

## Portfolio Update: WA-542-P and P2528

Finder Energy Holdings Limited (**Finder** or **the Company**) provides an update on developments affecting its UK and Australian portfolio.

### 1. Option over WA-542-P

WA-542-P is located in the Northern Carnarvon Basin, to the northwest of Finder's WA-547-P permit. Finder had an option to acquire WA-542-P via a call option over all of the issued capital of Beagle No. 1 Pty Ltd (**Beagle**), the holder of the permit. Beagle is a subsidiary of Longreach Capital Investment Pty Ltd (**Longreach**) and these arrangements formed part of the pre-IPO separation of Finder from Longreach (see Prospectus dated 25 February 2022).

The Dorado trend does not extend into WA-542-P and the permit does not contain sufficient prospectivity to be of interest to Finder. Due to the licence commitments on WA-542-P, Finder did not wish to retain this licence in its IPO portfolio and similarly it does not wish to exercise its option over Beagle and acquire WA-542-P.

Under the relevant accounting standards, Finder is deemed to control Beagle due to the option and therefore must consolidate Beagle into Finder's accounts. This has resulted in the recognition of a provision for a liability of \$9,247,246 in Finder's consolidated balance sheet since listing in 2022, representing the cost to Beagle of performing the work program for WA-542-P. This provision substantially weakens Finder's balance sheet and given Finder has no intention of exercising the option and incurring any costs associated with WA-542-P, Finder has agreed with Longreach to terminate the option in consideration for Longreach paying Finder \$50,000.

The termination of the option will result in the recognition of income of \$9,247,246 in Finder's profit and loss statement and a corresponding reduction in liabilities on the balance sheet. There will be no impact on Finder's cash position, other than the \$50,000 received by Finder in consideration for termination of the option.

### 2. P2528, UK North Sea

P2528 contains the Whitsun Prospect which was identified on the Big Buzz reprocessed 3D seismic data. Despite Whitsun being an attractive exploration target, the joint venture has made a decision not to transition to Phase C and commit to a well. The work commitments for Phase A have been fully performed and P2528 will expire, without penalty, on 30 November 2024 as an extension was not available.

Our strategy in the UK has been hampered by ongoing political and fiscal uncertainty in the UK which is having a negative impact on the industry and investment in oil and gas activity. However, the Autumn budget, which was announced on 30 October, was positively received by the industry due to the Government maintaining capital allowances which work to offset the higher Energy Profits Levy. Whilst we are disappointed to lose the opportunity to drill Whitsun, Finder remains committed to its Infrastructure-Led Exploration (ILX) strategy in the UK, which is centred around opportunities close to key production hubs, giving us the best chance of success in this challenging environment.

Finder has minimal commitments associated with its UK portfolio and, as operator, receives contributions from joint venture partners for the work undertaken. This allows Finder to continue to pursue our strategy to secure high impact farmouts and drill high impact wells in the UK with very low cost exposure and ensuring capital is directed toward fast-tracking the development of the Kuda Tasi and Jahal oil fields offshore Timor-Leste.

This ASX announcement has been authorised for release by the Board of Finder.

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**Forward-looking statements**

This announcement contains certain “forward-looking statements”, which can generally be identified by the use of words such as “will”, “may”, “could”, “likely”, “ongoing”, “anticipate”, “estimate”, “expect”, “project”, “intend”, “plan”, “believe”, “target”, “forecast”, “goal”, “objective”, “aim”, “seek” and other words and terms of similar meaning. Finder cannot guarantee that any forward-looking statement will be realised. Achievement of anticipated results is subject to risks, uncertainties and inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from past results and those anticipated, estimated or projected. You should bear this in mind as you consider forward-looking statements, and you are cautioned not to put undue reliance on any forward-looking statement.