ASX ANNOUNCEMENT

Date: 05 June 2025

ASX Code: CND

Capital Structure
Ordinary Shares: 701,718,293
Current Share Price: 2.4c
Market Capitalisation: $16.8M
Cash: $3.2M (Mar. 2025)
EV: $13.6M
Debt: Nil

Directors
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Non-Executive Chairman

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2D Seismic Reprocessing Over High Potential Southwest Area & Geochem Review Enhances Prospectivity

Highlights

- **Following the recent independent assessment (Total Best Estimate (2U) of 3 billion barrels of oil prospective resources (100% gross unrisked)[1] across five key prospects, including 524 million barrels[1] for the Caballa prospect and 565 million barrels[1] for the Tiburon prospect), advanced reprocessing of legacy 2D seismic data was completed across these high-potential prospects in the southwest of the TEA, which are not currently covered by 3D seismic.**

- **The modern reprocessing of 2D seismic lines has delivered a substantial uplift in data quality, significantly improving imaging and structural definition across Caballa and Tiburon.**

- **Enhanced seismic clarity reveals well-defined reservoir sequences, improved fault delineation supporting the potential for enhanced reservoir quality and providing greater confidence in trap definition.**

- **The presence of shallow gas indicators and direct hydrocarbon indicators (DHIs) provides further compelling evidence supporting an active petroleum system within this previously undrilled area of the basin.**

- **Legacy geochemistry review confirms widespread presence of thermogenic oil and gas across underexplored areas of the TEA, supporting the existence of a mature and extensive petroleum system.**

Condor Energy Ltd (ASX: CND) ("Condor" or "the Company") is pleased to provide an update on exploration activities within its Technical Evaluation Agreement (TEA) area offshore Peru. Recent reprocessing of selected legacy 2D seismic lines, applying modern imaging techniques, has significantly enhanced data quality, supporting improved geological interpretation across the area that lies outside current 3D seismic coverage. The reprocessing focused on the Caballa and Tiburon prospect areas, both recently assessed in an independent prospective resource evaluation by Netherland Sewell & Associates Inc. (NSAI). NSAI estimated best estimate (2U) gross unrisked prospective resources of 524 million barrels[1] for Caballa and 565 million barrels[1] for Tiburon, as disclosed in the Company's ASX Announcement dated 9 April 2025.

[1]Cautionary Statement: Prospective Resources are the estimated quantities of petroleum that may potentially be recovered by the application of a future development project related to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration, appraisal and evaluation are required to determine the existence of a significant quantity of potentially recoverable hydrocarbons. See company announcement dated 9 April 2025. The Company confirms that it is not aware of any new information or data that materially affects the information included in this announcement and that all material assumptions and technical parameters underpinning the estimates continue to apply.

The Company also completed a review of a legacy 2010 surface geochemistry study conducted by TDI-Brooks. The results are highly encouraging, providing further evidence of the presence of an active petroleum system within the basin. Importantly, the hydrocarbons identified in near-surface sediment samples are distributed across a broad and underexplored portion of the TEA, including areas coinciding with several of our key prospects. This widespread distribution reinforces the potential for a large-scale, active petroleum system extending well beyond the known shallow water discoveries.

Managing Director Serge Hayon commented:

"The enhanced seismic clarity and evidence of the widespread presence of thermogenic hydrocarbons not only validate our geological model but also significantly increase confidence in the prospectivity of our prospects. These findings highlight the exploration potential of the TEA and support our view of the basin as a highly prospective area. We remain focused on de-risking and high-grading targets as we advance our exploration efforts towards future drilling opportunities."

Advanced reprocessing of selected 2D seismic lines delivers significantly improved imaging

Condor's legacy seismic database comprises over 7,000 line-kilometres of 2D seismic, acquired across multiple surveys conducted between 1982 and 2009. In 2025, reprocessing of approximately 400 line-kilometres of data was performed, focusing on the western portion of the TEA where Caballa and Tiburon are located. These areas lie outside the current 3D seismic coverage and therefore were selected as they would benefit from the enhanced imaging delivered by this reprocessing initiative.

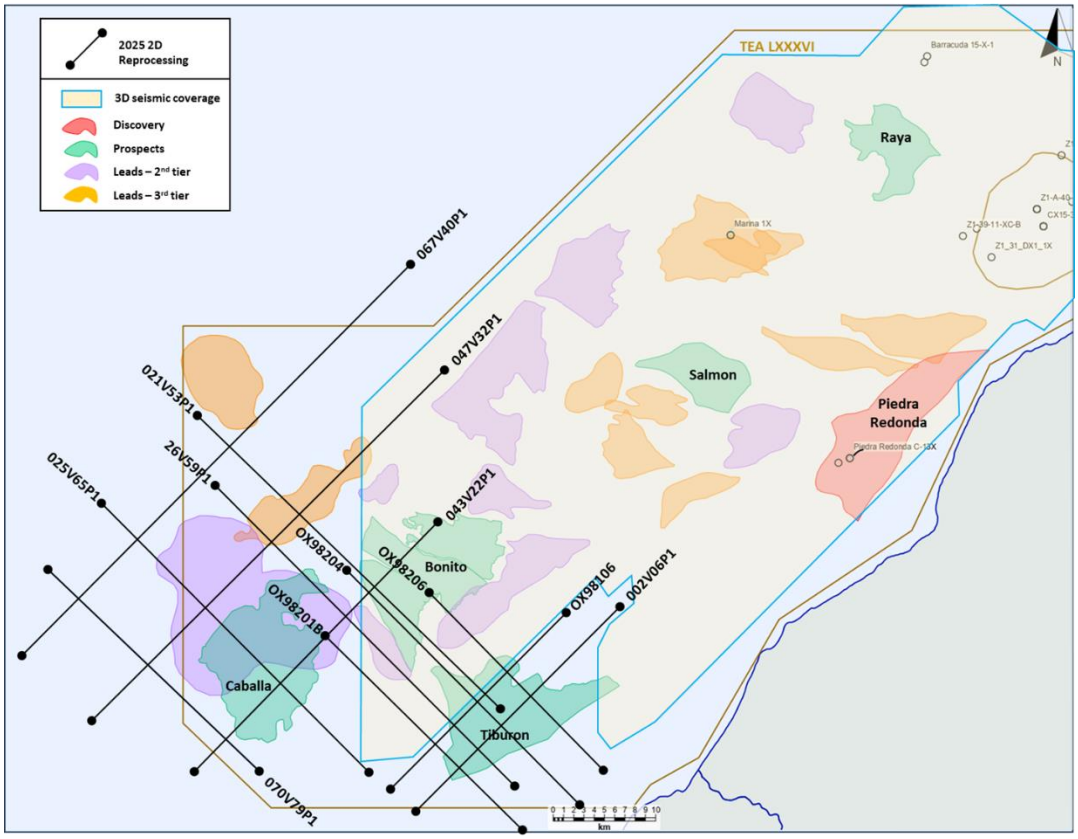

Figure 1 – 2D reprocessing project targeting Caballa and Tiburon prospects include data from Occidental's 1998 2D Survey (OC98) and VAE's 2009 2D Survey (V).

The 2D seismic reprocessing project was undertaken with the primary objective of delivering a modern, high-resolution dataset that significantly improves imaging capabilities over legacy seismic data. The enhanced dataset is designed to support more accurate subsurface interpretation and prospect evaluation. It also provides a test case for potential additional re-processing efforts.

Key outcomes from the 2D Reprocessed Seismic included:

- Enhanced DHI-driven prospect evaluation
- Improved imaging beneath key geological features such as unconformities and the Bottom Simulating Reflector (BSR)
- Better fault positioning and focusing
- Superior seabed multiple attenuation, including attenuation of aliased multiples beneath complex, rugose seafloor
- Broadened seismic bandwidth through advanced de-ghosting techniques
- Robust time-to-depth conversion using PSDM Velocity Model Building (VMB)
- Improved resolution and amplitude fidelity at target depths using Q-PSDM imaging, accounting for absorption and attenuation effects of the BSR and overburden
- Generation of high-quality angle stacks suitable for AVO inversion analysis

The application of cutting-edge processing techniques has produced a step-change in seismic clarity over the selected dataset. The impact of the reprocessing is immediately evident when compared to vintage PSTM data, with improvements in data quality clearly demonstrated in Figures 2 and 3. These enhancements significantly improve the understanding of reservoir development, with amplitude responses (highlighted by yellow and red reflectors) indicating the presence of soft intervals, interpreted to be sand-rich packages and revealing multiple stacked targets. Additionally, the sharper definition of fault structures improves our interpretation of trap geometry and strengthens our ability to assess areas where fault seal integrity is a key factor and potentially further de-risk the prospectivity.

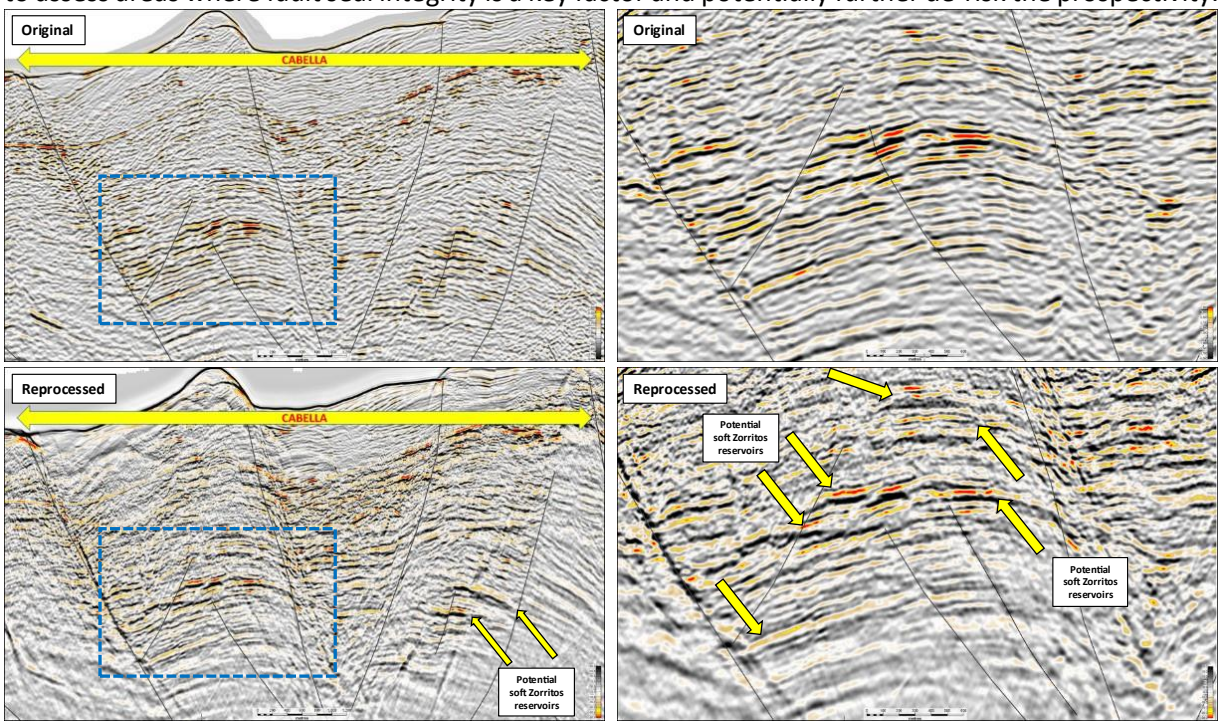

Figure 2 – Seismic section across the Caballa prospect demonstrating improvement in image quality and amplitude response with yellow/red reflectors interpreted to represent reservoir (clastic).

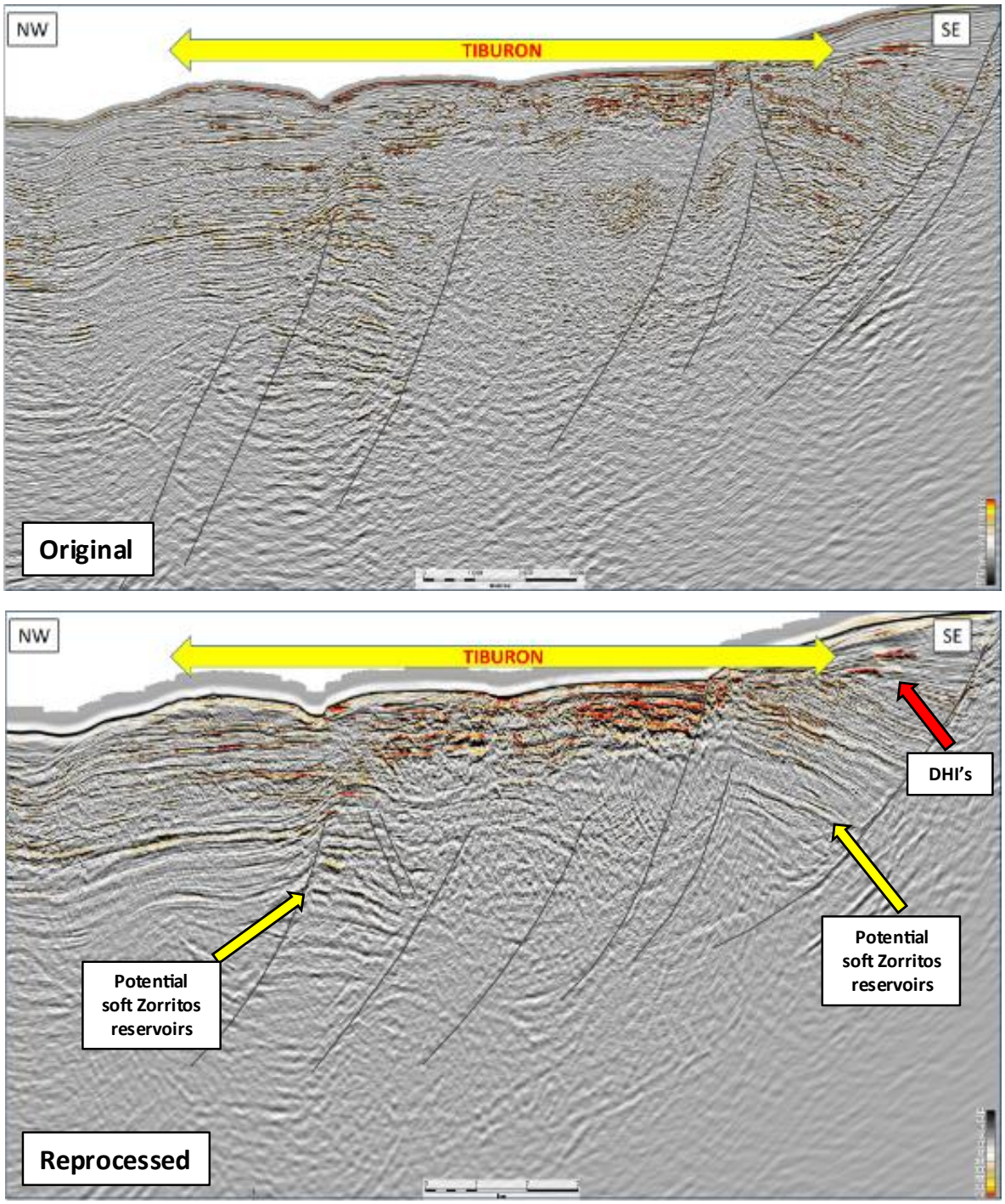

Figure 3 – Original vs reprocessed seismic section across the Tiburon prospect demonstrating improvement in image quality, with improved fault delineation and more coherent reflectors in the deeper part of the section. Possible gas accumulations are also evident in the upper right corner of the image.

The delivery and utilization of angle stacks enables the evaluation of Amplitude Variation with Offset (AVO) responses, which can provide valuable insights into reservoir presence, quality, and, in certain cases, fluid content. However, AVO interpretation is highly sensitive to the geophysical rock properties of the target reservoirs and must be approached with caution. Reliable analysis requires integration with supporting datasets to calibrate and validate the observed AVO responses.

Using AVO techniques, shallow gas accumulations are easily discernible, with Class III responses (amplitudes brightening with offset) indicative of gas filled reservoirs. While the presence of shallow gas is evident on the full stack section, the AVO response amplifies the effect as is demonstrated in in figure 4.

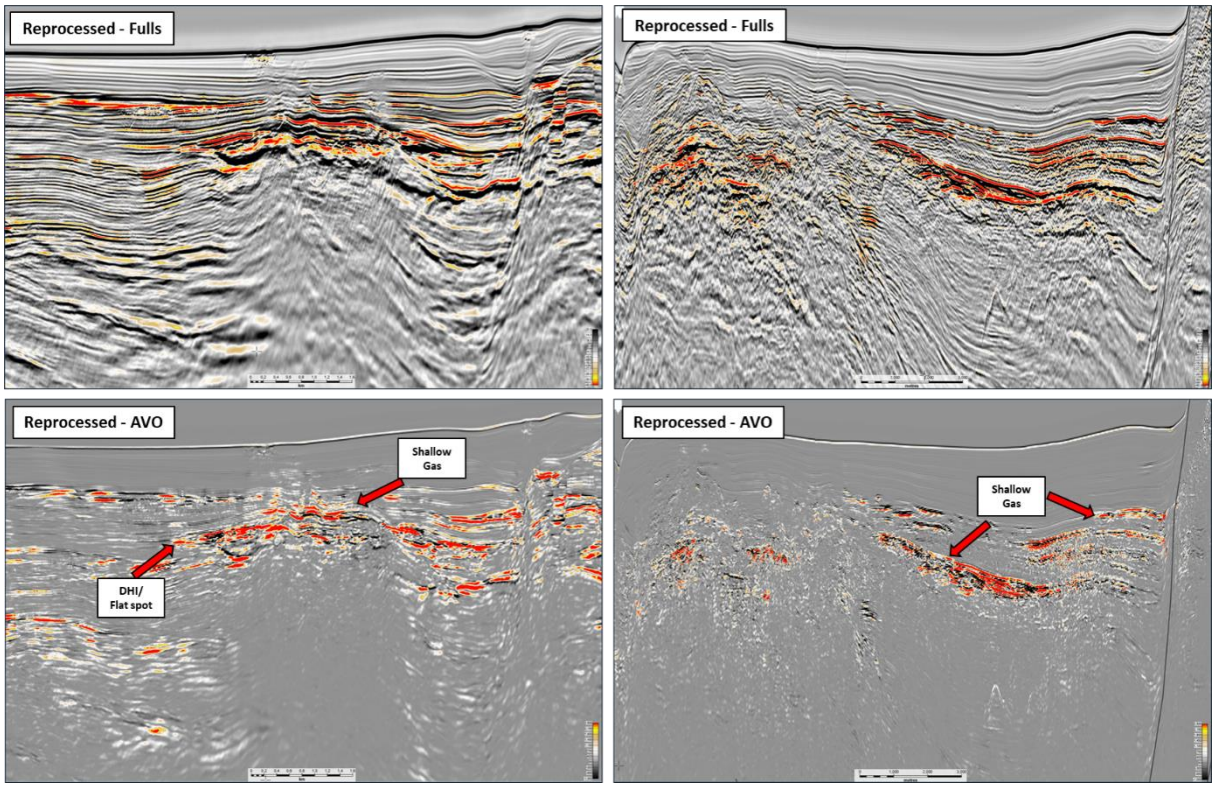

Figure 4 – Shallow gas accumulations are evident on both fullstack and AVO seismic sections. These accumulations are material in volume and may provide tie-back opportunities to a future Piedra Redonda development.

In addition, the identification of gas hydrates in the outboard areas of the TEA offers valuable insight into the thermal and pressure conditions within the basin. Gas hydrates are crystalline compounds that form when methane becomes trapped within a lattice of water molecules under specific high-pressure, low-temperature conditions. Their distribution is closely linked to the geothermal gradient, making them a useful natural marker for understanding subsurface heat flow. In the TEA, the presence of gas hydrates is indicated by a clear Bottom Simulating Reflector (BSR), with bright amplitudes below suggesting the presence of free gas. These observations not only support the presence of an active petroleum system but also provide additional data points to refine our basin model and enhance our understanding of the area's geodynamic evolution.

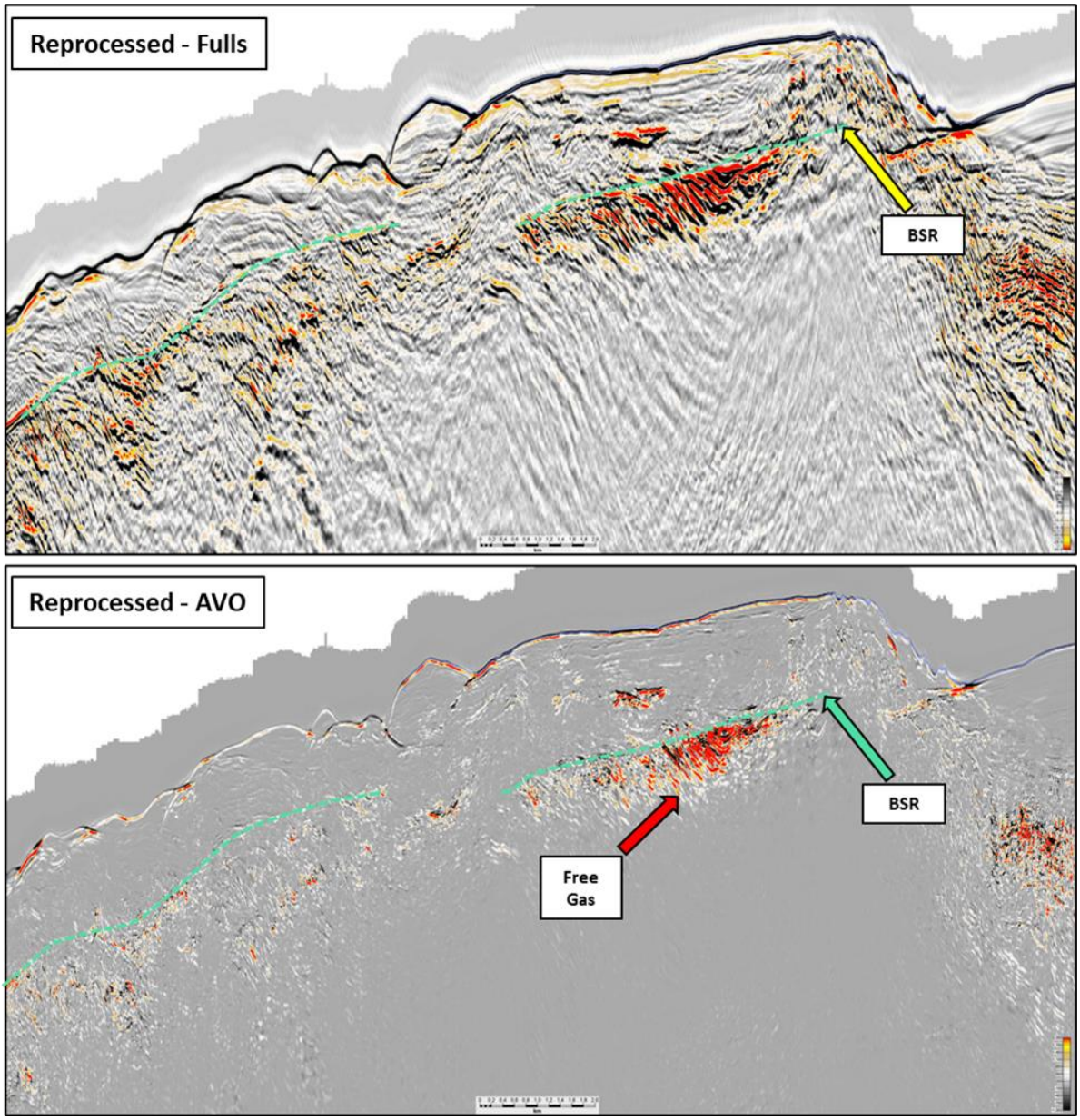

Figure 4 – The presence of gas hydrates is demonstrated with the image of a bottom simulating reflector (BSR), which parallels the sea floor.

Legacy geochemistry study reveals widespread hydrocarbon presence

As part of our ongoing evaluation of the Technical Evaluation Area (TEA), we recently completed a review of a legacy 2010 surface geochemistry study conducted by TDI-Brooks. The results are highly encouraging providing further evidence of the presence of an active petroleum system within the basin.

Geochemical screening of near-surface sediment samples, collected using drop cores, identified thermogenic hydrocarbons in a significant number of locations (Figure 5). Specifically, 52 samples were found to contain migrated thermogenic hydrocarbons, (i.e. oil), while 15 samples contained migrated thermogenic gas.

Isotopic signatures of these hydrocarbons closely resemble Miocene-sourced oils found globally. Notably, the geochemical signatures show strong similarities to oils currently produced from fields in coastal Peru and Ecuador, which are believed to have originated from the Miocene-age Heath Formation, the primary source rock interval identified within the TEA.

The presence of both oil and gas in surface samples across an underexplored area of the basin, in conjunction with previously discovered hydrocarbons in the TEA, provides compelling evidence for a mature and extensive petroleum system.

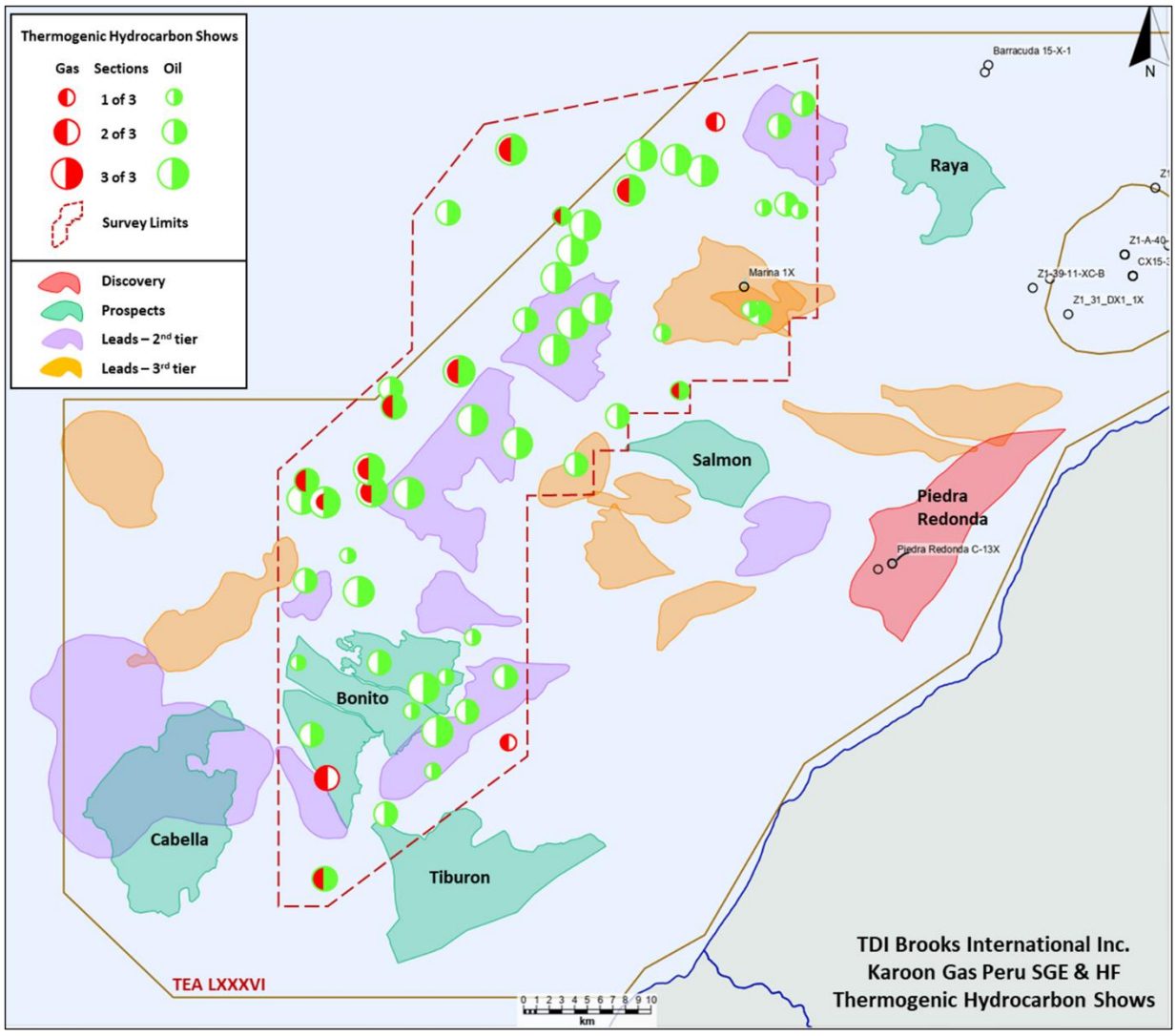

Figure 5 – Map showing the locations sampled during the 2010 TDI-Brooks Surface Geochemical Exploration (SGE) program, where numerous sites yielded evidence of migrated thermogenic hydrocarbons.

About the Tumbes Basin TEA

A Technical Evaluation Agreement (TEA) is an oil and gas contract that provides the holder with the exclusive right to negotiate a Licence Contract over the TEA area.

In August 2023 the Company, with its partner Jaguar Exploration, Inc. (Jaguar), entered into the 4,858km^2 TEA LXXXVI offshore Peru with Perupetro (Figure 1). The TEA area covers almost all of the Peruvian offshore Tumbes Basin in shallow to moderate water depths of between 50m and 1,500m.

The under-explored block is surrounded by multiple historic and currently producing oil and gas fields and contains the undeveloped shallow water Piedra Redonda gas field which contains 'Best Estimate' Contingent Resources of 1 Tcf (100% gross) of natural gas[1].

Condor is 80% holder of the TEA, with Jaguar and its nominees holding the remaining 20%.

Authorised by the Board of Condor Energy Limited.

For further information please contact:

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Competent Persons Statement

The information in this report is based on information compiled or reviewed by Mr Serge Hayon, Managing Director of Condor Energy Limited. Mr Hayon is a Geoscientist and Reservoir Engineer with more than 24 years' experience in oil and gas exploration, field development planning, reserves and resources assessment, reservoir characterisation, commercial valuations and business development. Mr Hayon has a Bachelor of Science (Hons) degree in Geology and a Master of Engineering Science in Petroleum Engineering from Curtin University and is a member of the Society of Petroleum Engineers (SPE).

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