



Transformational Farm-out and Placement

APRIL 2023



Hartshead Resources NL



FORWARD LOOKING STATEMENT: 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.

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The volumetric estimates used to derive the estimates herein 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. 1 barrel of oil equivalent (boe) equates to 5,800 standard cubic feet (scf) of gas.

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. The Reserves estimates presented in this report were originally disclosed to the market in announcement released on 23 June 2022.

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 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.

Corporate Information

This presentation is dated April 2023 and is authorised to be given to ASX by the Board of Directors of Hartshead Resources NL. The address of Hartshead Resources NL is 333C Charles Street, North Perth WA 6006 and its website is www.hartshead-resources.com.au. Shareholders, investors and other interest parties can contact Nathan Lude, Executive Director, on +61 8 9226 2011 or at info@hartshead-resources.com.



Executive Summary

Project Sell-down and Equity Raise provides a clear pathway to development for Hartshead

- ✓ Execution of agreement to farm-out 60% of North Sea Licences (**Project**) to RockRose Energy (**Farm-out**)
 - Total consideration to Hartshead of up to A\$196 million for Phase I and A\$9 million for Phase 2
- ✓ A\$20 million Placement to fund balance of non-debt development costs
- ✓ Farm-out consideration and Placement meets anticipated projected equity funding requirements for Phase I 1
- ✓ Transformational transaction gives a clear pathway to development and cashflow
- ✓ Project to leveraged to highly-attractive UK gas prices, currently 108.1 p/Therm (~A\$19/GJ) ²
- ✓ Significant near-term catalysts upcoming associated with project development activities

Note 1: Based on CAPEX requirements detailed in ASX announcement dated 23 June 2022. Updated CAPEX numbers will be prepared as part of FEED completion & Field Development Plan

Note 2: ICE NBP Nat Gas price (Reuters) 31 March 23, AUD/GBP 0.54





Farm-out with RockRose Energy



Farm-out & Placement Highlights

► Farm-out realises A\$205m in consideration and provides a clear pathway to first cashflows

1	Transformational Farm-out	<ul style="list-style-type: none"> • Binding agreement for the sale of a 60% interest in Southern Gas Basin assets to RockRose Energy (RockRose) • Hartshead retains a 40% interest, maintaining a meaningful share of future production • Hartshead to retain operatorship, transferring to RockRose at a future date
2	Up to A\$205m in consideration	<ul style="list-style-type: none"> • Phase I consideration comprises of approximately US\$128m (A\$196m) ¹ in past costs, milestone payments, free-carry and including UK government Investment & Capital Allowance of US\$31.4 million (A\$48.4 million) ² • Additional Phase II Bonus of US\$5.9m (A\$9.0m) in cash on government approval of the Field Development Plan (FDP) for the Phase II development of Lovelace and/or Hodgkin gas fields
3	Significant Technical Validation	<ul style="list-style-type: none"> • RockRose is an established UK producer, providing a major commercial and technical endorsement of the Project • The Farm-out attracted interest from a wide number of parties, highlighting the quality of the Company's asset base • Look through value from Phase 1 - A\$196m for 60% provides significant implied value on 100% of asset
4	Equity Funding for Development Finalised	<ul style="list-style-type: none"> • Combined with the \$20m Placement, the Farm-out meets projected equity funding requirements for Phase I • HHR is in discussions with a range of funding providers for project financing • Completion of debt arrangements, together with farmout and placement proceeds sees HHR funded through development
5	On track for FID	<ul style="list-style-type: none"> • Completion of the Farm-out is a key milestone and precipitates several important steps towards FID • Key upcoming milestones include finalisation of debt funding (Q3 CY23), completion of FEED (Q2 CY23), submission of FDP (Q3 CY23) • Targeting FID for Q3 CY23 with first production/cashflows targeted for H1 CY25

Note 1: Farm-out agreement denominated in US\$, translated to A\$ at 0.65 USD:AUD exchange rate

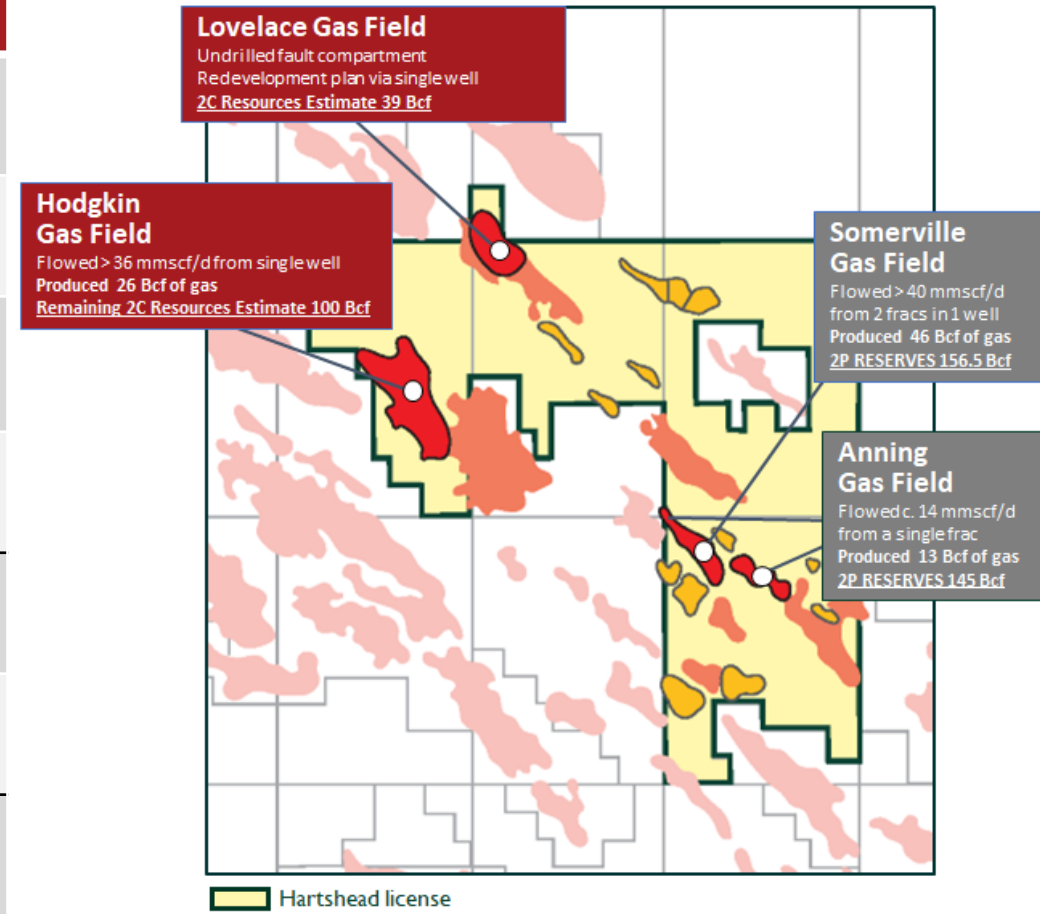
Note 2: Refer to Slide 8 for more details



Summary of Key Farm-out Transaction Terms

Transformational farm-out of UK Southern Gas Basin Assets

Payment	Amount (USD)	Amount (AUD) ²	Description
Initial Payment & Past Costs	\$7.9m	\$12.2m	Initial cash consideration and Rockrose's 60% share of the pre-completion joint-venture costs paid on completion of the transaction
Free Carry	\$61.8m	\$95.0m	Paid by RockRose in relation to HRL's development costs from Phase I FID as a work programme carry
Bonus Payments	\$26.5m	\$40.7m	Cash Phase I bonus to be used exclusively for Phase I development of which \$9.8 million is available from Phase I FID and \$31.7 million from Phase I Field Development Plan (FDP) on approval by UK government
EPL tax benefit¹	\$31.4m	\$48.4m	By way of UK government Oil and Gas Investment allowance
SUB-TOTAL	\$127.6m	\$196.3m	
Conditional Bonus	\$5.9m	\$9.0m	Phase II Bonus in cash on NSTA approval of the FDP for the Phase II Lovelace and/or Hodgkin gas fields
TOTAL	\$133.5m	\$205.3m	

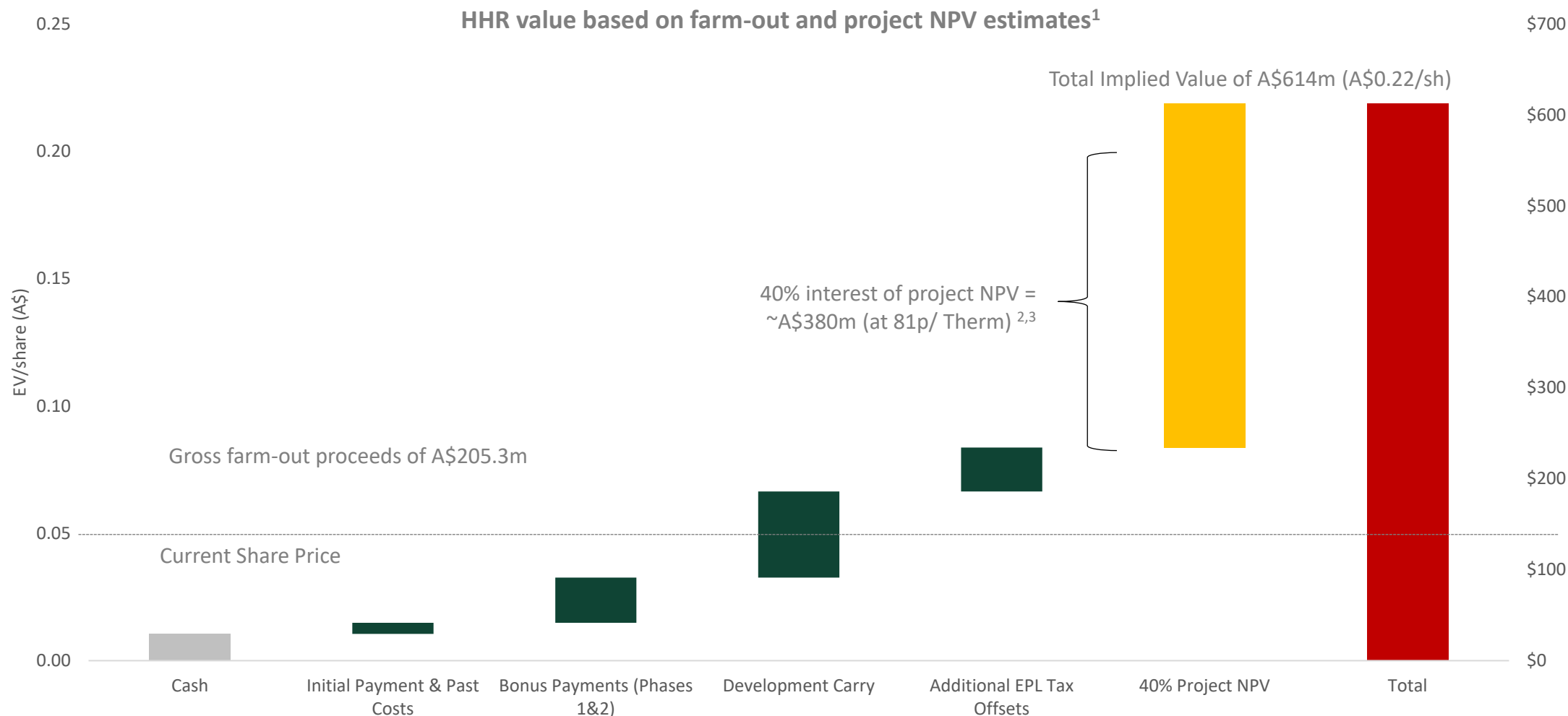


Note 1: Investment & Capital Allowance defined by the UK government North Sea Transition Authority (NSTA) as a "super-deduction" style investment allowance for the oil and gas sector to invest in the UK. This is not part of the consideration paid directly by Rockrose

Note 2: All Farm-out agreement figures denominated in US\$, translated to A\$ at 0.65 USD:AUD exchange rate

Enterprise Value

Project sell-down metrics provide a positive look-through value for HHR compared to its current share price



Note 1: Cash as at 31 Dec 2022 of \$8.9m plus gross Placement proceeds of \$20m

Note 2: Please refer to ASX announcement dated 23 June 2022 'Substantial Uplift in Project Value Following Independent Technical and Commercial Audit of Anning and Somerville Gas Fields'. See slide 25 for further details

Note 3: Assumes AUD:USD 0.65, USD:GBP 1.2

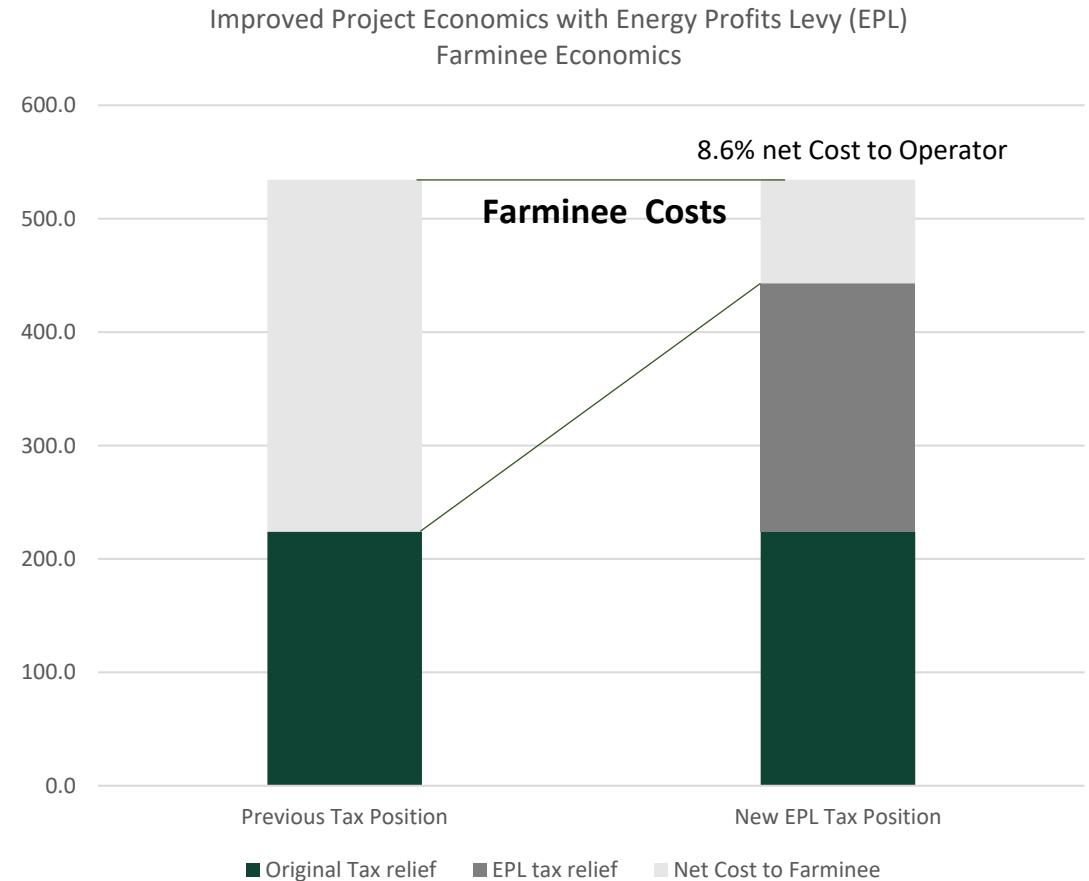


Energy Profits Levy – Super-deduction



New Investment Allowance creates super deduction against project costs

- Investment & Capital Allowance is a “super-deduction” introduced to enhance domestic UK Oil and Gas production
- 91.4% deduction on CAPEX spend
- 109% deduction for CAPEX on decarbonisation items
- Allowance provide significant protection from cost inflation
 - \$100m increase in capex has \$8.6m cost post allowance
 - \$100m increase in decarbonisation items results in \$9m gain post allowance
- Items in decarbonisation include wind turbines, solar panels and battery storage etc
- Existing Gas producers are actively seeking investments in developments to take advantage of the allowance

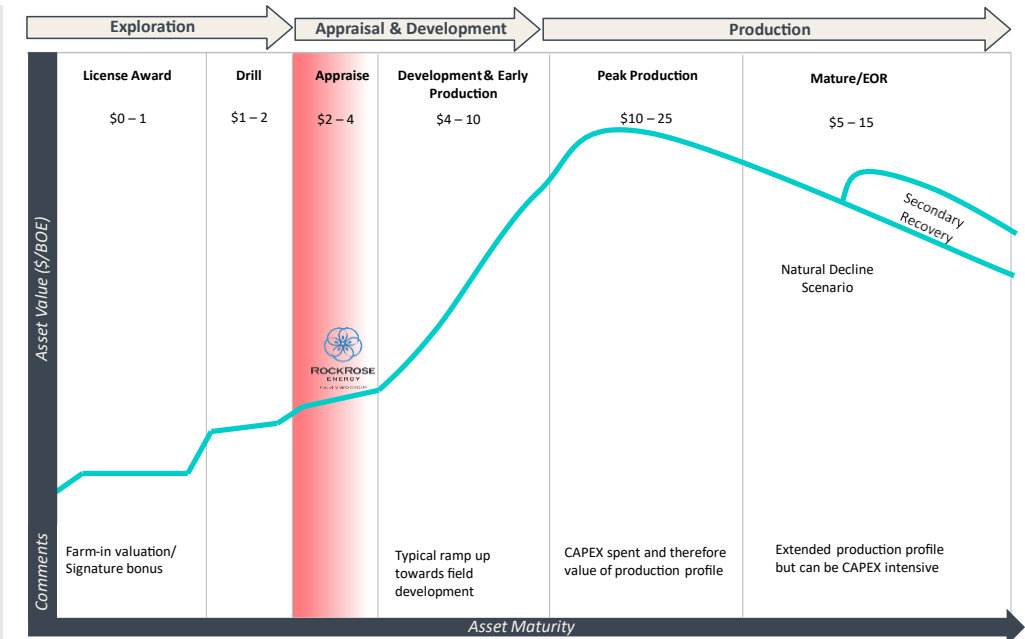


Transaction Structure and Implied Valuation

Significant uplift compared to HHR's current trading metrics

FARM-OUT TRANSACTION STRUCTURED TO OPTIMISE TAX RELIEF AVAILABLE FROM UK ENERGY PROFITS LEVY (EPL)

- Aggregated cash consideration, development carry and investment allowance yields a compelling implied valuation
- **91.4% tax relief** available to RockRose Energy from EPL investment allowances applied to Phase I Earn-In Costs
- Phase I Bonus to Earn-In Costs ratio minimises Hartshead capital gain liability
- Hartshead to retain Operatorship at Completion and transferring to RockRose at a mutually agreed date triggered by:
 - Phase I FID
 - Phase I First Gas
- Transformational Farm-out transaction delivers:
 - **A\$148 million** of Phase I development capital
 - RockRose as an established UK North Sea Independent JV partner
 - Unlocks Hartshead's remaining development capital



Source: LAB Energy Advisors figures quoted in US dollars.

Overview of RockRose Energy

► Experienced and credentialed industry partner will enable to progress development of UK gas assets

ROCKROSE IS A WHOLLY OWNED SUBSIDIARY OF THE VIARO ENERGY GROUP

- RockRose was founded in 2015 and listed on AIM prior to being acquired by Viaro in 2019
 - Onshore/Offshore production and infrastructure in the UK and the Netherlands
 - North Sea portfolio built via a successful asset and corporate M&A strategy
 - Current Production circa **27,000 boepd**
 - 2P Reserves + 2C Contingent Resources of **80.6 MMboe** (1 Jan 2021)
 - Strategy to grow production to a target of **100,000 boepd**
- Non-operated interests in more than 30 oil & gas fields in the North Sea
- Material UK Southern Gas Basin position in proximity to License P2607 and the Bacton and Easington Catchment Areas via the acquisition of:
 - Sojitz Energy Project Limited (2017)
 - Scottish & Southern Electric (SSE) plc (2021)
- RockRose team has strong technical and operating capability given personnel held key positions with Marathon Oil U.K. as Operator of the Brae complex of assets



RockRose Acquisitions to Date:

Egerton Energy Ventures Limited (2017)
Sojitz Energy Project Limited (2017) – UK SNS
Idemitsu Petroleum UK Limited (2017)
Dana Petroleum assets (2018)
Zennor Petroleum assets (2018)

Dyas B.V. group – Netherlands (2018)
Marathon Oil U.K. LLC (2019)
SSE plc (2021) – UK SNS
Hague & London Oil plc – Netherlands (2021)
Spark Exploration UK Limited (2023)

Key Milestones in Asset Advancement



Accretive milestones in portfolio development

	2023				2024				2025	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	H1	H2
Project Development										
FEED										
FDP Submission										
FDP Final Draft Acceptance										
Commercial										
Completion of Farm-out										
Completion of gas transportation & processing agreement										
Funding										
Completion of Placement										
Finalisation of debt Funding										
Final Investment Decision										
Development Project Execution										
First Gas										





Placement Details



Placement Overview

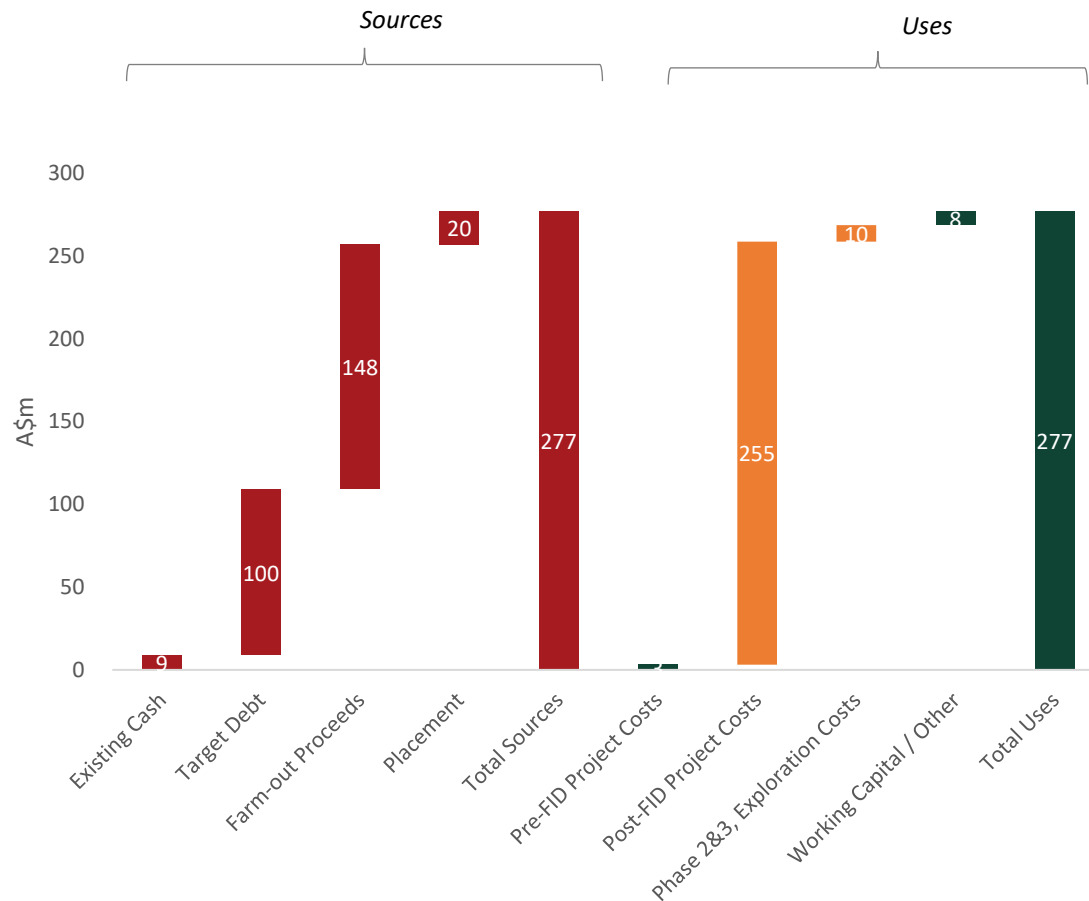
A\$20 million Placement to progress HHR's portfolio of assets

Placement Overview	<ul style="list-style-type: none">• Institutional placement to raise A\$20 million ("Placement")¹• 500 million fully paid ordinary shares ("New Shares") are to be issued under the Placement, representing ~22% of existing ordinary shares on issue
Placement Price	<ul style="list-style-type: none">• Placement price of A\$0.04 per share represents a:<ul style="list-style-type: none">– 20.0% discount to the last close price of A\$0.050 per share on 30 March 2023; and– 9.5% discount to the 5-day VWAP of A\$0.044 per share up to and including 30 March 2023
Director Contribution	<ul style="list-style-type: none">• Directors have undertaken to subscribe for New Shares worth approximately \$750,000 in the Placement, conditional upon shareholder approval at a General Meeting of Company shareholders, to be held in May 2023
Ranking	<ul style="list-style-type: none">• New Shares issued pursuant to the Placement will rank equally with shares on issue
Joint Lead Managers	<ul style="list-style-type: none">• Bell Potter Securities Limited and Euroz Hartleys Limited are acting as Joint Lead Managers to the Placement

Equity Funding Now In Place

▶ The Farm-out and Placement sees HHR ideally positioned to complete debt funding¹

The equity funding for Hartshead's share of development cost is now in place



Execution of the Farm-out de-risks finalisation of debt process

- Credible JV partner and the reduction in project interest will assist in advancing discussions with alternate providers of debt and offtake financing
- Substantial cash on the balance sheet at FID will assist in finalising debt discussions
- Transaction structure optimised to maximise the benefit of **91.4% tax relief** available from UK government investment allowances
- Net **85% protection** from effects of any CAPEX cost overrun provided via UK government investment allowances

Hartshead commenced discussions for a target ~\$100m in debt financing

- Hartshead is actively progressing discussions with a range of debt and offtake facility providers
- Potential fundings sources could include one or a combination of:
 - Reserves based lending
 - Corporate facilities
 - Nordic/corporate bonds
 - Offtake funding
- Based on current discussions on foot with lenders, the Company is assuming a conservative \$100m target debt amount, representing less than 40% of its net capex amount



Note 1: Based on CAPEX requirements detailed in ASX announcement dated 23 June 2022.
Updated CAPEX numbers will be prepared as part of FEED completion & Field Development Plan

Sources & Uses of Funds

Proceeds will be used to accelerate development of its Gas Assets

¹The equity raising provides funding to HHR to support development of its UK Southern Gas Basin assets, with proceeds being applied to:



Commence Phase I Development

- Construction and Installation of two offshore gas platforms
- 40 km pipeline and subsea infrastructure for connection to Shell infrastructure
- Six development well drilling program



Working Capital and Offer Costs

- General corporate costs
- Working capital requirements
- Offer costs including fees

Sources	A\$m	% of Total
Existing Cash	8.9	3.2%
Target Debt	100.0	36.1%
Farm-out Proceeds	147.9	53.4%
Placement	20.0	7.2%
Total Sources	277.4	100.0%

Uses	A\$m	% of Total
Pre-FID Project Costs	3.2	1.2%
Post-FID Project Costs	255.3	92.2%
Phase 2&3, Exploration Costs	10.0	3.6%
Working Capital / Other	8.4	3.0%
Total Uses	277.4	100.0%

Note 1: Based on CAPEX requirements detailed in ASX announcement dated 23 June 2022. Updated CAPEX numbers will be prepared as part of FEED completion & Field Development Plan

Indicative Timetable



A\$20 million Placement to progress HHR's portfolio of assets

Event	Date
Trading halt	Friday 31 March 2023
Placement bookbuild	Tuesday 4 April 2023
Announcement of the outcome of the Placement	Wednesday 5 April 2023
Trading halt lifted – trading resumes on the ASX	Wednesday 5 April 2023
Settlement of New Shares issued under Tranche 1 of the Placement	Thursday 13 April 2023
Allotment and normal trading of New Shares issued under Tranche 1 of the Placement	Friday 14 April 2023
General Meeting of Hartshead Shareholders to consider Tranche 2 of Placement	indicatively late May 2023
Settlement and Issue of New Shares under Tranche 2 of the Placement	indicatively late May 2023





Corporate Overview



Corporate Profile

Board and Management incentivised through material shareholding

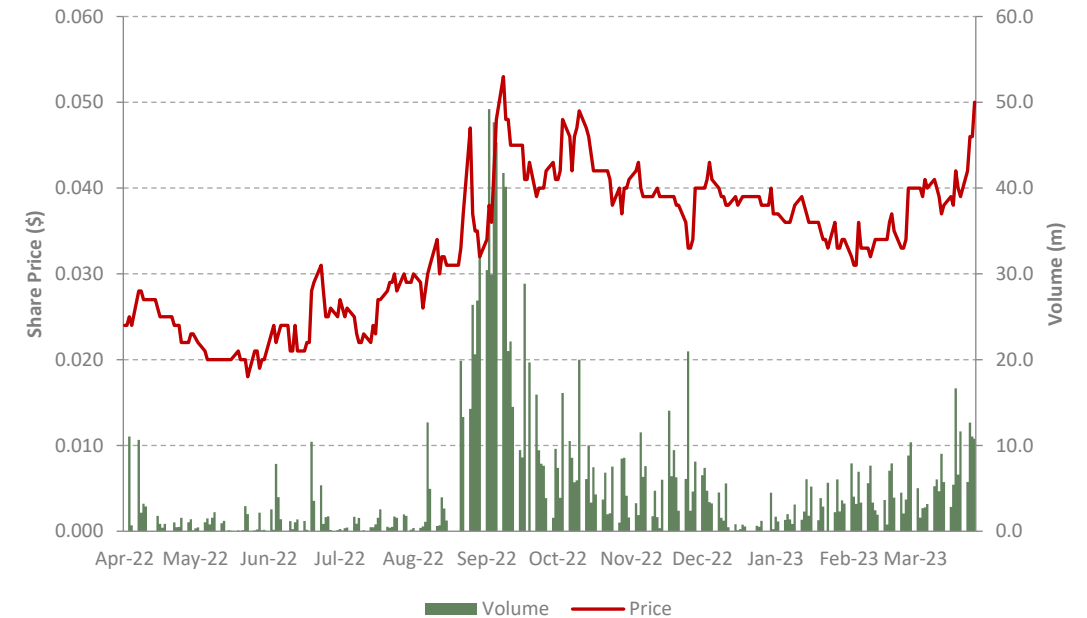
Capital Structure	Current	Proforma ¹
ASX Code	HHR.ASX	
Last Closing Share Price (30 March 2023)	A\$0.05	
Shares on Issue ^{2 & 7}	2,292,682,127	2,792,682,127
Partly Paid Shares on Issue ³	5,703,550	5,703,550
Performance Rights ⁷	15,000,000	15,000,000
Market Capitalisation (undiluted) ⁴	\$114.6m	\$139.6m
Cash and cash equivalents ⁵	\$8.9m	\$27.7m
Enterprise Value ⁶	\$105.7m	\$111.9m

Notes:

1. Proforma assumes completion of the \$20m Placement (including JLM fees) but excludes director incentives detailed in Note 7, which are subject to shareholder approval
2. Includes fully paid ordinary shares on issue only
3. Partly paid shares have an issue price of \$0.20, of which \$0.01 is paid. The balance of the issue price is payable at the election of the holder
4. Market capitalisation calculated at the Last Closing Share Price
5. Current cash as at 31 December 2022 – Interim Report and Accounts to 31 December 2022
6. Enterprise Value exclusive of intended future debt arrangements and includes net Placement proceeds
7. Subject to shareholder approval the Company proposes to issue 10m ordinary shares to each Director in recognition for value accretive achievements by the company over the previous two years. Additionally, 20m Performance shares each, will also be issued as part of a future incentive plan for each Director, with milestones split evenly across 5 key project development and value accretive related milestones.

Company Directors & Officeholders

Non-Executive Chairman	Bevan Tarratt
CEO & Managing Director	Chris Lewis
Executive Director	Nathan Lude
Company Secretary	Matt Foy



Project Management Team

▶ Deep Management experience within oil & gas sector, particularly UK North Sea



Jeff Barnes
Project Developments Manager

- Over 40 years' upstream oil & gas experience
- Managed 14 UK Southern Gas Basin developments and infrastructure projects
- Track record of delivering successful UK capital projects



Simon Haworth
Subsurface Team Lead

- Internationally experienced Geoscientist with over 20 years' experience in
- Held varied roles in subsurface studies and portfolio optimisation in the UK North Sea, Australian northwest shelf, Papua New Guinea and the Netherlands
- Spent the majority of his career with Shell and also held roles with Oil Search, Nexen and a variety of service companies



Don Ferguson
Operations Manager/Advisor

- 37 years' experience as a Petroleum Engineer
- Founder of UK SNS focussed Highland Energy and Caledonia Oil & Gas, both having highly successful growth and exit histories
- From 2007 to 2011 was a Director at First Reserve Corporation - serving as Board advisor for two North American E&P companies



Steve Roser
Commercial Manager

- Negotiator with over 30 years' experience
- Extensive track record in delivery of major oil and gas projects
- Extensive experience of UK Southern Gas Basin and wider UKCS



Dave Fowler
Procurements Manager

- Dave has over 35 years' experience
- Held senior management positions with both Oil & Gas Operating Companies and in major contracting organizations in the Oilfield Services sector in most operating regions

Board of Directors

Proven corporate experience in the oil & gas sector



Bevan Tarratt
Non-Executive Chairman

- Bevan has an extensive background in the corporate and financial services industries having worked in various accounting and corporate broking firms for the past 15 years.
- Bevan has significant experience in the recapitalisation, restructuring and acquisition of assets for numerous ASX companies and was a Client Advisor at Patersons Securities and Partner of a venture capital firm.
- Well experienced in executive and non-executive board roles with over 20 years of experience.



Chris Lewis
Chief Executive Officer

- Chris is a geophysicist and oil & gas professional with 28 years+ experience
- Experience gained with a spectrum of oil majors, small-mid caps, start-ups and consultancies
- Executive and board experience with geographical expertise in Africa, North Sea, CEE and Australasia
- Successful monetisation with Centric Energy, Lion Petroleum, ZETA Petroleum and Blackstar Exploration.



Nathan Lude
Executive Director

- Nathan has broad experience working in Asset Management, Mining and the Energy Industry.
- Nathan is well experienced in project identification and project development for multiple ASX companies
- Previous roles include Business Development Management role for a large Canadian energy company and Executive Director roles for a number of ASX-listed companies.
- Nathan's business network spreads across Australia and Asia and has strong corporate ties in the finance industry.



Matthew Foy
Company Secretary

- Matthew is a Fellow of Governance Institute Australia (GIA) with 15+ years facilitating company compliance and growth.
- Matthew has deep experience as a Company Secretary to small, mid and large cap ASX listed companies.
- Previous experience includes as Senior ASX Advisor, Listings Compliance.



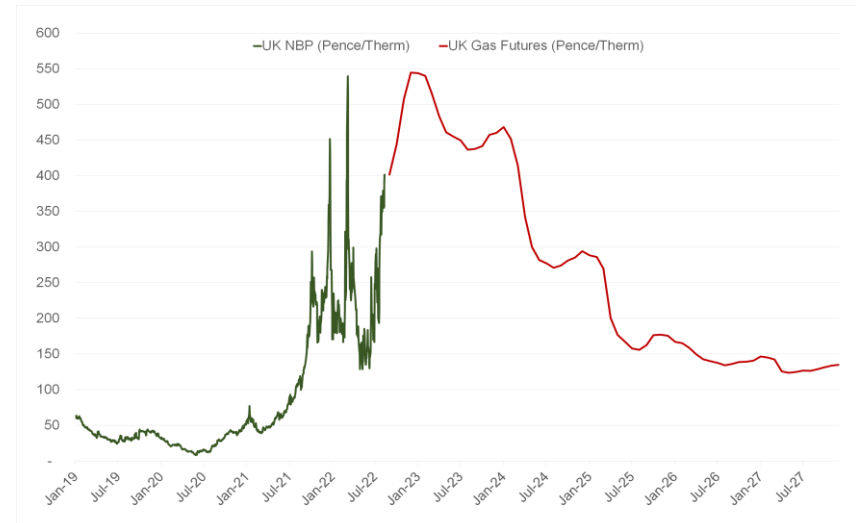
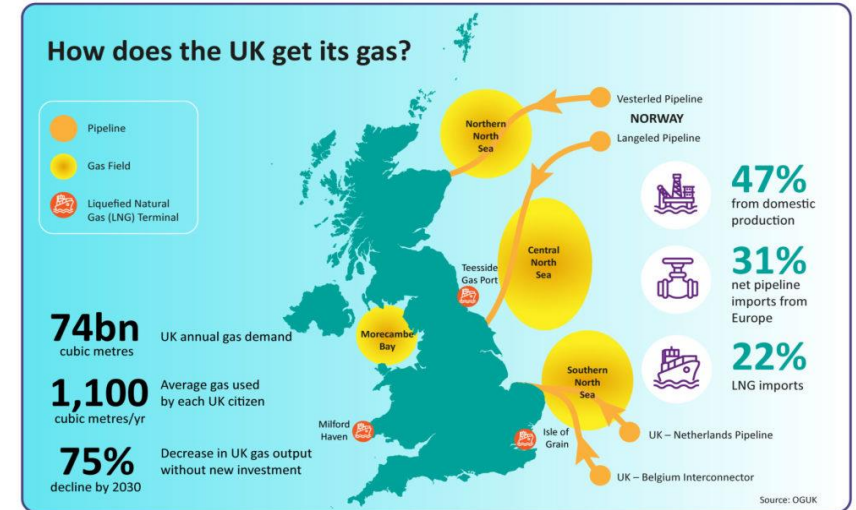
Project Update



UK Gas Market and New UK Energy Security Strategy

Conflict in Ukraine has highlighted UK energy security of supply as a new strategic priority

- New UK Energy Security Strategy renews focus on maximising use of domestic resources
 - Russia has terminated gas supply contracts with several EU countries with energy rationing now underway in Germany
 - Europe competing with highly priced LNG cargoes destined for SE Asian markets resulting in an expansion in European regasification capacity
 - Hartshead Phase I development will benefit from the UK Government's focus on bringing new developments on stream faster and more efficiently
- Energy security unlikely to be satisfied in near/mid-term via renewables and nuclear power
 - Intermittency issues around renewables implies an ongoing dependency on gas-fired (CCGT) generation
 - Record levels of power imported from Europe via interconnectors (7.8GW capacity)
 - UK's two remaining coal power stations due to close in 2022 and 2024 and nuclear capacity being retired
 - New power capacity likely to be met by CCGT generation requiring more natural gas from the UKCS or LNG imports

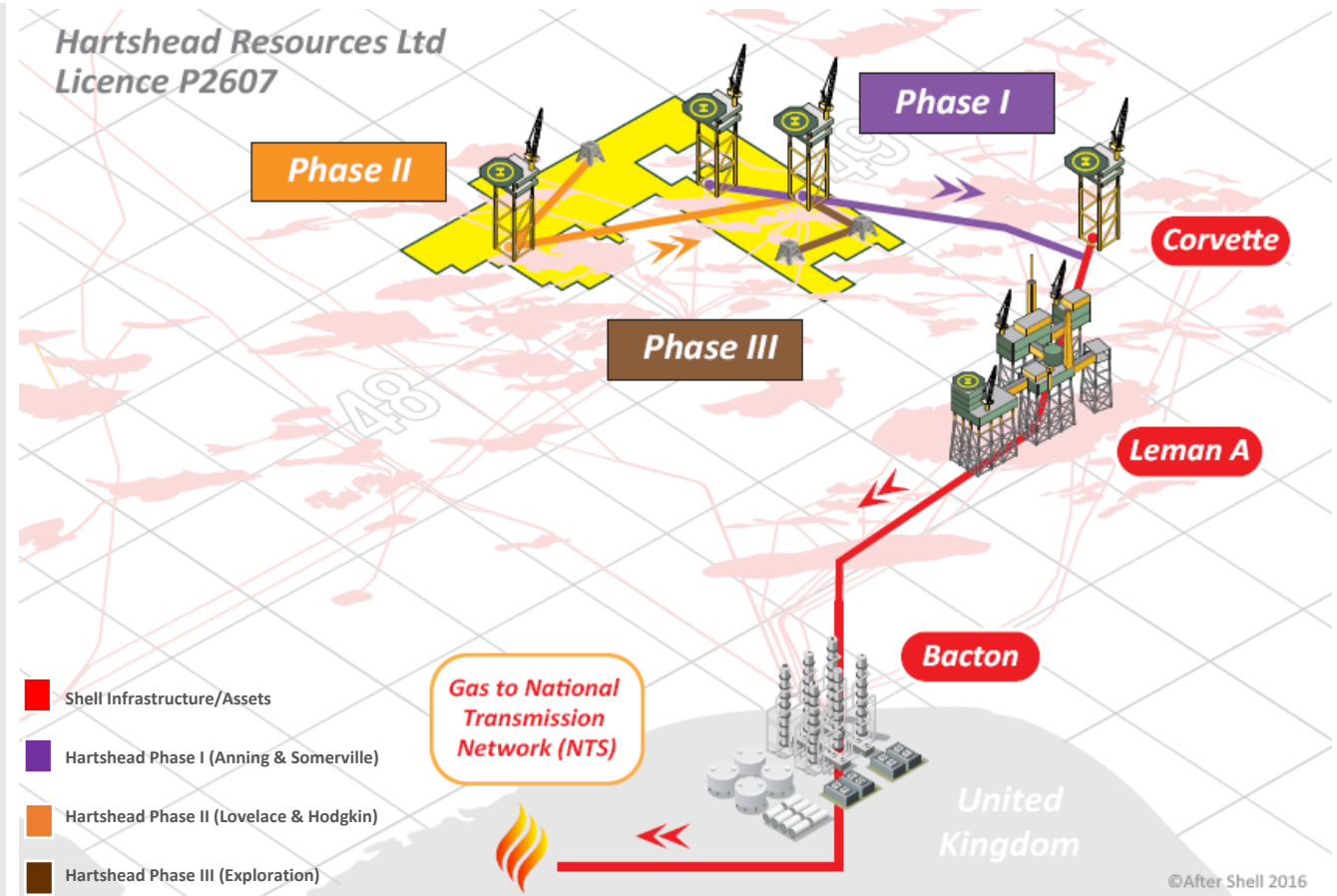


⁶ Source: Intercontinental Exchange (ICE) UK NBP futures

P2607 Production & Development Area

Three phases of development

- Phased development of c. **800 Bcf** total resource
 - Phase I - **301.5 Bcf** 2P Reserves
 - Phase II – **139 Bcf** 2C Contingent Resources
 - Phase III - **344 Bcf** 2U Prospective Resources
 - Phase I supports infrastructure investment
- Delivery to Bacton Gas Terminal
 - Planned via HHR pipeline to Shell Infrastructure
- Bacton Energy Hub initiative launched by UK government to promote H2 generation
 - Hartshead gas potential feedstock for Blue H2
 - NSTA estimate Bacton Energy Hub will require up to 2 Tcf in additional demand for gas at Bacton⁸
 - HHR team contributing to several special interest groups formed to progress Bacton initiative



⁸ NSTA: Bacton-external-launch-16th-june-2021-external.pdf

Key Milestones in Asset Advancement

Accretive milestones in portfolio development

Phase I Development – First Gas Late 2024



- ✓ Acquisition of 100% of UK SNS License P2607
- ✓ License is an aggregation of former ConocoPhillips production assets
- ✓ Resource Base
 - Phase I – 215 Bcf 2C Contingent
 - Phase II - 139 Bcf 2C Contingent
 - Phase III – 141 Bcf P50 Prospective
- ✓ UK gas price 40p per therm
- ✓ A highly skilled O&G team with SNS experience assembled to undertake project advancement



- ✓ 41% Increase in Phase I Resource
- ✓ ERCE 2022 CPR completed
- ✓ Phase I assigned 301.5 Bcf 2P Reserves
- ✓ 125% increase in project target to 0.8 Tcf across 3 Phases
- ✓ Concept Select Report “Letter of no objection” received from NSTA
- ✓ UK gas price at 400p+ per therm
- ✓ Project expenditure 35% below budget for FY 21/22
- ✓ Commencement of FEED
- ✓ Industry Partner Negotiations
- ✓ Shell Agreement for Phase I Engineering Study

Phase II and III



- ✓ Commence Phase 1 FDP
- ✓ Geophysical and Geotechnical Survey tenders
- ✓ Phase 1 Partial Divestment completed
- Phase I industry partner secured and pre-FID valuation confirmed
- Complete FEED
- Phase I FDP approval
- Phase I FID
- Completion of Gas Transport & Processing agreements
- Platform & Pipeline contract award (EPC/EPIC)
- Phase I production drilling contracts award



- Platform & Pipeline installation & commissioning
- Commence production drilling
- Late 2024 - First Gas
- All Phase I wells on-stream
- Phase II FID
- Commence Phase II development of Hodgkin and Lovelace
- Phase III exploration (e.g. McLaren Prospect with tie-back to Sommerville)

Project Economics

Anning and Somerville – Project Economics (CPR)_{1,2}

1P (low case):
NPV₁₀ = £264

2P (base case):
NPV₁₀ = £514

3P (high case):
NPV₁₀ = £810

Key Project Parameters_{1,2}

Phase 1 field development concept	6 production wells, 2 unmanned well head platforms
Phase I 2P gas resources	301 bcf
Target Plateau Production Rate	140mmscf/d (~160TJ/d)
Project Capex	£351m
Base Case NPV ₁₀	£514m (at 81p/Therm)

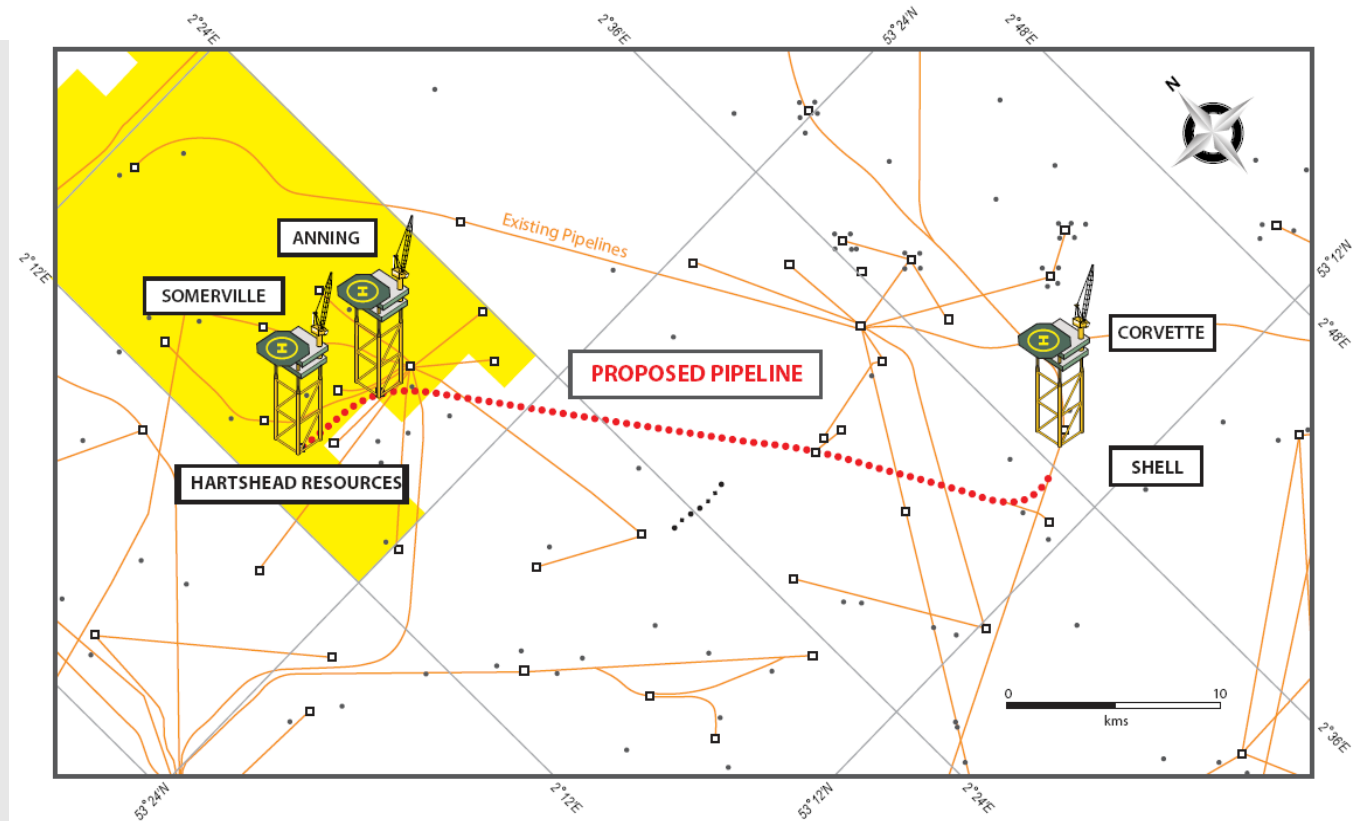
Note 1: For full details please refer to ASX Announcement dated 23 June 2022. The Company confirms that all material assumptions in the ASX Announcement continue to apply and have not materially change.

Note 2: The company will prepare an updated NPV post completion of FEED and FDP, as part of the FID decision making process

Phase I Export Route

Shell Agreement on key commercial terms for gas transportation & processing

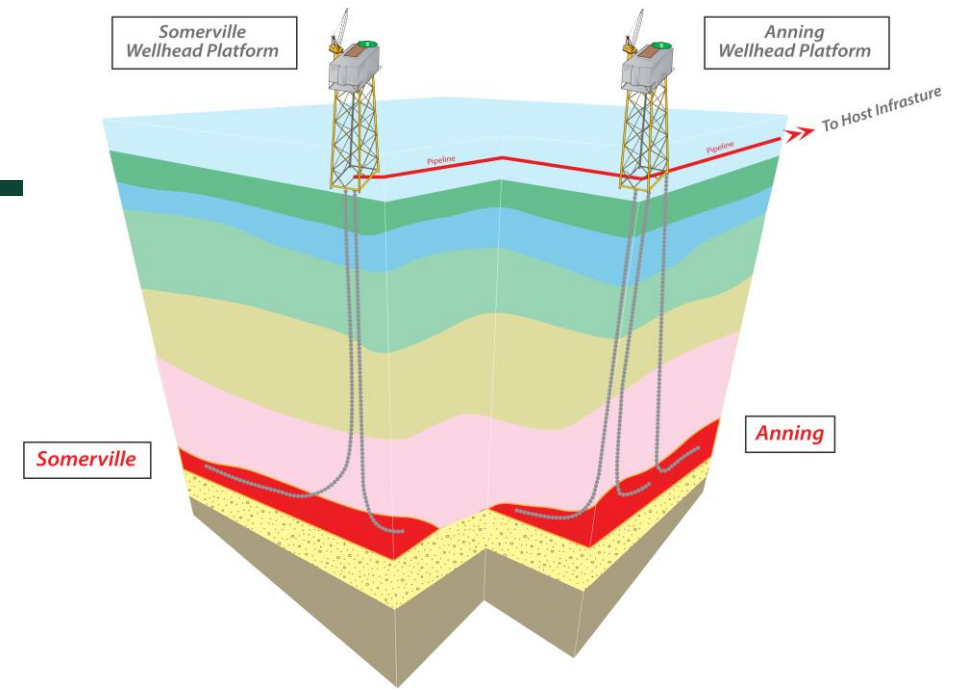
- Shell and Hartshead have jointly identified a preferred tie-in point, into Shell's infrastructure, leading to the Leman Platform and onward transportation to Bacton
- Completion of Phase I Basis of Design Engineering Study with Shell and Petrofac for the preferred export route and tie-in option is expected later in 2023
- Agreement reached with Shell on key commercial terms to transport and process Hartshead's Phase I gas production to UK sales point
- Shell and Hartshead as respective Operators will now progress to conclude full-termed binding agreements for the offtake
- Fully-termed agreements will progress in parallel with the Front-end Engineering and Design (FEED), and final Field Development Plan (FDP) submission to the NSTA



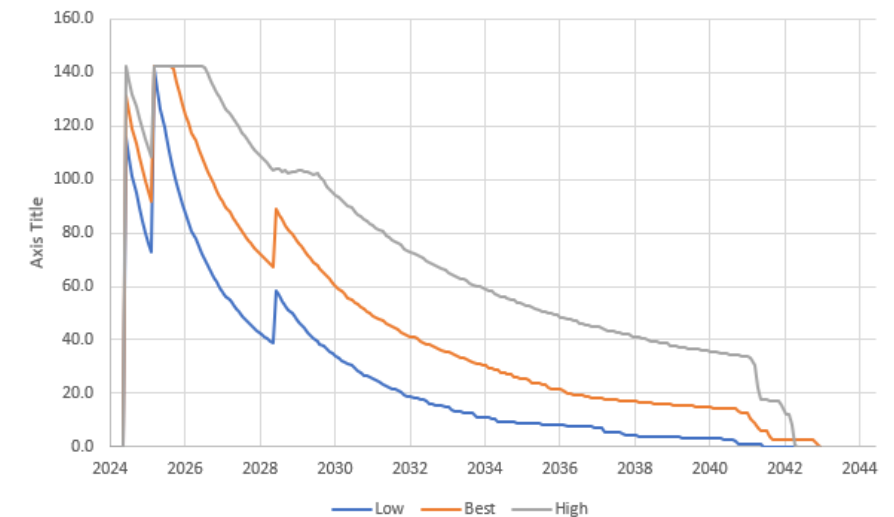
Phase 1 Development

Development

- Concept Select Report (CSR) “Letter of No Objection” received from NSTA (July 2022)
- ERCE audited 2P Reserves estimate **301.5 Bcf**
 - 1P estimate is **180 Bcf**
 - Six production wells
- Peak production rate estimated at c. **140 mmscf/d**
 - Approximately **160 TJ/d**
- Greenfield Development Concept Identified
 - Two minimum facility, unmanned platforms
 - Export via Shell Leman Alpha Platform
 - Gas delivery to Bacton Gas Terminal
- Phase I infrastructure can then be used to monetise Phase II and Phase III resources
- Next steps:
 - Environmental, Geophysical and Geotechnical surveys (Q2/Q3 2022)
 - Front-End Engineering and Design – FEED (Q3 2022 to Q2 2023)
 - Partial divestment/industry partnering (Q1 2023)
 - Final Investment Decision – FID (Q2/Q3 2023)



Anning + Somerville Monthly Raw Gas Production Forecasts



Phase I Development

Anning Gas Field

2P Reserves

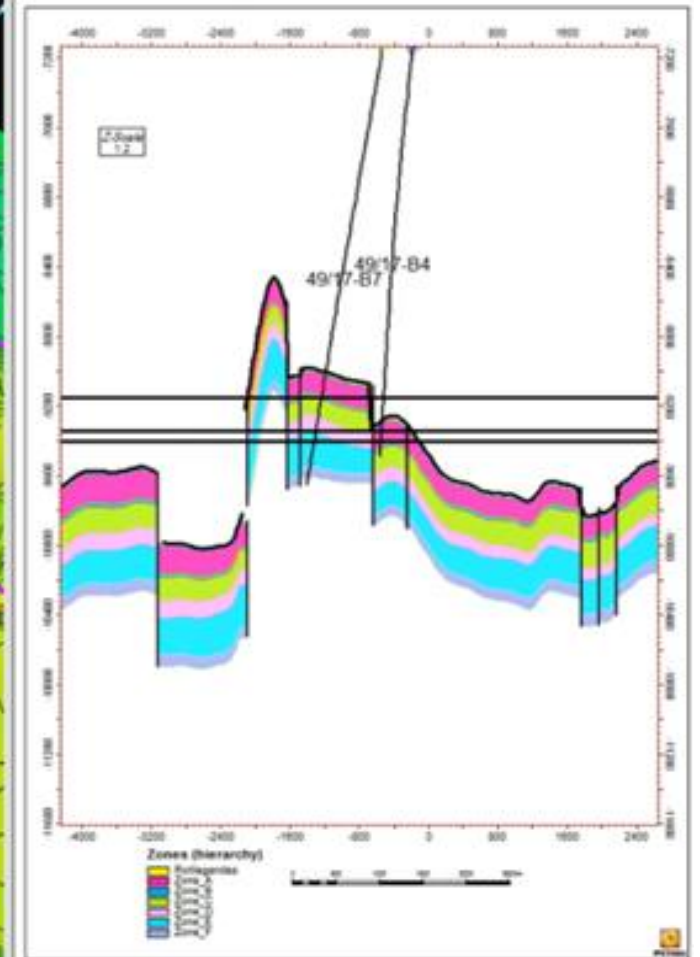
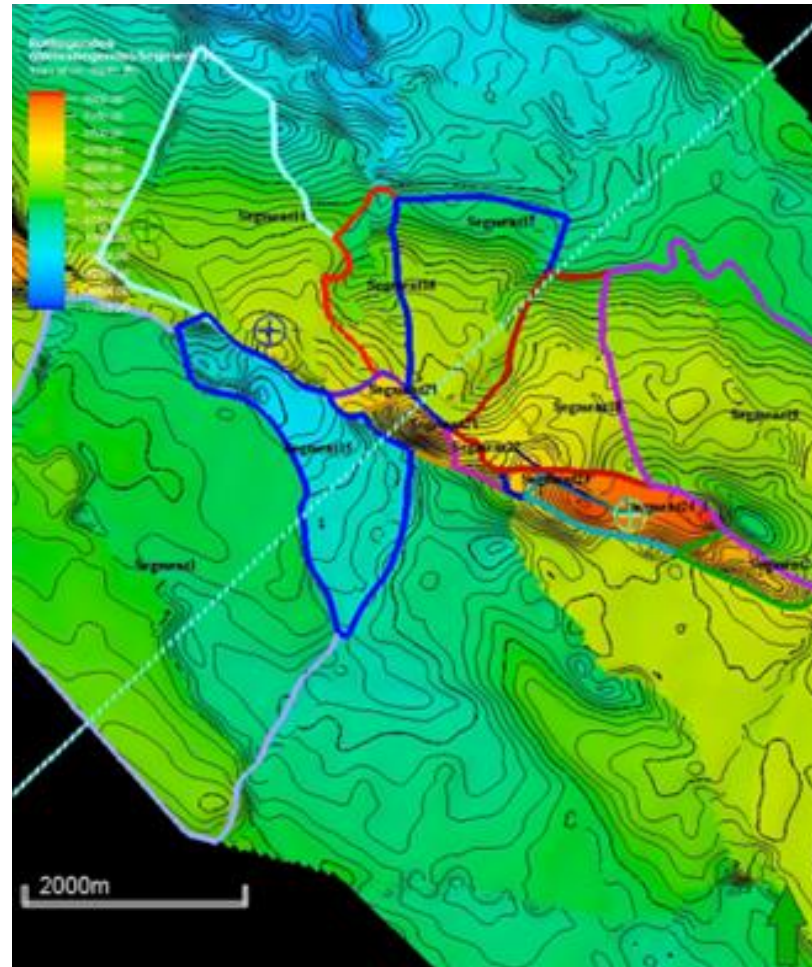
- **145 Bcf** of gas
- **0.192 MMbbls** of condensate

Planned development:

- Three horizontal multi-frac wells
- Minimum facility unmanned platform
- Gas export via Shell infrastructure
- Gas delivery to Bacton Gas Terminal

Historical Single Frac in well 49/17-14

- Initial production at **14 mmscf/d**
- **EUR 13 Bcf** from this well



Phase I Development

Somerville Gas Field

2P Reserves

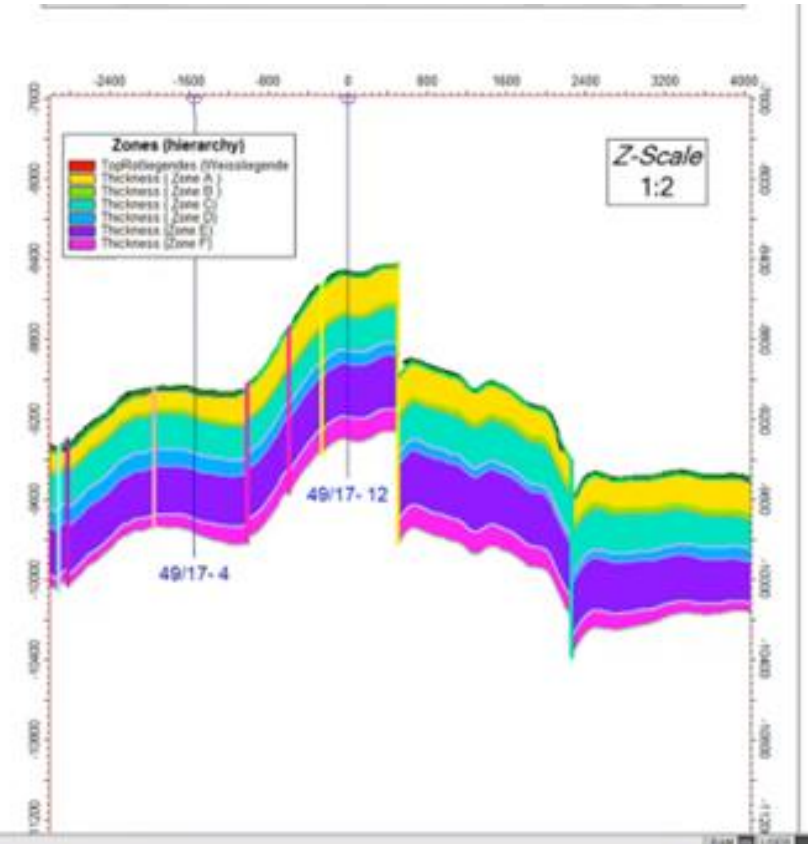
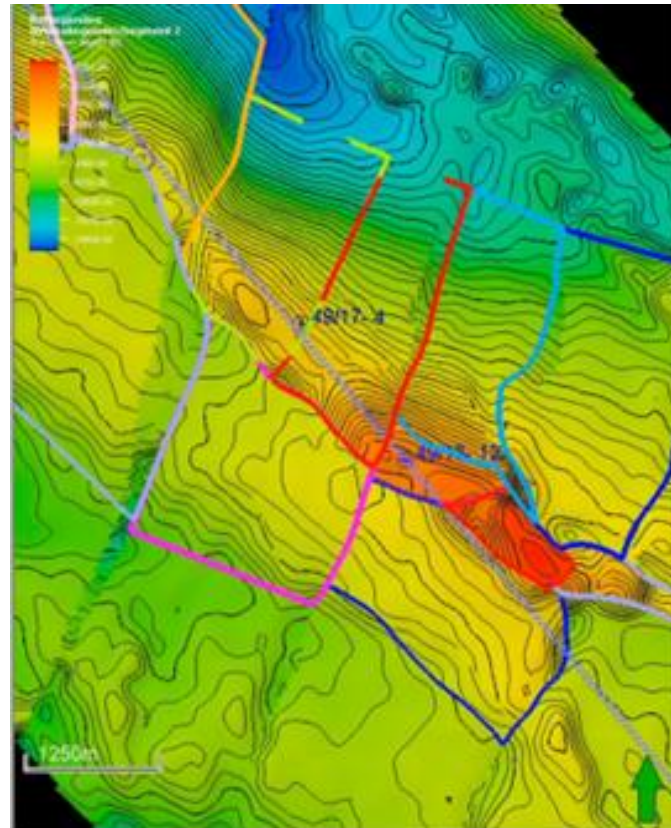
- 156.5 Bcf of gas
- 0.208 MMbbls of condensate

Planned development:

- Three horizontal multi-frac wells
- Minimum facility unmanned platform
- Gas export via Shell infrastructure
- Gas delivery to Bacton Gas Terminal

Historical Two Fracs in well 49/17-12

- Initial production > 45 mmscf/d
- EUR 46 Bcf



Phase II Development

Hodgkin & Lovelace

Hodgkin Gas Field
Produced 26 Bcf Gas
1 Gas Producer

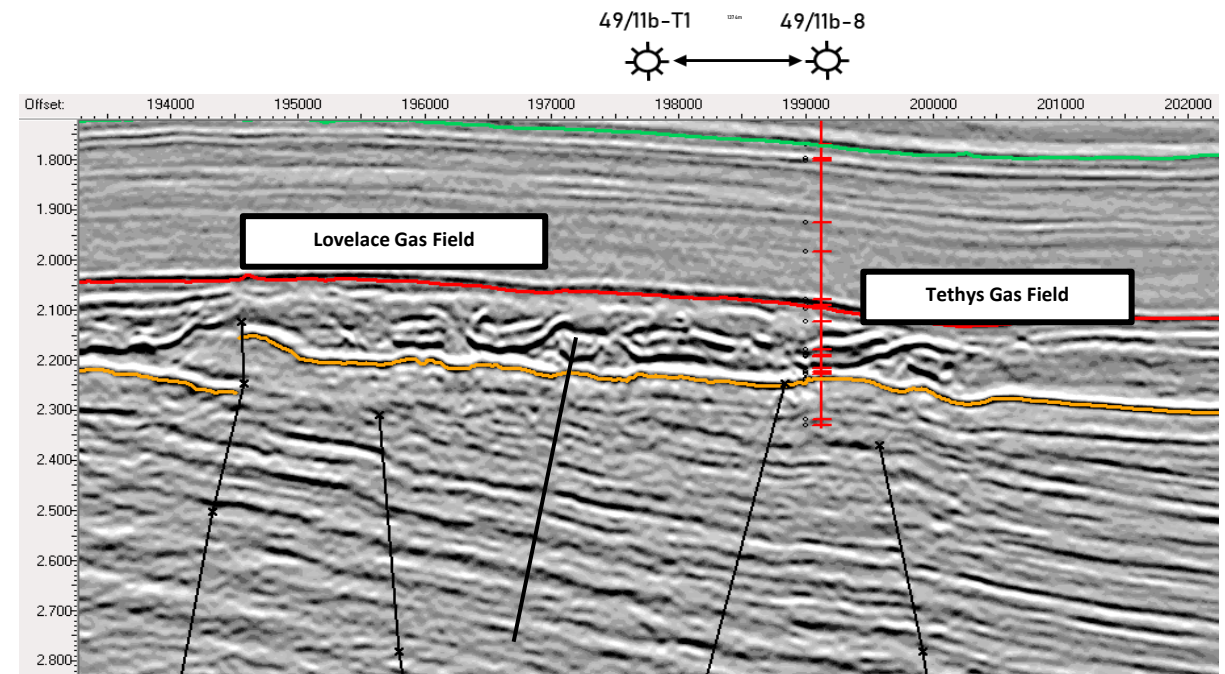
HODGKIN

- 2C Resources **100 Bcf**
- Subsurface work ongoing to refine reservoir model
- Revised resource estimate Q4 2022
- Decision on field development planning Q1 2023
- Single well historically produced **26 Bcf**
- Current mapping indicates significant undeveloped volumes

Audrey Gas Field
Produced 680 Bcf Gas
12 Gas Production Wells
57 Bcf per Well

LOVELACE

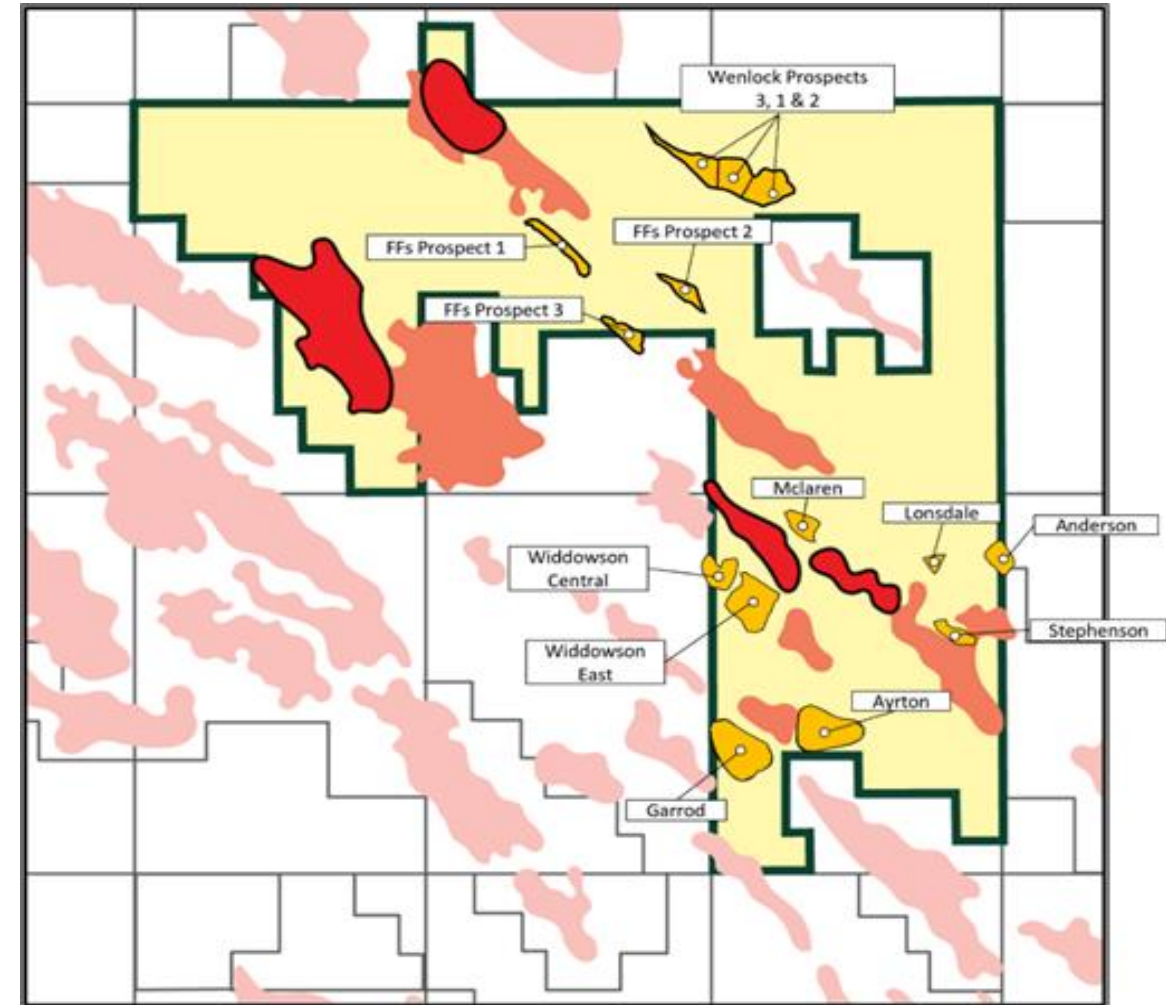
- 2C Resources **39 Bcf**
- Likely depends on Audrey development to support infrastructure
- Single well to south of field produced **18 Bcf**



Phase III Development

Exploration Prospects to follow up Phase I and II

- Xodus Group exploration study has identified **12** new exploration prospects
- All prospects are undrilled structural traps within the Rotliegende Reservoir
- Phase III exploration inventory now totals **14** prospects
- Phase III 2U Prospective Resources total **344 Bcf** (un-risked)
- Prospect geological chance of success (GCoS) ranges from **32%** to **54%** across the exploration portfolio (arithmetic average GCoS **43%**)
- High grading of inventory will see prospects economically evaluated and ranked prior to the selection of a prospect for drilling
 - Potential for the McLaren prospect to be drilled as part of the Somerville development in 2024 or 2025



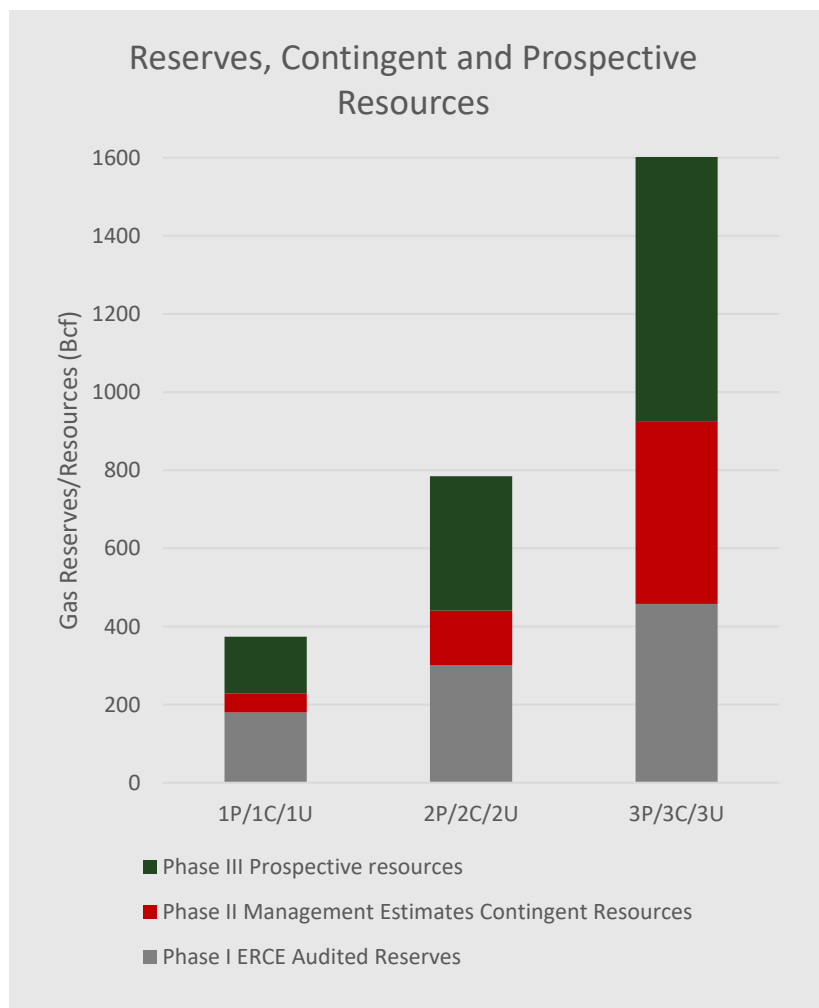


Annexure



Resource Base

2P Reserves and 2C contingent Resources c.440 BCF across four discoveries



RESERVES ^{1,2}				1P	2P	3P
PHASE I	49/17b	Anning	Sales Gas (Bcf)	73	145	245
			Condensate (MMbbl)	0.081	0.192	0.375
	49/17b	Somerville	Sales Gas (Bcf)	107	156.5	213
			Condensate (MMbbl)	0.119	0.208	0.325
			Total (MMboe)			31.2

¹ Reserves estimates are from ERC Equipose 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. ² First reported on 23 June 2022

CONTINGENT RESOURCES ^{3,4} (BCF)				1C	2C	3C	GCoS
PHASE II	49/6c, 49/11c	Lovelace	14		39	79	100%
	48/15c	Hodgkin	35		100	387	100%

PROSPECTIVE RESOURCES ^{3,5,7} (BCF)				1U	2U	3U	Average GCoS
PHASE III EXPLORATION	P2607	14 Prospects	143		344	719	42%

³ Hartshead management estimates

⁴ First reported on 14 December 2020

⁷ 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.

Exploration Prospect Inventory

Phase III

Prospect	Recoverable Volume (Bcf) ^{3,5,7}			GCoS
	1U	2U	3U	P50
Mclaren	18	27	39	0.54
Stephenson	36	47	60	0.43
Widdowson East	6	29	79	0.32
Widdowson Central	11	21	40	0.50
Lonsdale	5	16	31	0.50
Anderson	5	12	29	0.45
Garrod	16	52	125	0.50
Ayrton	25	74	146	0.41
Wenlock Prospect 1	4	19	55	0.36
Wenlock Prospect 2	1	5	19	0.36
Wenlock Prospect 3	1	5	17	0.36
FFs Prospect 1	3	11	26	0.41
FFs Prospect 2	8	19	37	0.35
FFs Prospect 3	4	9	17	0.34
Arithmetic Total	143	344	719	

³ Hartshead management estimates ⁵ First reported on 8 March 2022

⁷ 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.

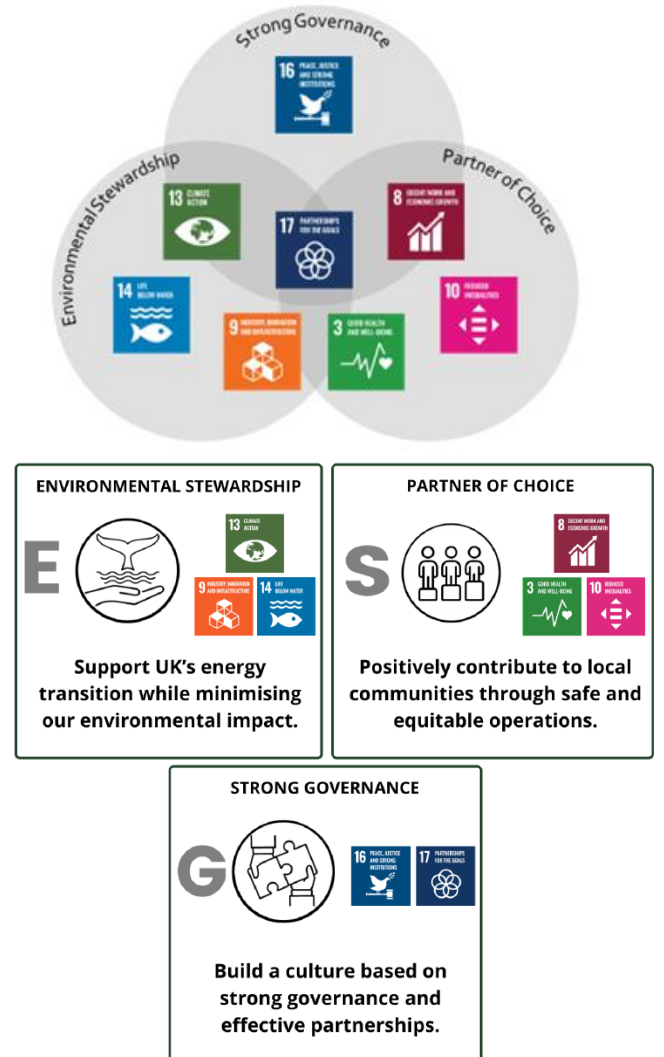
ESG Vision and Goals

Developing an ESG strategy with impact, that aligns with our core values

- Hartshead are focused on developing an ESG strategy that is relevant to a growing European gas development company
- Our ESG planning process to date has developed a materiality assessment utilising the Global Reporting Initiative (GRI) 11 Oil & Gas 2021 Sector Standard.
- We have identified three key pillars of focus, but recognise significant overlap as part of our business ecosystem:
 - Environmental Stewardship
 - Partner of Choice
 - Strong Governance

We are currently working to define relevant and specific measurable targets to enable us to monitor, report, and continually improve our performance against reportable ESG benchmarks

- Hartshead will report against the Taskforce for Climate Related Financial Disclosures (TCFD) framework from FY2022-23 onwards and will continue to build and expand our reporting disclosures within the GRI II as our gas development and operations progress

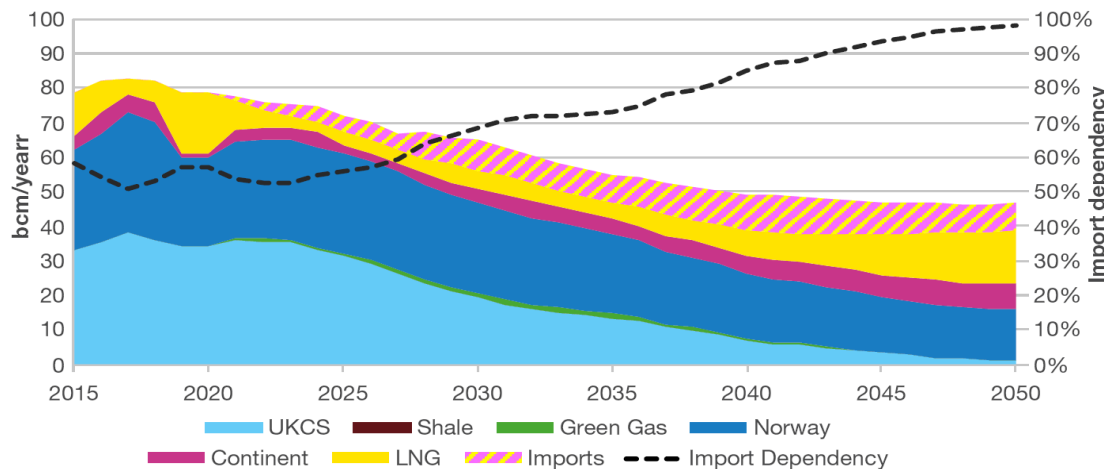


Net Zero Emissions & the Energy Transition

► Southern gas basin has a central role to play in the UK energy security and 2050 net zero target

Growing UK gas import dependency points to greater future reliance on LNG volumes

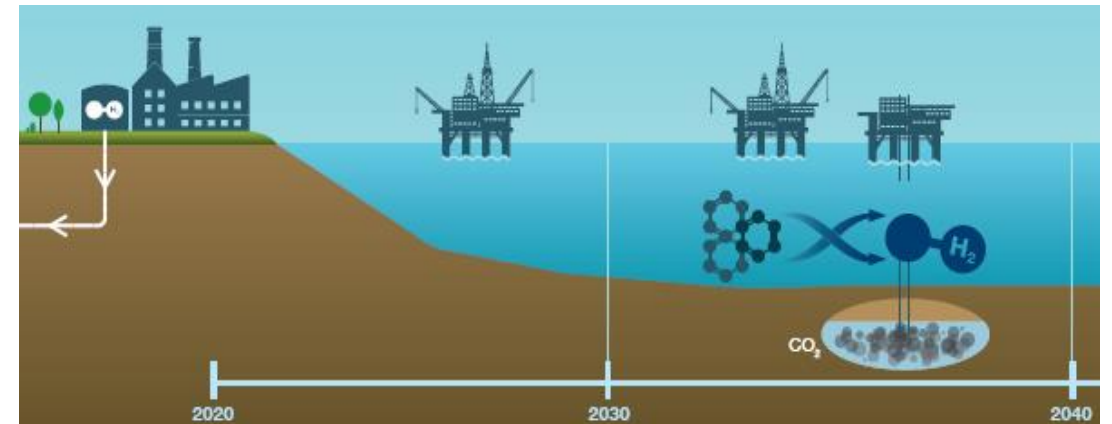
- Lower carbon intensive domestic gas is critical to the UK 2050 net zero target as import dependency grows
- Domestic UK gas production has less than half the average emissions intensity than imported LNG
- “Green LNG”, shipping costs and competition from SE Asia for LNG cargoes likely to lead to increased pricing



Source: nationalgridESO – Future Energy Scenarios (July 2021)

Future hydrogen-led Bacton Energy Hub identified by the NSTA

- Bacton is Hartshead’s planned processing terminal and gas could be used as feedstock for Blue Hydrogen
- Natural gas will also provide critical UK domestic & commercial heating support until hydrogen replacement is established
- Wind infrastructure within Bacton Catchment Area could provide power to offshore installations
- Hartshead offshore infrastructure could be used in future carbon capture and electrification projects



Source: NSTA Bacton Energy Hub Study 2021

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