

ASX ANNOUNCEMENT

31 May 2022

Northern Territory Greater McArthur Basin Work Program to Commence

Top End Energy (**Top End** or the **Company**) (ASX:TEE) is pleased to provide an update on the Company's planned 2022/23 work program for the prioritised Greater McArthur Basin permit applications (the **Permits**) in the Northern Territory (**NT**).

HIGHLIGHTS

- Target near-term grant of prioritised Greater McArthur Basin permits proximate to the highly prospective and active Beetaloo Basin
- Seismic acquisition campaign intended for H1 2023 to confirm the extension of the Velkerri Shale and presence of the conventional Bessie Sandstone formation
- Prospective resource definition and identification of drilling prospects targeted for H2 2023 ahead of an initial exploration well in late 2023 / early 2024
- The Company has been allotted On Country Meetings in Q3 2022 to pursue agreements for grant and work program approvals with native title holders
- Support for the NT gas industry and Beetaloo reaffirmed by the NT government following appointment of new Chief Minister

DETAILS

The Company holds a 50% beneficial interest in 30 permit applications across the Northern Territory, covering ~160,000 km². The Company has prioritised key permits based on initial technical assessments of the available data. Of these key permits, the Company is engaging with the Northern Land Council (**NLC**), native title holders and traditional owners to reach exploration agreements ahead of the formal grant and work program approvals for EP 258 and EP 259.

EP 258 and EP 259 are located on the edge of the Greater McArthur Basin, south of discoveries within the Velkerri and Kyalla Shales and the conventional Moroak and Bessie Creek Sandstone reservoirs. Although there are no seismic data on the permits, seismic lines ending north of the permits suggest that both the conventional Bessie Sandstone and unconventional Velkerri Shale may be present within the deeper basin sections of the permits. The Velkerri Shale is a shale gas target for operators such as Santos, Origin and Empire Energy across the Beetaloo sub-basin.

The Company has been allotted placeholder dates for On Country Meetings (**OCM**) with the native title holders of EP 258 in Q3 2022. It is intended by the Company that an exploration agreement ancillary to an agreement under section 31(1)(b) of the *Native*

Title Act 1993 (Cth) be reached for the grant of the permit and approval of the proposed 2023 work program during these meetings. Subject to confirmation from the NLC, the Company also intends to reach similar agreements under the Aboriginal Land Rights (Northern Territory) Act with the traditional owners of EP 259.

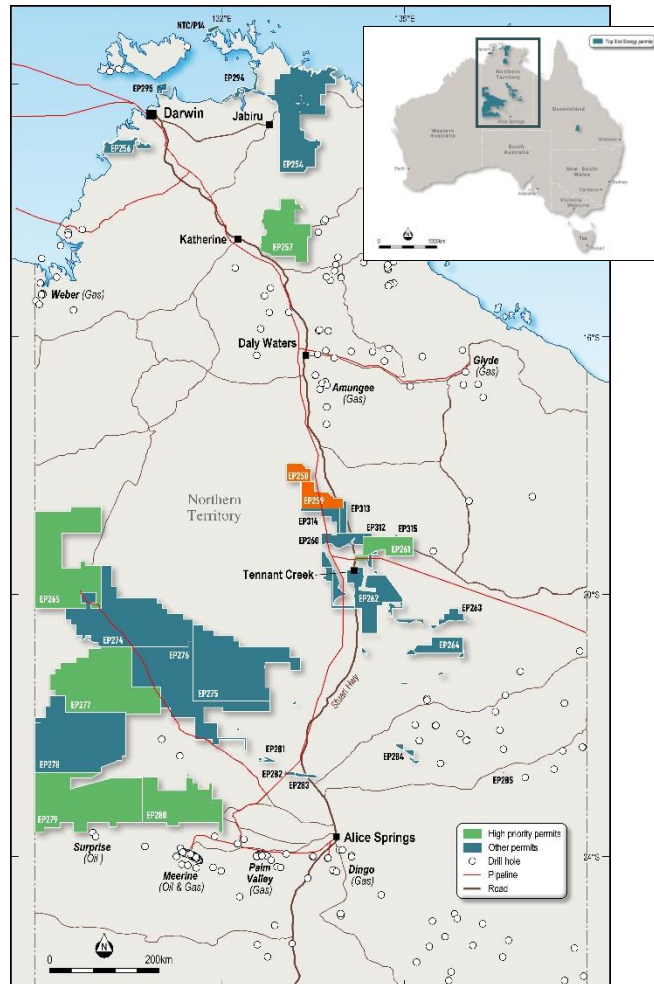


Figure 1: Top End's portfolio in the NT and prioritised permit applications

In parallel, the Company will begin negotiation of land access agreements and procurement of environmental and other approvals required to undertake the proposed 2023 work program.

While EP 258 and EP 259 are the near-term focus in the NT, the Company also continues to pursue other prioritised permit applications, targeting the formal grant of additional applications in 2023.

Development of the NT gas industry remains a priority for the NT government, with the new NT Chief Minister, Natasha Fyles, saying, "...our policy positions have not changed... we have to get these key economic projects out of the ground." Deputy Chief Minister and Mining and Industry Minister, Nicole Manison, supported this position saying, "we've been working closely with Labor when they were in opposition and they understand how critically important the development of the Beetaloo is, and the gas industry" and "it's

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important also to recognise that... gas is an important fuel of transition, because we aren't going to go to renewable energy overnight.”¹

Proposed 2022 / 23 Work Program

- The Company intends to acquire up to ~150 km of seismic survey in H1 2023 (the **Acquisition**). The proposed scope of the campaign covers key target areas of both EP 258 and EP 259;
- The Company may also undertake a pre-grant scouting trip, subject to agreement with the NLC, native title holders and traditional owners;
- Top End is working with its external project management team, inGauge Energy, to prepare for the OCMs and commence work on procuring the necessary approvals for undertaking the Acquisition; and
- Subject to the outcome of the Acquisition and subsequent interpretation, the Company will identify potential prospects ahead of drilling an initial exploration well in late 2023 / early 2024.

Objectives

- The primary objective of the Acquisition will be to confirm the presence of the conventional Bessie Sandstone and unconventional Velkerri Shale formations;
- With the interpretation of the seismic data, the Company will also target the determination of prospective resource estimates and potential drilling prospects; and
- Subject to the outcome of the interpretation, the Company will seek an independent assessment of identified prospective resources in H2 2023.

¹ Camden Smith, "NT govt backs Beetaloo despite federal Greens saying 'no' to new gas projects", NT News, 24 May 2022.

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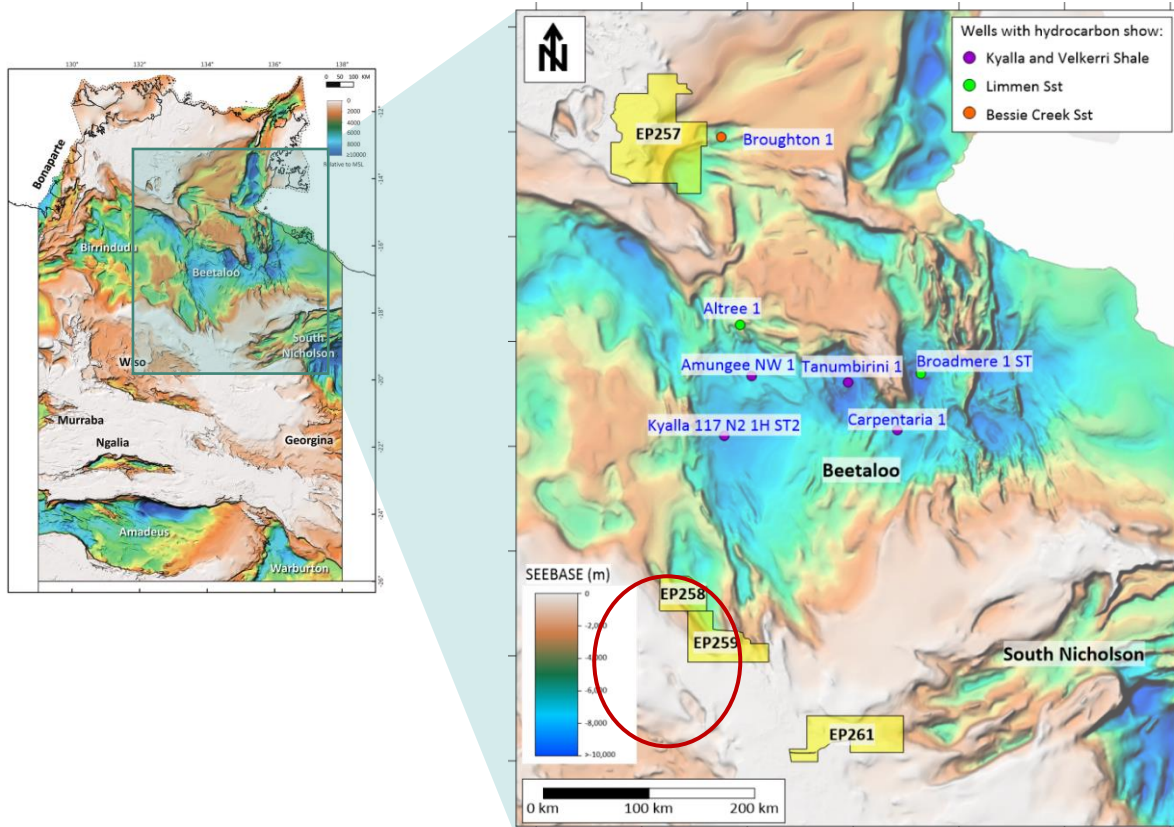


Figure 2: Top End's key permits in the Greater McArthur Basin (ERCE, 2021)

Commenting on the proposed work program, Managing Director Oliver Oxenbridge said, "we are extremely excited to be progressing our work plans in the NT and look forward to joining the incumbent operators in striving to unlock the material potential of the region.

We've worked hard to build relationships with the land councils and key NT government departments. We see the allotment of dates for on country meetings as a testament to this positive engagement and the importance to these stakeholders of progressing work in the region. We look forward to working closely with the land councils, native title holders, traditional owners and other stakeholders as we pursue our opportunities in the NT."

- END -

This announcement was authorised for release by the Board of Directors of Top End Energy Limited.

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About Top End Energy Limited

Top End aims to be a leading Australian diversified energy provider at the forefront of the energy transition. Combining an attractive portfolio of granted and in-application petroleum permits in Queensland and the Northern Territory, with intentions to pursue complementary clean energy solutions and achieve a target of net zero (Scope 1 & 2) emissions.

For further information on Top End Energy Limited please visit www.topendenergy.com.au

About inGauge Energy

inGauge Energy is the largest provider of onshore well engineering project management services in Australia. With offices in Brisbane and Adelaide, inGauge runs continuous operational projects throughout the country. With a reputation for delivering successful, on-time, on-budget projects backed by full ISO and AS/NZS certification and in-house Well Engineering Management Systems, formal standards of working and reporting, and rigorous operations oversight, inGauge is the reliable choice for resources development projects.

In the nine years since its incorporation, inGauge has delivered hundreds of wells for clients throughout Australia and has grown to become a lead contractor in delivering resources projects in the NT.

For further information on Top End Energy Limited please visit www.ingauge.com.au/

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