

## **Warrego farms-out 50% of STP-EPA-0127 to Mitsui and prepares to explore potential of largest onshore block in northern Perth Basin**

- **Warrego agrees to farm-out 50% working interest in STP-EPA-0127 to Mitsui E&P Australia, post grant of exploration permit, in exchange for carrying Warrego's year one and two exploration costs up to \$1.5m**
- **Mitsui has the option to assume Operatorship of the permit from year three**
- **Agreement subject to STP-EPA-0127 permit application converting to exploration permit, work program and regulatory approvals**

Warrego Energy Limited ("Warrego" or the "Company") (ASX: WGO) is pleased to announce that it has agreed terms for the farm-out of a 50% working interest in STP-EPA-0127 to Mitsui E&P Australia ("Mitsui"), once conversion to an exploration permit is approved.

Located in the Coolcalalaya sub-basin, linking the northern Perth Basin with the Carnarvon Basin, STP-EPA-0127 covers 2.2 million acres and is potentially the largest onshore exploration permit in the northern Perth Basin. The permit application area straddles a relatively unexplored major rift basin with recognised structural and stratigraphical characteristics of the Northern Perth Basin and the Southern Carnarvon Basin. The block has excellent access to pipeline infrastructure that allows multiple markets to be serviced. Warrego currently holds 100% of the block and is the Operator.

In exchange for a 50% working interest in STP-EPA-0127, Mitsui will carry 100% of Warrego's exploration costs in year one and two of the planned six-year conventional work program up to a cap of \$1.5 million. Mitsui will have the option to assume Operatorship of the permit from year three. The agreement is subject to the successful conversion of the STP-EPA-0127 permit application to an exploration permit, approval of the work program by the Western Australia Department of Mines, Industry Regulation and Safety ("DMIRS"), and other customary regulatory approvals.

### **Managing Director and Group CEO, Dennis Donald, said:**

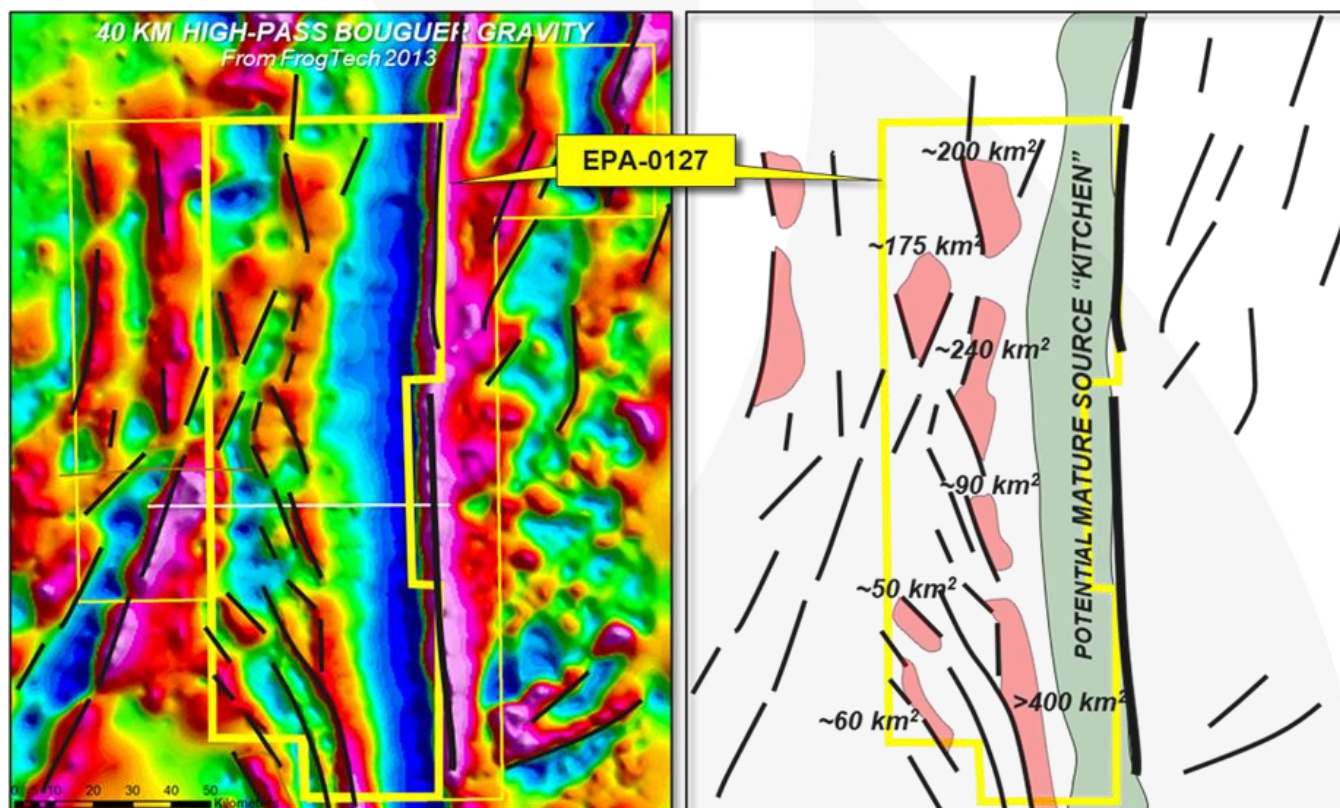
"STP-EPA-0127 is some of the most exciting exploration acreage in the Perth Basin with the potential to deliver multiple West Erregulla-sized prospects.

"Partnering with Mitsui, an internationally respected company with Perth Basin operating, exploration and development experience, is a major step forward in realising the significant potential of this asset. Mitsui and Warrego both have knowledge and experience of operating in the onshore Perth Basin and we look forward to working closely with them on the planned exploration work program and beyond.

"Mitsui has identified EPA-0127 as being an area with significant potential for conventional gas resources as well as providing potential opportunities for carbon abatement projects through Carbon Capture and Storage (CCS). In addition, Mitsui has the ability and reach to service the domestic market as well as export gas to international customers should the opportunity arise," he said.

Warrego has submitted a six-year conventional work program and budget to DMIRS for review and Native Title negotiations are at an advanced stage. STP-EPA-0127 is bisected by the Dampier to Bunbury Natural Gas Pipeline ("DBNGP") which may be of significant benefit to any future gas discoveries and commercial development.





The Coolcalalaya sub-basin features geological sequences that have produced conventional oil and gas from several fields in the Perth basin. The main exploration targets identified in STP-EPA-0127 are conventional (Waitsia/West Erregulla potential analogues) Permian sands and conventional Permo-Carboniferous reservoirs in tilted fault blocks.

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Authorised by the Board of Warrego Energy Limited and issued in accordance with the Company's disclosure policy.

### About Warrego Energy Limited

Warrego Energy is focused on the development of onshore assets in Australia, primarily in Western Australia. It holds a 50% interest in EP469, including the West Erregulla gas project, and 100% of EPA-0127, potentially the largest exploration block in the Perth Basin. Warrego was admitted to the ASX All Ordinaries Index in June 2020.

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