



ENERGY Blue.

INVESTOR PRESENTATION

9 March 2022

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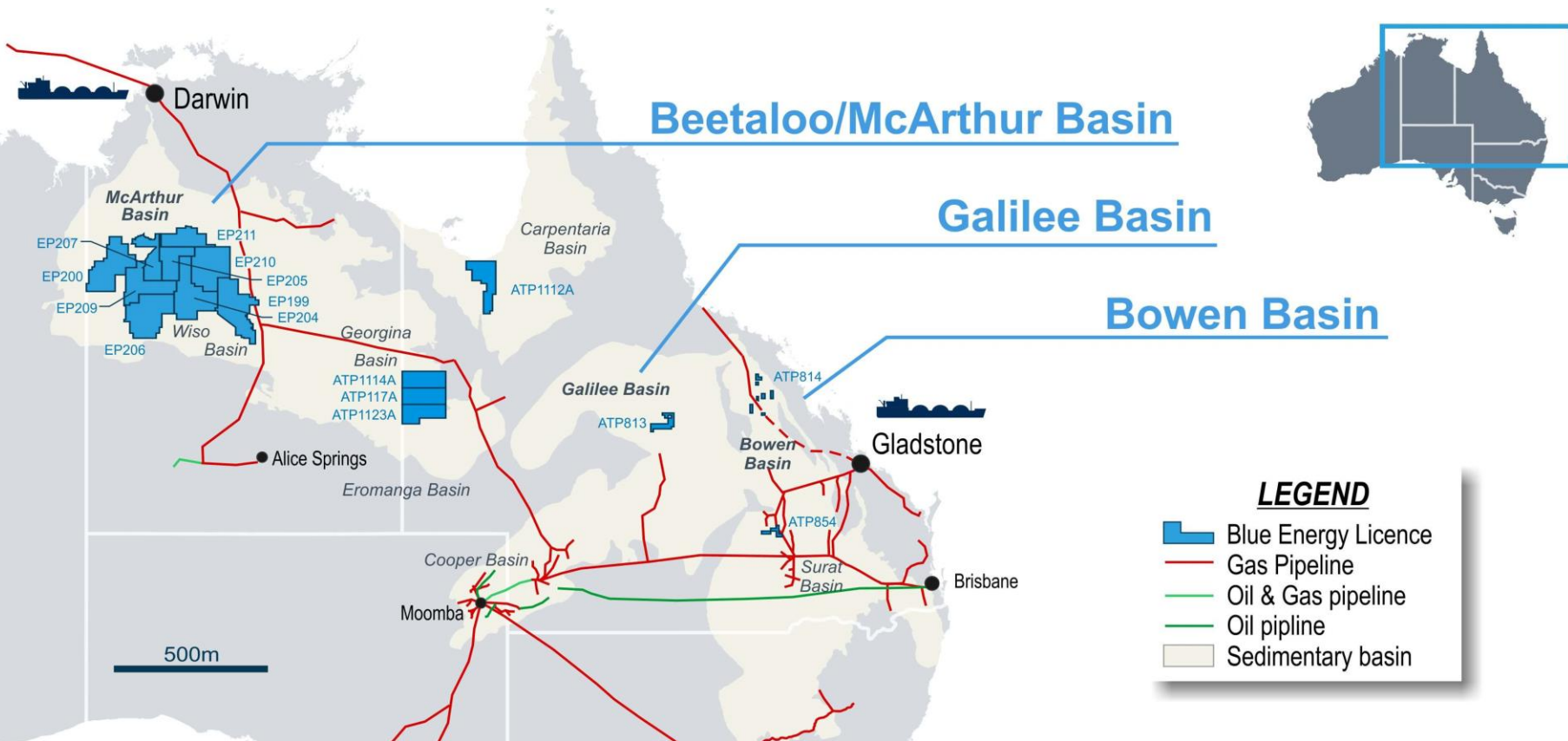
Financial data

All dollar values are in Australian dollars ("\$" or "A\$" or "AUD") unless stated otherwise.





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Blue's Assets are in the 3 Key Gas Basins



LEGEND

-  Blue Energy Licence
-  Gas Pipeline
-  Oil & Gas pipeline
-  Oil pipeline
-  Sedimentary basin

Blue Summary

- Blue has multiple **10 year domestic gas supply agreements** and gas ready to develop
 - ✓ Reserves and resources confirmed by NSAI (top tier Dallas global oil and gas certifier)
 - ✓ Hundreds of jobs in construction and operations over the project life
- Blue is committed to a **pipeline – the Moranbah to Wallumbilla interconnect**
 - ✓ Will move forward with Fed and State support
 - ✓ Will incorporate mine gas options to reduce Mine Methane emissions
- Blue's **2022 drilling program** starting in June
 - ✓ to prove up 2P reserves and underpin pipeline and gas supply agreements
 - ✓ Up to 4 vertical wells and 6 laterals in our PL application areas around Moranbah
- Blue has **domestic gas customers**
 - ✓ HoA's with Origin Energy and Energy Australia for 400 PJ of gas over 10 years delivered to Wallumbilla ⁺
 - ✓ MoU to supply QPM with 112 PJ in Townsville ⁺
- Blue has Surat Basin gas option - ATP854
 - ✓ 300% gas resource upgrade – 398 PJ Contingent Resource ⁺
 - ✓ Pipeline infrastructure through the permit

North Bowen Basin – Primed for Development

Derisked

- North Bowen Basin has discovered gas and has been producing for 18 years into Townsville

Scale

- North Bowen Basin gas resource has scale – 15,000 PJ of gas resource - equivalent to 30 years of dom gas supply

Environmental

- Located around large export coal mining activity – with fugitive emission issues – CSG development can reduce emissions
- No intense agricultural activities
- No Great Artesian Basin Aquifers present

Timing

- Quicker to market compared to Beetaloo and Galilee Basins – 3-5 years for gas to market

North Bowen Basin – Government Focus

Federal Government

North Bowen Basin is part of the National Gas infrastructure Plan

In combination with the Galilee Basin – \$14.5 million of funding in 2021/22 Budget for drilling

Joint Queensland/Federal Government

Jointly funded Bowen Pipeline Feasibility Study – KPMG/GHD/NSAI report – released January 2022

“gas in the Bowen Basin is considered to be economically recoverable based on reasonable assumptions on cost, revenue, well design and coal geology”

4 possible pipeline routes identified by the study

Expression of Interest process initiated by the Federal government to get pipeline to FID stage

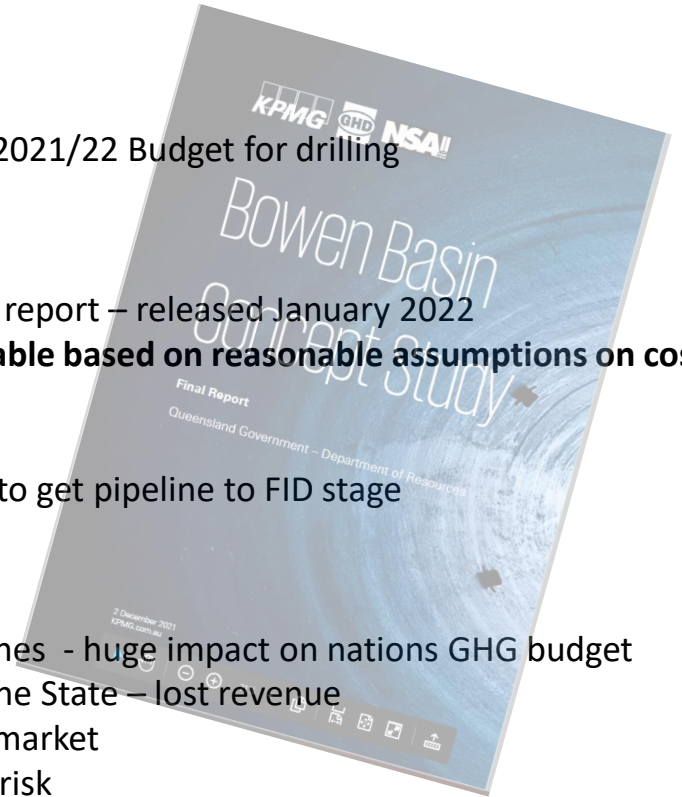
Queensland Government

Large volumes of gas currently vented/flared from multiple coal mines - huge impact on nations GHG budget

Vented/flared Coal mine methane does not generate royalties for the State – lost revenue

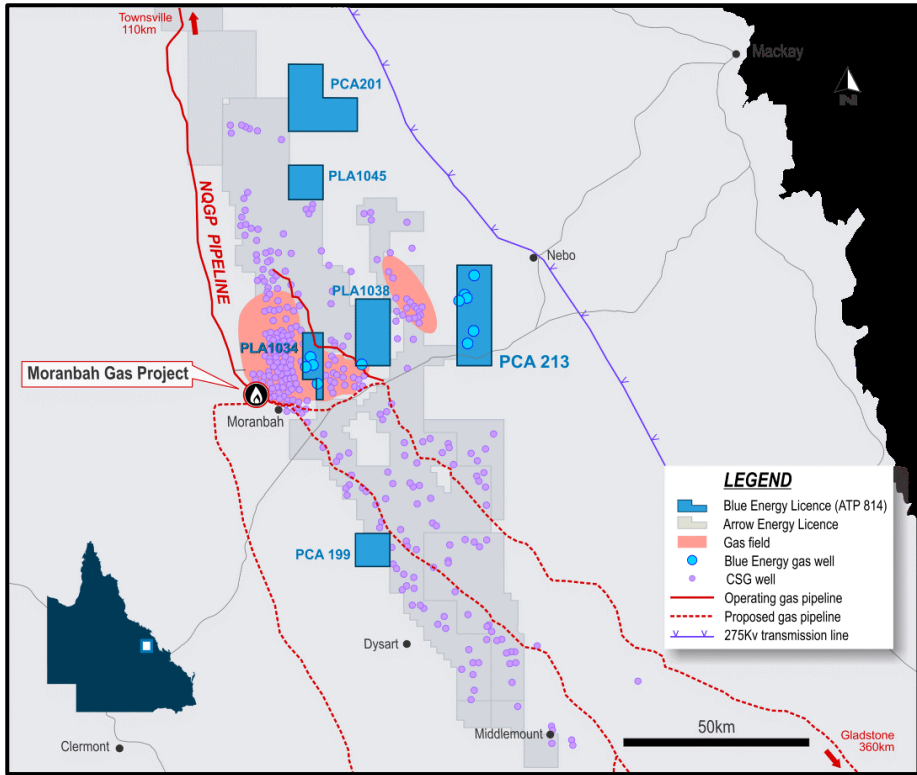
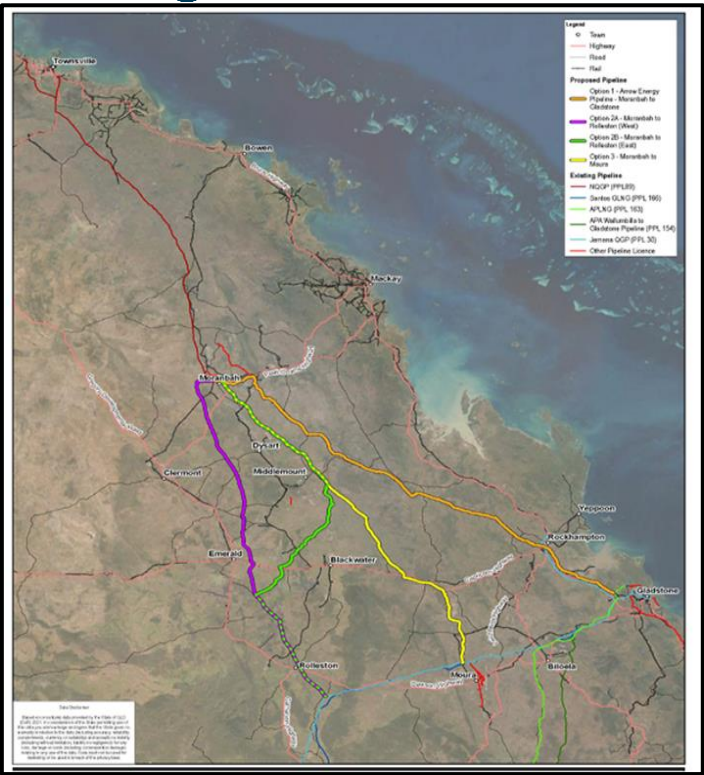
Qld Government keen to aggregate coal mine methane to bring to market

Coal Mine methane is a historic and ever-present significant safety risk



KPMG PIPELINE STUDY

BOWEN PIPELINE ROUTE OPTIONS AND BLUE'S GAS

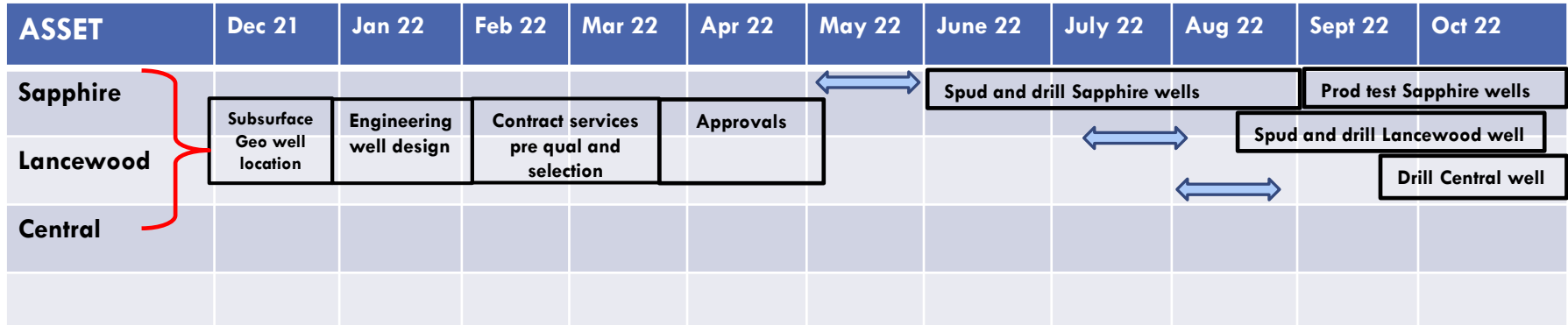


KPMG/GHD/NSAI route options

Blue's Gas will Underpin New Bowen Gas Infrastructure

- Blue's 3,248 PJ of Contingent Resource will underpin new build gas pipeline - 20" pipeline open access pipeline but capable of taking the full Bowen Basin volume over time – ie up to 15,000 PJ
- Blue gas supply agreements Energy Australia, Origin Energy and QPM – delivery to Wallumbilla and Townsville - 500 PJ over 10 years⁺
- **Federal Government** looking for new build gas infrastructure – Natural Gas Infrastructure Plan – “Right Size” pipeline – North Bowen is priority
- **Qld Government** - Mine gas focus – Blue had input to KPMG/GHD/NSAI study
- **Bowen Basin** has 30 years of domestic east coast gas supply – it just needs connection to market and Operators to develop.

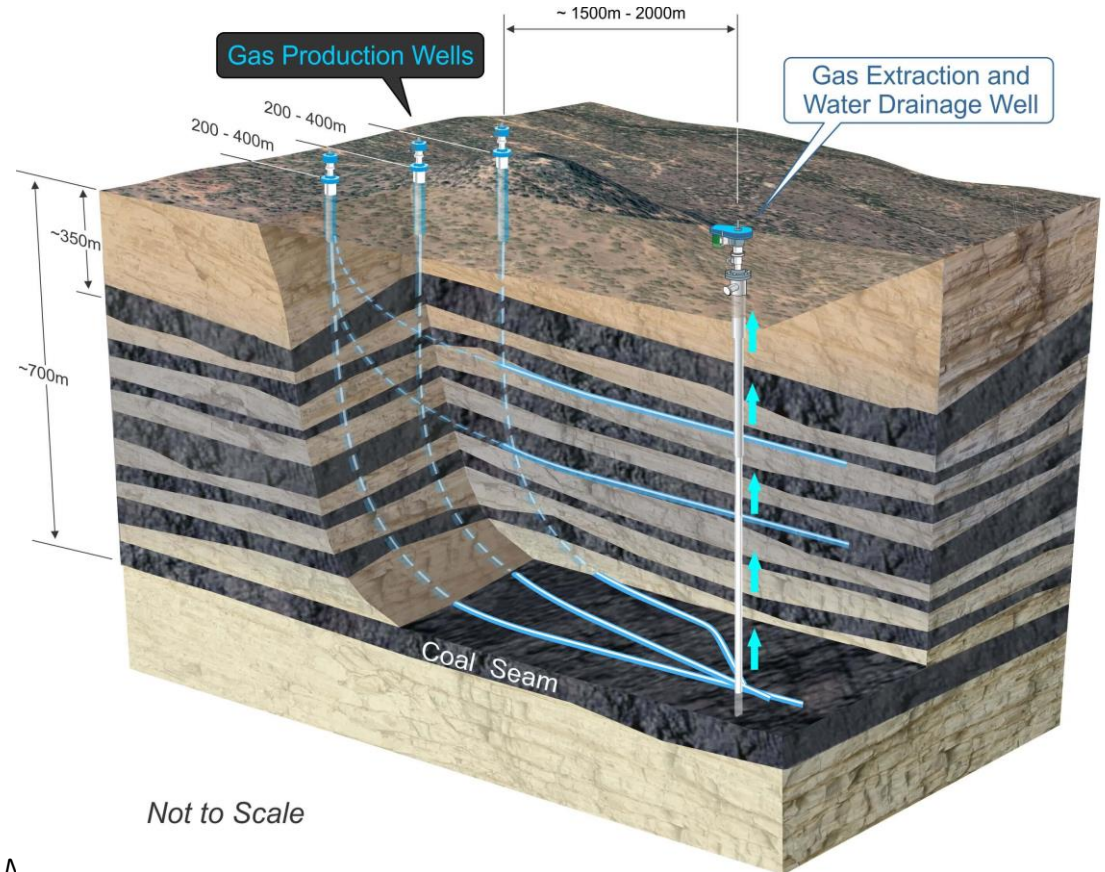
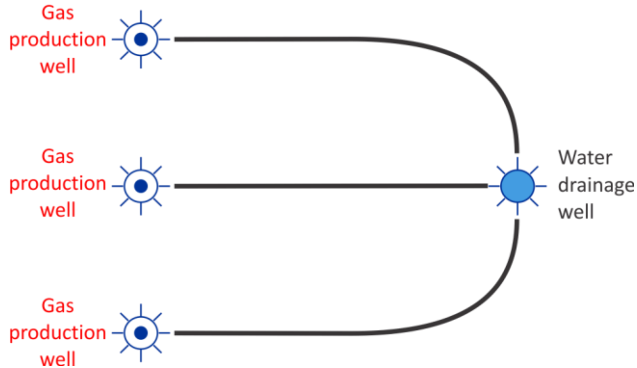
North Bowen multi well 2022 drilling program



Cross-sectional Bowen well design- diagrammatic representation

Combination of lateral in seam wells intersecting vertical water drainage well – targeting multiple individual coal seams

Plan View



Natural Gas: reliable, dispatchable, sustainable, ESSENTIAL

Blue - Bringing Gas to Market

Gas offtake agreements for Bowen Basin underpin southern pipeline construction
Promote Northern Australia growth

Wallumbilla Supply – East Coast Domestic

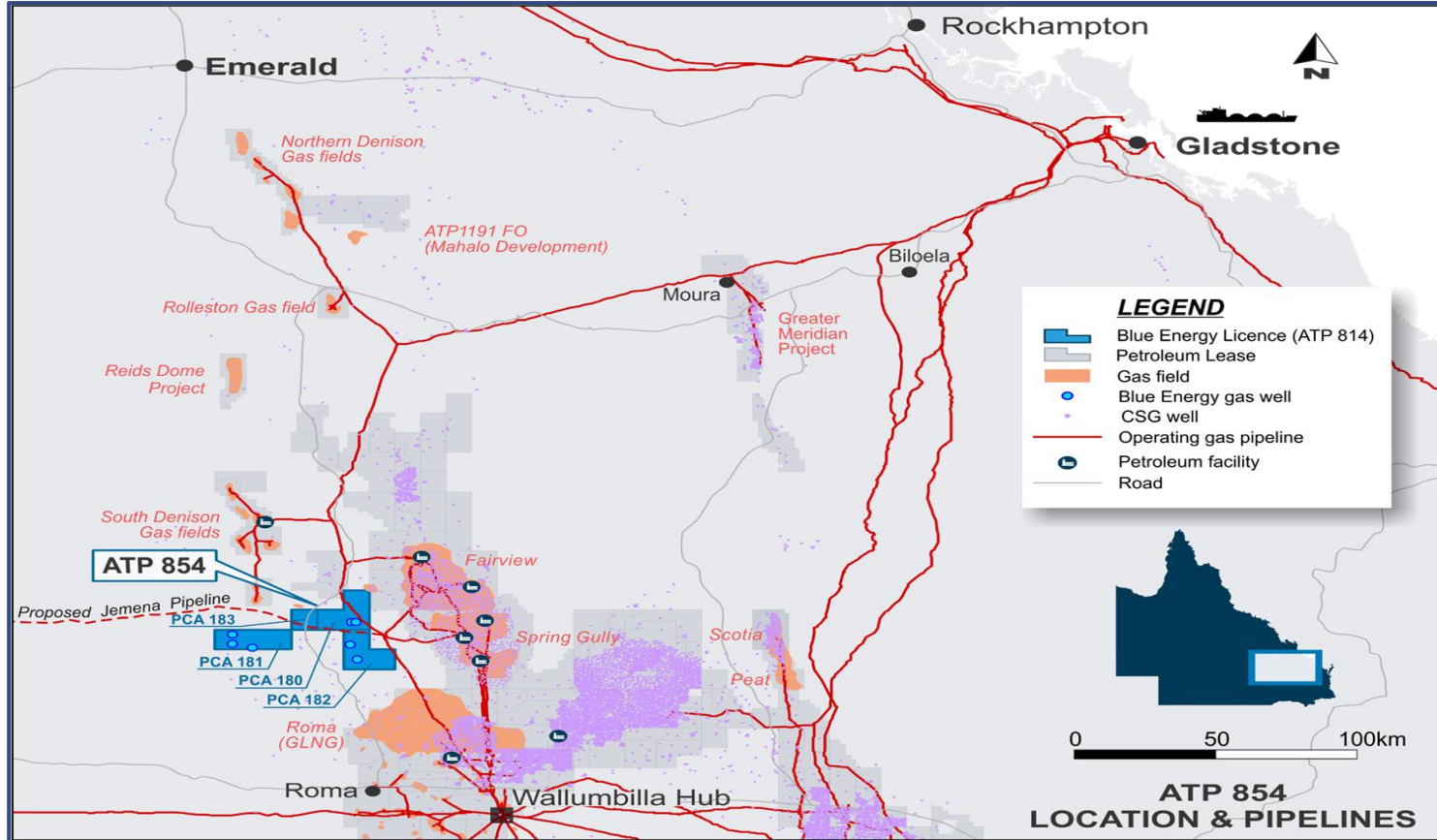
- Origin Energy and Blue
 - ✓ Heads of Agreements for 300 PJ of gas over 10 years at Wallumbilla
- Energy Australia and Blue
 - ✓ Heads of Agreement for 100 PJ of gas over 10 years at Wallumbilla

Townsville Supply – Northern Australia Domestic

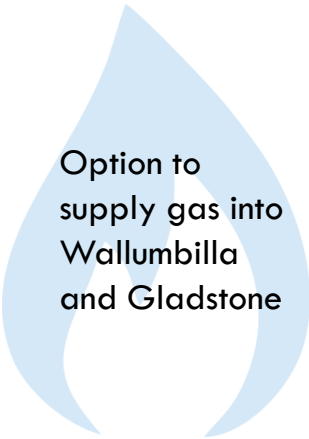
- Queensland Pacific Metals and Blue
 - ✓ MoU for 112 PJ of gas over 15 years

Total Blue Bowen gas under supply agreement = 512 PJ

Blue's additional gas option- Surat Basin Asset



Blue's other gas option- Surat Basin Asset – ATP854



Option to supply gas into Wallumbilla and Gladstone

NSAI Gas Resource upgrade

- January 2022 - 300% upgrade in Contingent Resource
 - ✓ Resource upgrade will allow acceleration of resource appraisal
- ATP854 now becomes a material gas resource – 398 PJ Contingent Resource
 - ✓ Un-contracted gas resource

ATP 854 location

- Two gas pipelines passing through the permit
 - ✓ Connectivity to both Gladstone and Wallumbilla
- Same Permian coal seam gas target as GLNG's Fairview gas field
 - ✓ Additional Jurassic Walloon CSG play

ATP 854 is held and operated by Blue 100%

- Applications for Potential Commercial Areas with Qld Govt

Blue's -stepping on the gas and infrastructure

- Blue's 3,248 PJ of Contingent Resource will underpin new build gas pipeline - 20" pipeline open access pipeline but capable of taking the full Bowen Basin volume over time – ie up to 15,000 PJ
- Blue's Surat Gas resource can augment Bowen contracts or enable new standalone domestic or LNG gas supply agreements
- Drilling activity in North Bowen commencing mid year
- Bowen pipeline infrastructure option for Blue shareholders
- Option to accelerate appraisal work in ATP854

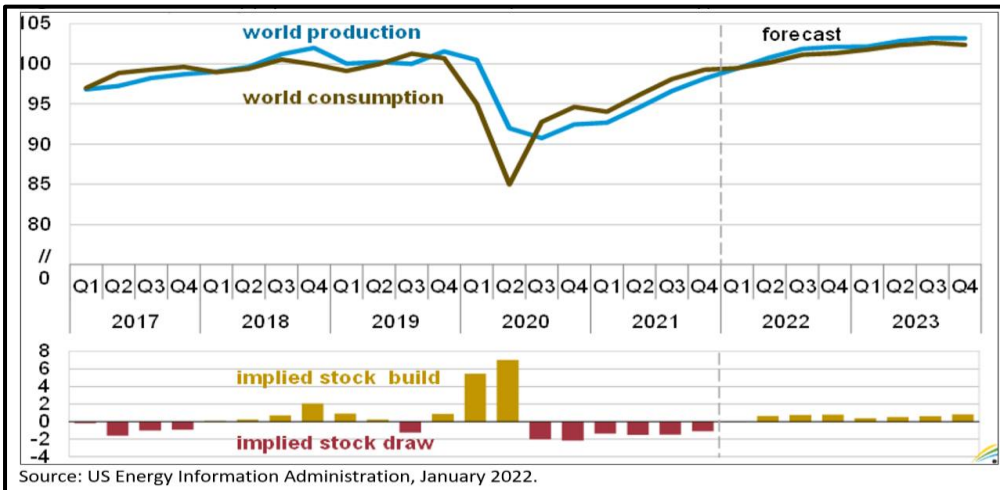
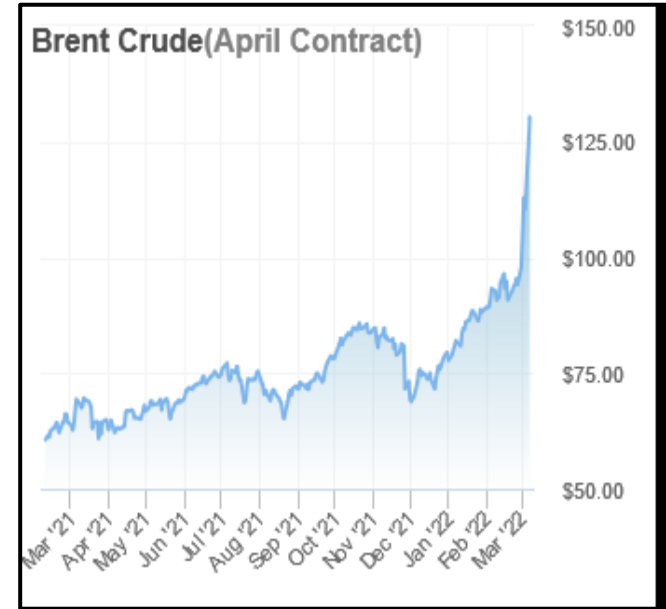




Oil, Gas and LNG markets

Brent over US\$120/bbl

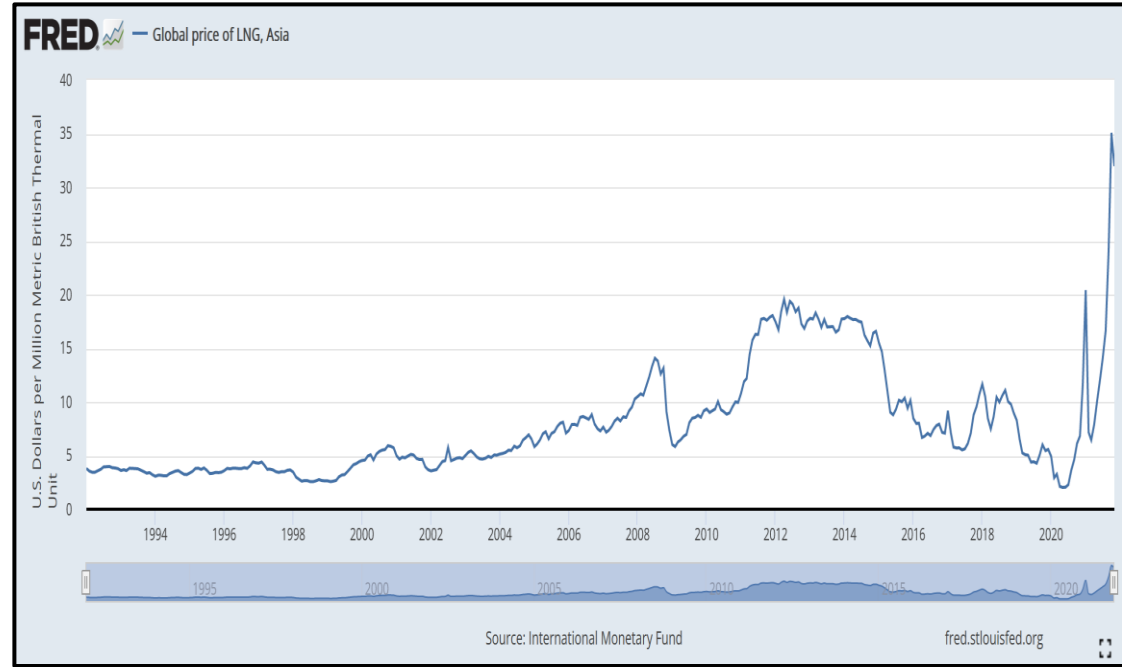
- Russian production being sold at heavy discount
- Russian Fed production 2021 = 10.6 mmbpd (~10% of global production)
- OPEC production level maintained
- US oil production steady at 11.6 mmbpd
- Talk of Russian crude purchase boycott by US – price spike
- Supply demand balance has returned post COVID



Source: US Energy Information Administration, January 2022.

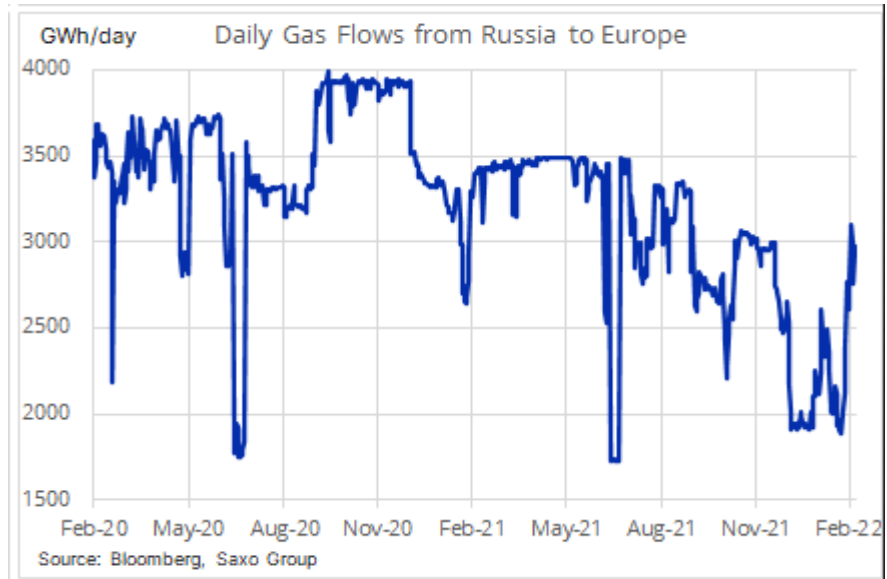
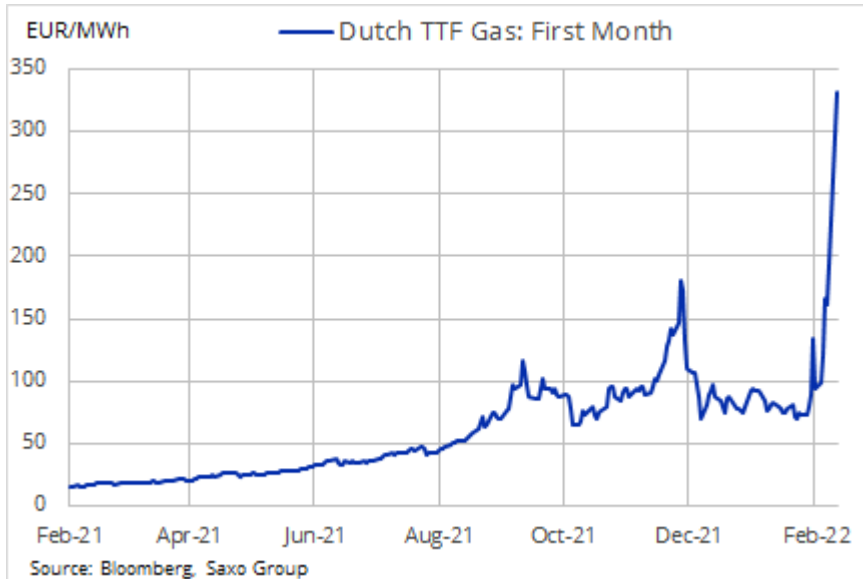
Asian LNG Price – huge spike

- **Tight supply - No new near term capacity**
- **Europe struggling with supply/storage and dependence on Russian gas through Ukraine**
- **US cargoes going into Europe**
- **Huge profit margin on spot cargos**
- **Spot JKM – US\$ 47.30/mmbtu**



UK (NBP) and Europe (TTF) gas prices

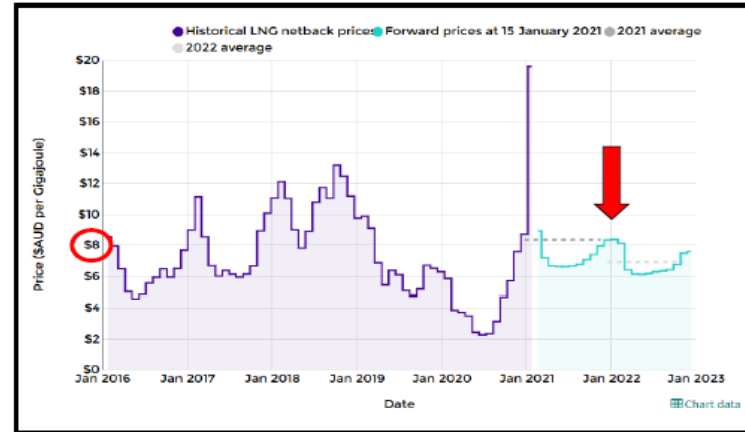
The reliance on Russian gas through Ukraine



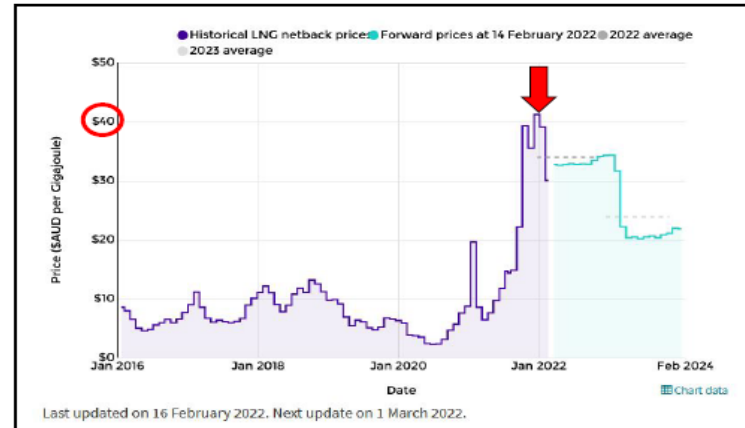
- **Supply concerns**
- **Russian supply can be turned off**
- **Major European economies reliant on Russian gas + solar + wind + French Nukes**
- **Politicians are sensing pursuit of green generation may have to be paused to ensure sufficient consistent supply.**
- **Germany re-booting nukes, coal fired plants and fast tracking new LNG import terminals**

ACCC LNG Netback Price Forecast – not very close at all

- **ACCC LNG Netback series** - In January 2021 the ACCC forecast for January 2022 LNG Netback price was circa A\$8/GJ
- **Actual LNG Netback price in Feb 2022 = A\$40/GJ**
- **Current netback (post Ukraine conflict) = A\$63/GJ**
- **Current Wallumbilla Spot price = A\$9.43 – a huge discount**
- **LNG producers in Gladstone will put gas into spot LNG before the domestic market at these prices – impact for local supply and price**



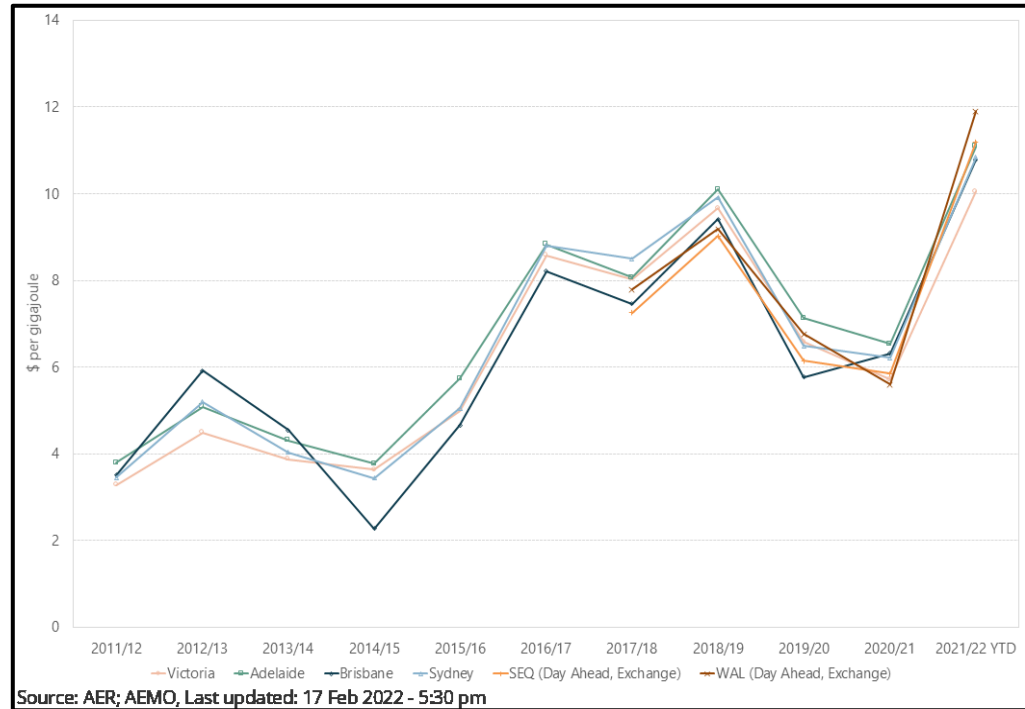
ACCC LNG Netback as at 15 January 2021



ACCC LNG Netback as at 14 February 2022

Australian east coast gas market prices - not going down

- Need for more domestic supply
- Bass Strait still in rapid decline
- Reliance on LNG producers for dom gas comes with risk when Spot LNG/Dom gas price delta is extreme
- Need more dedicated dom gas supply
- Lead time for new basin supply is critical to addressing forecast supply shortages
- Obstacles to new production need to be flagged and addressed



Reserves, resources and Listing Rule disclosures

Corporate

Based in Brisbane

ASX Listed

Deep Oil/Gas experience on the Board

Market Cap (8/03/22) ~\$90million



Exploration and gas discovered to date

	<u>Wells</u>	<u>Gas Resource⁺</u>
ATP 814	13	3,248 PJ
ATP 813	6	830 PJ
ATP 854	<u>7</u>	<u>398 PJ</u>
	26	4,476 PJ

Reserves and Resources⁺

	1P/1C	2P/2C	3P/3C
Reserves (PJ)	0	71	298
Resources (PJ)	226	1,313	4,476

Overview of Blue and our activity

Permit	Block	Assessment Date	Announcement Date	1P (PJ)	1C (PJ)	2P (PJ)	2C (PJ)	3P (PJ)	3C (PJ)
ATP854P		22/01/2022	25/01/2022	-	90	-	194	-	398
ATP813P		29/10/2014	30/10/2014	-	-	-	61	-	830
ATP814P	Sapphire	31/12/2012	26/02/2013	-	66	59	108	216	186
ATP814P	Central	21/12/2012	19/03/2013	-	50	12	99	75	306
ATP814P	Monslatt	31/12/2012	19/03/2013	-	-	-	619	-	2,054
ATP814P	Lancewood	30/09/2013	30/10/2013	-	5	-	23	1	435
ATP814P	Hillalong	27/02/2020	27/02/2020	-	-	-	182	-	237
ATP814P	South	30/06/2013	29/07/2013	-	15	-	27	6	30
Total (PJ)				-	226	71	1,313	298	4,476

+ Listing Rule 5.42 Disclosure

The estimates of Reserves and Contingent Resources noted throughout this Presentation have been provided by Mr John Hattner of Netherland, Sewell and Associates Inc (NSAI) and were originally reported in the Company's market announcements of 25 January 2012, 26 February 2013, 19 March 2013, 8 December 2015, 28 February 2019 and 25 January 2022. NSAI independently regularly reviews the Company's Reserves and Contingent Resources. Mr Hattner is a full-time employee of NSAI, has over 30 years of industry experience and 20 years of experience in reserve estimation, is a licensed geologist and a member of the Society of Petroleum Engineers (SPE), and has consented to the use of the information presented herein. The estimates in the reports by Mr Hattner have been prepared in accordance with the definitions and guidelines set forth in the 2018 Petroleum and Resource Management System (PRMS) approved by the SPE, utilising a deterministic methodology.

Blue Energy confirms that it is not aware of any new information or data that materially affects the information included in any of the announcements relating to ATP 813, 814 or 854 referred to in this Presentation and that all of the material assumptions and technical parameters underpinning the estimates in the Presentation continue to apply and have not materially changed.

** Listing Rule 5.28.2: The estimated quantities of petroleum 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 moveable hydrocarbons.

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