

12 December 2022

UK SOUTHERN GAS BASIN – OPERATIONAL UPDATE AND UK 33RD OFFSHORE LICENSING ROUND

Highlights:

- **Phase I Development Platform and Subsea Front-End Engineering Design (FEED) contracts awarded to Petrofac.**
 - **Subsea FEED workstreams to detail the design of a 40 km pipeline from the Somerville platform to Shell Corvette platform and tie-in for the Anning platform.**
 - **Platform FEED workstreams to detail the design of the topsides and jacket for two minimum facility unmanned platforms at the Somerville and Anning fields.**
 - **Appointment of TelosNRG to advise on the Phase I Development Field Development Plan (FDP).**
 - **Evaluation and securing of vessels for planned seabed and environmental geophysical and geotechnical surveys.**
 - **Application for the UK 33rd Offshore Licensing Round in progress.**
-

Hartshead Resources NL (**ASX:HHR**) (**Hartshead, HHR** or the **Company**) is pleased to announce an operational update with respect the Phase I development of the Anning and Somerville gas fields. This follows the award of key contracts for Platforms and Pipeline Front-End Engineering Design (**FEED**) which support preparation of the Field Development Plan (**FDP**).

Petrofac Facilities Management Limited (**Petrofac**), a leading international service provider to the energy industry, has been awarded two contracts in respect of (i) the Platforms FEED contract for the Anning and Somerville unmanned minimum facilities jackets and topsides and (ii) the Subsea FEED contract for the interconnecting subsea-pipelines connecting to the Shell Exploration & Production UK Limited (**Shell**) Corvette export system with onward gas transport to the Leman-A complex, associated risers and tie-in to the Anning platform. The award of the FEED contracts signals a significant milestone as the Phase I development progresses from Concept Select into Concept Define prior to entering the execution phase at Final Investment Decision (**FID**) which is expected to occur later in 2023.

Petrofac were previously engaged to assist Hartshead with the Phase I Greenfield Concept Select which identified the preferred development concept of two wireline capable, normally unmanned, platforms connected via a subsea pipeline to the Shell infrastructure and therefore have detailed knowledge of the Phase I development programme.

In addition, TelosNRG Limited (**Telos**), a UK based consultancy that provide technical, QHSE and management advisory services across the energy and renewables sectors, has been appointed to assist and advise Hartshead with the preparation of the Phase I FDP which is expected to be submitted to the NSTA during [Q1 2023].

Hartshead is also evaluating contracts for geotechnical and geophysical surveys to cover the Anning and Somerville field developments with a view to securing vessels for deployment in Q1/Q2 2023. The main objectives of the survey are to provide the Company with an interpretation of the seabed geomechanical and soil conditions at the Anning and Somerville field locations and along the pipeline route. The results of the geotechnical and geophysical surveys will form a critical component of the Environmental Statement. Understanding of the seabed conditions at the Phase I field locations and along the pipeline route are also required for completing the subsea and platform FEED design assumptions.

Finally, the Company is also pleased to confirm that Hartshead intends to participate in the UK 33rd Offshore Licensing Round recently announced by the NSTA which has a closing date of 12 January 2023 for the submission of applications. The results of the licensing round and awards are expected to be announced later in 2023.

Chris Lewis, CEO, commented: “Entering into FEED for our Phase I development is another important step toward first gas and a key milestone on the field development planning process. I am pleased that we are, again, working with Petrofac on the project following their valuable contribution during Concept Select. Aiming to secure vessels for early next year and engaging TelosNRG to support our FDP submission are also critical elements in support of our development schedule. I am also looking forward to participating in the 33rd round as we can potentially target new licenses and additional resources to add to our existing portfolio.”

-Ends-

The Board of Directors of Hartshead Resources NL authorised this announcement to be given to ASX.

For further information on this announcement, visit www.hartshead-resources.com.au or contact:

CONTACTS

Christopher Lewis
Chief Executive Officer

Jane Morgan
Investor and Media Relations

Andrew Matharu
Chief Financial Officer


w: +61 405 555 618
e: jm@janemorganmanagement.com.au




w: +61 8 9226 2011

e: info@hartshead-resources.com

For further information and to stay up to date with Company developments, please follow us on social media by clicking the links below:

 [LinkedIn](#)

 [Twitter](#)

Notes to Editors:

Hartshead Resources NL

ASX-listed Hartshead Resources NL is focussed on building a financially, technically and environmentally responsible European Energy business.

Hartshead’s goal is to secure and invest in projects where resources can be extracted and delivered to meet Europe’s growing energy demand while supporting the transition to a low carbon future.

In progressing this strategy Hartshead is focused on its 100% owned Production Seaward License P2607 comprising of five blocks which contain four existing gas fields in the UK Southern Gas Basin.

Hartshead brings together a highly experienced oil and gas team with specialised knowledge covering subsurface, engineering, commercial, QHSE and capital markets with the required skillsets needed to deliver oil and gas upstream projects successfully and safely.

UK Southern North Sea Production Seaward License P2607 – Reserves, Contingent and Prospective Resources

Please refer to the qualified person’s statement relating to the reporting of reserves on Hartshead Resources Southern North Sea License P2607 in Hartshead’s ASX announcements dated 23 June 2022. The volumetric estimates used to derive the estimates below have been made by combining probabilistically derived estimates of initial in place gas volumes with assumptions regarding the gas recovery factors from analogous fields, such as the Clipper South and Babbage gas fields located in the UK Southern Gas Basin.

Please refer to the qualified person’s statement relating to the reporting of contingent and prospective resources on Hartshead Resources Southern North Sea License P2607 in Hartshead’s ASX announcements dated 6 April 2022 and 8 March 2022.

The Company is not aware of any new information or data that materially affects the information about the contingent resource or prospective resource estimates included in this announcement and all the material assumptions and technical parameters underpinning those estimates in this announcement continue to apply and have not materially changed.

RESERVES ¹						
PHASE I	49/17b	Anning				
			1P	2P	3P	
			Sales Gas (Bcf)	73	145.0	245
			Condensate (MMbbl)	0.081	0.192	0.375

¹ Reserves estimates are from ERC Equipoise Limited, Independent Competent Persons Report (CPR) entitled “Hartshead Resources NL Somerville and Anning Competent Persons Report” dated June 2022. See Qualified Persons Statement for reserves reporting notes.

	49/17b	Somerville	Sales Gas (Bcf)	107.0	156.5	213
			Condensate (MMbbl)	0.119	0.208	0.325
			Total (MMboe)	31.2	52.4	79.7

CONTINGENT RESOURCES ² (BCF)			1C	2C	3C	GCoS
PHASE II	49/6c, 49/11c	Lovelace	14	39	70	100%
	48/15c	Hodgkin	35	100	387	100%

PROSPECTIVE RESOURCES (BCF)			1U	2U	3U	GCoS
PHASE III EXPLORATION	49/17b	Garrod	16	52	125	50%
	49/17b	Ayrton	25	74	146	41%
	49/17b	McLaren	18	27	39	54%
	49/17b	Stephenson	36	47	60	43%
	49/17b	Widdowson East	6	29	79	32%
	49/17b	Widdowson Central	11	21	40	50%
	49/17b	Lonsdale	5	16	31	50%
	49/17b	Anderson	5	12	29	45%
	49/12d	Wenlock Prospect 1	4	19	55	36%
	49/12d	Wenlock Prospect 2	1	5	19	36%
	49/11c	Wenlock Prospect 3	1	5	17	36%
	49/11c	FFs Prospect 1	3	11	26	41%
	49/11c	FFs Prospect 2	8	19	37	35%
	49/11c	FFs Prospect 3	4	9	17	34%

Prospective resources are estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) and relate to undiscovered accumulations. These prospective resources 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.

² Hartshead management estimates

Forward Looking Statements

This document has been prepared by Hartshead Resources NL (HHR). 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.

HHR's operations and activities are subject to regulatory and other approvals and their timing and order may also be affected by weather, availability of equipment and materials and land access arrangements. Although HHR believes that the expectations raised in this document are reasonable there can be no certainty that the events or operations described in this document will occur in the timeframe or order presented or at all.

No representation or warranty, expressed or implied, is made by HHR or any other person that the material contained in this document will be achieved or prove to be correct. Except for statutory liability which cannot be excluded, each of HHR, its officers, employees and advisers expressly disclaims any responsibility for the accuracy or completeness of the material contained in this document and excludes all liability whatsoever (including in negligence) for any loss or damage which may be suffered by any person as a consequence of any information in this document or any error or omission there from. Neither HHR nor any other person accepts any responsibility to update any person regarding any inaccuracy, omission or change in information in this document or any other information made available to a person nor any obligation to furnish the person with any further information.

Qualified Person's Statement

The Reserves estimated in this announcement have been made by Dr Adam Law, Director, ERC Equipoise (ERCE), a post-graduate in Geology, a Fellow of the Geological Society and a member of the Society of Petroleum Evaluation Engineers. Dr Adam Law is qualified in accordance with ASX listing rule 5.41 and has consented to the use of Reserves estimates, and to the form and context in which these statements appear.

ERC Equipoise Ltd. (ERCE) is a leading, employee owned, global energy consultancy headquartered in London with offices in Singapore, Kuala Lumpur and Perth. It's fully integrated team of Geoscientists, Engineers and Economists are specialists in Competent Persons reporting, reserves and resources auditing, technical services, commercial analysis and Expert advisory services. ERCE supports

companies in traditional energy sectors as well as providing energy transition and sustainability services.

The Reserves estimates presented in this report were originally disclosed to the market in announcement released on 23 June 2022 and are based on, and fairly represents, information and supporting documentation prepared by Dr Adam Law of ERCE.

The information in this announcement that relates to Reserves estimates is based on information compiled or reviewed by Mr Christopher Lewis. Mr Lewis has consented to the form and context in which the estimated Reserves and the supporting material are presented.

Hartshead has prepared the Contingent Resource and Prospective Resource information in this announcement in accordance with the ASX Listing Rules and the 2018 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 announcement released on 14 December 2020 and updated 8 March 2022 and 6 April 2022. Hartshead confirms that it is not aware of any new information or data that materially affects the information included in the aforesaid market announcements 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 II Hodgkin and Lovelace fields and the Prospective Resource information in relation to the Phase III exploration portfolio 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 Hartshead and holds 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.