

27 November 2024

UK SOUTHERN GAS BASIN – OPERATIONAL UPDATE

- UK government provides fiscal clarity with budget announcement on 30 October
- Anning and Somerville project restart underway with updated export route options under consideration
- Project update meeting with NSTA scheduled for 5 December
- Joint Venture partner meetings to be held mid December
- UK NBP gas prices (~120p/therm)¹ and futures continue to strengthen

Hartshead Resources NL (**Hartshead**, **HHR** or the **Company**) provides the following operational update following the UK Government budget announcement on 30 October 2024. The revised oil and gas fiscal regime, outlined in the UK Government budget, has provided the necessary information for the evaluation of the Anning and Somerville gas fields development project under these new terms. Additionally, HHR has undertaken the evaluation of an alternative export route to determine if it provides a superior development project.

During the 2023/2024 period Hartshead has reviewed multiple development options for the Anning and Somerville fields, with a view to providing an optimised, economically robust development, both in terms of value for the stakeholders and application of the Central Obligations for the North Sea Transition Authority (NSTA). Part of the recent work undertaken involved a reassessment of the gas export route including an option that had previously been unavailable. Recent changes in asset ownership and operatorship have seen this alternate route become available to transport the Anning and Somerville gas to market.

Technical work has continued on the subsurface model with the interpretation of the re-processed seismic, not limited to Anning and Somerville, but including the exploration opportunities located within licence P2607, covered by the re-processed seismic volume. Such opportunities, if successfully appraised and developed would provide significant secondary economic value to the Anning and Somerville development.

Hartshead plans to update the NSTA on the status of the Anning and Somerville development project in early December as a precursor to submitting the necessary documentation,

¹ ICE UK Natural Gas Continuous Contract

including a revised Field Development Plan to allow the project to progress to the execution phase. The Company continues to work on an updated schedule to optimise project timelines and enable the resumption of key development activities, ensuring the project aligns with current market opportunities and delivers maximum value for all stakeholders.

Gas Price

Despite the European Commission announcing that gas storage levels were at 95% on 31/10/2024, NBP spot gas price has continued to increase through the Autumn reaching 120p/therm in late November. This confirms that strong gas demand through the summer months is forecast by the market to extend into the winter season

Chris Lewis, Hartshead CEO, commented: "The UK Government's recent budget announcement has provided the clarity that our industry has needed and been calling for since February this year. We are now in a position to advance the Anning and Somerville gas fields development, which remains a robust and high value project under these new fiscal terms. We are currently updating our project schedule and will propose this to the Joint Venture at our December meetings."

-Ends-

The Board of Directors of Hartshead Resources NL authorised this announcement to be given to ASX.

For further information on this announcement, visit www.hartshead-resources.com.au or contact:


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Notes to Editors:**Hartshead Resources NL**

ASX-listed Hartshead Resources NL is focussed on building a financially, technically and environmentally responsible European Energy business.

Hartshead's goal is to secure and invest in projects where resources can be extracted and delivered to meet Europe's growing energy demand while supporting the transition to a low carbon future.

In progressing this strategy Hartshead is focused on the development of Production Seaward License P2607 (60% owned RockRose Energy/40% Hartshead), comprising of five blocks which contains four existing gas fields in the UK Southern Gas Basin.

Hartshead brings together a highly experienced oil and gas team with specialised knowledge covering subsurface, engineering, commercial, QHSE and capital markets with the required skillsets needed to deliver oil and gas upstream projects successfully and safely.

UK Southern North Sea Production Seaward License P2607 – Reserves, Contingent and Prospective Resources

Please refer to the qualified person's statement relating to the reporting of reserves on Hartshead Resources Southern North Sea License P2607 in Hartshead's ASX announcements dated 23 June 2022. The volumetric estimates used to derive the estimates below have been made by combining probabilistically derived estimates of initial in place gas volumes with assumptions regarding the gas recovery factors from analogous fields, such as the Clipper South and Babbage gas fields located in the UK Southern Gas Basin.

Please refer to the qualified person's statement relating to the reporting of contingent and prospective resources on Hartshead Resources Southern North Sea License P2607, in Hartshead's ASX announcements dated 6 April 2022 and 8 March 2022.

Please refer to the qualified person's statement relating to the reporting of contingent and prospective resources on Hartshead Resources Southern North Sea Licenses P2669, P2670, P2676, P2678, P2679 and P2682, in Hartshead's ASX announcements dated 9 September 2024.

The Company is not aware of any new information or data that materially affects the information about the contingent resource or prospective resource estimates included in this announcement and all the material assumptions and technical parameters underpinning those estimates in this announcement continue to apply and have not materially changed.

GROSS RESERVES²

			1P	2P	3P	
P2607	49/17b	Anning	Sales Gas (Bcf)	73	145.0	245
			Condensate (MMbbl)	0.081	0.192	0.375
	49/17b	Somerville	Sales Gas (Bcf)	107.0	156.5	213
			Condensate (MMbbl)	0.119	0.208	0.325
			Total (MMboe)	31.2	52.4	79.7

GROSS CONTINGENT RESOURCES³ (BCF)			1C	2C	3C	GCoS
P2607	49/6c, 49/11c	Lovelace	14	39	70	100%
	48/15c	Hodgkin	35	100	387	100%
P2669	44/19b	Katy Field	28	67	120	100%
		Cameron	8	19	43	100%
		44/19-3	9	40	75	100%
P2670	44/22	Boulton-H Field	15	41	76	100%
	44/23b	Winchelsea North Field	17	60	129	100%
	44/27	Garnet Field	7	20	56	100%
P2676	48/10	Annabel East Field	32	91	204	100%
P2678	48/14d	Ensign Field	68	124	205	100%
	48/15b					
P2679	48/18c	Bedevere North Field	68.1	96.3	130.4	100%
		Bedevere Central Field	47.2	67.8	94	100%
		Bedevere South Field	39.1	56.3	78.5	100%
		Anglia Paris	12.5	24.2	43.3	100%
		Anglia North	10.2	19.1	32.6	100%
P2682	113/27c	Castletown Field	72	156	330	100%

² Reserves estimates are from ERC Equipoise Limited, Independent Competent Persons Report (CPR) entitled "Hartshead Resources NL Somerville and Anning Competent Persons Report" dated June 2022. See Qualified Persons Statement for reserves reporting notes.

³ Hartshead and Partners management estimates

GROSS PROSPECTIVE RESOURCES (BCF) ²			1U	2U	3U	GCOS
P2607	49/17b	Garrod	16	52	125	50%
	49/17b	Ayrton	25	74	146	41%
	49/17b	McLaren	18	27	39	54%
	49/17b	Stephenson	36	47	60	43%
	49/17b	Widdowson East	6	29	79	32%
	49/17b	Widdowson Central	11	21	40	50%
	49/17b	Lonsdale	5	16	31	50%
	49/17b	Anderson	5	12	29	45%
	49/12d	Wenlock Prospect 1	4	19	55	36%
	49/12d	Wenlock Prospect 2	1	5	19	36%
	49/11c	Wenlock Prospect 3	1	5	17	36%
	49/11c	FFs Prospect 1	3	11	26	41%
	49/11c	FFs Prospect 2	8	19	37	35%
	49/11c	FFs Prospect 3	4	9	17	34%
	P2669	44/19b	Emerald	17.4	23.2	34.8
		Silmanite West	6.96	11.6	23.2	0.56
P2670	44/23b	Winchelsea West	23.2	81.2	191.4	0.24
	44/27	Schooner C	69.6	92.8	104.4	0.50
		Wheatsheaf	174	220.4	272.6	0.10
P2676	48/10	Ulnaby	53	89	149	0.35
		Ulnaby South	17	33	63	0.35
P2679	48/18c	Anglia Far North	11	28.5	68.1	0.40
P2682	113/27c	Doyle	62	171	354	0.45
		Peel	68	230	440	0.36

Prospective resources are estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) and relate to undiscovered accumulations. These prospective resources 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 moveable hydrocarbons.

Equity Positions

LICENSE	HARTSHEAD EQUITY
P2607	40%
P2669	50%
P2670	50%
P2676	100%
P2678	100%
P2679	80%
P2682	50%

Forward Looking Statements

This document has been prepared by Hartshead Resources NL (HHR). This document 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.

HHR's operations and activities are subject to 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 HHR believes that the expectations raised in this document are reasonable there can be no certainty that the events or operations described in this document will occur in the timeframe or order presented or at all.

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information.

Qualified Person's Statement

The Reserves estimated in this announcement have been made by Dr Adam Law, Director, ERC Equipoise (ERCE), a post-graduate in Geology, a Fellow of the Geological Society and a member of the Society of Petroleum Evaluation Engineers. Dr Adam Law is qualified in accordance with ASX listing rule 5.41 and has consented to the use of Reserves estimates, and to the form and context in which these statements appear.

ERC Equipoise Ltd. (ERCE) is a leading, employee owned, global energy consultancy headquartered in London with offices in Singapore, Kuala Lumpur and Perth. It's fully integrated team of Geoscientists, Engineers and Economists are specialists in Competent Persons reporting, reserves and resources auditing, technical services, commercial analysis and Expert advisory services. ERCE supports companies in traditional energy sectors as well as providing energy transition and sustainability services.

The Reserves estimates presented in this report were originally disclosed to the market in announcement released on 23 June 2022 and are based on, and fairly represents, information and supporting documentation prepared by Dr Adam Law of ERCE.

The information in this announcement that relates to Reserves estimates is based on information compiled or reviewed by Mr Christopher Lewis. Mr Lewis has consented to the form and context in which the estimated Reserves and the supporting material are presented.

Hartshead has prepared the Contingent Resource and Prospective Resource information in this announcement in accordance with the ASX Listing Rules and the 2018 Petroleum Resources Management System published by the Society of Petroleum Engineers (SPE-PRMS). The Contingent Resource estimates and Prospective Resource estimates presented in this report were originally disclosed to the market in announcement released on 14 December 2020 and updated 8 March 2022 and 6 April 2022. Hartshead confirms that it is not aware of any new information or data that materially affects the information included in the aforesaid market announcements and that all the material assumptions and technical parameters underpinning the estimates in the aforesaid market announcement continue to apply and have not materially changed. The information in this announcement that relates to Contingent Resource information in relation to the Phase II Hodgkin and Lovelace fields and the Prospective Resource information in relation to the Phase III exploration portfolio is based on information compiled by Mr Christopher Lewis and information compiled by technical consultants contracted to Hartshead which has been subsequently reviewed by Mr Christopher Lewis. Mr Lewis has consented to the inclusion of such information in this announcement in the form and context in which it appears and the resources information in this report is based on, and fairly represents, information and supporting documentation reviewed by, or prepared under the supervision of, Mr Christopher Lewis.



Mr Lewis is a Director of Hartshead and holds a BSc from the Imperial College, University of London and is a member of The American Association of Petroleum Geologists (AAPG) and the European Association of Geoscientists and Engineers (EAGE). Mr Lewis is qualified in accordance with the requirements in ASX Listing Rule 5.41.