

# Annual General Meeting

CEO Presentation

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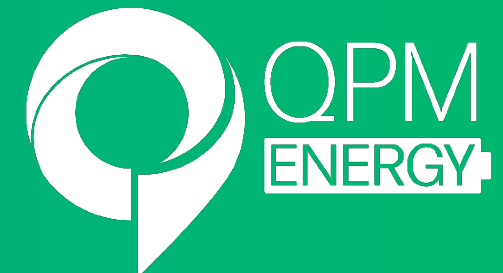
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# FY 2024 Review

## FY 2024 Review

- August 2023 - Acquired the Moranbah Gas Project to provide gas and energy supply to the TECH Project.
- September 2023 – Took over MGP operations and commenced a major turnaround of the asset.
- July to April 2024 – Continued progress on the TECH project feasibility study.
- **April 2024 - Reset the company's strategy in response to the sharp deterioration in Ni and battery metal markets and energy market opportunities.**
- April 2024 – 2P reserve upgrade at MGP
- April 2024 – Teviot Brook South drilling campaign commenced.
- June 2024 – Grosvenor mine underground gas ignition and fire.
- July 2024 – New NQGP and Townsville Power Station contract agreements.
- July 2024 – \$16m secured in Government Grants to continue to progress TECH Project

# TECH Project

## TECH Project Update

- The TECH Project is an outstanding greenfields Ni refinery development opportunity with industry leading environmental credentials. However, with nickel falling to <\$US16,000/t, no new nickel projects are being developed/constructed.
- In response, QPM has developed a modified strategy to retain equity exposure to the project while limiting further investment of QPM funds.
- This will be achieved by:
  - Retaining a core project team focussed on design and testing of an optimised leach process, associated value engineering and finalisation of development documentation;
  - Using \$16m in Federal and State Government grants to fully fund these activities; and
  - Evaluating demerger opportunities that provide QPM shareholders with continued equity exposure and position the project to be developed in more favourable market conditions.

# QPM Energy and the Moranbah Gas Project

**QPM operates an integrated energy business comprising gas production, processing and compression, gas supply and electricity generation.**

- **Significant production and reserves**

- 4 Petroleum Leases in the Moranbah area covering 490 km<sup>2</sup>
- Current production of ~30TJ / day (11 PJ / year) trending up
- ~130 producing wells
- 331PJ 2P reserves with >200PJ uncontracted

- **Extensive gas gathering, processing and compression infrastructure**

- 500km of gas gathering and water pipelines
- 150km 11kV electricity distribution network
- Processing and compression infrastructure with up to 64TJ / day (23.4PJ / year) capacity – the only facility connected to NQGP

- **242MW Townsville Power Station (TPS)**

- Dispatch rights for all power generated into the National Electricity Market (“NEM”) delivering electricity revenue for QPM



# QPME - FY 2024 Achievements

- ✓ Successful operatorship transition with high levels of safety performance and operational reliability.
- ✓ Operations turnaround:
  - ✓ Increased QPME managed producing well count from 96 to ~130.
  - ✓ Increased gas supply from 23TJ/day to 30TJ/day.
  - ✓ Increased 2P reserves from 240PJ to 331PJ.
- ✓ New well development program commenced and nearing completion:
  - ✓ 7 new SIS wells in the Teviot Brook South area targeting further gas supply increases.
  - ✓ Funded by the \$80m Developing Funding Facility provided by major customer Dyno Nobel.
- ✓ Successfully established a gas and electricity trading capability to optimize electricity revenues from dispatch of the TPS.
- ✓ Agreed new commercial terms for NQGP and Townsville Power Station capacity agreements.

# Looking Forward to the next 12 Months



## Grow total gas supply

- Additional gas supply from 7 new Teviot Brook South SIS wells.
- Gas gathering system pressure reduction to increase gas supply and recovery from producing wells.
- Work with coal mine operators to secure additional third-party gas supply.



## Develop additional peaking power generation capacity

- Federal and State Government acknowledgement that gas firming is critical to support energy transition.
- Lack of gas supply is constraining new gas-fired generation opportunities – QPM can solve this problem!



# Looking Forward to the next 12 Months



## Broaden gas sales customer base

- Target new customers for sale in the North Queensland region where diesel / LPG is currently widely used (high cost and greater carbon intensity).
- Utilise micro-LNG to facilitate sales distribution network.



## Increase earnings profile

- Greater sales revenue from increased gas production.
- Reduced key infrastructure costs (NQGP and TPS) from new contracts starting ~1 July 2025
- Reduce gas field operating unit costs.



# Looking Forward to the next 12 Months



## Grow reserves and resources

- Utilise latest production data and knowledge to re-evaluate reserves and resources.
- Evaluate regional consolidation opportunities.



## Advance the TECH Project

- Value engineering and technical de-risking
- Evaluate demerger opportunities
- Work with partners to continue to advance the project to take advantage and be ready for the next nickel bull cycle

# The QPM value proposition.....

## **The National Electricity Market needs more gas fired firming generation**

- Federal and State governments acknowledge the critical role that gas has to play in the energy transition.
- AEMO has clearly identified the urgent need for investment in new gas supply and generation to support the NEM.
- In Queensland 3GW of low-carbon, gas firming generation is needed – but there are virtually no new projects in development.

## **Energy market transactions are increasingly reflecting the scarcity and value of uncontracted gas resources**

- Hancock Energy recently acquired Mineral Resources' gas assets at a reserve + contingent resource multiple of ~\$2/GJ.
- QPM currently trades at an EV/2P reserve multiple of just \$0.26/GJ.

## **Safeguard Mechanism – emission baselines reducing**

- Transitioning to method 2 reporting – requirement for coal mines to measure actual carbon emissions.
- QPM assets are uniquely positioned to assist mine operators directly reduce their emissions.

## **QPM's strategy is clear and aligned with macro tailwinds....**

## **Operational and commercial turnarounds are progressing well....**

## **Foundations are now in place for real value creation in FY2025 and beyond.**