



## Gold Coast Investment Showcase

**Dr. David Close – Vice President, Operations and External Affairs**

**June 2022**

TANUMBIRINI WELL PAD, NORTHERN TERRITORY AUSTRALIA





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## Conversion factors

1 TJ sales gas	0.943 mmscf
1 PJ sales gas	0.943 BCF
1 million tonnes of LNG	55.43 PJ or 46.37 BCF



# Tamboran Resources at a glance

Focused strategy on developing ~31 TCF gas resources from the Beetaloo Basin, NT Australia



Target is to become a Net Zero emissions producer (~3% reservoir CO<sub>2</sub>)



Focused strategy on accelerated commercialisation of the Beetaloo Sub-Basin



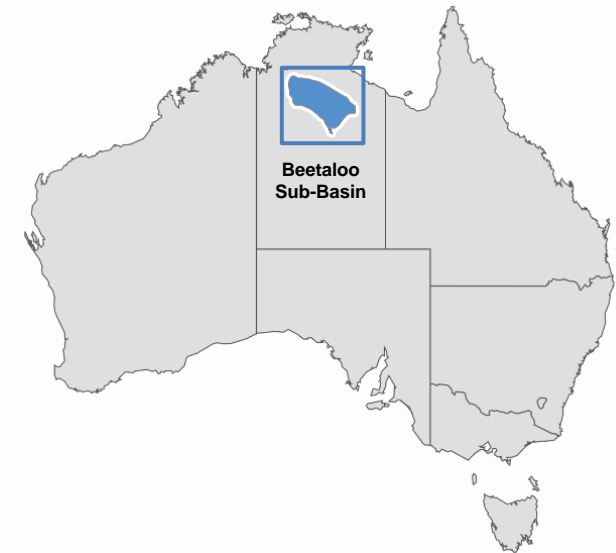
Located in the heart of the 'Core' Beetaloo with net prospective gas resources of 31 TCF<sup>1</sup> (targeting > 1 TCF 2P reserve by end-2023)



Target low-cost development at sub-US\$5 per mmBtu delivered into Japan



Board and management have deep technical knowledge and operational experience in commercialising large scale unconventional gas assets in the United States



Prospective and contingent resources (net to Tamboran)		
	EP 136 <sup>3</sup>	EP 161 <sup>3</sup>
Working interest	100%*	25%
Net prospective resources <sup>1</sup>	19.0 TCF	12.3 TCF
Net 2C Contingent resources <sup>2</sup>	-	153 BCF

\*Denotes operator.

<sup>1</sup>Refer to NSAI 18 June 2021 resource assessment.

<sup>2</sup>Refer to ASX Announcement "Upgrade to EP 161 Contingent Resources" (1 February 2022).

<sup>3</sup>EP 136 is 100% owned and operated by TBN. EP 161 is 25% owned by TBN, with STO owning and operating a 75% working interest.

# Tamboran Resources (ASX: TBN)

## Corporate overview

### Tamboran Resources Limited (as at close 21 June 2022)

Stock code:	TBN
Shares on issue (m):	747.4
Share price (per share):	\$0.210
Market capitalisation (million):	\$171.9
Net debt/(cash) (million):	(\$55.4) <sup>1</sup>
Enterprise value (million):	\$101.5
Analyst price target (per share) <sup>2</sup>	\$0.695 (+231% upside)

### Board of Directors

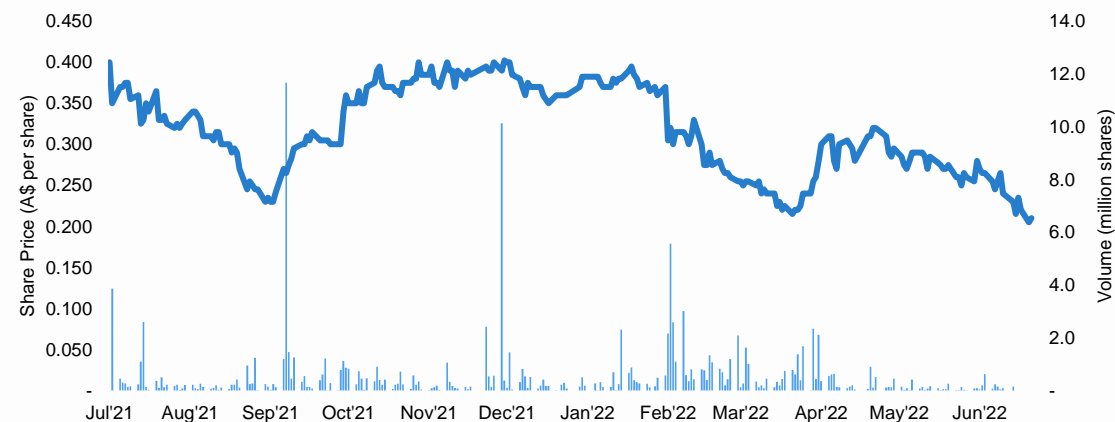
<b>Dick Stoneburner</b>	Chairman	<ul style="list-style-type: none"> <li>Former Co-founder, President and COO of Petrohawk Energy Corporation, sold to BHP Billiton Petroleum for US\$12.1 billion.</li> </ul>
<b>Joel Riddle</b>	Managing Director and CEO	<ul style="list-style-type: none"> <li>Joined Tamboran Resources as CEO in 2013.</li> <li>Various technical and leadership roles at ExxonMobil, Cobalt International Energy, Unocal and Murphy Oil.</li> </ul>
<b>Pat Elliott</b>	Non-Executive Director	<ul style="list-style-type: none"> <li>Founder of Tamboran Resources in 2009.</li> <li>Former Director of Eastern Star Gas (sold for \$924 million).</li> </ul>
<b>Fred Barrett</b>	Non-Executive Director	<ul style="list-style-type: none"> <li>Co-founder, President, CEO and Chairman of Bill Barrett Corporation.</li> </ul>
<b>Dan Chandra</b>	Non-Executive Director	<ul style="list-style-type: none"> <li>Over 17 years' investing experience across a range of industries, covering equity, credit and distressed debt.</li> </ul>
<b>David Siegel</b>	Non-Executive Director	<ul style="list-style-type: none"> <li>Chairman and Managing Member of Longview Petroleum, LLC.</li> </ul>
<b>Ann Diamant</b>	Non-Executive Director	<ul style="list-style-type: none"> <li>Previously served as SVP Investor Relations and head of Corporate Communications and Media Relations at Oil Search Limited.</li> </ul>

**Board and Management hold ~25% of total shares on issue**

<sup>1</sup>Cash balance at 31 March 2022.

<sup>2</sup>Broker research from MST Marquee (\$0.55 per share) and Hannam & Partners (\$0.84 per share).

### Share price performance



### Top 20 shareholders with expertise developing US unconventional oil and gas

Shareholder	No. Shares (m)	Percentage (%)
Longview Petroleum	146.4	19.6%
Baupost	130.0	17.4%
Bryan Sheffield	73.0	9.8%
Lion Point	69.8	9.3%
Venture Holdings	45.0	6.0%
<b>Total Top 5 Holdings</b>	<b>464.2</b>	<b>62.1%</b>
<i>Remaining Top 20</i>	<i>164.1</i>	<i>22.0%</i>
<b>Total Top 20 Holdings</b>	<b>628.3</b>	<b>84.1%</b>



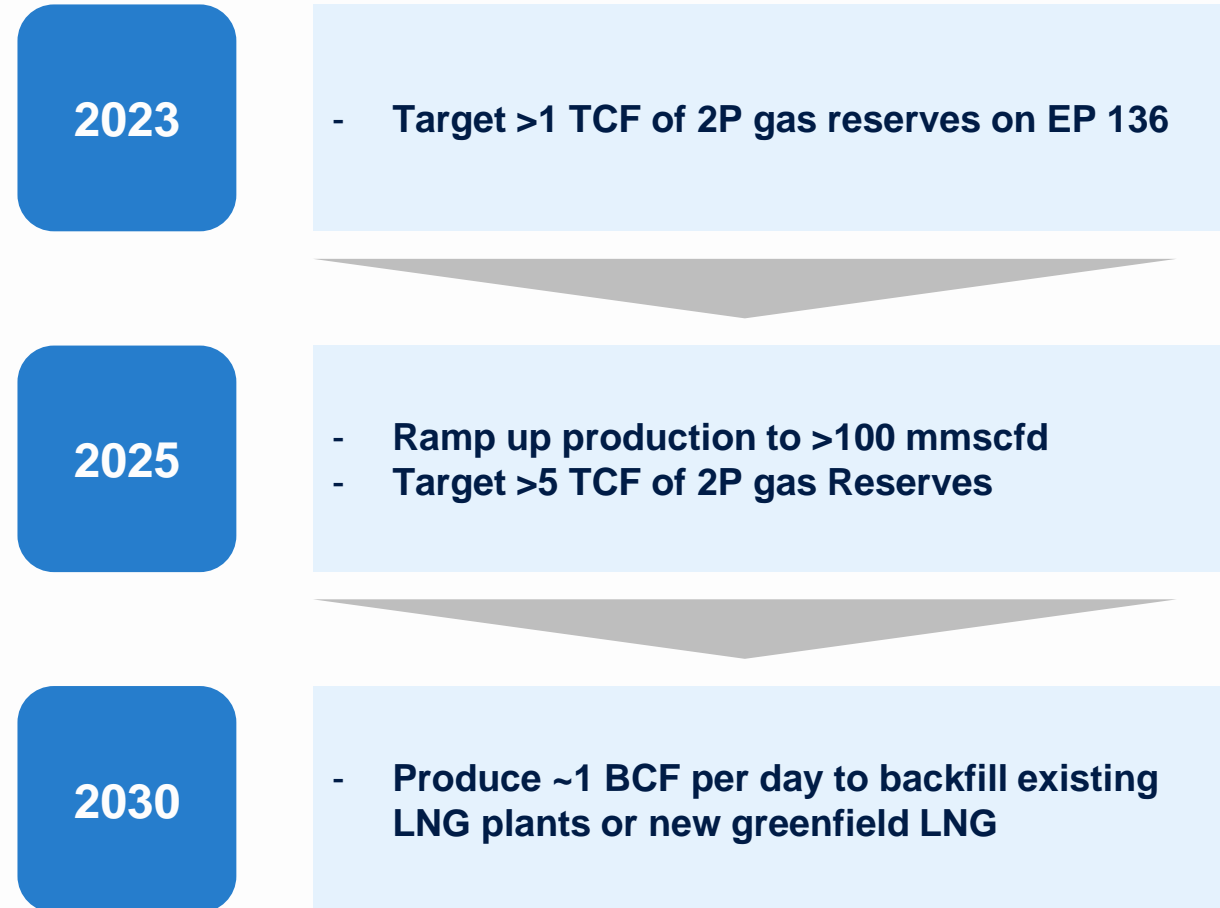
# Tamboran's vision is to develop a ~1 BCF per day, low-cost gas business

Focused on accelerating commercialisation of the "World Class" Beetaloo Sub-basin on Asia's doorstep

Aiming to supply gas to the East Coast gas and global LNG markets in 2025 – 2030 timeframe



Pathway to revenue of ~\$3 billion<sup>1</sup> per annum



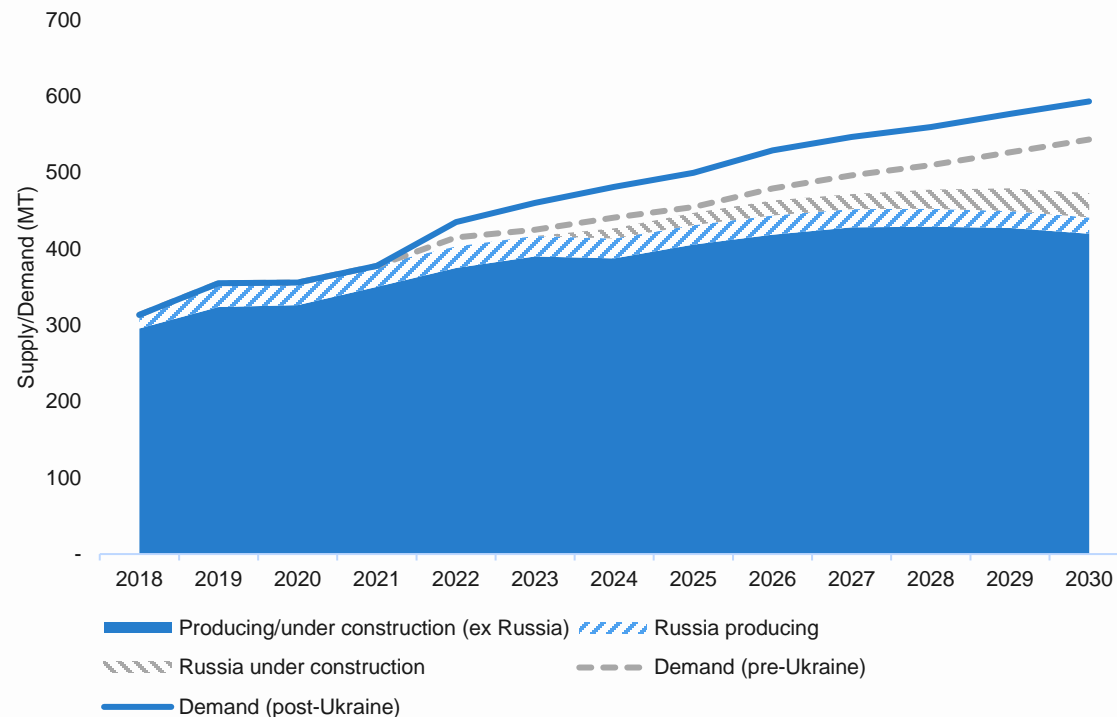
<sup>1</sup>Assumes 1 BCF per day at assumed gas price of \$7.50 per mscf.



# Russia's invasion of the Ukraine has re-based global energy markets

LNG is the most viable solution to reducing emissions, while meeting the world's energy demand

Global LNG supply-demand forecast (impact of Ukraine War)<sup>1</sup>



- Global gas demand expected to increase during the 2020s.
- LNG supply-demand imbalance forecast to hit ~50 million tonnes LNG by 2025, increasing to ~120 million tonnes LNG by 2030.
- New Australian gas supply is well-positioned for LNG export by 2030 to fulfil expected shortfalls in global gas demand.
  - Tamboran controls 19 TCF of undeveloped prospective gas resources within 100% owned EP 136.

<sup>1</sup>Credit Suisse Equity Research (Saul Kavonic) – May 2022.

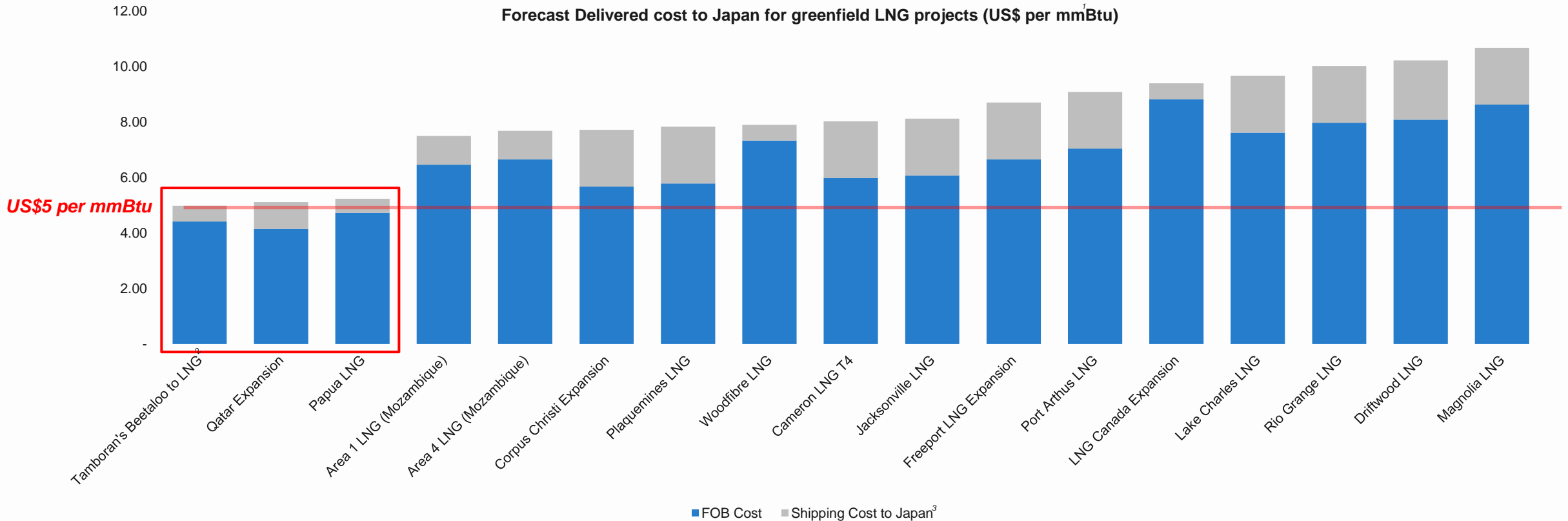
Tamboran's 19 TCF of prospective gas resources in 100% owned EP 136 is enough to gas to feed Australia's five LNG facilities in Darwin and Gladstone for a decade





# Beetaloo Basin has potential to be one of the lowest cost producers into Asia

Australian LNG projects have traditionally been developed at higher FOB costs



**Beetaloo gas tolled through Darwin has potential to be bottom quartile cost gas delivered into Japan at ~US\$5 per mmBtu**

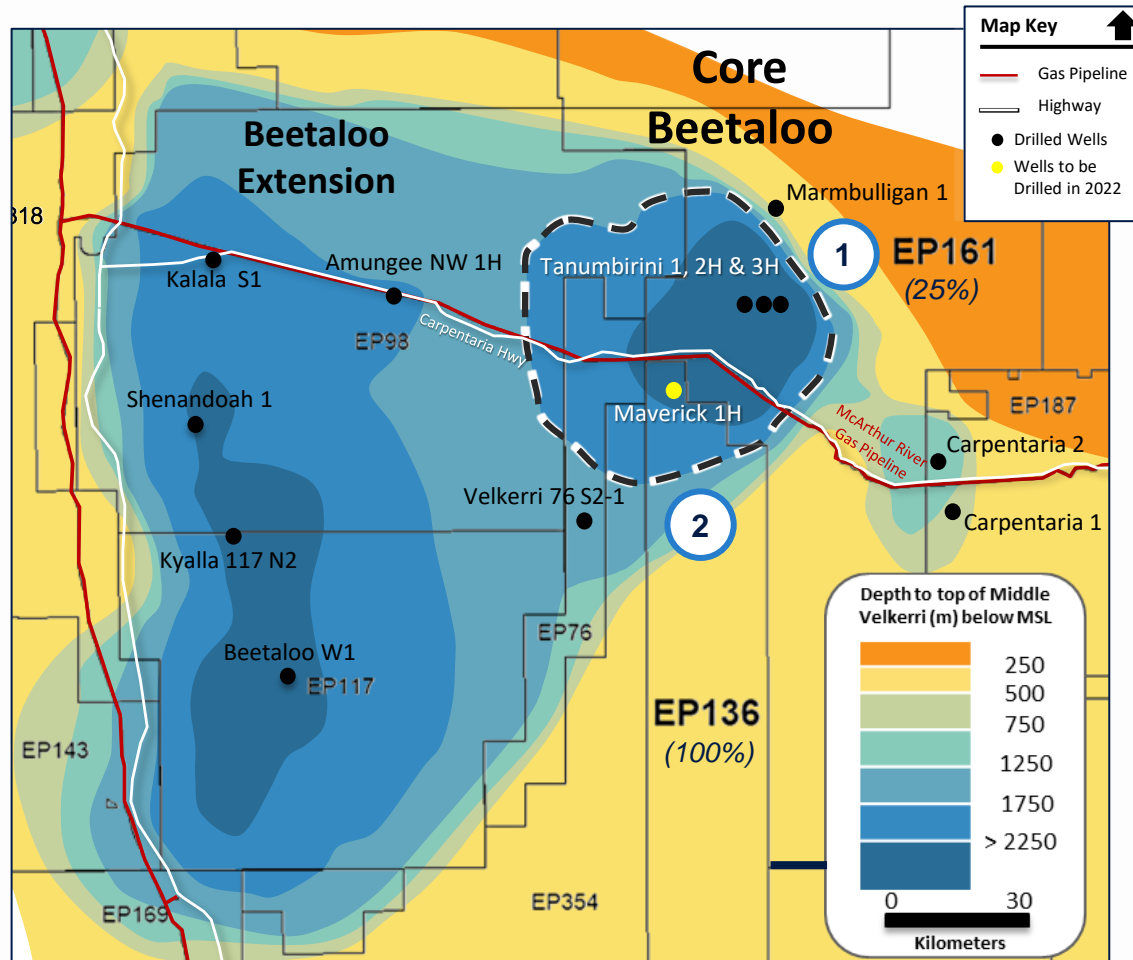
<sup>1</sup>Source: Rystad Energy (May 2022) at 10% discount rate, from the time of FID.

<sup>2</sup>Tamboran's Beetaloo gas to LNG assumes \$20 million drilling costs, EUR per well of 15 BCF, operating costs of \$1.00 per GJ, transport cost to Darwin of \$0.50 per GJ and LNG tolling cost at Darwin of US\$2.50 per mmBtu.

<sup>3</sup>160KM3 TFDE vessels, \$65 per bbl oil and charter rates of \$65k per day (all real 2022 terms).

# Tamboran's EP 161 and EP 136 in the 'Core' Beetaloo

100% operator of EP 136 provides opportunity for Tamboran to lead the pace of development



	1	2
	EP 161	EP 136
<b>Tamboran Interest</b>	25% (Santos 75% and operator)	100% and operator
<b>Resource type</b>	Unconventional, low CO <sub>2</sub> dry gas	
<b>Net prospective resources<sup>1</sup></b>	12.3 TCF	19.0 TCF
<b>Net 2C contingent resources<sup>2</sup></b>	153 BCF	-
<b>3C contingent resources acreage</b>	91 km <sup>2</sup> (3.4% prospectivity fairway)	-
<b>IP (normalised per 1,000-metres)<sup>3</sup></b>	T2H: 3.0 mmscfd (14-days) T3H: 2.9 mmscfd (10-days)	M1H targeting ~5.0 mmscfd
<b>2022 work program</b>	<ul style="list-style-type: none"> <li>✓ Upgrade 2C contingent resources following T2H and T3H flow test.</li> <li>• Continue flow testing T2H and T3H wells.</li> </ul>	<ul style="list-style-type: none"> <li>• Drill Maverick 1H.</li> <li>• Acquire 90 kilometres 2D seismic.</li> <li>• Book initial 2C contingent resources.</li> </ul>

<sup>1</sup>Refer to NSAI 18 June 2021 resource assessment.

<sup>2</sup>Refer to ASX Announcement "Upgrade to EP 161 Contingent Resources" (1 February 2022).

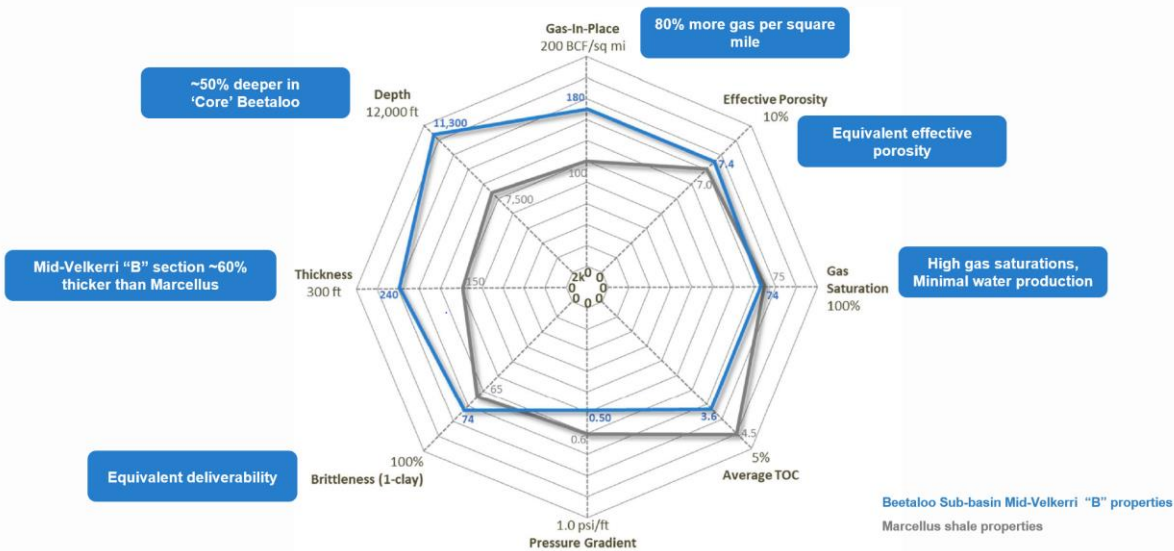
<sup>3</sup>Refer to Appendix B "EP 161 – T2H and T3H flow tests".



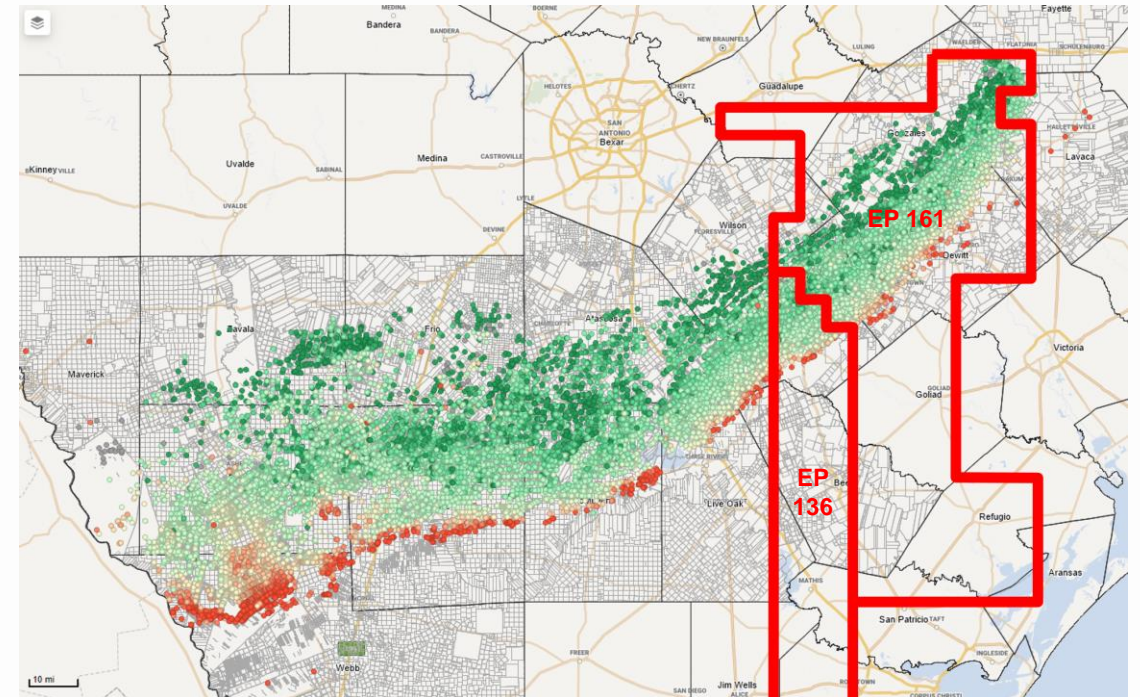
# The Beetaloo – “World Class” shale basin

Significant acreage position with superior rock properties compared to Marcellus shale

## Mid-Velkerri “B shale” properties compared to Marcellus shale



## Tamboran’s Beetaloo position scaled to Eagle Ford acreage



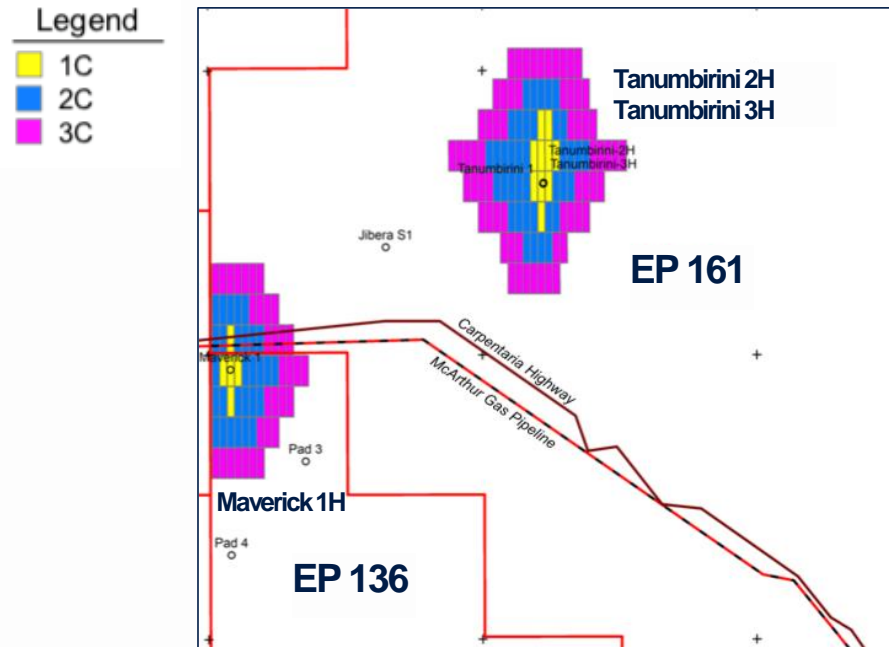
Significant Beetaloo acreage position compared to Eagle Ford shale play which is currently producing ~7 BCF per day<sup>1</sup>

<sup>1</sup>Source: EIA “Eagle Ford Region drilling productivity report” ([link](#)).

# Pathway to >1 TCF of 2P reserves<sup>1</sup> in EP 136 by calendar year-end 2023

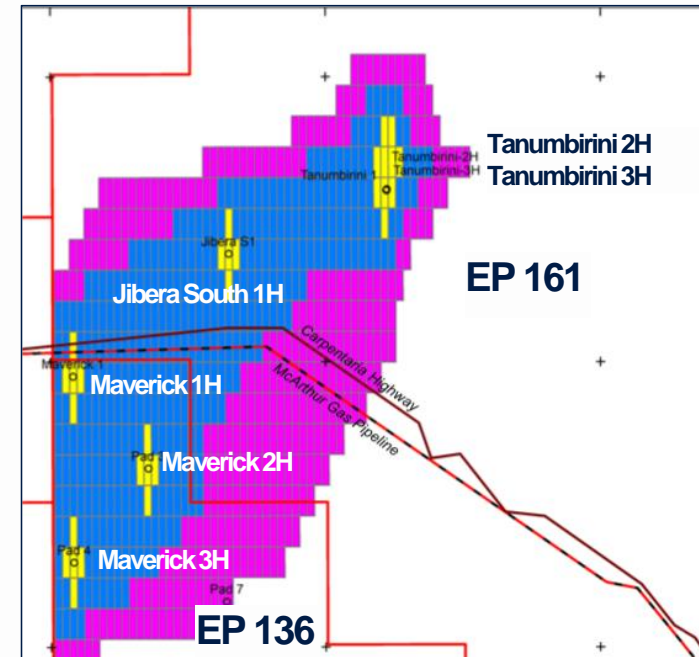
Delivery of NSAI supported maturation study requires three Maverick wells to prove-up resource base

## Phase 1: 2022



Initiate EP 136  
Maverick Pilot

## Phase 2: 2023



EP 136  
Maverick Pilot  
Sanction  
(100 TJ per  
day) first  
commercial  
gas in 2025

### Key objectives:

- Drill M1H targeting >5 mmscfd (30-day IP)<sup>1</sup>
- Deliver initial 2C contingent resources on EP 136.
- Confirm commercial flow rates.

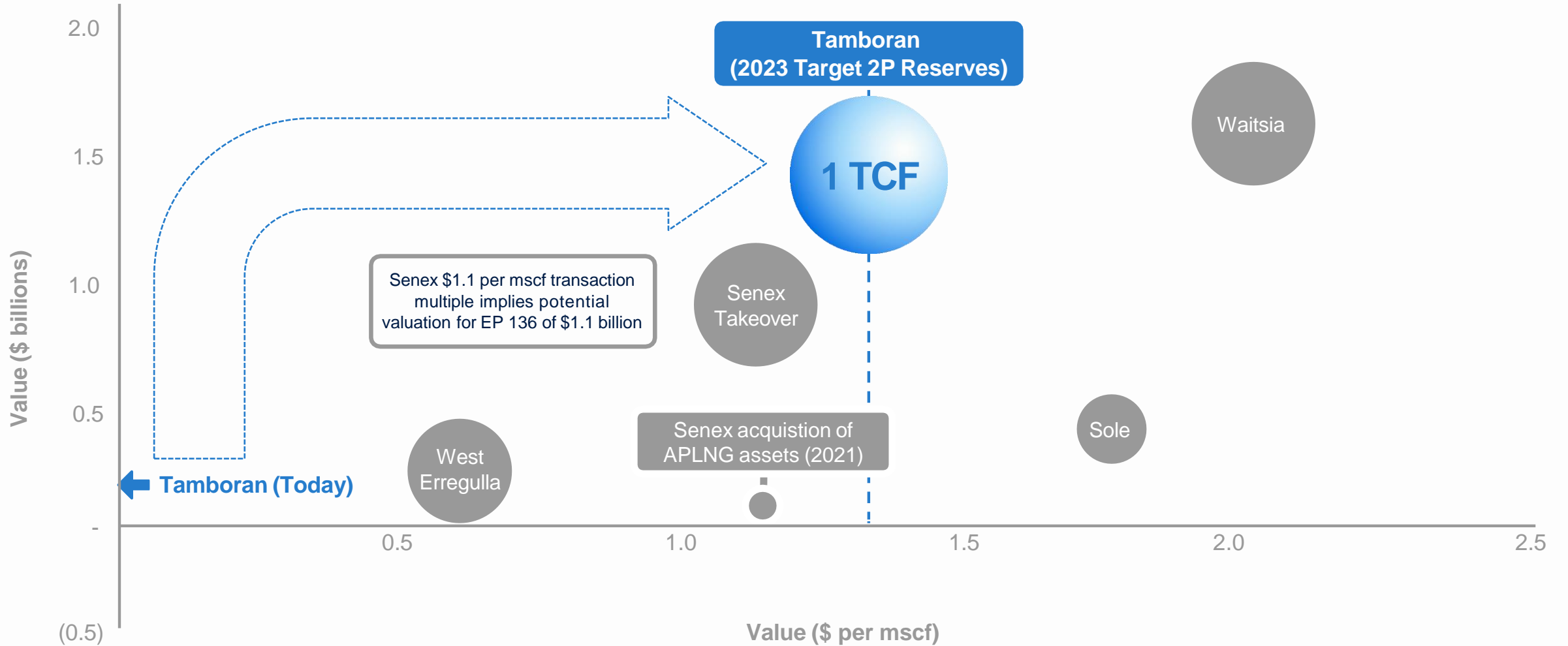
- Sanction EP 136 proposed Maverick Pilot Development.
- Sign Gas Sales Agreement (~100 TJ per day).

**Result: >1 TCF of 2P gas reserves from EP 136**

<sup>1</sup>2C Contingent Resources converts to 2P subject to gas sales agreement and commitment to development.  
<sup>2</sup>Flow rates per 1,000-metres horizontal section within Mid-Velkerri "B" shale.

# Upside potential from 2P reserves maturation in EP 136

Potential for prospective gas resources to be converted to 2P reserves through by 2023 - 2024



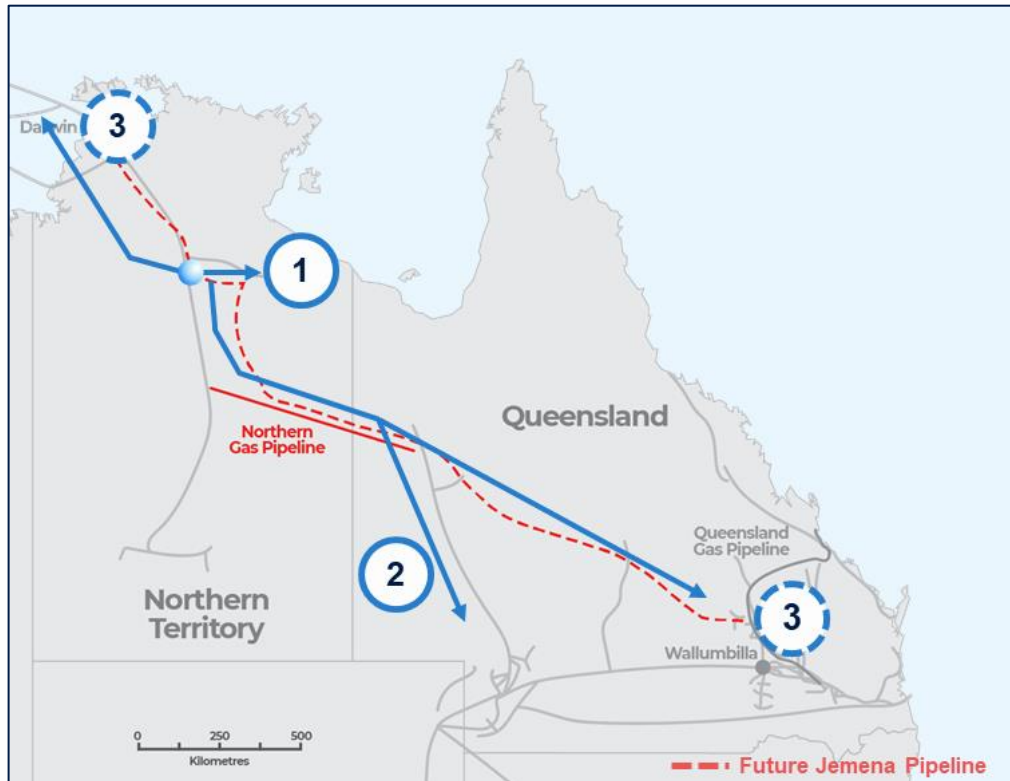
<sup>1</sup>Source: Rystad Energy and Macquarie Equity Research (Australia) (March 2022).



# Targeted full-cycle cost from EP 136 for Australian domestic gas and global LNG markets

Shale expertise and infrastructure partnership will enable Tamboran to be one of the lowest cost gas producers

## Illustrative Jemena pipeline to commercialise Tamboran gas



## Illustrative EP 136 total cost to market

Cost Breakdown	1	2	3	
	2023-2024	2025	2028+ Domestic & LNG backfill	
	Local NT	SE existing infra	Wallumbilla	Ichthys / Darwin LNG
<b>Upstream Cost<sup>1</sup></b> A\$/GJ	~\$4.50	~\$2.00 - \$3.00	~\$2.00 or less	
<b>Northern Territory</b> via McArthur River Pipeline	~\$0.50			
<b>East Coast</b> Existing infrastructure		~\$4.00		
<b>Ichthys / Darwin LNG</b> via new Jemena pipeline (~1,000 TJ per day)				~\$0.50
<b>Wallumbilla</b> via new Jemena pipeline (~1,000 TJ per day)			~\$2.00	
<b>Total (A\$/GJ)</b>	~\$5.00	~\$6.00 - 7.00	~\$4.00	~\$2.50

Drilling costs expected to reduce through efficiencies, pad drilling, completion optimisation and enhanced supply chain and procurement

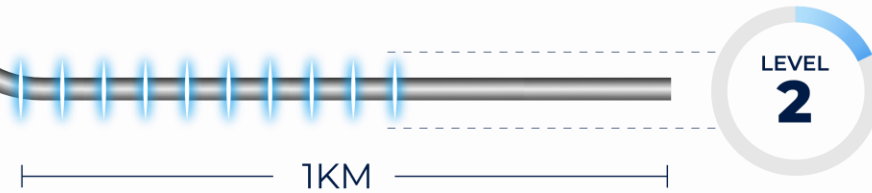
<sup>1</sup>Upstream costs include operating costs (fixed and variable) of ~\$1.00 per GJ and drilling capital expenditure.



# EP 136 Maverick 1H/2H/3H optimised well fracture stimulation design

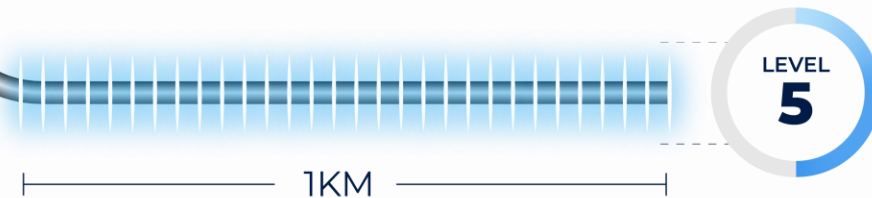
Increased lateral length designed to improve flow rates and increase well economics

## Tanumbirini 2H and 3H wells



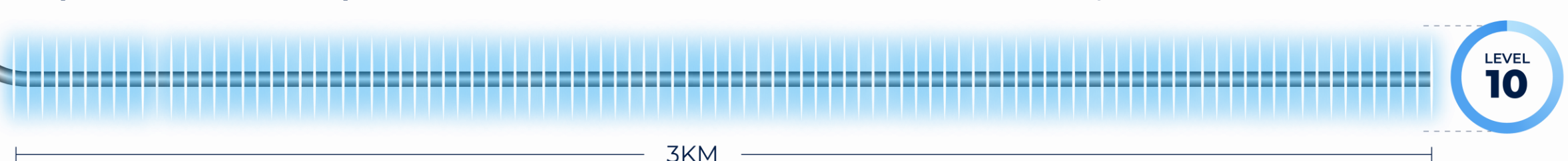
~3.0 mmscfd per 1,000-metre lateral  
Stimulated over 600 and 660-metres  
10 – 11 frac stages

## Maverick 1H well



Targeting ~5 mmscfd per 1,000-metre lateral  
Planning 20 – 30 frac stages

## Proposed EP 136 development wells



>3,000-metre laterals 60 – 80 frac stages

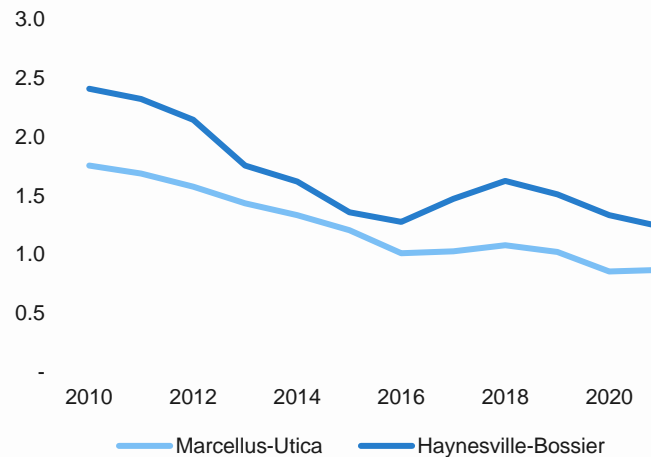


# Improving economics of the Beetaloo Sub-basin

## US unconventional learnings to accelerate cost reduction and productivity improvements

### Cost reduction<sup>1</sup>

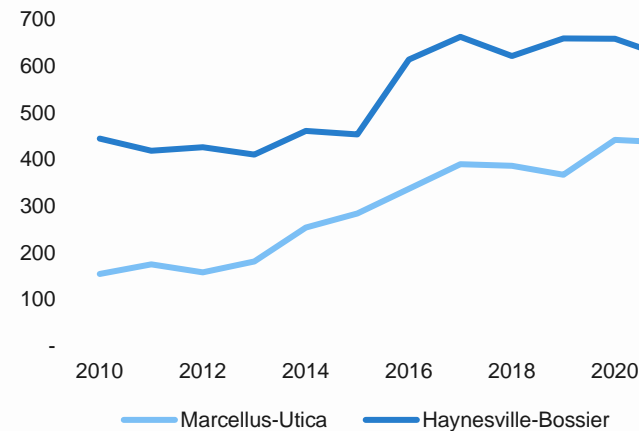
Median D&C cost per 1,000-metre (US\$ millions)



- D&C costs per 1,000-metres have fallen by more than 50% across key shale basins since 2010.
- Tamboran aims to replicate accelerated cost reduction within the Beetaloo using US learnings and technology.

### Improved productivity<sup>2</sup>

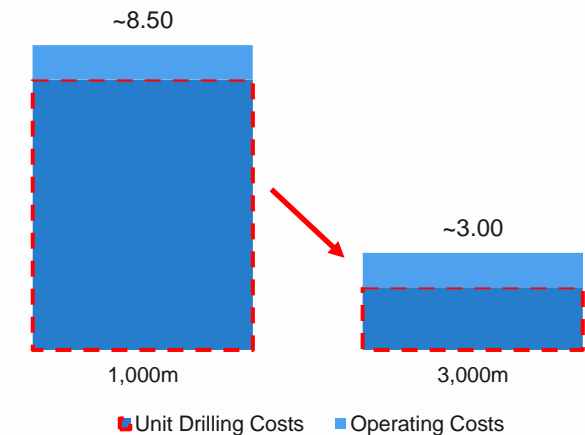
Average gross gas volumes produced per well over the first 12 months of production (mscf/ft)



- Increased knowledge on well and fracture stimulation design has supported an increase in well productivity across key shale basins.
- The Marcellus-Utica basin in the US has seen some of the most significant increases in well production, benefiting from longer lateral lengths.
- Tamboran plans to utilise learnings and technology to optimise well productivity and increase lateral length within the Beetaloo Sub-basin.

### Lower delivered cost

Wellhead cost (\$/GJ)



- Longer lateral length is expected to increase EUR per well at a reduced cost per EUR.
- This results in a significant reduction in delivered cost to market, with a forecast ~\$6 – 7 per GJ delivered cost to Wallumbilla.

<sup>1</sup>Source: Rystad Energy. includes only horizontal gas wells. Values are capex (drilling, completion and facilities equipment), in million USD per 1,000-metres of perforated lateral. Costs in 2022 are set to materially increase due to inflationary pressures.

<sup>2</sup>Source: Rystad Energy. includes only horizontal gas wells.





# Tamboran's plan to unlock the Beetaloo

Fully funded to deliver 2022 drilling and midstream FEED activities with \$55 million cash on hand<sup>1</sup>

	2021	2022	2023	2024	2025/2026
Upstream	Drilled and tested Tanumbirini 2H & 3H in EP 161	Drilling M1H well in EP 136	Drill M2H and 3H in EP 136 Drill Jibera South 1H in EP 161	Commence development activities for ~100 mmscfd Maverick Pilot Development	Targeting first gas from Maverick Pilot Development
Reserves / Resources	EP 161: 153 BCF 2C gas resources	Targeting ~300 BCF 2C gas resources	Targeting >1 TCF 2P gas reserves		Targeting >5 TCF 2P gas reserves
Midstream		Undertake FEED studies for midstream infrastructure solution	Midstream Final Investment Decision with Jemena JV		Targeting first gas from Maverick Pilot Development
Technology		Secure modern US drilling technology for 2023 EP 136 drilling			
Offtake		Signed non-binding MOU with large Asian gas buyer	Initiate East Coast gas offtake discussion for 1 TCF over 20-years	Finalise Gas Sales Agreement	Target first gas sales to investment grade customer(s)
Funding	<b><u>Fully Funded upstream and midstream activity</u></b> IPO (July 2021), Sheffield raise (November 2021), Beetaloo Cooperative Development Program (BCDP) grant (\$7.5 million)		Opportunities include farm-down, equity, pre-sale of gas	Opportunities include farm-down, US IPO, pre-sale of gas	

<sup>1</sup>Cash balance at 31 March 2022.



## Focus for 2022

Delivering on ambition to accelerate commercialisation of 'Core' Beetaloo

- ❑ **2022:** Continue flow testing of Tanumbirini 2H and 3H wells, subject to further test results.
- ❑ **Mid-2022:** Acquire 90 kilometres of 2D seismic over 'Core' Beetaloo acreage.
- ❑ **Q3 2022:** Commence drill and fracture stimulate of M1H, targeting confirmation of commercial flow rates within EP 136.
- ❑ **Q4 2022/Q1 2023:** Target initial booking of 2C contingent resources from EP 136.



# tamboran



RESOURCES



TANUMBIRINI STATION, NORTHERN TERRITORY AUSTRALIA