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Operational Update

Conrad Asia Energy Ltd (**ASX: CRD**) (the "**Company**" or "**Conrad**"), an Asia-focused natural gas exploration and development company, wishes to provide an operational update on important matters concerning the development progress on its Mako Gas Project in the Duyung Production Sharing Contract ("**Duyung PSC**") located in the West Natuna Sea, where Conrad's subsidiary West Natuna Exploration Limited ("**WNEL**") is the Operator. Conrad announces that several critical milestones have recently been completed, and the project remains on budget and on track to complete construction and begin production in the fourth quarter of 2027. These critical milestones are outlined below.

Highlights

- As reported previously, contracts had been signed earlier this year for (i) the Mobile Offshore Production Unit ("**MOPU**"), (ii) the drilling rig, (iii) the Conductor Support Frame ("**CSF**"), (iv) the Subsea Umbilical, Riser, and Flowline ("**SURF**") and (v) multiple supporting facilities and services. Below are the updates on these workstreams.

(i) **MOPU:** contract with PT Duta Marine/PT Pakarti Tirtoagung ("**PT DM**") for the provision of a leased MOPU unit, with the scope of work including (i) sourcing and conversion of a donor jack-up drilling rig to a MOPU in Batam, with a raw gas design capacity of 172 mmscfd, (ii) mobilisation to site, (iii) bareboat charter until end of current PSC term (Jan 2037) plus five annual extension options, (iv) operations and maintenance of the MOPU, and (v) demobilisation back to Batam and the end of the contract life.

The donor jack-up drilling rig, *Valaris 104*, to be converted and used as Mako MOPU, has been successfully wet-towed through the Strait of Hormuz and loaded onto a dry-tow vessel for transport to Batam, Indonesia, for conversion. The rig is expected to reach the yard by end 3Q 26 as planned.

Key equipment for the MOPU includes the compression system. Factory Acceptance Testing ("**FAT**") of the key 17Mw and 10Mw motors has been completed in Germany. Transportation of the units from Germany to Batam is slated for early 4Q 26. The compressor FAT is set for mid-Q4 26 in San Diego, with shipment expected to commence in the same quarter.

Fabrication by PT DM is expected to commence before the end of September 2026 at the PaxOcean Yard, Batam, with an official ceremony planned for later in the quarter.

The contract remains on track.

(ii) **Drilling Rig:** contract with PT Pertamina Drilling Services Indonesia, through the PDSI – ADES Consortium, for a firm period of 180 days, with options to extend, for the provision of an independent-leg cantilever jack-up drilling rig, the Admarine 502, for the drilling of six development wells and the installation of the CSF to support the development of the Mako Gas Field. A sharing arrangement for the rig has been agreed with another operator, allowing the sharing of mobilisation/demobilisation costs between the parties.

(iii) **CSF**: contract with PT PAL Indonesia ("**PT PAL**") with scope of work including (i) detailed engineering, (ii) procurement, (iii) construction and assembly of the jacket and topside structures, and (iv) transportation.

Engineering and procurement are ongoing, with some steel shipments already on site and others in transit. The first cut of a beam fabrication commenced on 14 September 26.

(iv) **SURF**[1]: contract with PT Timas Suplindo ("**Timas**") with scope of work including (i) verification of front-end engineering and design and execution of a detailed engineering design, (ii) procurement, management, storage, and integration of materials, (iii) construction and assembly, coating and inspection of subsea structures and associated SURF components, (iv) transportation and installation, and (v) pre-commissioning and commissioning support.

Engineering and procurement are ongoing, and significant work has been completed to optimise the offshore sequence in conjunction with drilling activities to minimise simultaneous operations. Site fabrication will commence mid-4Q 26. The contract remains on track.

- WNEL has signed contracts and/or issued letters of award/variation orders covering 90% of project capital contracts. Total project cost remains at US$320 million for the Mako gas project. In addition, the MOPU contract requires payment of US$4 million for the purchase of a donor rig and a US$26 million facility equipment down payment, which is accounted for as part of a previously announced provision of approximately US$35 million (100%).

- The organisation has continued to build in the Jakarta office and at site to ensure cost control, quality, schedule and safe delivery of the development. The project remains on budget and on schedule to deliver first gas in the fourth quarter of 2027.

- As reported previously, PT PLN Energi Primer Indonesia ("**PLN EPI**"), the contracted buyer of 100% of the gas from the Mako Gas Project, completed the "hot tap" connection on the West Natuna Transportation System ("**WNTS**") to the Pemping gas pipeline project, which is the delivery point for Mako's gas into Batam. This marked an important step in developing infrastructure that will connect the West Natuna Basin to Batam. Commissioning is scheduled to take place once the Onshore Receiving Facility is deemed ready and gas is available for commissioning purposes. Based on the current plan, commissioning is projected for during September / October 2026 (well in advance of any gas supply from Mako).

- Data centre-driven power demand in Batam is booming, with Conrad now evaluating opportunities within its portfolio to increase gas supply to the area.

[1] ASX Release, *Execution of Mako SURF Contract*, 08 May 2026

Conrad Executive Chairman Peter Botten commented:

"The past few weeks have been an extremely busy operational period for Conrad during which we successfully executed several critical operational milestones, keeping the development on track in terms of both budget and timing. The successful and safe transport of the donor rig for the MOPU through the Strait of Hormuz under difficult operational conditions is a credit to our team and our contractors, who have done an outstanding job. Construction continues to ramp up, with equipment from all over the world making its way to Indonesia for final assembly.

Our project at Mako will soon be connected to what will become one of Asia's fastest-growing gas demand regions. Batam, now referred to as part of the Singapore-Johor-Riau corridor, is emerging as a major data centre hub, with reliable power a key constraint to the area's growth. Conrad's gas resources in West Natuna have become extremely important and strategic to the region."

Authorised by the Board.

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About Conrad and its Projects

Conrad is an Asia-focused natural gas exploration & production company concentrated on the shallow waters offshore Indonesia, and via its wholly owned subsidiaries, is the holder of several operated tenements in the form of Production Sharing Contracts. The Company's flagship project is the Mako Gas Field located in the Natuna Sea in the shallow offshore waters of Indonesia. The Mako gas field is one of the largest gas discoveries in the region.

The Company specialises in the identification and acquisition of undervalued, overlooked, and/or technically misunderstood gas assets, and has developed expertise in maturing such assets through subsurface technical work, appraisal drilling and an innovative approach to low-cost field development.

The Board and management have a proven track record of value creation and deep industry experience with oil majors, mid-cap E&P and the upstream investment community, together with a successful track record of bringing exploration and development projects into production, with Peter Botten the founder and Chairman of Oil Search adding enormous depth and experience as Chairman of Conrad.

Forward Looking Statements

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There are numerous uncertainties inherent in estimating reserves and resources, and in projecting future production, development expenditures, operating expenses and cash flows. Oil and gas reserve engineering and resource assessment must be recognised as a subjective process of estimating subsurface accumulations of oil and gas that cannot be measured in an exact way.

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