

13 June 2024

ASX: CRD

AGM Address by the Chairman and CEO

Pursuant to ASX Listing Rule 3.13.3, Conrad Asia Energy Ltd (**ASX:CRD**) ("**Conrad**", or the "**Company**") presents the Chairman's address and CEO's address to the AGM commencing at 9:30am (Singapore time) today at Raffles City Convention Centre, 80 Brash Basah Road, Singapore 189560.

The results of the AGM will be communicated on ASX shortly after the conclusion of the meeting.

Chairman's Address

Welcome to you all whether you are here in person or virtually present through various media.

The last 12 months has been a challenging year for the Company, with progress on bringing the Mako Gas development project being frustratingly slow, whilst we have made material progress on many important aspects of the Project, we have been unable to bring it to a Final Investment Decision (FID), a key objective for the Company in 2023/24. During the reporting period, we were successful in further building our Asian gas portfolio with the acquisition of highly prospective blocks in Aceh which we believe have the potential to substantially grow our short-term production base through developments of gas discoveries in the shallow water areas of the Blocks, whilst prospectivity for significant gas potential is present in the deep-water areas.

Miltos will provide you all with further detail on the various aspects of Mako and Aceh in his address, but I would like to provide you with the Board's high-level view on the status of our business and the areas where the Board is focussing a substantial amount of its time.

One of our important objectives this year was to progress the Mako Project to a development decision. The focus for our management has been the finalisation of the underwriting gas sales agreements between the Mako Joint Venture, the Indonesian Government and Regulator and a Singapore based customer. These agreements are the essential documents that demonstrate financial viability of the Project, which in turn underwrite value and financial sustainability. Although Key Terms of these sales agreements were agreed some time ago, it has taken some time for the respective negotiating teams to conclude the detailed and comprehensive substantive Gas Sales Agreements. I am pleased to say, these negotiations are at an advanced stage and there is impetus and a willingness by all parties to endeavour to close these agreements, in the near term. Real momentum has been built and although there is still work to do, all parties are applying themselves to try and conclude this agreement as soon as possible.

The second important work stream that underscores the value of the project is now drawing to a close. A comprehensive review of the optimised development plan and cost for construction is now being concluded. This has involved bidding for equipment and services for the construction and operations for the Mako Plant and production Facilities. We are now in the process of negotiating contract terms and deliverability of equipment and material for the development-a key input into assessing value of the project and important information towards making a Final Investment Decision to proceed with the development. I am pleased to say that this work has highlighted that inflationary pressures that have been prevalent in the industry, especially through the COVID period have eased, with rig rates and some supply lead times coming down. This work has confirmed that phase 1 capital costs are estimated, with contingency, around \$325m, marginally below our estimate at the end of 2023. Further contract negotiation will take place with our chosen contractors over the coming months and ongoing design optimisation will continue. Overall, this is a pleasing result and demonstrates a lower inflationary pressure on our development activities.

With the key value drivers of the Gas Sales Agreements now defined and capital costs updated, we are now in a position to conclude negotiations for possible sale of some of our equity with possible farmin parties and to progress financing

arrangements for the development. We are in negotiations with a number of potential buyers of equity in Mako and we can now demonstrate value of the project with the GSAs and capital costs matured. We have developed a strong financing plan and this, along with the farm down of interests, will become the focus in the second half of the year.

It has been frustratingly slow but inexorable progress has been made during the year. We have progressively built momentum and are making progress on having a Final Investment Decision made in the 4th Quarter of 2024. This will lead to first gas production in 4 Q 2026. Our work to date has confirmed that the Mako Development is an attractive investment for Conrad and will underwrite cashflows for the business for over 10 years.

As a Singapore company, Conrad recognises the important benefits of our Mako project to the region. Mako is the largest undeveloped gas field in the Natuna Sea which has been delivering a secure and uninterrupted gas supply into the region. Security of supply via pipeline gas with a lower carbon footprint than LNG represents a good environmental outcome for the region. The Conrad Team is working hard to deliver the Mako flagship project.

The Conrad strategy of building a substantial business in the South East Asian gas supply business is endorsed by a growing number of industry participants.

Goldman Sachs recently published research suggested global gas market to grow 50% over the next 5 years amid energy transformation¹. This is a staggering figure and important for our region, which is estimated to have the highest gas demand growth in the world. Conrad is building a business in Asia focussed on natural gas and positioning the company into numerous gas projects in the region. The Mako gas field is one of several gas resources in the Conrad portfolio where it hopes to deliver and significant gas production growth from its existing discoveries, as well as several high impact exploration opportunities.

As a matter of interest, offshore Aceh has delivered amongst the largest gas discoveries in Asia over the last 12 months, which has included reported multiple TCF discoveries².

The world has recognised the importance of natural gas as a transition fuel in the energy market. Conrad intends to play a significant role in that transition, with its flagship Mako Project in the West Natuna Sea, the gas discoveries in our Aceh Licences as well as the excellent exploration potential in the deeper water areas of Aceh. Currently, our primary focus will be on Indonesia, the fourth most populous nation on earth and a country that is heavily dependent on affordable and secure energy sources. As Indonesia moves towards developing a more sustainable energy base, the country aims to double its gas production by 2030. Conrad's projects will be important in achieving that goal.

As we focus on what needs to be delivered in the rest of 2024 and into 2025, we will be working hard to demonstrate the value of our business, not just the Mako Development but also our growing resource base and development opportunities in Aceh. With the imminent conclusion of the Gas Sales Agreements for Mako, we can tangibly demonstrate the value of our cashflows that will be derived from Mako production. The capital cost for the development have been confirmed and will be further optimised over the coming months, leading to an FID in the 4th quarter. We will now refocus on balancing our risk reward for the development on a sell down of interests, all of which will have to potential to impact our share price through the next 12 months. We will also progress financing options that have been identified for Mako, as the underwriting agreements and greater certainty on capital costs are delivered.

This has been a challenging year, with the hard work of management now coming to fruition on key aspects of Mako and continued development of a quality gas portfolio of assets. I would like to thank management and staff of Conrad for their dedication and hard work during the year. It has not been easy for you or our shareholder base. Your efforts and support are appreciated, as we finalise what is needed to move Mako forward and further mature the potential of Aceh. We believe that this will result in an appreciation of the value of our Company.

¹ <https://www.goldmansachs.com/intelligence/pages/gas-market-to-grow-50-percent-amid-transformation.html?chl=em&plt=briefings&cid=0531&plc=body>

² <https://www.upstreamonline.com/exploration/game-changing-mubadala-energy-confirms-another-giant-gas-discovery-offshore-indonesia/2-1-1642620>

CEO's Address

Good morning, ladies and gentlemen. Thank you for joining us today at our second AGM as a listed company. I have the pleasure of giving you a short operational update on Conrad's activities in the last year. As Peter mentioned earlier, the Company has made significant progress on several fronts during a busy period since the last AGM.

Let's now discuss our projects in greater detail, starting from Mako. I would like to clarify that all figures stated in my speech have already been announced in the annual report and the latest quarterly report.

HSSE

- In 2023 Conrad maintained a strong Health, Safety, Security and Environmental ("HSSE") record. The Company recorded no fatalities, no lost time incidents, no recordable, first aid cases. or spills.
- The HSSE risk profile of the Company will change as the execution of the Mako Gas Project matures, and the Company has established plans to effectively manage this transition.
- The environmental permit for the Mako project was submitted to the Minister of Environment and Forestry and approval was granted on 22 January 2024. Environmental approvals are now also in progress for planned seismic acquisition in offshore Aceh.

MAKO

- Considerable progress was made in advancing the Mako project in the Duyung production sharing contract ("PSC") during 2023, and a project update was provided at end of 1Q 2024. Key developments include:
 - All FEED studies and surveys for the Mako development have concluded. The project scope, which comprised of an initial phase of development ("Phase 1") and a potential subsequent phase ("Phase 2"), remains aligned with the scope outlined in the Company's Initial Public Offering ("IPO") prospectus dated 9 September 2022 (the "Prospectus").
 - Phase 1 consists of six wells with two dry-tree wells and four subsea wells connected via subsea umbilicals, risers and flowlines to a conductor support frame and then to a mobile offshore production unit ("MOPU") facility (with gas processing and compression). Gas is expected to be evacuated from the MOPU via a 60 km pipeline to a subsea manifold in the adjacent Kakap PSC and thereafter will be transported through the WNTS to Singapore (and to Batam, should a connecting spur-line be built by a domestic gas buyer). The planned development wells are targeted to deliver 120 mmscfd (100%) for a plateau period of seven years (with production decline thereafter)³. Well and facility locations have been optimised based on the geotechnical surveys undertaken during Q3 2023.
 - Based on the above (and the procurement process to date), capital costs for Phase 1 are currently estimated to be US\$325 million⁴, based on a 100% participating interest. The increase in capital costs primarily reflects rising costs in the industry.
 - Capital expenditures and schedules are being further optimised as the procurement process matures.

³ Consistent with the GaffneyCline Associates competent persons report, 26th August, 2022.

⁴ Conrad in-house estimate 31 Dec 2023.

- Conrad has advanced the procurement of all major contracts and services, with this process expected to conclude concurrently with the finalisation of Gas Sales Agreements (“GSAs”). Further cost details for Phase 1 will be provided, although current indications suggest that overall costs remain consistent with previous estimates.
- On 27 March 2024, Conrad and PT Perusahaan Gas Negara Tok (“PGN”) entered into binding key terms for a GSA for the domestic portion of the gas produced from the Mako field⁵. This is part of Conrad’s domestic market obligation (“DMO”) as set out in the Mako’s revised Plan of Development (“POD”). The GSA will be subject to the construction of a pipeline connecting the WNTS to Batam Island, following which the subject gas will be available for export. The parties continue to endeavour to sign a GSA by the end June 2024.
- The key terms for the sale of Mako export gas were agreed with Sembcorp and were subsequently approved by the Indonesian Minister of Energy and Natural Resources. I will comment further on this later in my speech.
- Technical and commercial work progressed for the West Natuna Transportation System (“WNTS”) Joint Venture and with the support of SKK Migas, to negotiate the commercial and legal terms for access to the WNTS for the transportation of the Mako gas to Singapore.
- The Duyung farm down process has progressed and additional parties have expressed interest in acquiring a participating interest in the PSC. The Company is engaged in confidential discussions regarding this matter.
- Several indicative proposals for debt funding for the Mako project have been received from financial institutions.
- With regards to the export GSA, the buyer, seller and SKK Migas continue to target the finalisation of a GSA in the coming few weeks. The GSA is subject to further approval by the Indonesian Minister of Energy and Natural Resources.
- We had previously reported a targeted final investment decision (“FID”) for mid-year 2024. However, FID is now targeted for the end of 2024. Production start-up still remains on target to occur prior to the end of 2026. We appreciate that these delays may be frustrating for investors, but Mako is a large international project, and we are diligently working to finalise this decision.

ACEH

- Key developments in the Offshore North West Aceh (“ONWA”) and Offshore South West Aceh (“OSWA”) PSCs included:
 - A memorandum of understanding (“MOU”) was signed with PGN to cooperate in the provision of gas or LNG supply and development infrastructure for gas resources from the ONWA and OSWA PSCs⁶. Under the MOU, the parties will undertake a joint study to examine the commercialisation options for the discovered gas resources in the two PSCs and will seek to cooperate in the development and maintenance of possible LNG infrastructure and possible sales of the LNG. As part of these efforts, we are about to engage specialist consultants to look at commercialisation options for mini-LNG and expect the results of this work and valuation implications in the coming months. Mini-LNG is a rapidly growing business opportunity in the Asia Pac region and our projects may be suited to such developments
 - On the operations front, we are planning to acquire a 3D seismic survey in and around the existing discoveries of the ONWA PSC in order to increase the resource size. Competent Persons Reports (“CPRs”) on Conrad’s shallow water areas of two offshore Aceh Production Sharing Contracts (“PSCs”) have estimated a gross (100%) 2C Contingent Resource of 214 billion cubic feet (“Bcf”) of sales gas (161 Bcf net attributable to Conrad) in three of the four discovered gas accumulations in the two PSCs⁷.

⁵ Conrad Asia Energy Ltd ASX announcement, 28 March 2024

⁶ Conrad Asia Energy Ltd ASX announcement, 01 March 2024

⁷ Conrad Asia Energy Ltd ASX announcement, 16 May 2023

- The CPR ascribes a Net Present Value ("NPV") of US\$88 million to the Aceh PSCs net to Conrad on its net attributable resources of three of the discoveries⁵. This estimate assumes regulated domestic gas sales price while the LNG solution would permit sale at international market prices.

Conrad has a 100% working interest in these shallow water PSCs with good potential to augment the companies gas production profile in this regional gas demand growth. During the year our team has identified over 15 trillion cubic feet of prospective gas resources (11 Tcf net attributable to Conrad⁸) which combined with the existing discoveries represents a material prize for the company to pursue.

PLACEMENT

- In January 2024, the company raised a total of A\$15.28 million (before costs) through a placement and a shortfall from new and existing institutional professional and sophisticated investors, and eligible existing shareholders utilising the Company's placement capacity under ASX Listing Rule 7.1.
- Proceeds raised from the placement and SPP will be used to support Aceh exploration studies and seismic data, general project costs and working capital.

I would like to thank our shareholders, our staff, our partners and contractors for their continued support as we look forward to reaching more important milestones in the coming year.

Authorised by the Board.

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⁸ Conrad Asia Energy Ltd ASX announcement, 16 November 2023