

# Noosa Conference Corporate Presentation

*David Wrench CEO*



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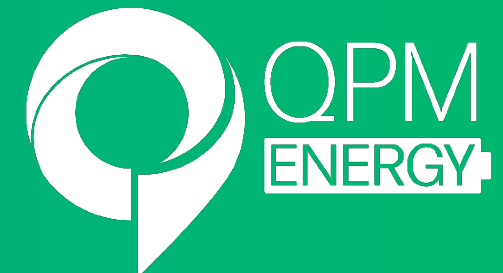
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# QPM Energy and the Moranbah Gas Project

**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





# Moranbah Gas Project – Regional coal mine focus



MGP Compression Facility

- QPM's infrastructure is located in the heart of the Northern Bowen Basin.
- We provide a unique way for coal mine operators to prevent flaring and venting of waste gas.

# QPM's strategy increasingly supported by...

## Macroeconomic conditions for gas and firming power generation are supportive

- Federal and State government endorsement that gas has a critical role to play in energy transition
- AEMO has publicly stated that investment in gas supply and new generation is critical
- Queensland government energy blueprint highlights requirement for additional 3GW of low-carbon, gas firming generation – but there are virtually no new projects in development

## Safeguard Mechanism – emission baselines reducing

- Transitioning to method 2 reporting – requirement for coal mines to measure actual carbon emissions
- Supports QPM's ability to procure additional third-party gas supply

## Gas is valuable and major players are actively seeking to secure reserves and resources

- Hancock Energy recently acquired Mineral Resources' gas projects at a reserve/resource multiple of ~\$2/GJ.
- QPM Energy currently trades at an EV/2P reserve multiple of \$0.27/GJ.



# QPME is building momentum....

	Current Position	Next 12 months
<b>Reserves / Resources</b>	<ul style="list-style-type: none"> <li>331PJ 2P reserves + 269PJ 2C Resources</li> </ul>	<ul style="list-style-type: none"> <li>Extensive upgrade of resource and production databases</li> <li>Targeting increase in reserves / resources first half 2025</li> <li>Regional consolidation opportunities</li> </ul>
<b>Gas supply</b>	<ul style="list-style-type: none"> <li>28-30TJ/day</li> </ul>	<ul style="list-style-type: none"> <li>Targeting 35TJ production post commissioning of new wells and other optimization initiatives</li> <li>Additional waste coal mine gas connections</li> </ul>
<b>Revenue</b>	<ul style="list-style-type: none"> <li>Gas sales and electricity generation</li> <li>\$75m revenue generated FY 2024</li> </ul>	<ul style="list-style-type: none"> <li>\$43m revenue already generated to 11 November 2024</li> </ul>
<b>Operating Costs</b>	<ul style="list-style-type: none"> <li>Legacy contracts renegotiated - significant reduction in fixed costs associated with NQGP and TPS</li> <li>Unit operating costs reducing</li> </ul>	<ul style="list-style-type: none"> <li>New NQGP / TPS contracts effective ~1 July 2025 will result in a significant reduction in fixed costs and overall costs</li> <li>Unit operating costs to fall as supply increases</li> </ul>
<b>Power Generation</b>	<ul style="list-style-type: none"> <li>TPS</li> </ul>	<ul style="list-style-type: none"> <li>Targeting existing and greenfield electricity generation development in Moranbah, in addition to TPS</li> </ul>

# Gas supply and reserves...



## 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.



## Grow reserves and resources

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

# Sales development....



## 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!



## 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.



# Financial performance....

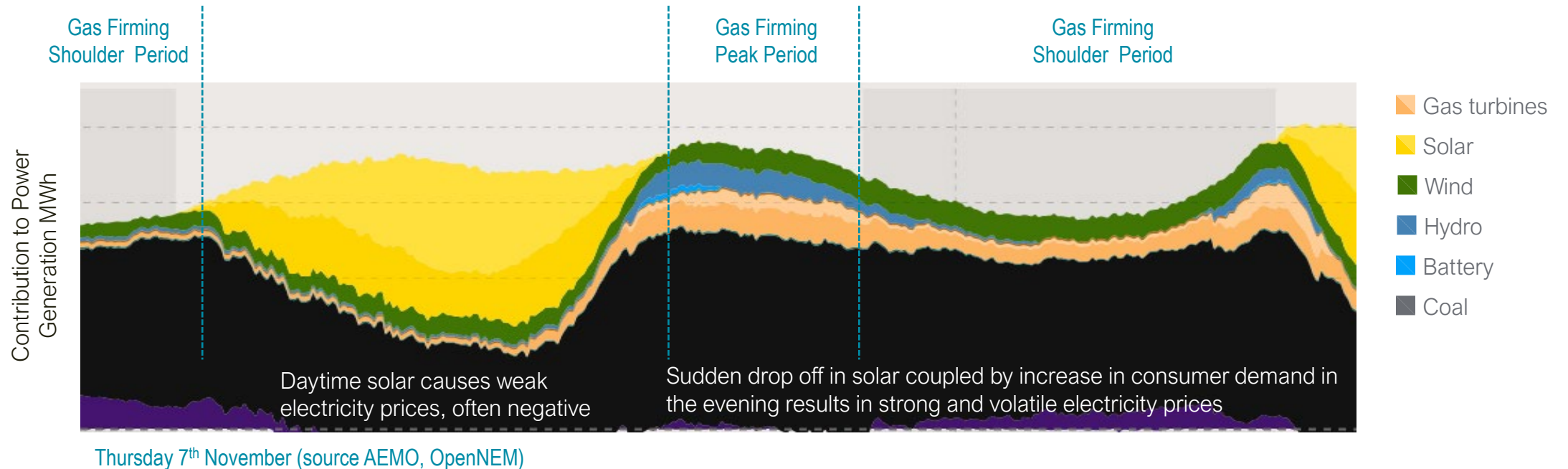


## Increase earnings

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

# Queensland Electricity Market

## Rooftop solar has changed the landscape of the Queensland and East Coast Australian Electricity Market



- Fast start gas turbines / engines can react to the sudden increase required in power generation at dusk
- With an aging fleet of coal fired power stations, AEMO recognises that new gas generation is required to support the energy transition

# Gas Fired Generation Queensland

## The Queensland Government Energy Blue Print calls for 3GW of new, low-carbon gas fired generation

Installed Gas Power Generation in QLD with Capacity >30MW

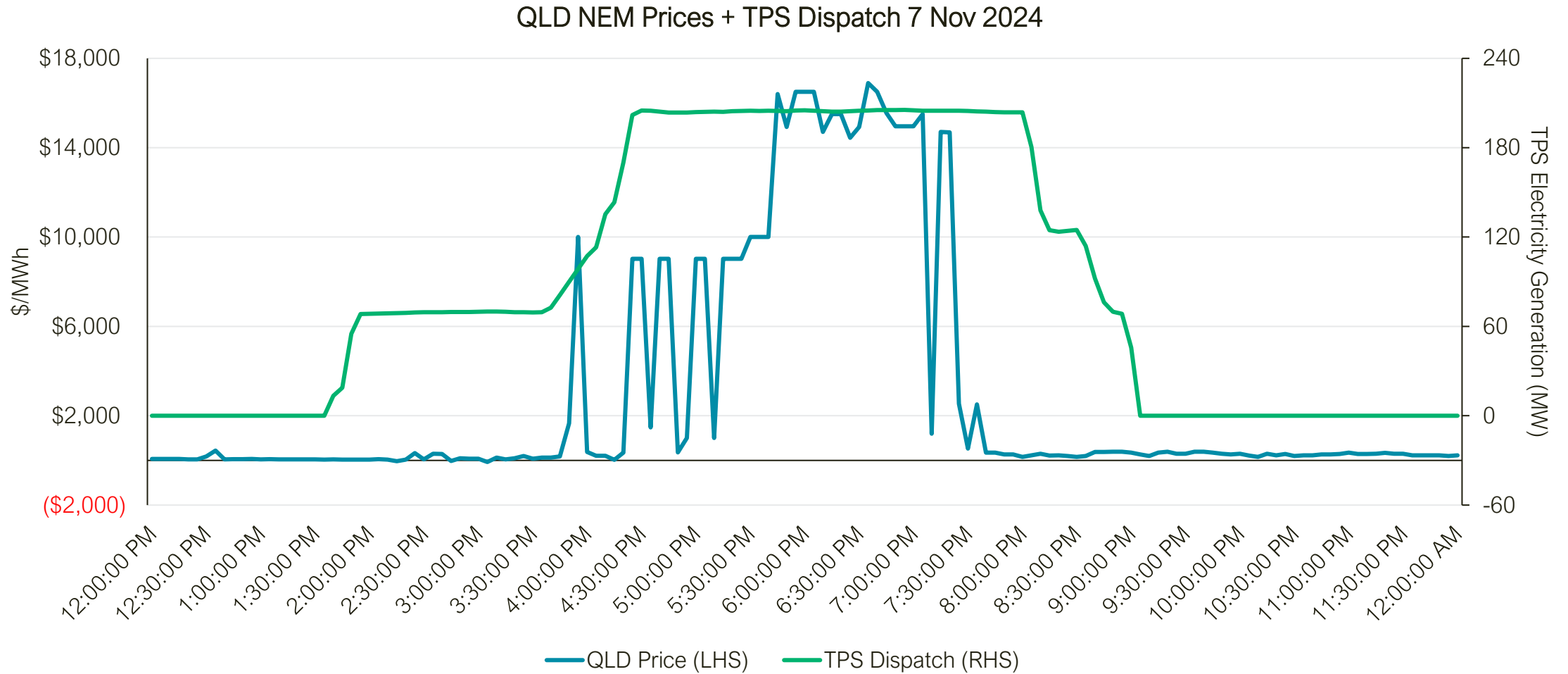
#	Name	Status	Owner	Fuel	Type	Nameplate Capacity (MW)
1	Barcaldine	Operating	Ergon Energy	Gas	CCGT	37
2	Braemar	Operating	Alinta Energy	Gas	OCGT	504
3	Braemar 2	Operating	Arrow Energy	Gas	OCGT	519
4	Condamine A	Operating	Shell	Gas	CCGT	143
5	Darling Downs	Operating	Origin	Gas	CCGT	121
6	Diamantina	Operating	APA	Gas	CCGT	242
7	German Creek	Operating	EDL Energy	Gas	WCMG	45
8	Leichardt	Operating	APA	Gas	OCGT	60
9	Moranbah North	Operating	EDL	Gas	WCMG	63
10	Oakey	Operating	EDL	Gas	OCGT	282
11	Roma	Operating	Origin	Gas	OCGT	80
12	Swanbank	Operating	CleanCo	Gas	CCGT	385
13	Townsville	Operating	RATCH	Gas	CCGT	242
14	Xstrata	Operating	APA	Gas	Engines	33
15	Yarwun	Operating	Rio Tinto	Gas	CCGT	154
Total Operating						2,910

Planned projects

#	Name	Status	Owner	Fuel	Type	Nameplate Capacity (MW)
1	Brigalow	Planned	CS Energy	Gas	OCGT	400
2	Lockyer Valley	Planned	Quinbrook Asset Management	Gas	OCGT	132
Total Operating						532

- There are very few new gas fired projects in Queensland
- Lack of gas supply is the single biggest issue, which must of Queensland's gas supply going into the export market
- Despite 2.9GW of installed capacity, ~2.2GW is being dispatched
- QPM Energy has the gas reserves to support new gas fired generation – this is a key strategy and focus of the company

# TPS Dispatch 7 Nov 2024

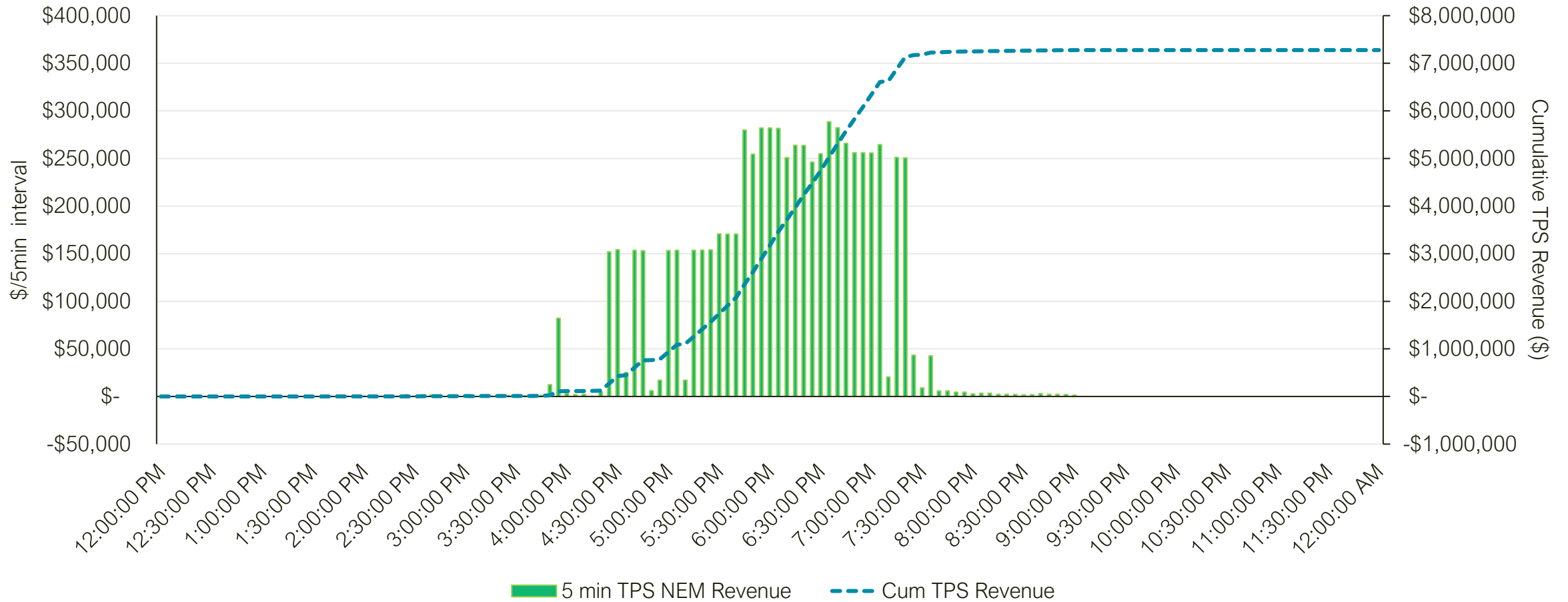


Source: AEMO, OpenNEM



# QPME Electricity Revenue

7 Nov 2024



Source: AEMO, OpenNEM

# Company Snapshot

Company metrics	
Market Capitalisation	A\$90.8m
Debt <sup>1</sup>	\$27.6m
Cash	\$27.3m
Enterprise Value	\$91.1
Shares Outstanding	2,520.8m
Options Outstanding	177.9m
Performance Rights	104.2m

1 – Relates to Dyno Nobel prepayment facility, which is repaid in future gas sales rather than cash

QPM share price – 12 months



Source: Yahoo Finance

**Enterprise Value / 2P Reserve Multiple of just \$0.27/GJ**