

19 November 2025

ASX: CRD

## Conrad Secures Farm Down & Funding for Mako Development

Conrad Asia Energy Ltd (ASX: CRD) (the “Company” or “Conrad”), an Asia-focused natural gas exploration and development company, and its wholly owned subsidiary West Natuna Exploration Limited (“WNEL”) are pleased to announce that they have signed an agreement with PT Nations Natuna Barat (“Nations”), a subsidiary of the Arsari Group, to farm into the development of the Mako (“Mako”) gas field in the Duyung (“Duyung”) Production Sharing Contract (“PSC”) and provide financing for 100% of project development costs and associated working capital (the “Transaction”).

### Highlights

- Conrad, WNEL and Nations have signed definitive documentation for Nations to acquire a 75% non-operated Participating Interest (“PI”) in the Duyung PSC. Following the Transaction, WNEL will retain a 25% PI, which is expected to be fully carried through Mako commercial production (subject to Indonesia government approvals).
- Under the Transaction, Nations will fund its 75% portion of all future costs under the PSC, including the development of Mako, and has agreed to carry WNEL’s portion of estimated project costs through the first phase of Mako development. A Carry Loan Agreement (“CLA”) will govern the repayment of WNEL’s proportionate funding to Nations, with such repayments funded out of WNEL’s share of production revenues. Disbursements for long lead items have already commenced.
- Nations will pay WNEL a consideration which includes US\$16 million for its 75% PI, to be settled in three tranches of US\$5 million, US\$4 million, and US\$7 million, the first to be paid out on meeting certain conditions precedent expected by 1Q2026, the second tranche to be paid on completion of the Transaction expected by 3Q2026 and the third at the date of first commercial production expected in 4Q2027, respectively.
- WNEL is entitled to recover 75% of its agreed historical costs in the PSC after repayment of the CLA.
- Overall capital expenditures to bring the field to first gas are estimated to be US\$320 million, in line with previous advice<sup>1,2</sup>. The CLA provides sufficient funding for WNEL’s portion of development costs, including downpayments, contingencies for cost overruns, interest during construction, and working capital. First gas from Mako remains on track for delivery in the 4th quarter of calendar year 2027.
- As the operator of the Duyung PSC, WNEL, working closely with Nations, will continue to be responsible for the development and production of the Mako gas field, leveraging off WNEL’s intimate knowledge of the field.
- WNEL has previously announced the acquisition of Coro Energy Duyung (Singapore) Pte. Ltd.’s (“Coro”) 15% PI in Duyung, which is pending completion. On 17 November 2025, WNEL issued a withdrawal notice to Empyrean Energy Plc (“Empyrean”), with immediate effect under the joint operating agreement governing Duyung PSC (the “JOA”), in respect of cash calls unpaid since October 2023<sup>3</sup> (disputed by Empyrean), to effect the transfer under the JOA of Empyrean’s 8.5% PI (the “8.5% PI”) to WNEL as the sole non-defaulting party. WNEL first issued a default notice to Empyrean in November 2024. When WNEL completes the acquisition each of Coro’s and Empyrean’s PIs in the Duyung PSC, it will hold a 100% PI under the JOA, immediately prior to completion of the Transaction.
- Transaction completion is expected prior to a long-stop date during Q3 2026, unless otherwise agreed.

<sup>1</sup> P50 Capex estimate excluding any potential downpayment for the planned leased Mobile Production Unit (“MOPU”).

<sup>2</sup> ASX Release, Annual Report 2025, for the Year Ended 31 December 2024, 31 March 2025.

<sup>3</sup> ASX Release, CRD Quarterly Activities Appendix 5B Cash Flow Report, 27 October 2025.

Conrad Managing Director and Chief Executive Officer, Miltos Xynogalas, commented:

*“We are delighted to be partnering with an Indonesian company of Nations stature on the Mako project. Nations affiliates have engaged in international upstream oil and gas activities for some two decades, and represent an excellent partner for this project. Having such a quality domestic partner whose interests are aligned with ours is a tremendous outcome for the development of the project, for Conrad and for the Indonesian gas industry. The quantum of funds secured by our team to bring Mako into production is transformational for a company our size. WNEL retains a 25% PI in the project as well as operatorship, reflecting our deep history and knowledge of the asset and our broader capabilities and ambitions and the confidence of our partner.*

*This transaction represents an inflection point in Conrad’s eight-year history with the project, during which WNEL discovered, appraised, obtained a Plan of Development over Mako and delivered a gas sales agreement with Indonesia’s largest power company. We are excited to take the development to the next stage and contribute to Indonesia’s much-needed domestic energy supply.*

*The development of the Mako gas resource will establish Conrad as a developer and producer of gas where it can leverage its operating capabilities into the development of its other discovered resources and deliver a visible growth profile through the end of the decade and beyond. Conrad’s two-pronged strategy remains unchanged: to bring Mako successfully into production, and in parallel, to focus on the multiple exploration, appraisal, and development opportunities in its two 100%-owned Aceh PSCs. Conrad anticipates moving to a Plan of Development (POD) for the existing shallow water discoveries in Aceh.”*

#### **Duyung PSC - Mako Gas Field**

#### **Post Transaction 25% Participating Interest, Operator**

Conrad and its wholly owned subsidiary WNEL, have signed various agreements for Nations to farm into the development of Mako in the Duyung PSC (Figure 1) and provide financing for 100% of the first phase of the project (i.e. the Transaction).

The Transaction is subject to certain conditions precedent and subsequent, customary for a transaction of this nature, including government and regulatory approvals, including approval from Indonesia's Ministry of Energy and Mineral Resources (MEMR) to the transfer of the participating interests. ASX has confirmed that Conrad is not required to obtain shareholder approval under Listing Rule 11.1 for the Transaction.

Nations is a wholly owned subsidiary of the Arsari Group, an Indonesia-based, diversified private investment corporation with interests, amongst others, in upstream gas and oil and mining.

Upon completion of the Transaction, Nations will hold a 75% PI in the Duyung PSC. Transaction completion is expected to be prior to a long-stop date during Q3 2026, unless otherwise agreed.

As previously announced, WNEL’s current minority JV Partner, Coro (15% PI) has agreed to transfer its PI in Duyung to WNEL under separate settlement agreement (Coro announcement 10 April 2025<sup>4</sup>).

On 17 November 2025, WNEL issued a withdrawal notice to Emphyrean under the JOA in respect of cash calls under the Duyung PSC unpaid by Emphyrean since October 2023 (disputed by Emphyrean). WNEL first issued a default notice to Emphyrean in November 2024. Under the JOA, the withdrawal is effectively deemed proposed by Emphyrean upon notice, and the 8.5% PI has been transferred to WNEL as the sole non-defaulting party under the JOA. Formal transfer (per the Indonesian Government register) is subject to various administrative action and approvals.

Under the Transaction, in addition to funding its proportionate costs of the Mako project, Nations has agreed under the CLA to fund WNEL’s anticipated project portion of costs through to commercial production under the CLA. WNEL will repay amounts funded under the CLA out of its share of production. Fund disbursement has already commenced and the Transaction timeline is structured to meet the stated first production target in late calendar year 2027.

<sup>4</sup> ASX Release, Duyung PSC Settlement Signed with Coro Energy, 10 April 2025.

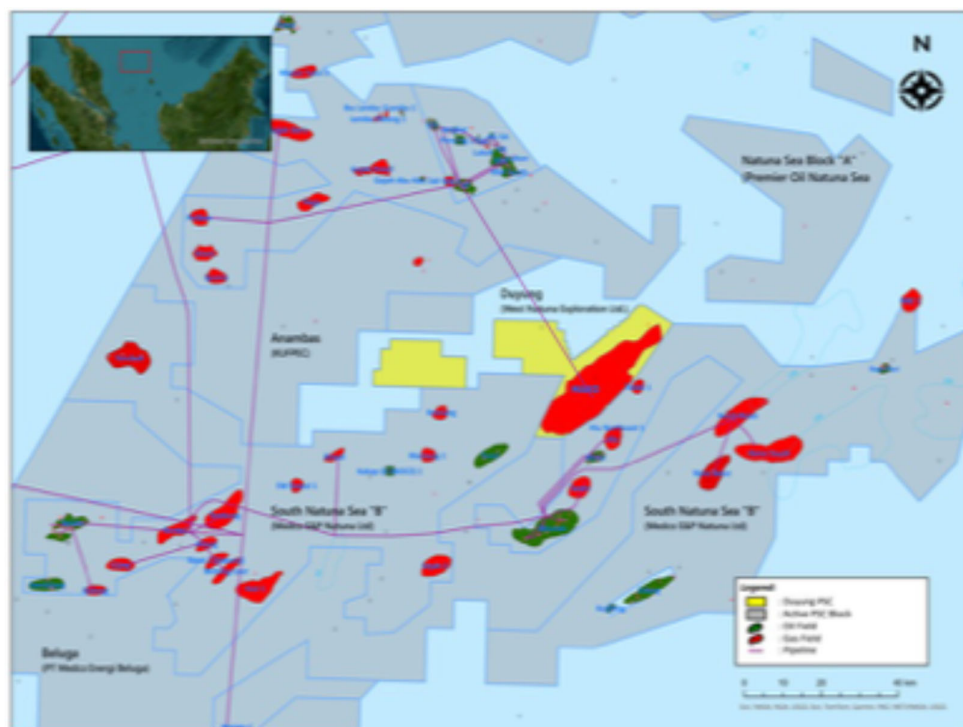


Figure 1 – Location Map of Duyung PSC

In addition to funding WNEL, Nations will also pay WNEL US\$16 million, payable in three tranches of US\$5 million, US\$4 million, and US\$7 million, to be paid out on milestones expected from 1Q2026 to the date of first commercial production. Net cash flows from WNEL's carried 25% interest in the Mako development and other proceeds from the Transaction will be used for general corporate purposes of Conrad, including maturation of its Aceh blocks, including seismic acquisition.

As the Operator of the Duyung PSC, WNEL, working closely with Nations, will continue to be responsible for the development of the Mako gas field and its operations once production starts. The Mako field contains 2C Contingent Resources (100%) of 376 Bcf<sup>5</sup>. Post-transaction, 63 Bcf sales gas will be net attributable to Conrad (after government take) reflecting WNEL's reduction from 76.5% to 25% PI.

With funding fully secured for development, the Company will seek the reclassification of Mako Resources into Reserves in the next independent expert report. Conrad retains an additional 2C Contingent Resource of 216 Bcf of sales gas (161 Bcf net attributable to Conrad<sup>6</sup>) within the discoveries in its Aceh PSCs.

The Mako development comprises a two-phase, development plan based on six initial development wells tied back to a leased MOPU at the field (Figure 2), with sales gas transported via a ~59 km 18" pipeline to the KF platform in the adjoining Kakap PSC, connection to the West Natuna Transport System ("WNTS") pipeline and then onwards to the Indonesian domestic market via a yet-to-be constructed spur from the WNTS to Pemping Island, Riau province, Indonesia. This spur will be built by PT PLN Energi Primer Indonesia ("PLN EPI"), a wholly owned subsidiary of PT Perusahaan Listrik Negara (Persero) ("PLN Persero"), on Pemping Island. An EPCI contract has been awarded by PLN EPI for this spur to connect to the existing Java-Sumatra pipeline network. Under the Plan of Development ("POD") 1 Revision, two further development wells may be drilled two years after

<sup>5</sup> ASX Release, Annual Report 2025, for the Year Ended 31 December 2024, 31 March 2025.

<sup>6</sup> Ibid.

first gas, if required. The MOPU will have a design capacity of 172 MMscfd. The latest POD was approved by the Indonesian regulatory authority SKK Migas and was announced to the ASX on 8 November 2022.

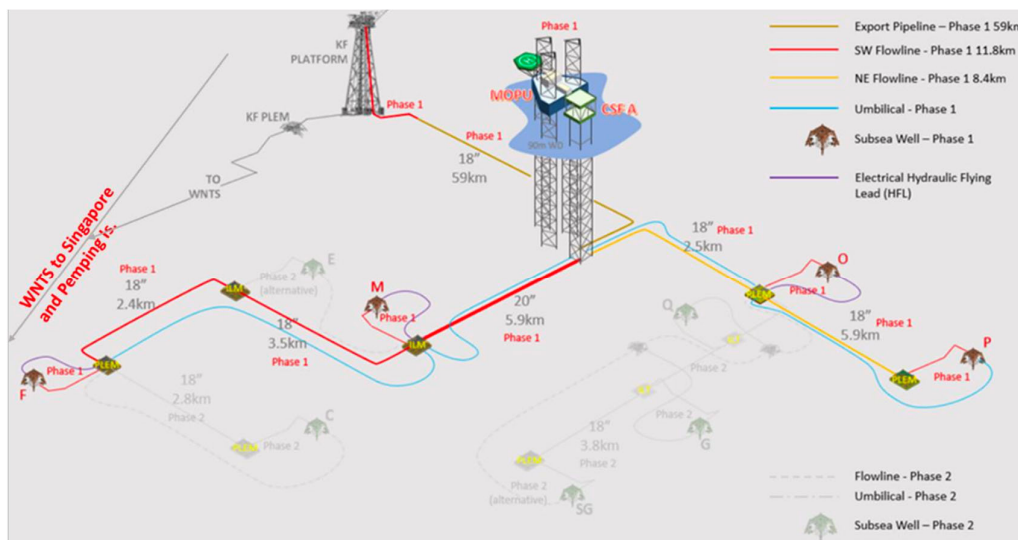


Figure 2 – Mako Field Development Concept Layout

Mako gas will be sold to PLN EPI. The contract term is until the end of the Duyung PSC in January 2037 and provides for the sale of plateau gas rates of 111 Bbtud which is equivalent to around 111.9 mmscfd. The contract is for the entirety of Mako's 2C Contingent Resources<sup>7</sup>.

The gas price will be linked to the Indonesian Crude Price ("ICP")<sup>8</sup>, which is akin to Brent oil linked LNG pricing, and will be economically equivalent to the pricing approved earlier for Mako gas to be sold both domestically and for export, thereby underpinning the value of gas from Mako. This reflects ever-growing Indonesian domestic gas demand. The terms of the gas sales agreement are confidential.

First gas from Mako remains on track for delivery in the 4th quarter of calendar year 2027.

Authorised by the Board of Directors of Conrad.

**For more information, please contact:**

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<sup>7</sup> ASX Announcement, Gas Sale Agreement Signed with PLN EPI, 17 July 2025

<sup>8</sup> ibid

### **About Conrad and its Projects**

Conrad is an Asia-focused natural gas exploration & production company concentrated on the shallow waters offshore Indonesia, and via its wholly owned subsidiaries, is the holder of several operated tenements in the form of Production Sharing Contracts. The Company's flagship project is the Mako Gas Field located in the Natuna Sea in the shallow offshore waters of Indonesia. The Mako gas field is one of the largest gas discoveries in the region.

The Company specialises in the identification and acquisition of undervalued, overlooked, and/or technically misunderstood gas assets, and has developed expertise in maturing such assets through subsurface technical work, appraisal drilling and an innovative approach to low-cost field development.

The Board and management have a proven track record of value creation and deep industry experience with oil majors, mid-cap E&P and the upstream investment community, together with a successful track record of bringing exploration and development projects into production, with Peter Botten the founder and Chairman of Oil Search adding enormous depth and experience as Chairman of Conrad.

### **Notes on Petroleum Resource Estimates**

The estimates of Contingent and Prospective Resources included in this presentation have been prepared in accordance with the definitions and guidelines set forth in the SPE-PRMS. Conrad is not aware of any new information or data that materially affects the information included in this presentation, and that all material assumptions and technical parameters underpinning the estimates in this presentation continue to apply and have not materially changed.

Deterministic and probabilistic methods have been used to prepare the estimates of Contingent & Prospective Resources. These resources have been aggregated by arithmetic summation and hence the aggregate 1C may be a very conservative estimate, and the 3C may be a very optimistic estimate, due to the portfolio effects of arithmetic summation. Prospective resources have been reported using the best estimate. Prospects and leads are made up of multiple potential reservoir horizons and these are "rolled-up" statistically into a single Prospective Resource. These Prospective Resources are statistically aggregated up to the field level and arithmetically summed to the project level.

There are numerous uncertainties inherent in estimating reserves and resources, and in projecting future production, development expenditures, operating expenses and cash flows. Oil and gas reserve engineering and resource assessment are subjective processes of estimating subsurface accumulations of oil and gas that cannot be measured in an exact way.

Conversion from gas to barrels of oil equivalent is based a constant conversion factor of 5.8 Bcf/MMboe.

### **Cautionary Statement**

The estimated quantities of gas that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially recoverable hydrocarbons.

### **Qualified Petroleum Reserves and Resources Evaluator Statement**

The resource estimates in this document are based on, and fairly represent, information and supporting documents prepared by, or under the supervision of David A. Johnson, who is employed fulltime by Conrad Asia Energy Limited as Chief Operating Officer. He holds a BSc (Honours) in Geology, has been practicing as a Petroleum Geoscientist for 45 plus years. He is a member of the Society of Petroleum Engineers ("SPE"). Mr. Johnson is qualified in accordance with ASX Listing Rule 5.41 and has consented in writing to the inclusion of the information in the form and context, in which it appears.

## Forward Looking Statements

This document has been prepared by Conrad Asia Energy Ltd (the Company). This report contains certain statements which may constitute “forward-looking statements”. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including, but not limited to: price fluctuations, actual demand, currency fluctuations, drilling and production results, reserve and resource estimates, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory developments, economic and financial market conditions in various countries and regions, political risks, project delays or advancements, approvals and cost estimates. The operations and activities are subject to joint venture, regulatory and other approvals and their timing and order may also be affected by weather, availability of equipment and materials and land access arrangements. Although Conrad believes that the expectations raised in this report are reasonable there can be no certainty that the events or operations described in this report will occur in the timeframe or order presented or at all.

There are numerous uncertainties inherent in estimating reserves and resources, and in projecting future production, development expenditures, operating expenses and cash flows. Oil and gas reserve engineering and resource assessment must be recognised as a subjective process of estimating subsurface accumulations of oil and gas that cannot be measured in an exact way.

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