

## ASX-RNS Announcement

13 December 2022

ASX: SYN / AIM: SYN

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### Shareholder Presentation

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Synergia Energy Ltd (the "Company" or "Synergia") is pleased to announce the release of the Shareholder Presentation attached. It is also available on the Synergia website ([www.synergiaenergy.com/news](http://www.synergiaenergy.com/news)).

The Shareholder Presentation includes details of the Company's Cambay field development plans and Cambay economic model in which the base case delivers a pre-tax and pre-financing \*NPV<sub>10</sub> of \$725 million. Shareholders are encouraged to read the presentation in its entirety in order to understand the Company's economic model assumptions.

**For and on behalf of Synergia Energy Ltd**

A handwritten signature in grey ink, appearing to read "Roland Wessel".

**Roland Wessel**  
**CEO**

\*Net Present Value discounted at 10%

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# CAMBAY FIELD & CCS

SHAREHOLDER PRESENTATION: DEC 2022

**SynergiaEnergy**

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# OUTLINE

- **Synergia Overview**
- Cambay India Economic Potential
- CCS

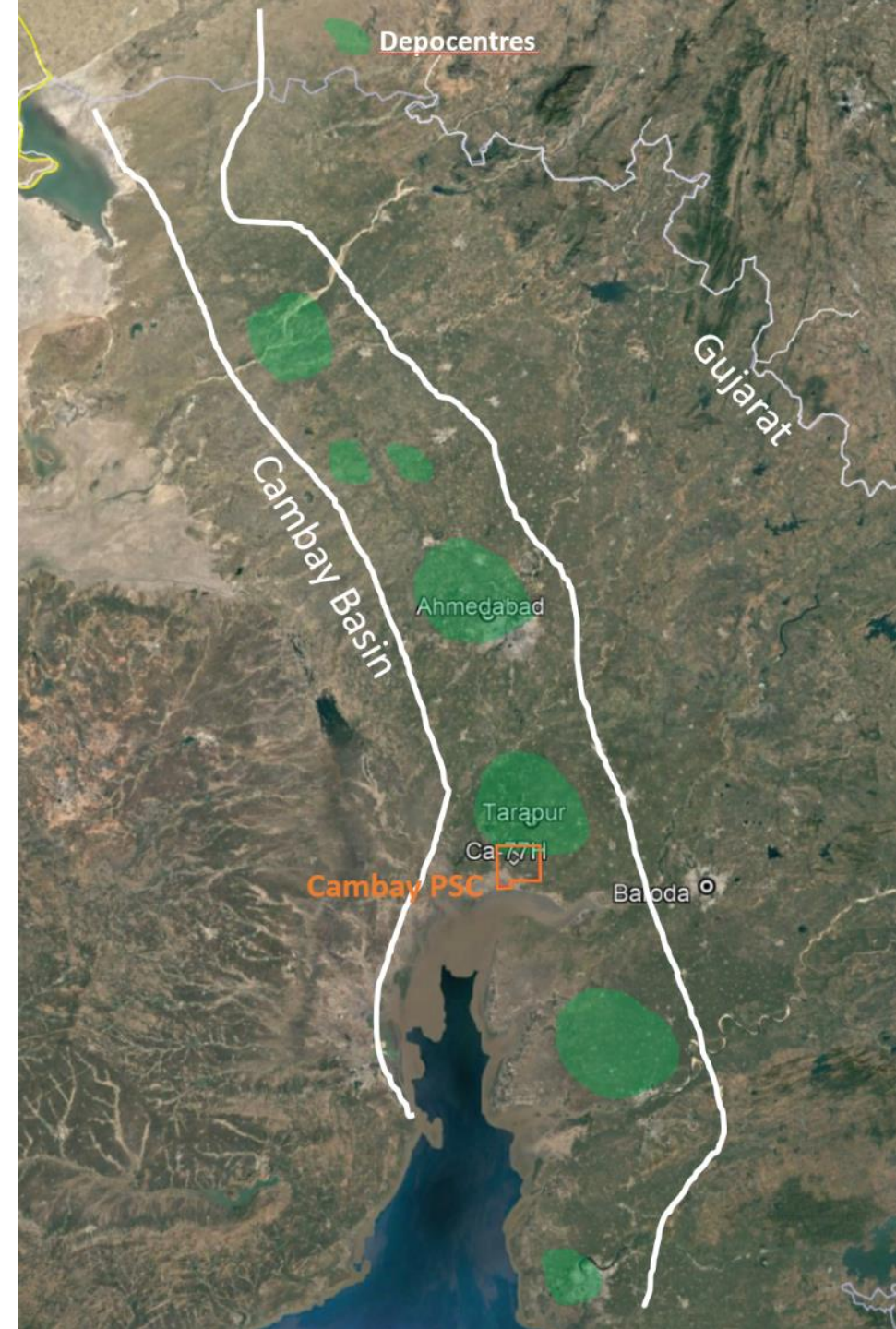




# SYNERGIA ENERGY LTD (FORMERLY OILEX LIMITED)

## OVERVIEW

- Australian public company trading on London AIM
- Strategically focused on Cambay PSC development and UK CCS
- 2022 transitional year:
  - Re-established Cambay gas and oil production
  - C-77H re-frac provided valuable data for full field development
  - UK CCS team and partnership established
- Cambay PSC WI = 100% but plan to farm out 50%
- Cambay Farm out to “kick start” full field development in 2023
- Medway Hub CCS project gaining traction
- Application pending for 2 carbon storage licenses in the UKCS



# OUTLINE

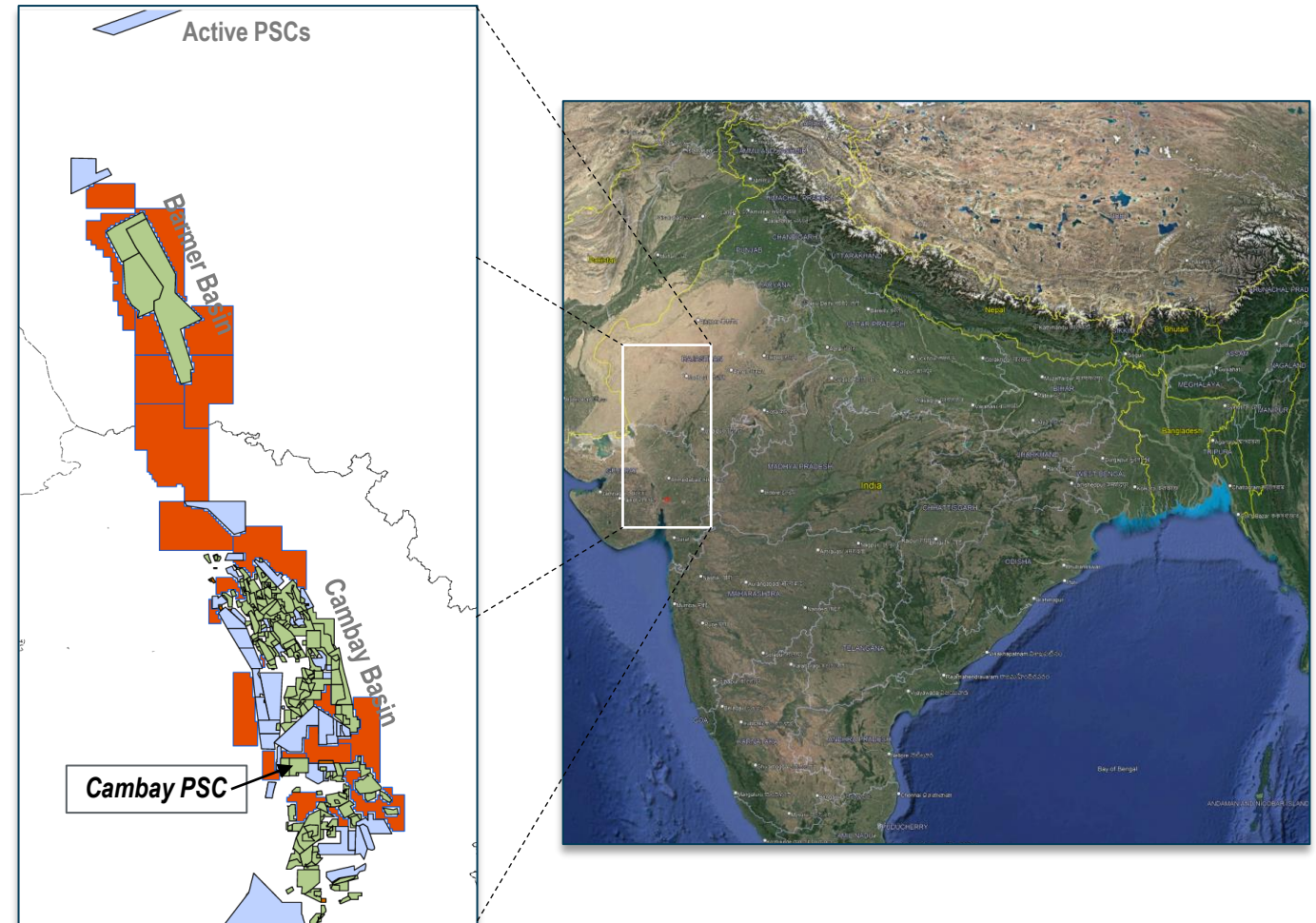
- Synergia Overview
- **Cambay India Economic Potential**
- CCS





# CAMBAY PSC - BACKGROUND

- 40,000 acres (161 sq.km)
- Adjacent to major industrial region
- Nearby to national pipeline infrastructure
- Historical production from shallower Oligocene and Miocene reservoirs
- **Current focus on Eocene tight gas production**
- Multi-TCF potential defined by multiple third party expert reports
  - 2P + 2C: 926 BCF gas and 61 mmbbl condensate (Ref: RISC 2015 and 2022)
  - 2P gas reserves of 206 BCF
- Field development hiatus 2016-2021 resolved by Synergia buyout of partner providing re-set to advance the project
- Updated frac design applied in the re-frac 2014 horizontal well C-77H & completed Aug 2022
- Established plateau gas and condensate per frac stage opens the way for field development
- Locations finalised for drilling program - 2 horizontal fracture stimulated wells
- FDP approved by government
- PSC extended to Sept 2029



# 10-WELL CAMBAY ECONOMIC MODEL SUMMARY

- **25 mmsfd**  
peak gas production
- 995 bopd peak condensate production

- **\$725 mm**  
NPV<sub>10</sub> pre tax & financing\*
- Self-financing after 12 months

- \$10mm per well
- 4 mmscfd initial gas rate
- 40% pa decline

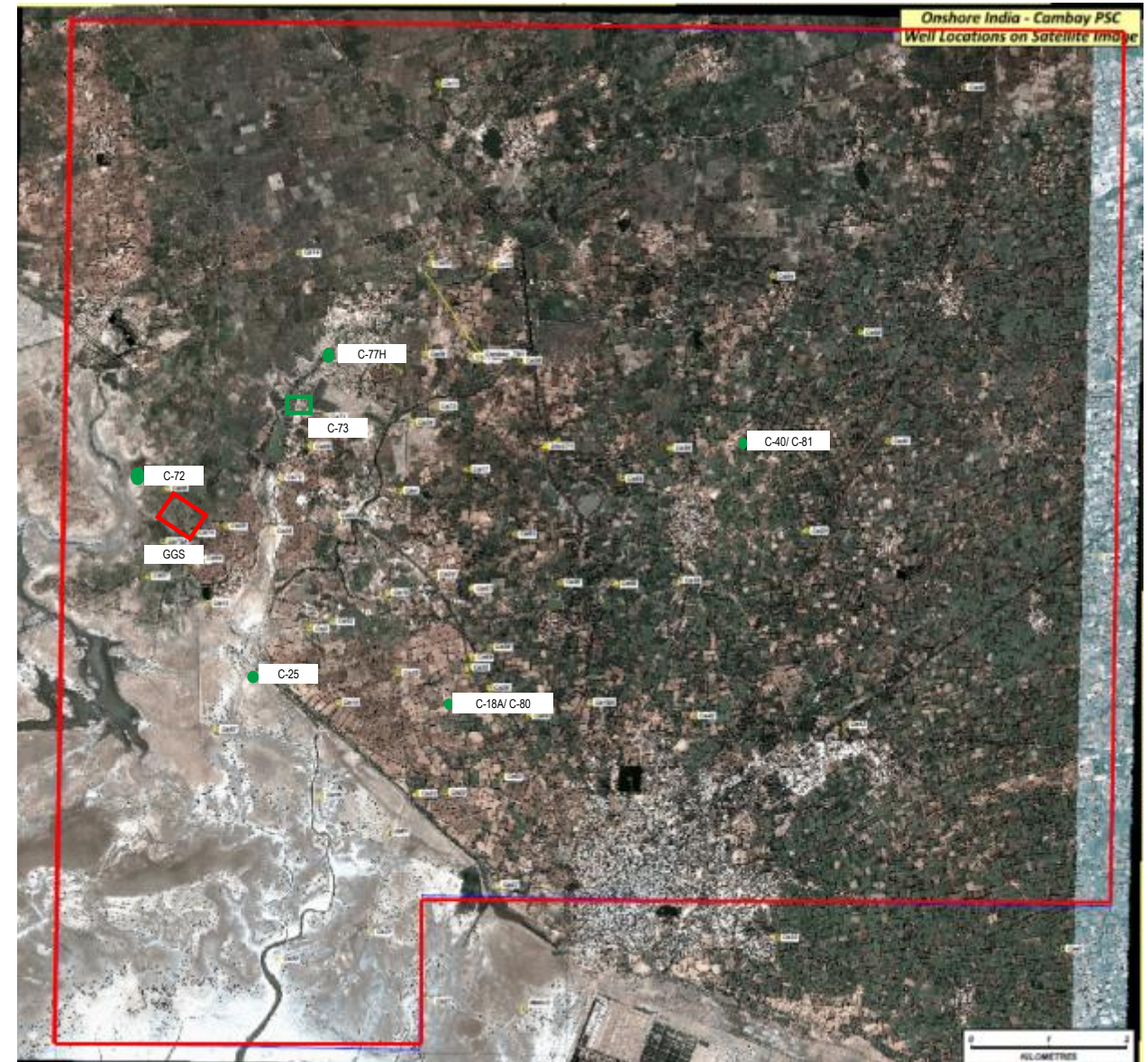
- 10 wells address a small portion of the resource size
- Initial stage of a much larger development program

\*See Page 18 for detailed assumptions and sensitivities



# CAMBAY BLOCK HISTORY

1957	<ul style="list-style-type: none"> <li>Field discovered by ONGC</li> </ul>
1957-92	<ul style="list-style-type: none"> <li>50 BCF produced from Oligocene shallow reservoirs</li> <li>58 Wells Drilled(36 penetrated)</li> </ul>
1994	<ul style="list-style-type: none"> <li>PSC awarded to Niko and GSPC. Drilled 5 wells</li> </ul>
2005-06	<ul style="list-style-type: none"> <li>Synergia farms in as Oilex (45%,Operator)</li> <li>3D seismic acquired over contract area</li> </ul>
2006	<ul style="list-style-type: none"> <li>2 Wells drilled(Tested oil in Oligocene play)</li> </ul>
2008	<ul style="list-style-type: none"> <li>5 Wells drilled</li> <li>Eocene tested hydrocarbons</li> <li>Oil production from Miocene</li> </ul>
2009-10	<ul style="list-style-type: none"> <li>Focus shift from conventional to tight gas reservoir technologies for the known gas in the Cambay Eocene reservoir</li> </ul>
2011-Present	<ul style="list-style-type: none"> <li>Synergia brings tight reservoir services and equipment into India</li> <li>Drilled first horizontal multi-stage frac well in India 2011</li> </ul>
2014-15	<ul style="list-style-type: none"> <li>Drilled second horizontal multi-stage frac well with gas production at C-77H</li> <li>Independently certified Reserves and Contingent resources</li> <li>Upgrade of Prospective resources</li> </ul>
2015	<ul style="list-style-type: none"> <li>Early gas production facility commissioned to supply gas to the low-pressure domestic network</li> </ul>
2016	<ul style="list-style-type: none"> <li>EP-IV Reserve downgrade to contingent resources based on external factors</li> </ul>
2017	<ul style="list-style-type: none"> <li>Prepare FDP, frac look back, frac method look forwards</li> </ul>
2017-2021	<ul style="list-style-type: none"> <li>Hiatus in field work (non-technical issues)</li> </ul>
2018	<ul style="list-style-type: none"> <li>FDP approved by DGH &amp; 10 year PSC extension received</li> </ul>
2022	<ul style="list-style-type: none"> <li>Re-instate reserve component</li> <li>C-77H successful re-frac paving way for field development</li> </ul>



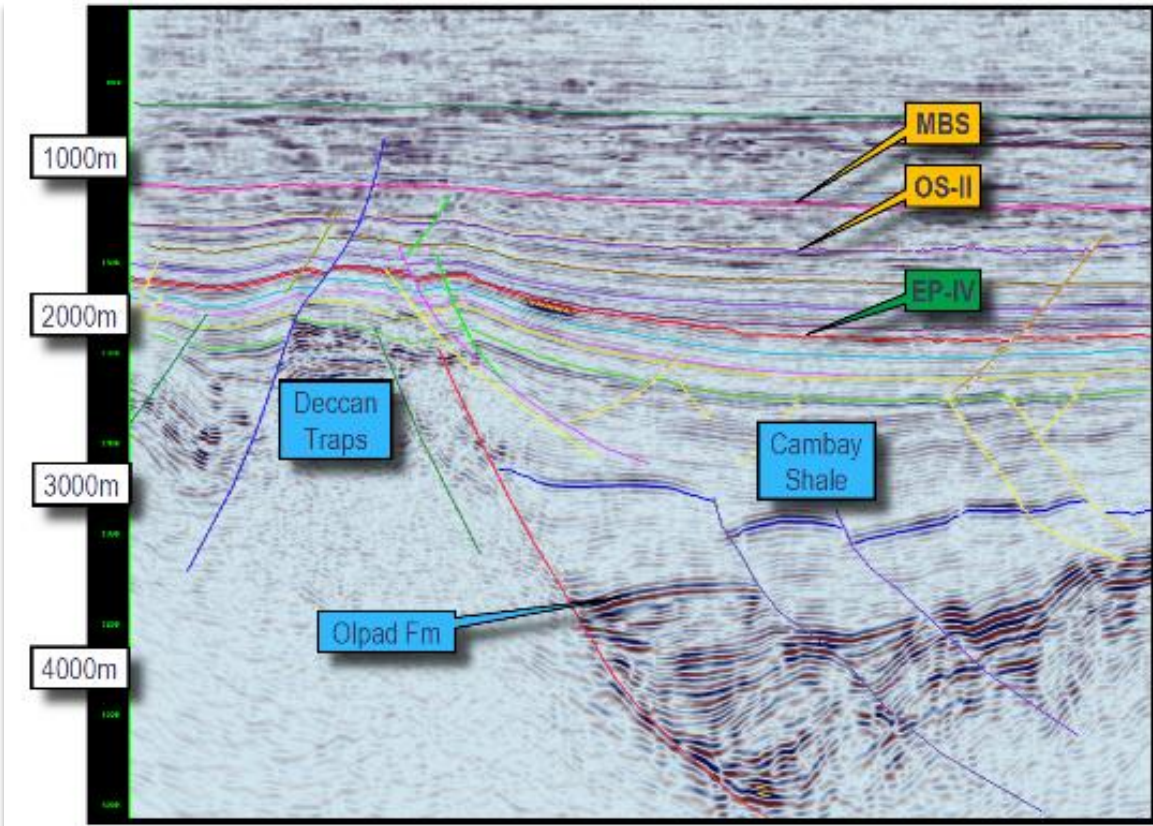


# CAMBAY FIELD

## MULTIPLE HYDROCARBON BEARING HORIZONS

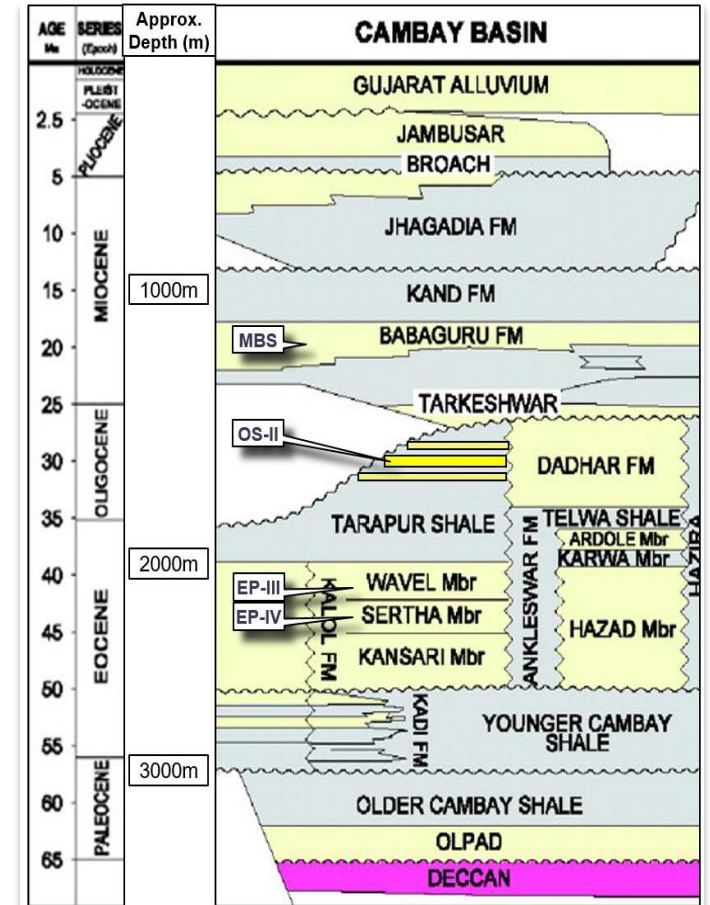
Hydrocarbon saturations and historic production in multiple zones in many old wells

Entire contract area covered by high quality 3D seismic



### KEY

- Conventional Production**  
Potential for un-swept areas
- Tight Proven Gas**  
Multi-Tcf Resource
- Exploration Potential**  
Under-explored, super-rich source rocks



# CAMBAY FIELD SUMMARY

- **Total wells drilled – 68**
  - ONGC 54, Niko 5 & Synergia 9
- **Current Production Wells**
  - Eocene Oil & Gas – C-19Z, C-20, C-63, C-73, C-77H
  - Oligocene Oil – C-72
- **Historic Production Wells**
  - Eocene Oil & Gas – C-01, C-19Z, C-20, C-57, C-63, C-73, C-77H
  - Oligocene Oil & Gas – C-15, C-16, C-18A, C-23, C-24, C-25, C-26, C-30, C-32, C-34, C-35, C-38, C-39, C-52, C-53, C-55, C-72
  - Miocene - C-05, C-20, C-34, C-64, C-74
- **Current Eocene gas production ~0.25 MMScfd gas & 15 bopd from C-77H re-frac zones only**
- **Existing gas treatment facility capacity 1.1 MMScfd gas & 110 blpd**
- **Current contract gas sales to the low-pressure domestic market. Condensate spot sales.**



# EOCENE EP-IV SHORT HISTORY

Synergia's initial work in the Cambay PSC focused on the shallower horizons with production from Miocene 2008-2012

In 2011-12 a major in-house study and report was prepared on the tight Eocene siltstone potential, based on wide-spread hydrocarbon shows, e-log responses and positive well test results

Two horizontal wells C-76H in 2011 and C-77H in 2014 targeted Eocene reservoirs applying North American shale drilling and fracture stimulation methods initiated a new phase of exploitation. The wells confirmed:

- Horizontal wells can be efficiently drilled
- The EP-IV reservoir contains gas which can be fracture stimulated
- Production established from C-77H.

Development hiatus 2016 to 2021 due to lack of JV alignment, resolved by Synergia taking 100% working interest

In 2017 SLB analysed cores to determine optimal drilling, completion, frac fluid and proppant quantity, size and type

Baker Hughes GMI undertook an integrated geological/engineering evaluation identifying:

- There is no geological impediment to developing the Eocene tight reservoir
- Past under-performance can be explained and is to be expected in a new play
- A reliable stimulation/production approach.

The studies provided positive recommendations and confidence to develop the Eocene gas resource

In 2017, GERMI was engaged to produce a fit for purpose FDP which became the basis of the PSC extension

In 2022, two virgin sections were fracture stimulated in C-77H using revised methods and providing positive results

# EOCENE EP-IV BACKGROUND

Over 30 historical wells within the PSC intersected the Eocene

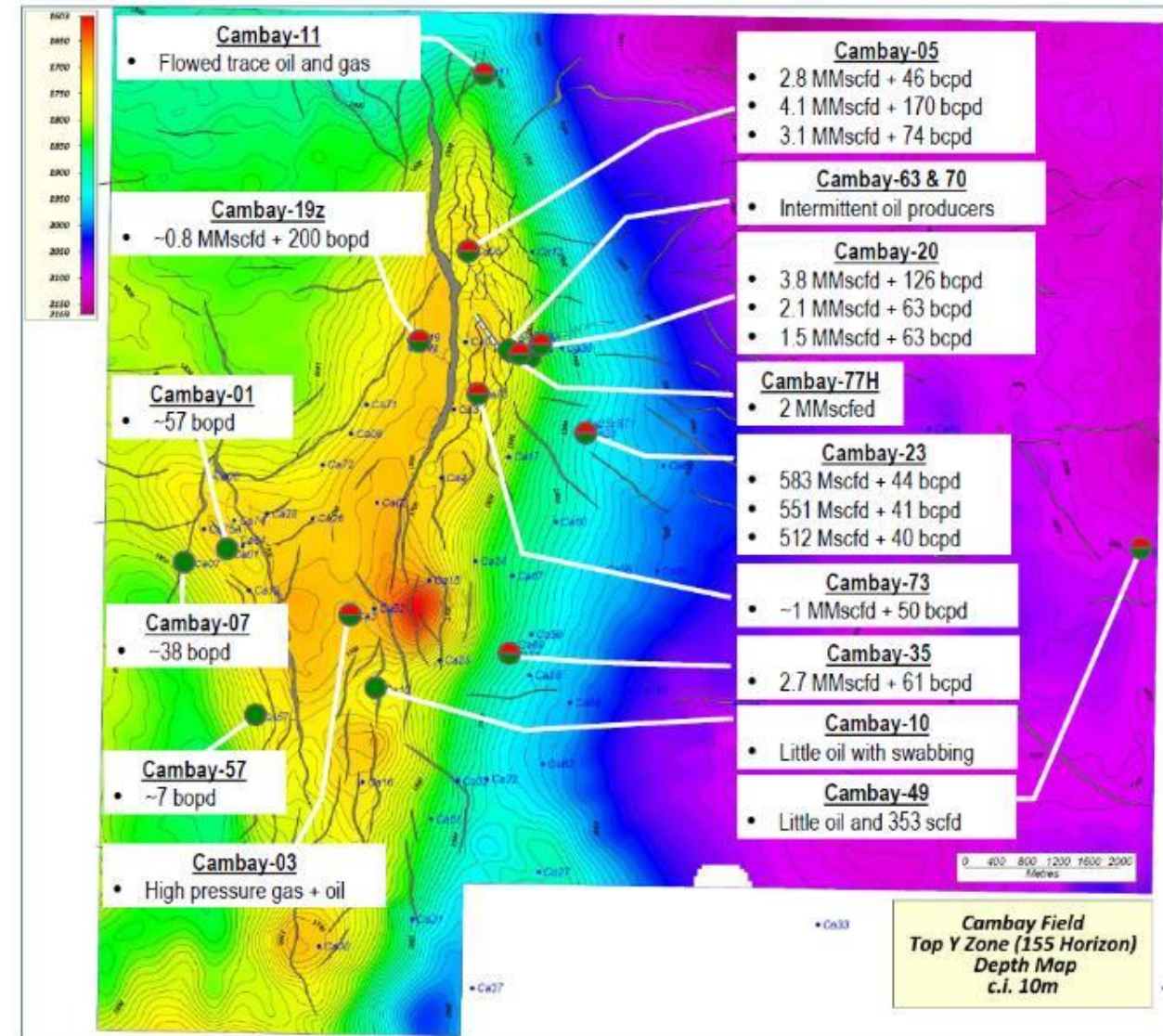
Most of the wells were drilled sub-optimally. Despite this, 16 tested oil and gas to surface

Many of the remaining wells had indications of hydrocarbons

All wells show an anomalous resistivity response over the Eocene reservoir zone

The eastern section is gas prone while the western section is largely oil prone

Multiple third-party evaluators all estimated large volumes of gas in place



# SYNERGIA HISTORICAL DRILLING

2 horizontal multi-stage fracture stimulated wells:

- C-76H (2011) resulted in oil and gas while drilling. Fracture stimulation was successful however the well was not tested due to casing failure
- C-77H established sub-optimal gas and condensate production. Provided the data to develop the 2022 optimised frac program.

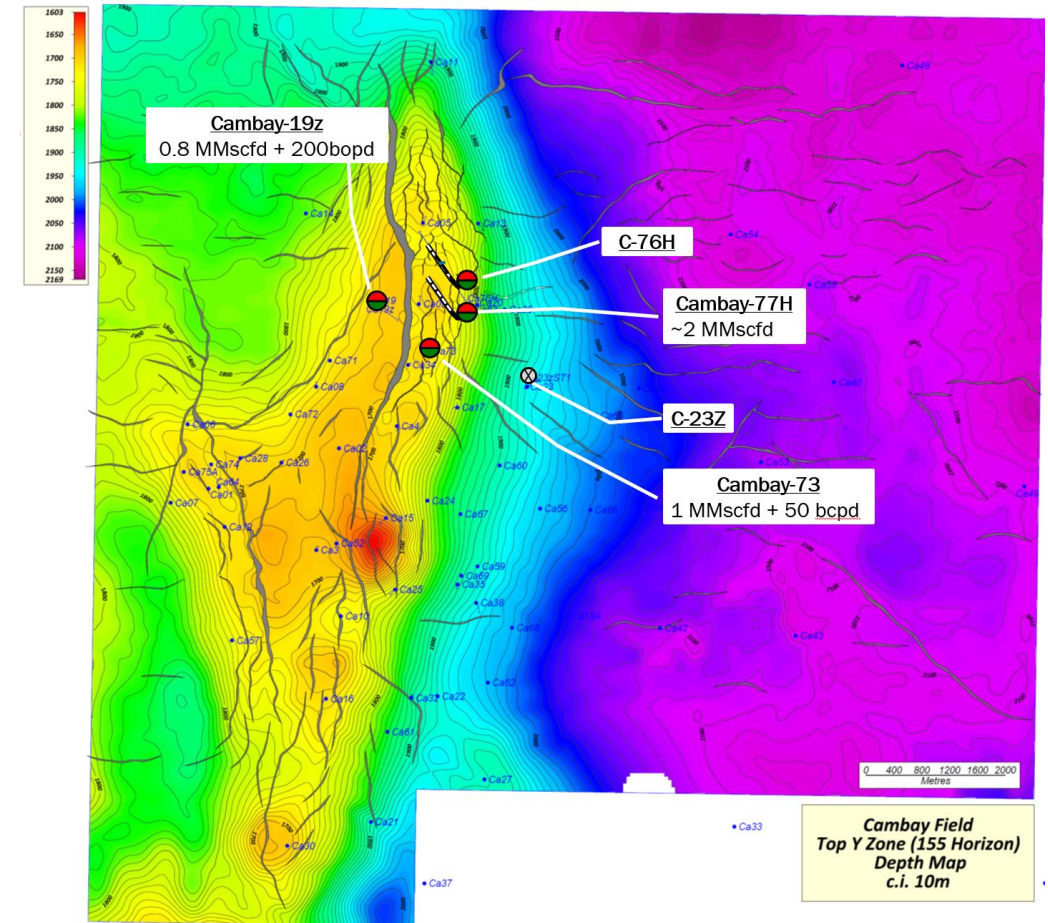
3 Vertical wells:

- C-73 (2008) initial gas rates 1 MMscfd. Produced cyclically
- C-19Z (2008) tested oil at 200 bopd
- C-23Z (2008) tested a large channel feature. Not successful

Conclusions:

Drilling horizontal wells in the Eocene can be achieved efficiently and cost effectively

Effective fracture stimulation approach confirmed and applied in 2022 re-frac of C-77H



C-19Z test flare

C-23Z channel

SynergiaEnergy



# C-77H RE-FRAC 2022

In 2021, Synergia contracted US based frac experts “e-frac” to review past data and prepare a new stimulation program for C-77H

Project management for the workover operation was undertaken jointly by Indian and UK service providers, Manan and Bedrock Drilling

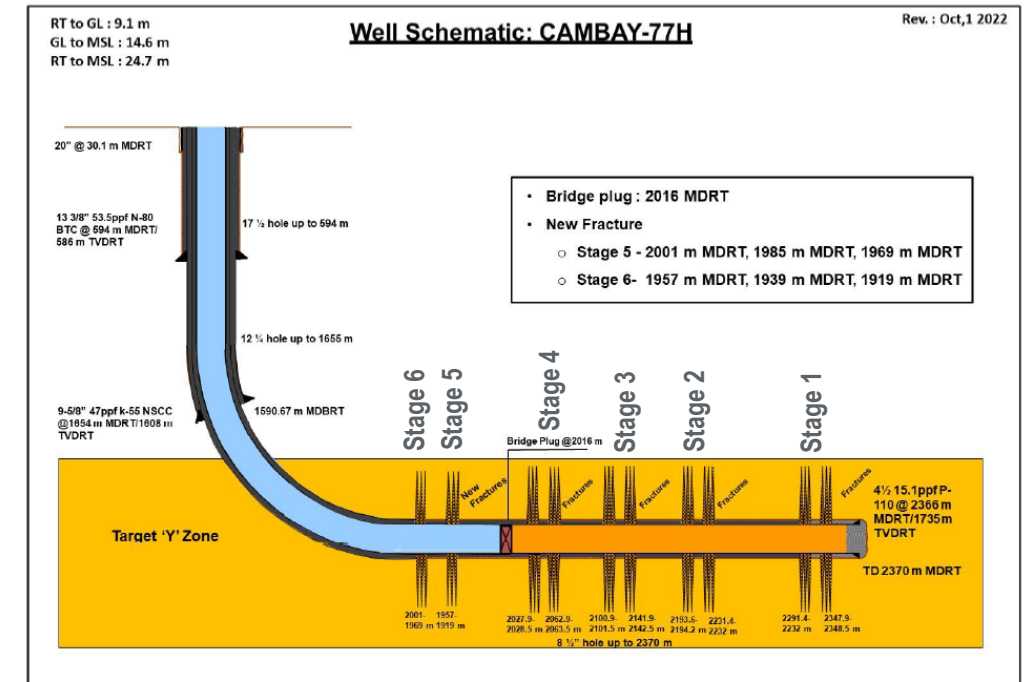
The initial plan was to re-frac into the original stages 1 - 4, however casing deformation precluded re-entry

The lower section was plugged off and a revised 2 stage re-frac was undertaken (stages 5 & 6) in August 2022

Perforating was successfully completed using a novel abrasive jet approach

Fracking services were executed by Schlumberger

The two zones were fracked in c. 72 hours



# C-77H RE-FRAC 2022 – LESSONS LEARNED

Prior to the re-frac, C-77H was produced from 4 zones, fracked in 2014. The well would load up with liquid after 2-3 days of production and required shut in periods of 2-3 days to rebuild flowing wellhead pressure. Several engineering studies indicated these 4 zones had been fracked sub-optimally with the majority of production coming from only one zone. In order to establish a reliable baseline methodology for a full field development, the Company decided to re-frac the C-77H well with revised fracking parameters, including: 5 meter perforated zones, revised proppant, elimination of cross-linked polymer frac fluid treatment and post-frac flushing, DFIT analysis prior to fracking each zone

## Results

- After the frac fluid had been flowed back, the high gas condensate nature of the reservoir resulted in a c. 1500 meter column of gas condensate to build in the wellbore indicating the need for **artificial lift for future development wells**.
- **Plateau** production from the 2 newly fracked zones was established at 250-275 mscfd despite significant fluid loading – primarily gas condensate. Continuous stable gas production has been established with little discernible decline rates. Anticipated flow potential with artificial lift from the 2 zones is c. 0.5 mmscfd.
- **Future new wells** with 15-20 zones can provide initial plateau production of c. **4 mmscfd**

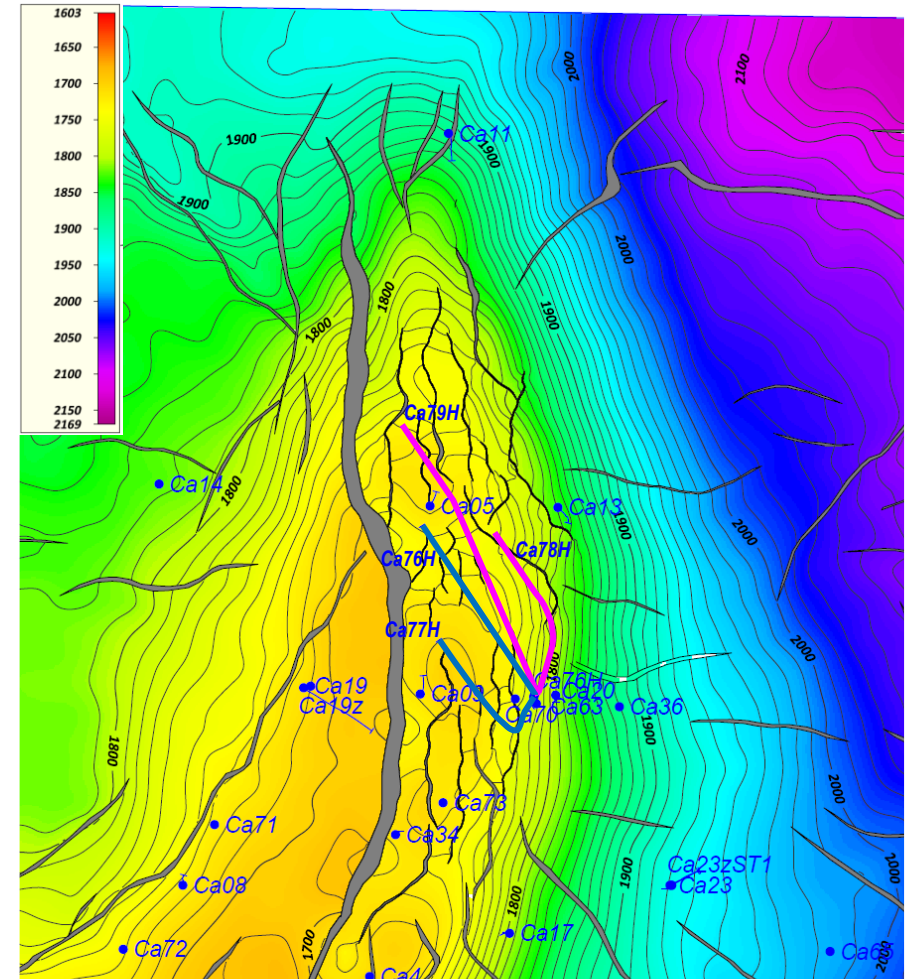
# DEVELOPMENT OF THE EOCENE GAS

Well planning for two new horizontal wells C-78H and C-79H has been completed

The well locations have been determined by :

1. Structurally high
2. Adjacent to C-05 which tested up to 4.1 mmcfd and 170 bcpd
3. Close to faults to access natural fractures

Well cost is estimated at ca US\$10 million drilled, completed, stimulated

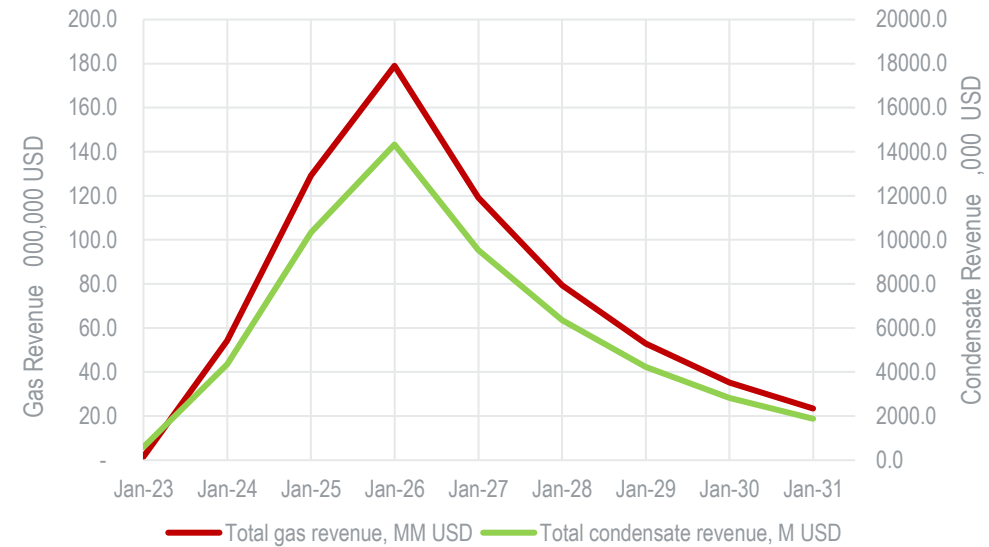
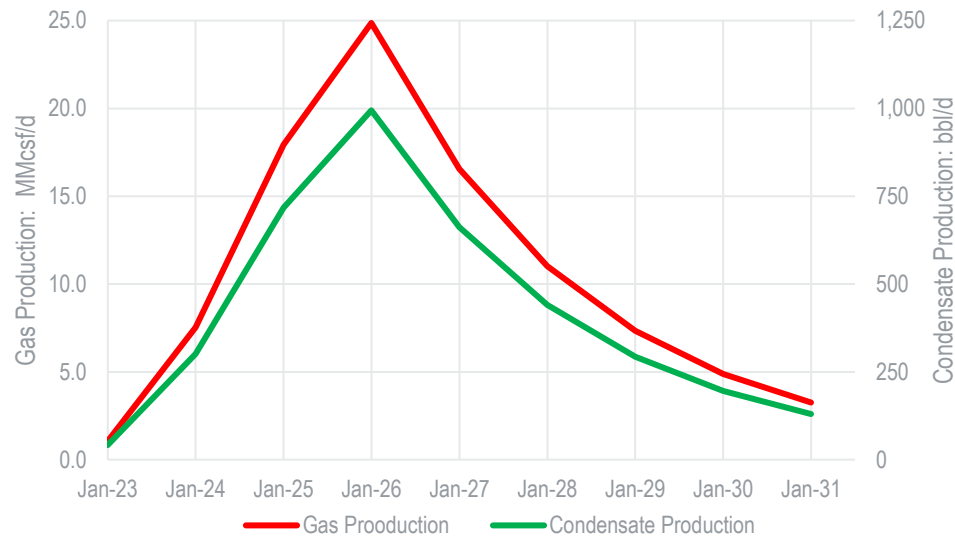




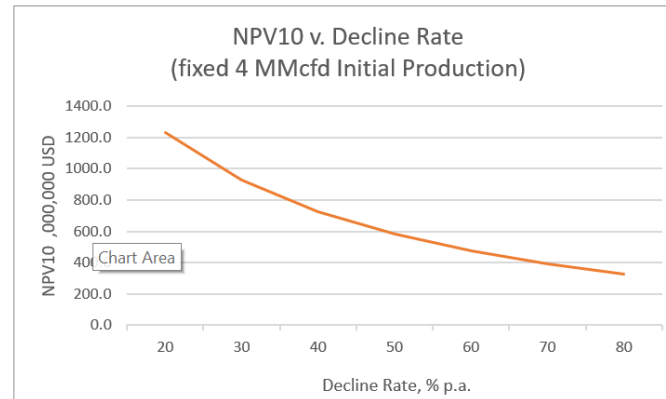
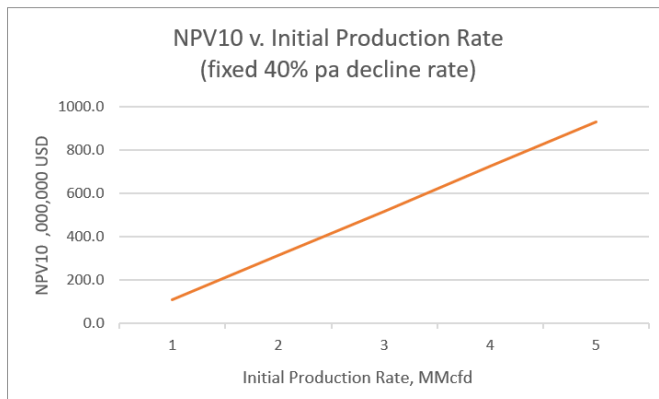
# FIELD DEVELOPMENT

- Staged plan with an initial 10 wells drilled from the C-77H drilling pad
- This facilitates drilling rig logistics, production tie-in and ease of workover
- The 10 wells recover 34 Bcf to 2032 representing a portion of the greater resource
- NPV for initial production rate of 4 mmcfd and 40% decline **\$725 mm** pre tax & financing
- Drilling planning completed for initial 2 wells C-78H and C-79H
- Located within proven areas, close to highest test rates (C-05)
- Horizontal sections of ~1,000 m, multi-stage fracture stimulated (15-20 zones)
- CGR of 40 bbls/mmcft adds significant value
- Artificial lift planned using PCP to maximise gas rates
- Water disposal through injection wells
- Well cost est US\$10 million drilled, fracked and completed
- Expanded gas processing facilities and compression to 35 MMcfd
- Compression allows sale to high pressure pipelines and LNG replacement pricing.

# 10 WELL ECONOMIC MODEL



## Sensitivities



## Key Assumptions

Initial gas production rate for new wells: 4,000 mscfd  
 Decline rate: 40% pa  
 Low Pressure gas sales price: \$8.57/MCF  
 High pressure gas sales price: \$40/MCF  
 Condensate sales price: \$80/bbl  
 New horizontal Well capex: \$7.5m  
 Fracking & Completion: \$2.5m

# OUTLINE

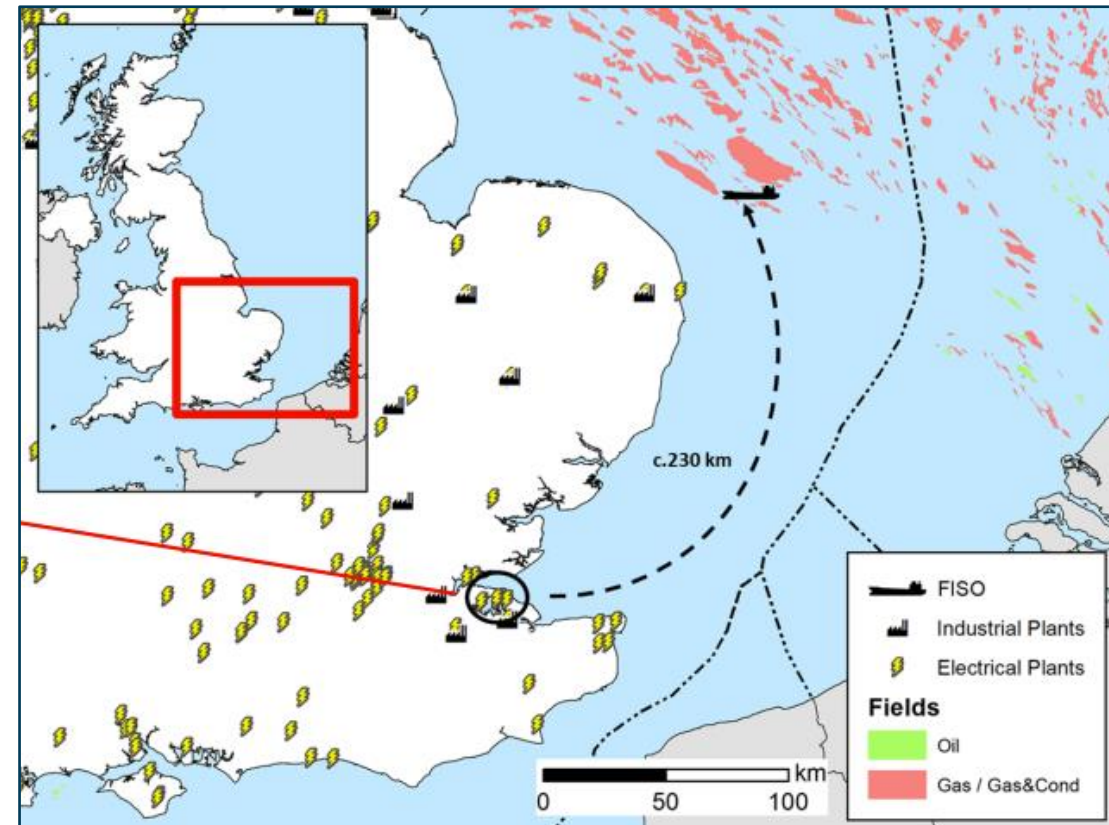
- Synergia Overview
- Cambay India Economic Potential
- **CCS**





# CCS UPDATE

- Medway Hub project gaining traction
- Merchant scheme not reliant on government funding
- Target peak annual CO<sub>2</sub> storage: 7.6 Mta
- Marine solution gives storage & cargo flexibility
- CCS team established
- Two NSTA storage license applications pending



## QUALIFIED PETROLEUM RESERVES AND RESOURCES EVALUATOR STATEMENT

Pursuant to the requirements of Chapter 5 of the ASX Listing Rules, the information in this report relating to petroleum reserves and resources is based on and fairly represents information and supporting documentation prepared by or under the supervision of Mr Joe Salomon, Chairman employed by Synergia Energy Ltd. Mr Salomon has over 30 years' experience in petroleum geology and is a member of the Society of Petroleum Engineers and AAPG. Mr Salomon meets the requirements of a qualified petroleum reserve and resource evaluator under Chapter 5 of the ASX Listing Rules and consents to the inclusion of this information in this report in the form and context in which it appears. Mr Salomon also meets the requirements of a qualified person under the AIM Note for Mining, Oil and Gas Companies and consents to the inclusion of this information in this report in the form and context in which it appears.