

Date: 16 October 2024

ASX Code: CND

Capital Structure

Ordinary Shares: 586,333,677
Current Share Price: 3.1c
Market Capitalisation: \$18.2M
Cash: \$2.0M (June 2024)
EV: \$16.2M
Debt: Nil

Directors

Matt Ireland
Non-Executive Chairman

Scott Macmillan
Non-Executive Director

Serge Hayon
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Piedra Redonda Gas Project Assessment Unlocks Multiple Development Options

Highlights

- **Technical review of the historical Piedra Redonda Gas Field completed with potential field development and monetisation options identified**
- **Scalable development options include gas-to-power and delivery of compressed natural gas (CNG) for industrial and domestic use**
- **Completion of Well Test Data evaluation provides confidence in deliverability estimates and allows for assessment of production profiles for associated development concepts**
- **Discovery well C-18X drilled in 1978 tested 8.2 million cubic feet per day on ½" choke from a limited 36 feet net pay interval out of estimated total 152 feet net pay interval**
- **Contingent resources of 404 Bcf (2C) associated with C-18X discovery area with further 2.2 Tcf (2U) low risk upside located updip**
- **Updated Independent Resource Estimate in progress following receipt of reprocessed 3D seismic data over Piedra Redonda Gas Field**

Condor Energy Ltd (ASX: CND) (Condor or the Company) is pleased to provide an update on the significant progress made on development planning activities for the Piedra Redonda Gas Project within the Tumbes Basin Technical Evaluation Agreement (TEA or block) offshore Peru.

Managing Director Serge Hayon commented:

"We are excited with the results of our initial review of Piedra Redonda gas field which contains an independent best estimate of 404 billion cubic feet (2C gross) with additional low-risk upside of 2.2 trillion cubic feet of gas (2U gross) within the Mancora Formation updip of C-18X discovery well.

"The C-18X well demonstrated strong gas flow rates from a limited 36 feet interval out of an estimated 152 feet total net pay in the Mancora Formation which underlines the significant well deliverability potential and supports multiple standalone development options.

"We will incorporate insights from our technical review and updated interpretation of the recently reprocessed 3D seismic data over the Piedra Redonda Gas Field to deliver an updated Independent Resource Assessment to support selection of future potential well locations and advance development planning.

"In light of the positive technical review we are commencing further commercial and feasibility studies for a conceptual gas-to-power project development plan to determine the optimal commercialisation pathway for the Piedra Redonda Gas Field.

“Developing a commercial gas project at Piedra Redonda would not only realise the value of this asset but also allow access to additional undeveloped gas in the Tumbes basin.”

Technical Review of Piedra Redonda Gas Field identifies multiple potential standalone development options

The Company has completed a technical review of the Piedra Redonda gas field and associated well data which has identified a number of potential field development and monetisation options. The significant size and strategic location of the Piedra Redonda gas field which is proximate to market demand and infrastructure presents valuable standalone development opportunities for the field.

The Company has evaluated a number of scalable development options which can be phased and adapted to the ultimate resource and/or market size, including gas-to-power and compressed natural gas (CNG) for local industrial and domestic use.

The Piedra Redonda Gas discovery is located close to shore and contains ‘Best Estimate’ Contingent Resources (2C) of 404 Bcf (100% gross) which potentially underpins a standalone gas development and additional low-risk upside located updip from the C-18X discovery well with ‘Best Estimate’ Prospective Resources (2U) of 2.2 Tcf# (gross unrisked) of natural gas.

#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 a 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.

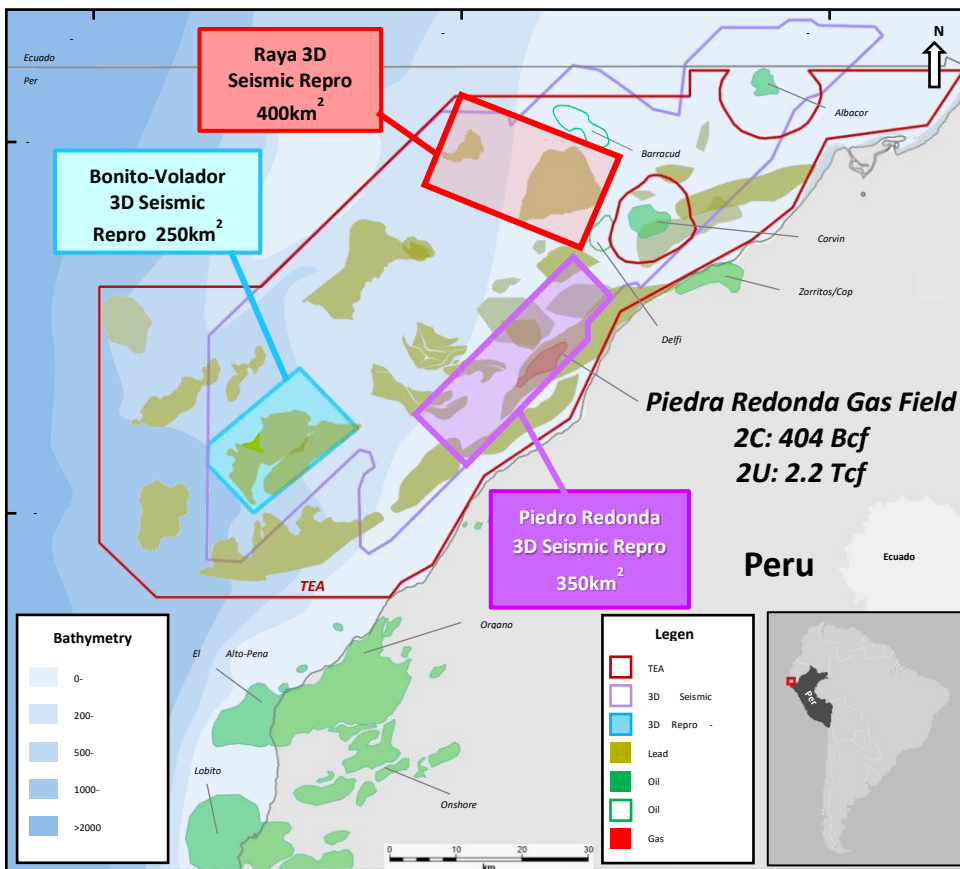


Figure 1 – Location of the Piedra Redonda gas field in Tumbes TEA

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The upside potential in Piedra Redonda has been further enhanced through recent gas discoveries made in the same Mancora Formation adjacent to the TEA area in the onshore Tumbes which extends the play fairway updip to the north of Piedra Redonda.

A new Independent Resource Estimate will be provided for Piedra Redonda following completion of the interpretation of the recently reprocessed 3D seismic data across field.

The updated seismic and structural interpretation from the reprocessed seismic data will assist with future appraisal and development well planning and mature the field development concepts and commercialisation pathway.

C-18X Discovery Well Test Review Reveals Substantial Additional Well Deliverability Potential Supporting Future Development

The Piedra Redonda gas field discovered in 1978 by the C-18X well is hosted in the Lower Oligocene Mancora Formation and is defined by a wedge-shape structural trap between two faults (Figure 2).

Condor has evaluated the historical C-18X discovery well log and production test data where the well tested 8.2 million standard cubic feet of gas per day (mmscf/d) on a ½" choke from a limited 36 feet interval out of estimated total 152 feet net pay interval. A significant amount of pay in the C-18X well was not tested due to program constraints and presents additional deliverability upside.

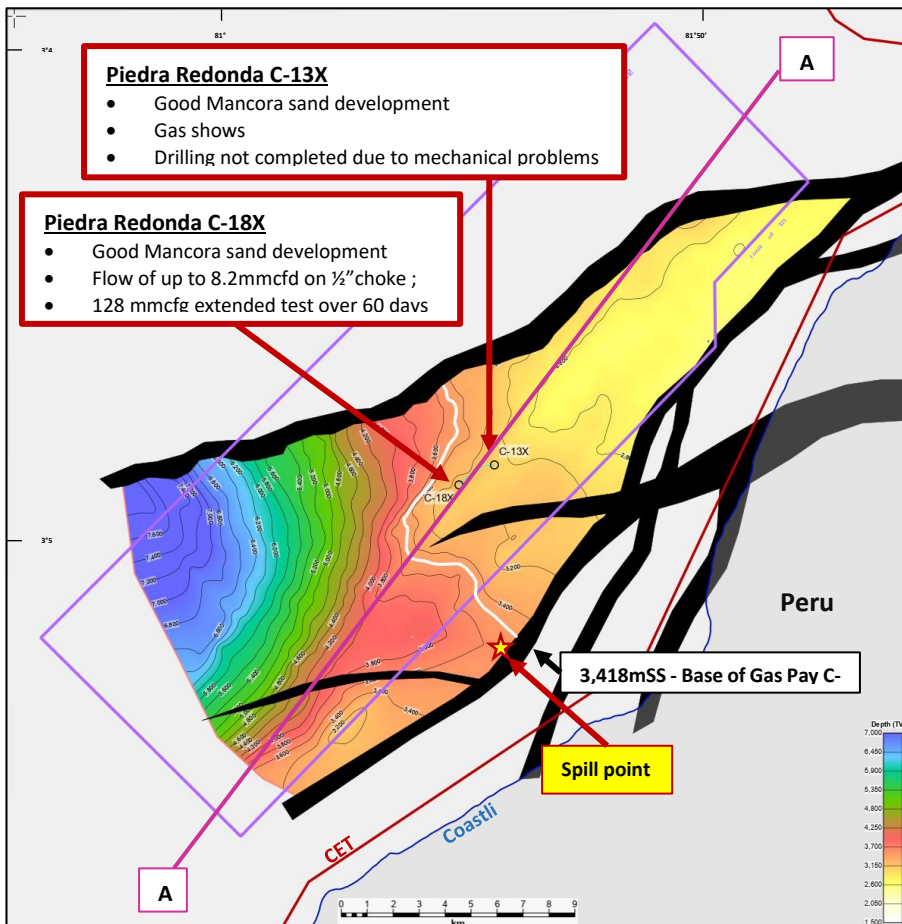


Figure 2 - Piedra Redonda - Mancora reservoir depth map showing the C-18X and C-13X wells

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The well produced dry sweet gas with almost nil impurities. Potential production deliverability estimates have been assessed which, along with the substantial gas resource, reinforce the strong monetisation potential of Piedra Redonda.

The follow up appraisal well C-13X, drilled in 1984 approximately 1.6 km up-dip from C-18X, produced gas shows and indicated good sand development in the top of the Mancora Formation, however due to mechanical problems while drilling it did not reach the target interval which correlates to the well test interval in the C-18X well and no logs were acquired or production testing undertaken.

A number of smaller analogue gas projects have been successfully developed in the adjacent Talara Basin approximately 100km south of Piedra Redonda which provides natural gas for electricity generation and supply of residential gas in the Piura region. Piedra Redonda presents similar standalone development options for the Tumbes region and beyond, albeit with potentially larger scale due to the resource size.

Condor is implementing a phased development approach that provides both scalability and flexibility. This approach allows for future increase of production to adapt to market conditions and ensuring that the Company can respond swiftly to develop additional resources from future discoveries.

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Authorised by the Board of Condor Energy Limited.

For further information please contact:

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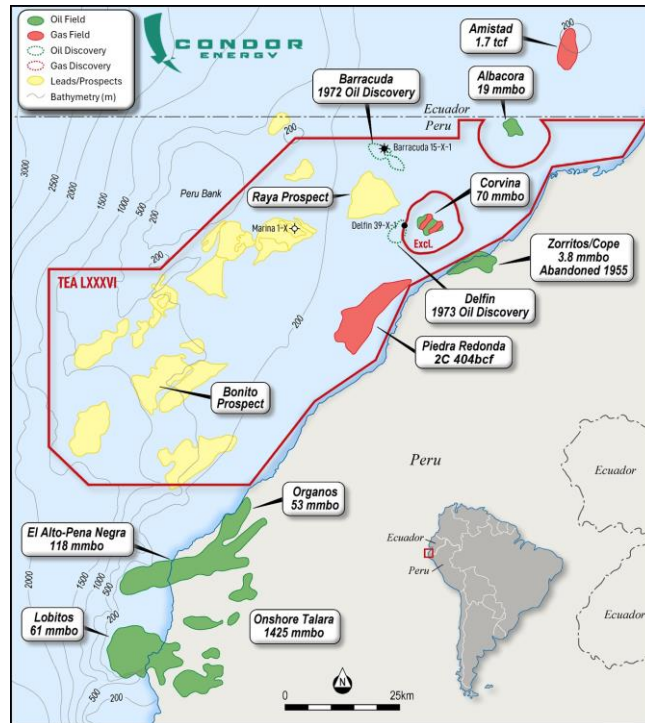
About the Tumbes Basin TEA

A Technical Evaluation Agreement (TEA) is an oil and gas contract that provides the holder with the exclusive right to negotiate a Licence Contract over the TEA area.

In August 2023 the Company, with its partner Jaguar Exploration, Inc. (Jaguar), entered into the 4,858km² TEA offshore Peru with Perupetro. The TEA area covers almost all of the Peruvian offshore Tumbes Basin in shallow to moderate water depths of between 50m and 1,500m.

The under-explored block is surrounded by multiple historic and currently producing oil and gas fields and contains the undeveloped shallow water Piedra Redonda gas field which contains 'Best Estimate' Contingent Resources of 404 Bcf (100% gross) and 'Best Estimate' Prospective Resources of 2.2 Tcf[#] (gross unrisks) of natural gas.

Condor is 80% holder of the TEA, with Jaguar and its nominees holding the remaining 20%.



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Competent Persons Statement

The information in this report is based on information compiled or reviewed by Mr Serge Hayon, Managing Director of Condor Energy Limited. Mr Hayon is a Geoscientist and Reservoir Engineer with more than 24 years' experience in oil and gas exploration, field development planning, reserves and resources assessment, reservoir characterisation, commercial valuations and business development. Mr Hayon has a Bachelor of Science (Hons) degree in Geology and a Master of Engineering Science in Petroleum Engineering from Curtin University and is a member of the Society of Petroleum Engineers (SPE).

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