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Empyrean Energy plc

Gas Sale Agreement Signed with Sembcorp

2 September 2024

Highlights

- On 31 August 2024, the Mako Joint Venture partners and Sembcorp signed a binding GSA for the export of gas produced from the Mako field to Singapore.
- The contract term is until the end of the Duyung PSC in January 2037 and allows for the sale of up to 76 billion British thermal units per day ("Bbtud"), which is equivalent to around 76.9 million standard cubic feet per day ("mmscf").
- The GSA also contains provisions for the sale of up to an additional 35 Bbtud (around 35.4 mmscf) should a tie-in pipeline not be built to the Indonesian domestic market in Batam and DMO sales do not therefore eventuate. The possible export of these additional volumes is recognised in the Mako plan of development ("POD").
- The terms of the GSA are confidential and are subject to government approval.

Empyrean Energy plc ("**Empyrean**" or the "**Company**"), the oil and gas development company with interests in Indonesia and the United States, is pleased to advise that Empyrean, Conrad Asia Energy Ltd and Coro Energy Plc (together the **Mako Joint Venture partners**) have agreed a binding Gas Sales Agreement ("**GSA**") for the sale and purchase of the export portion of natural gas from the Mako gas field with Sembcorp Gas Pte Ltd ("**Sembcorp**"), a wholly-owned subsidiary of Sembcorp Industries Ltd, a leading energy and urban solutions provider, headquartered in Singapore.

The GSA with Sembcorp for gas from the Mako gas field (in which Empyrean has an 8.5% Participating Interest), is an important next step in the commercialisation of the Mako field, the largest undeveloped gas field in the West Natuna Sea. With this GSA and the gas sold under a separate domestic market obligation ("**DMO**") GSA with PGN, Indonesia's largest gas company, all of Mako's current gas Contingent Resources have been committed to gas buyers.

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Completion of both GSAs is a significant milestone on the path to a Final Investment Decision ("**FID**") for the Mako project.

Natural gas is an essential transition fuel in the energy mix across Asia and the sale of all Mako's contingent resources gas resources represents an important project in Asia.

The Mako Joint Venture partners and their respective interests are :-

Empyrean Energy plc	8.5%
Conrad Asia Energy Ltd	76.5%
Coro Energy Plc	15%

Empyrean CEO, Tom Kelly, stated:

"This export GSA between Sembcorp, the Indonesian Government and the Mako Joint Venture partners marks the next significant milestone in the pathway from discovery of Mako towards development and production. Importantly, the combination of this export GSA with the DMO GSA means that all contingent resources at Mako are under binding contracts for sale. These GSA's underpin the commercial viability of the Mako project and its value. We anticipate that these GSA's will greatly assist parties interested in the Mako project to assess value and timelines with more clarity and certainty. We look forward to providing further updates on progress in due course".

Duyung PSC - Mako Gas Field

EME 8.5% Participating Interest

Empyrean holds an 8.5% operated interest in the Duyung PSC. Duyung is located in the Riau Islands Province, Indonesian waters in the West Natuna area, approximately 100 km to the north of Matak Island and 400 km northeast of Singapore. The Mako field contains 2C Contingent Resources (100%) of 376 billion cubic feet ("**Bcf**"), and is scheduled to begin production in 2026. The West Natuna Sea has been supplying Singapore with natural gas for more than two decades and Mako is expected to extend this supply for at least another decade via the existing transportation system.

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Sembcorp Background

As one of the largest players in Singapore's natural gas market and the country's first commercial importer and retailer of piped natural gas, Sembcorp offers a wide range of solutions in gas sourcing, importation and trading. In addition, Sembcorp is an importer of LNG (liquefied natural gas) for Singapore with the competencies to provide customers access to a global portfolio of LNG sources.

The information in this announcement has been reviewed by Empyrean's Technical Director, Gaz Bisht, who has over 32 years' experience as a hydrocarbon geologist and geoscientist.

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