, Bridgeway Securities, Numis and Westhouse Securities where he advised a number of AIM listed companies.

Andrew has a wide experience of financing private and publicly-listed small and mid-cap companies in the oil and gas sector and also served as Vice President of Corporate Development at AIM-listed Tower Resources plc where he was involved in a series of corporate and asset transactions and capital raisings.

Andrew holds a BEng(Hons) degree in Chemical Engineering from the University of Sheffield, a PhD in Chemical Engineering from the University of Cambridge and is a Chartered Engineer.

Andrew was previously an Executive Director of Ansila Energy NL.



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The Board of Directors of Ansila Energy NL authorised this announcement to be given to ASX.

For further information on this announcement, visit www.ansilaenergy.com.au or contact:

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Forward Looking Statements

This document has been prepared by Ansila Energy NL (ANA). This document contains certain statements which may constitute "forward-looking statements". It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including, but not limited to: price fluctuations, actual demand, currency fluctuations, drilling and production results, reserve and resource estimates, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory developments, economic and financial market conditions in various countries and regions, political risks, project delays or advancements, approvals and cost estimates.

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Qualified Person's Statement

Ansila has prepared the Contingent Resource and Prospective Resource information in this announcement in accordance with the ASX Listing Rules and the 2007 Petroleum Resources Management System published by the Society of Petroleum Engineers (SPE-PRMS). The Contingent Resource estimates and Prospective Resource estimates presented in this report were originally disclosed to the market in an announcement released 14 December 2020. Ansila confirms that it is not aware of any new information or data that materially affects the information included in the aforesaid market announcement and that all the material assumptions and technical parameters underpinning the estimates in the aforesaid market announcement continue to apply and have not

materially changed. The information in this announcement that relates to Contingent Resource information in relation to the Phase I Victoria and Viking Wx fields is based on information compiled by technical employees of independent consultants, Oilfield Production Consultants Ltd, which information was subsequently reviewed by Mr Christopher Lewis. The information in this announcement that relates to Contingent Resource information in relation to the Phase II Audrey NW and Tethys North fields and the Prospective Resource information in relation to the Vixen SW and Vixen SE prospects is based on information compiled by Mr Christopher Lewis and information compiled by technical consultants contracted to Hartshead which has been subsequently reviewed by Mr Christopher Lewis. Mr Lewis has consented to the inclusion of such information in this announcement in the form and context in which it appears and the resources information in this report is based on, and fairly represents, information and supporting documentation reviewed by, or prepared under the supervision of, Mr Christopher Lewis. Mr Lewis is a Director of Ansila and has a BSc from the Imperial College, University of London and is a member of The American Association of Petroleum Geologists (AAPG) and the European Association of Geoscientists and Engineers (EAGE). Mr Lewis is qualified in accordance with the requirements in ASX Listing Rule 5.41.