

## September 2022 Quarterly

### Highlights

- **\$10 million cash at bank**
- **Key management focus during the Quarter was progress of farmouts on key prospects across the portfolio**
- **Positive results from technical studies de-risking the Gem prospect were announced in September**
- **Two high end PSDM-FWI 3D seismic reprocessing projects over P2527, P2528 and P2530 were completed during the quarter**
- **Positive impacts on farmout discussions in the UK are being felt as new tax incentives to promote investment in oil and gas begin to take effect**

### Project Updates

Finder has a large portfolio of exploration acreage in two of the world's premier hydrocarbon regions, the North West Shelf (NWS) and the United Kingdom (UK) North Sea (Figures 1 and 4). A summary of Finder's interests is provided in Table 2, and an update on key exploration activities is provided below.

### Australia – North West Shelf

#### *AC/P 61 – Gem Prospect*

*Finder 50% and Operator*

The AC/P 61 exploration permit is located within the prolific Vulcan Sub-basin and is surrounded by a number of oil discoveries including the depleted Jabiru and Challis oil fields (~180 MMbbl oil produced) to the south as well as a number of stranded undeveloped fields such as Tenacious, Audacious and Oliver (see Figure 2).

The Gem Prospect has a Jurassic, Plover Formation reservoir objective sitting within a tilted fault block with direct access to hydrocarbon charge from the proven source kitchen of the Cartier Trough (Figure 2). The overlying Vulcan Formation shales provide a thick top seal for the trap. The Gem Prospect was independently reviewed by ERCE Australia Pty Ltd to have an estimated gross Best Case Prospective Resources of 137 MMbbl with a Chance of Success (COS) of 32%.

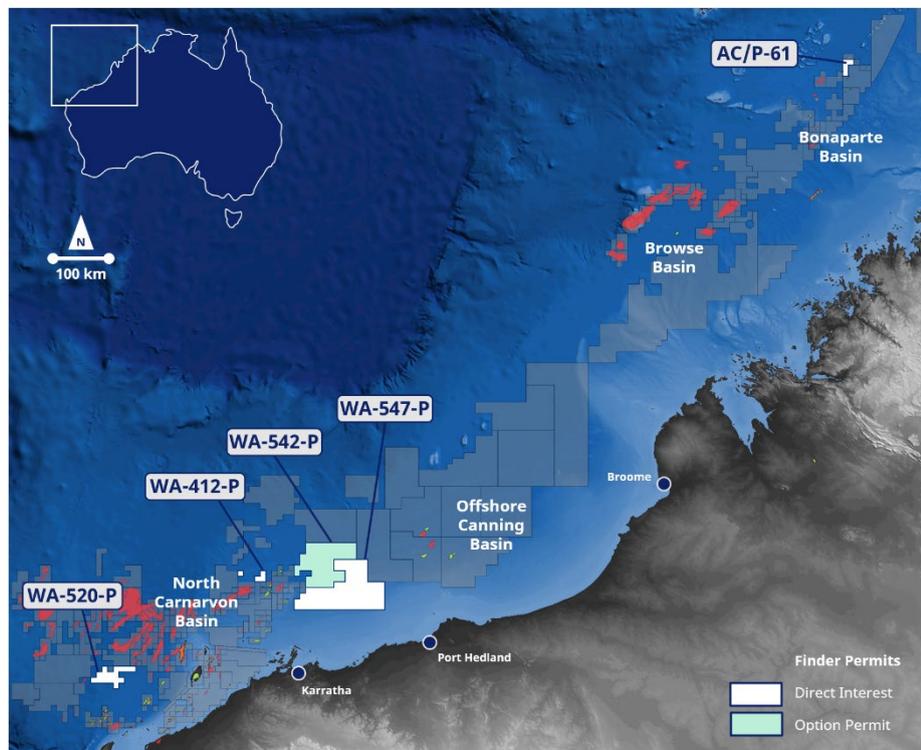
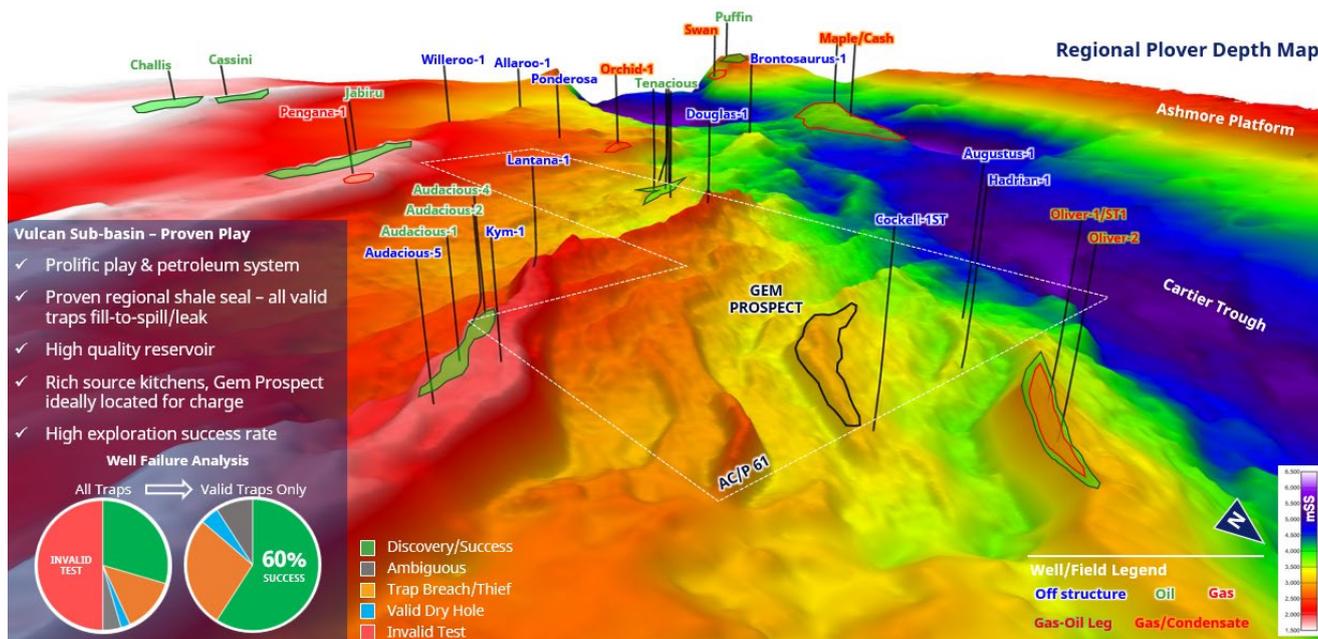


Figure 1 – Location map of North West Shelf portfolio



**Figure 2 - Top Plover objective regional depth map 3D visualisation showing location of historical exploration wells and discoveries in relation to AC/P 61 and the Gem Prospect**

Various studies were progressed during the quarter with positive results announced in September 2022. These studies included a comprehensive analysis of over 50 historical wells in the area, which showed an exploration success rate of over 60% for all wells drilled on valid traps. Additional studies included charge migration modelling which concluded the Gem Prospect is ideally located on the migration pathway from the proven Cartier Trough source kitchen and finally, an evaluation of the tie back potential of nearby stranded oil fields was completed.

Finder is currently undertaking a farmout process to secure a farmin partner to fund an exploration well to test the Gem Prospect. Finder presented the Gem prospect at the AAPG and PESGB Business and Exploration Opportunities Show (BEOS) in London in September as part of its farmout campaign.

**WA-547-P - Dorado play**

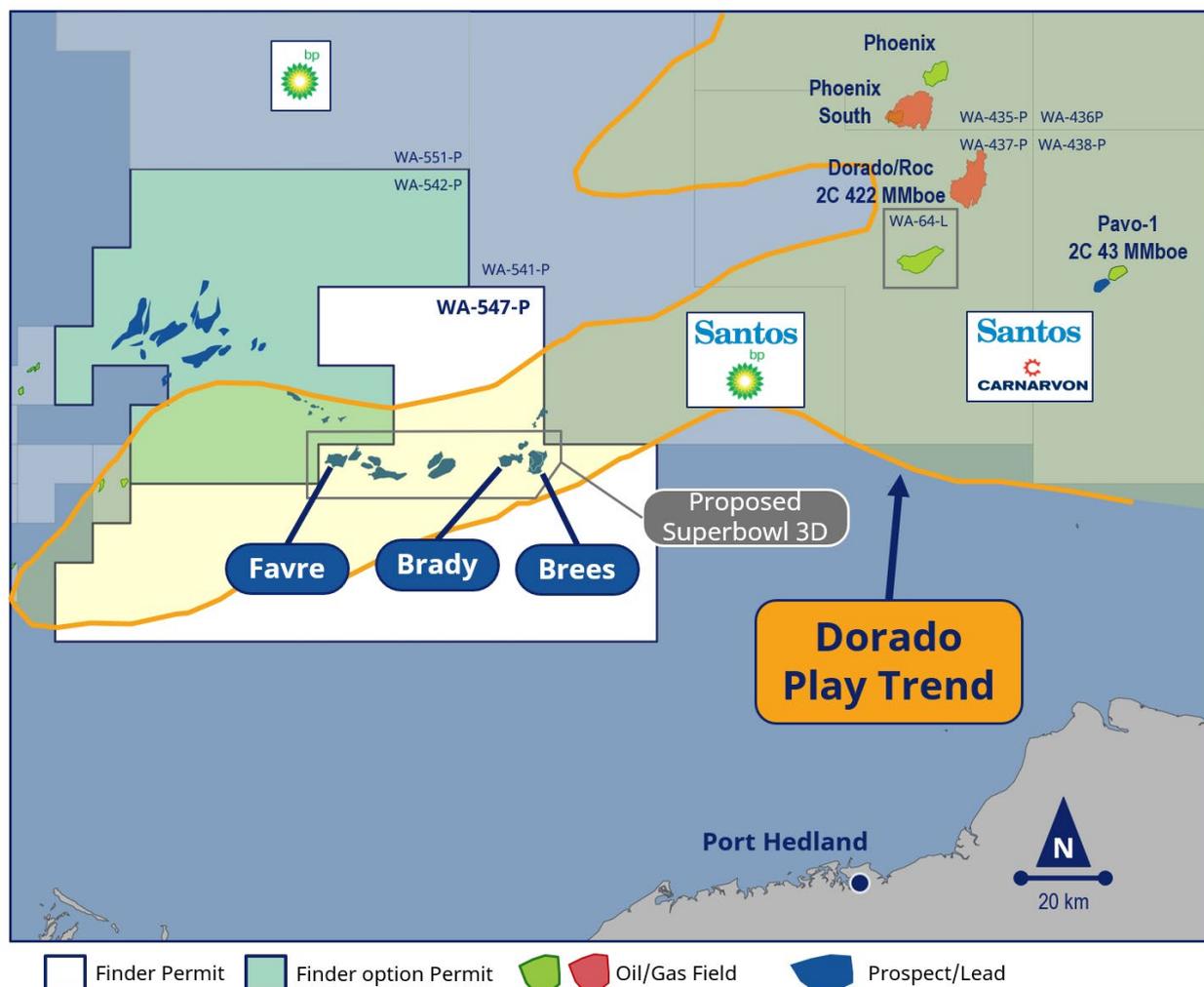
*Finder 100% and Operator*

Finder holds 100% equity in exploration permit WA-547-P comprising an area of 7,260 km<sup>2</sup> (Figure 3). The permit is located along the Dorado play trend, one of the most active exploration areas within the North West Shelf. Within the permit, Finder has identified three material prospects (Brees, Favre and Brady) and a number of satellite leads on the vintage 3D seismic data.

The Dorado trend is currently the most significant oil play in Australia. The trend extends from Finder’s permit located in the Beagle Sub-basin in the east, to the Bedout Sub-basin with the Dorado, Pavo and Roc discoveries in the west. Continued drilling in the play, namely the Pavo-1 exploration well, which discovered oil 40 km to the east of the Dorado Field further derisks the key prospects identified by Finder in WA-547-P. The Pavo discovery has had positive implications for the Dorado play trend and WA-547-P as it demonstrated the prolific petroleum system is present over a more widespread area and hydrocarbons are capable of migrating significant distances below regionally present sealing lithology. Modern 3D seismic data, along with exploration drilling has led to a very high exploration success rate of over 70% within the Bedout Sub-basin with five out of seven exploration wells discovering hydrocarbons. With 100% ownership in this permit, Finder is well positioned to capture the value of this exciting play through farming down.

During the quarter Finder progressed the environmental approval process for the Superbowl 3D seismic survey. Modern 3D seismic data has been the key to success in the play and the Superbowl 3D survey is designed to high grade the key prospects to drill ready status and satisfy work program commitments. Given the heightened exploration activity in the area, Finder is pursuing synergies to reduce the cost of its planned operations.

Finder has an option to acquire a 100% interest in neighbouring WA-542-P. Finder intends to exercise this option only if a farmin partner is secured to meet the work program commitments in the primary term, which includes 3D seismic acquisition.



**Figure 3 – WA-547-P location map showing Dorado play trend and key prospectivity**

*WA-520-P – Exmouth Sub-basin*

*Finder 100% and Operator*

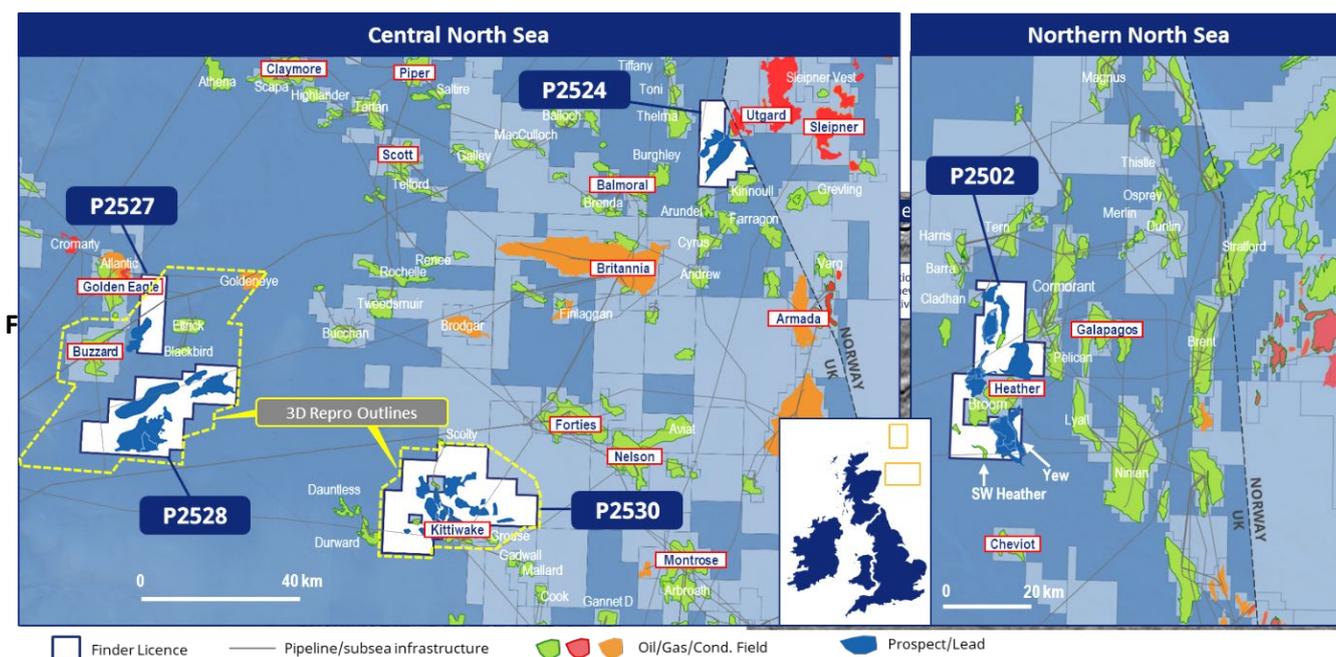
WA-520-P was considered non-core within Finder’s portfolio with the identified prospectivity relating to tie-back opportunities to LNG projects. The work programme commitments were completed and funded by a former joint venture partner. Finder submitted permit surrender documents to the Regulator during September.

*UK - North Sea*

Finder has built a substantial acreage position in the North Sea (Figure 4). Our entry into the North Sea was well timed ahead of the current global energy crisis, the effects of which are being felt strongly in Western Europe and this is having a positive effect on North Sea exploration. Supply constraints and strong oil and gas prices are expected to drive exploration to replace depleting reserves.

The UK Government recently introduced an incentive to encourage investment to address the energy supply shortage in the UK, called the Investment Allowance. The Investment Allowance provides a tax saving of up to 91p for every £1 of qualifying investment in oil and gas.

The combination of factors described above are contributing to a recovery in oil and gas investment in the UK. FINDER’s Infrastructure-Led Exploration (ILX) strategy means we are well positioned to take advantage of this recovery. In these favourable conditions, FINDER is running farmout processes on each of the five licences we hold in the UK.



**Figure 5 – FINDER’s Big Buzz 3D reprocessing data improvements**

FINDER continues to expand its extensive North Sea seismic and well database and has licenced several modern 3D seismic datasets across its UK portfolio. FINDER recently completed two high end broadband pre-stack depth migration with full-waveform-inversion 3D seismic reprocessing projects over P2527, P2528 and P2530 (see areas bounded by yellow dashed line in Figure 4). The newly reprocessed data shows significant improvement in imaging at the target objectives which will allow a more accurate understanding of the prospectivity within the licences. Interpretation and prospect generation on the new data is underway (Figure 5).

Detailed technical evaluation over exploration licences P2524 and P2502 continued during the quarter which is leading to a better understanding of prospects and risks. Resource estimates and risking of the key prospects are expected to be released on completion of this work.

## Corporate & Financial

### Appendix 5B

The year to date cash flows are based on the financial records of FINDER for the three months ended 30 September 2022. The Company ended the quarter with \$10M cash at bank.

For the purpose of Section 6 of Appendix 5B, related party payments of A\$96K were made to Longreach, pursuant to the Transitional Services Agreement as per Section 7.1 of the Prospectus.

### Use of funds

The Company was admitted to the Australian Securities Exchange (ASX) on 8 April 2022 following the successful completion of its IPO and raising of A\$15M to fund its activities through to 31 December 2023.

Table 1 below shows the Use of Funds for the Company's actual expenditure since admission to the ASX to 30 September 2022 against the estimated expenditure in the use of funds statements as required by ASX Listing Rule 4.7(c.2) as contained in the Prospectus.

Actual cash outflows to 30 September 2022 are in line with budget estimates to meet the guidance contained in the Prospectus, accordingly the Company's cash resources are sufficient to fund the Company's budgeted activities through to 31 December 2023.

Use of Funds	Estimated Expenditure at IPO (A\$'000)	Actual Cash Outflows to 30 September 2022 (A\$'000)
Project Costs <sup>1</sup>		
Drilling	1,700	1,320
Seismic	5,400	34
Geoscience <sup>2</sup>	4,300	482
<b>Total Project Costs</b>	<b>11,400</b>	<b>1,836</b>
Business development <sup>3</sup>	700	233
Corporate costs <sup>4</sup>	800	717
Expenses of the Offer <sup>5</sup>	1,600	2,168
Working capital	500	73
<b>Total</b>	<b>15,000</b>	<b>5,027</b>

**Table 1 – Estimated vs actual use of funds**

- <sup>1</sup> See Prospectus, including the ITSR, for further details in relation to project costs. Geoscience includes project staff costs and associated overheads in relation to the Company's work programs and expenditure commitments which are reported in staff, administration and corporate costs in the Appendix 5B.
- <sup>2</sup> Geoscience expenditure to date is lower than reported in the June'22 quarterly due to the timing of receipts from joint operation partners where total receipts were greater than cash outflows in the September'22 quarter.
- <sup>3</sup> Technical and commercial staff costs incurred on evaluation of new opportunities and transaction costs.
- <sup>4</sup> Includes non-project related staff costs, professional fees such as audit, tax and legal, insurance and office and administration expenses.
- <sup>5</sup> Expenses of the Offer has fully concluded at the end of the previous quarter.

## Permits and Licenses

Permit	Location	Area (km <sup>2</sup> )	Participants (*Operator)	Interest <sup>1</sup>
WA-412-P	Dampier Sub-basin, Northern Carnarvon Basin	323	SapuraOMV (WA)* Finder Fugro	70% 15% 15%
AC/P 61	Vulcan Sub-basin, Bonaparte Basin	335	Finder* Fugro	50% 50%
WA-520-P <sup>2</sup>	Exmouth Sub-basin, Northern Carnarvon Basin	1,281	Finder	100%
WA-547-P	Beagle Sub-basin, Northern Carnarvon Basin	7,260	Finder	100%
P2502	East Shetland Basin, Northern North Sea	424	Finder* Dana Petroleum	50% 50%
P2524	South Viking Graben, Central North Sea	171	Finder* Harbour Energy	40% 60%
P2530	North Kittiwake Basin, Central North Sea	576	Finder	100%
P2528	Peterhead Graben, Central North Sea	454	Finder	100%
P2527	Outer Moray Firth Central North Sea	110	Finder	100%

**Table 2 – Exploration Permits held at the end of the Quarter**

<sup>1</sup> The registered interest is shown in the table, details of any royalty interests and other encumbrances affecting title are contained in the Prospectus.

<sup>2</sup> Consent to surrender application submitted on 14 September 2022 for regulatory approval.

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

For further information, please contact:

**INVESTORS**

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## Definitions, Abbreviations and Disclaimers

Acronym	Definition
3D	Three dimensional seismic data
Company or Finder	Finder Energy Holdings Limited
COS	Chance of geological success
ITSR	ERCE Independent Technical Specialist Report dated 11 February 2022, included in the Prospectus
K	Thousand
km	Kilometres
km <sup>2</sup>	Square kilometres
Longreach	Longreach Capital Investment Pty Ltd
M	Million
MMbbl	Million barrels of oil
PSDM-FWI	Pre-stack depth migration - full waveform inversion
Prospectus	Finder's prospectus dated 25 February 2022 and released on ASX on 6 April 2022

### Cautionary Statement

There are numerous uncertainties inherent in estimating reserves and resources, and in projecting future production, development expenditures, operating expenses and cash flows. Oil and gas reserve engineering and resource assessment must be recognised as a subjective process of estimating subsurface accumulations of oil and gas that cannot be measured in an exact way.

Prospective resources are the estimated quantities of petroleum that may potentially be recovered by the application of a future development project and may relate to undiscovered accumulations. These prospective resource estimates have an associated risk of discovery and risk of development. Further exploration and appraisal is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

### Resources

All quoted Prospective Resources have been taken from the ITSr. Please refer to the ITSr for more information and the qualified petroleum reserves and resources evaluator statement. Finder is not aware of any new information or data that materially affects the information included in the ITSr and that all material assumptions and technical parameters underpinning the estimates in the ITSr continue to apply and have not materially changed.

Finder is not aware of any new information or data that materially affects the information included in this report and that all material assumptions and technical parameters underpinning the estimates in this report continue to apply and have not materially changed.

### Competent person statement

The technical information in this announcement has been reviewed and prepared by, or under the supervision of, Aaron Bond, a member of the American Association of Petroleum Geologists, having sufficient experience which is relevant to the evaluation and estimation of Prospective Resources to qualify as a Qualified Reserves and Resources Evaluator as defined in the Listing Rules. Aaron Bond is employed by the Company as Exploration Manager and has consented to the inclusion in this announcement of those matters not covered by the ITSr based on the information he has prepared or supervised in the form and context in which that information appears.

### 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.

## Appendix 5B

### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Finder Energy Holdings Limited
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ABN

Quarter ended ("current quarter")

70656811719	30 September 2022
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<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(54)	(54)
(b) development	-	-
(c) production	-	-
(d) staff costs	(533)	(533)
(e) administration and corporate costs	(472)	(472)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2	2
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material):		
<u>Joint operation reimbursements &amp; receipts     from exploration and evaluation</u>	343	343
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(714)</b>	<b>(714)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	-	-
(e) investments	-	-
(f) other non-current assets	-	-

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>-</b>	<b>-</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	11	11
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>11</b>	<b>11</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	10,699	10,699
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(714)	(714)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	11	11

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	(23)	(23)
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>9,973</b>	<b>9,973</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> <i>at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts</i>	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	9,973	10,699
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>9,973</b>	<b>10,699</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	96
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

*Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.*

<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1	-	-
7.2	-	-
7.3	-	-
7.4	-	-
<b>7.5</b>		<b>Unused financing facilities available at quarter end</b>
		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.	

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	(714)
8.2	-
8.3	(714)
8.4	9,973
8.5	-
8.6	9,973
8.7	<b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>
	<b>14</b>
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?
	Answer: N/A
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?
	Answer: N/A

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

*Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.*

### Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 28 October 2022

Authorised by: Board of Directors

(Name of body or officer authorising release – see note 4)

### Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.