



BLACKMOUNTAIN

ENERGY

INVESTOR UPDATE

JULY 2023

BME.ASX

DISCLAIMER



Forward Statements including indications, guidance or outlook on future revenues, distributions or financial position and performance or return or growth in underlying investments are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. To the extent that certain statements contained in this presentation may constitute Forward Statements or statements about forward-looking matters, then the information reflects the Company's (and no other party's) intent, belief or expectations as at the date of this presentation. No independent third party has reviewed the reasonableness of any such statements or assumptions. None of the Company, its related bodies corporate and its respective officers, directors, employees, advisers, partners, affiliates and agents represent or warrant that such Forward Statements will be achieved or will prove to be correct or gives any warranty, express or implied, as to the accuracy, completeness, likelihood of achievement or reasonableness of any Forward Statement contained in this presentation. Except as required by law or regulation, the Company assumes no obligation to release updates or revisions to Forward Statements to reflect any changes. Recipients should form their own views as to these matters and any assumptions on which any of the Forward Statements are based and not place reliance on such statements.

Risks

An investment in the Company's securities is subject to known and unknown risks, many of which are beyond the control of the Company, including factors and risks specific to the industry as well as general economic conditions, prevailing exchange rates and interest rates and inflation and conditions in the financial markets. The Company does not guarantee any particular rate of return or the performance of the Company, nor does it guarantee any particular tax treatment. Prospective investors should make their own enquiries and investigations regarding all information in this presentation, including the assumptions, uncertainties and contingencies which may affect future operations and prospects of the Company and the impact that different future outcomes may have on the Company.

Prospective Resources and Contingent Resources Reporting Notes - Valhalla Project and Half Moon Project

References to Prospective Resources and Contingent Resources in relation to the Valhalla Project referred to in this presentation are accurate as at the date of the Replacement Prospectus dated 5 November 2021. Full details of the resources, qualifying factors and the qualified petroleum reserves and resources evaluator statement can be located at: <https://www.asx.com.au/asx/statistics/displayAnnouncement.do?display=pdf&idsId=02469895>

References to Contingent Resources in relation to the Half Moon Project are accurate as set out in the ASX announcement dated 15 June 2023. Full details of the resources, qualifying factors and the qualified petroleum reserves and resources evaluator statement can be located at: <https://www.asx.com.au/asx/statistics/displayAnnouncement.do?display=pdf&idsId=02676194>

The Company confirms that it is not aware of any new information or data that materially affects the information included in the above announcements and that all the material assumptions and technical parameters underpinning the estimates in those announcements continue to apply and have not materially changes, in satisfaction of ASX LR 5.43.2.

INVESTOR UPDATE OVERVIEW

1H2023 HIGHLIGHTS

- Half Moon Prospect in New Mexico acquired 25 Jan 2023.
- First Half Moon well (MIA 64 FEE 2H) spud 4 months after acquisition.
- Material Half Moon contingent resources announced.
- Company moving quickly to monetize the Half Moon acreage.
- Focus continues on Project Valhalla in the Canning Basin, one of the world's last large scale onshore unconventional undeveloped gas projects.
- Canning Basin approval, 2D seismic and appraisal drilling plans progressing.

NEXT 12 MONTHS

- Realize production from Half Moon MIA FEE 2H well and interpret results.
- Convert Half Moon resources to reserves if results warrant and ready future drilling locations.
- Execute Project Valhalla 2D Seismic acquisition.
- Gain remaining approvals that enable a Canning Basin appraisal well to be drilled and executed.



Figure 1: Scandrig Producer Drilling Rig | MIA 64 FEE 2H Well Spud 10 June 2023

LEADERSHIP



Rhett Bennett
Executive Chairman

- Founded BM LLC in 2007
- Serial entrepreneur across natural resources sector: oil and gas, sand, water, disposal, metals, and minerals
- Honors & Awards: Oil & Gas Investor 40 under 40, EY Entrepreneur of the Year - Southwest Region, University of Georgia 40 under 40



Helen Astill
Non-Executive Director

- Environmental scientist with over 20 years of experience.
- Formerly GM of ESG at Kalium Lakes, Director of Regulatory Approvals at A Priori Consulting and HSE Manager at Quadrant Energy.
- PhD Environmental Management and Post Doctorate in Estuarine Ecology.



Peter Cramer
Non-Executive Director

- Formerly the Exploration Manager at ConocoPhillips (2002 – 2018) where he led a team of 50+ professionals to deploy \$100MM+ into exploration projects globally
- Currently serves as an Independent Director for SA Exploration (2020 – Present), and Board Treasurer for Society of Exploration Geophysicists (2020 – 2022)



Craig Costello
Non-Executive Director

- 25 years of multinational exploration & production operator experience across disciplines from reservoir to export
- Currently serves as a Director of ResToEx Pty Ltd consultancy, which offers integrated oil & gas asset management and development solutions



Ben Donovan
Company Secretary

- Chartered secretary and member of the Governance Institute of Australia
- Served as Sr. Advisor on the ASX and managed listings of 100 companies in three years.
- Provides corporate advisory, IPO and consultancy services
- Currently Company Secretary of several ASX listed and public unlisted companies



Michael Laurent
Chief Operating Officer

- Professional engineer with over 25 years of domestic and international oil & gas experience
- Experience is underpinned with strong strategic, commercial, and technical acumen in both conventional and unconventional reservoirs.
- Formerly COO at Armour Energy



Craig Gouws
Chief Financial Officer

- Chartered accountant with 20 years of financial and commercial experience.
- Brings a depth of experience across multiple industries.
- Held CFO roles in both Australia and in the United Kingdom.
- Fellow of the Institute of Chartered Accountants England and Wales and a member of the South African Institute of Chartered Accountants.



Lee Marshall
Commercial Senior Advisor

- Commercial and finance executive with 25 years' global oil and gas experience leading negotiation, analysis, strategy, M&A and deal execution
- Formerly Group Executive Corporate Strategy and Commercial for Beach Energy, and General Manager UK for Woodside Energy

PROJECTS

Our acquisitions demonstrate the Company’s commitment to identifying, developing, and operating projects in hydrocarbon-rich basins

HALF MOON

- Diversifies the Company’s portfolio across two independent regions (Australia & the United States)
- Redistributes risk profile and upside potential across two different basins
- Provides for immediate production and cashflow from low-risk near-term development opportunities
- Provides a source of income for self-funding project progression



Figure 2: Half Moon Prospect, New Mexico

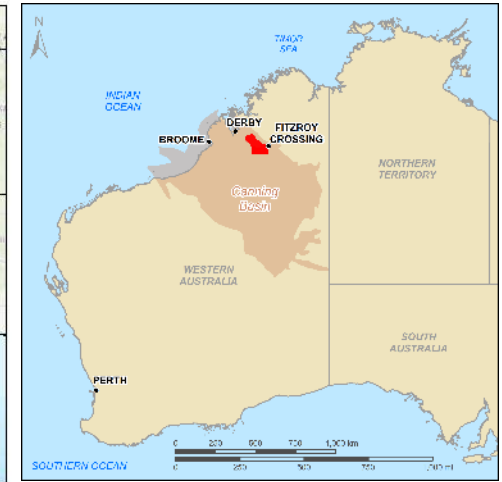


Figure 3: Location of Canning Basin, WA

VALHALLA

- Remains Company’s flagship project & key focus
- A potentially globally significant resource

EXPLORATION

- **Valhalla:** Large prospective resources booked

APPRAISAL

- **Valhalla:** Large contingent resources
- **Half Moon:** Multiple formations & targets to appraise

DEVELOPMENT

- **Valhalla:** Offers longer-term large-scale development
- **Half Moon:** Proven petroleum systems & offers step out targets

PRODUCTION

- **Valhalla:** Offers long-term, large-scale production potential
- **Half Moon:** Offers immediate production and cashflow



HALF MOON PROSPECT

Permian Basin

New Mexico, USA

WHY IS BME ATTRACTED TO THE PERMIAN BASIN?

PREVIOUS BASIN SUCCESS

- Team is already familiar with the basin.
- Founder previously owned and sold ~21000 acres within the basin for US\$700MM.¹

ATTRACTIVE GEOLOGY

- Geology consists of multiple stacked plays.
- Stacked plays enable an operator to drill & produce oil and natural gas from several layers of rock in different geological zones. That multiplies the basin's natural resource potential.

OPERATIONAL EFFICIENCIES

- Ample infrastructure, strong service industry support, and mature regulatory framework
- These enable operators to very quickly permit, drill, complete, and produce wells.

THRIVING GROWTH

- The basin has experienced significant growth and is expected to follow this upward trajectory in the future.
- Currently producing nearly 6mm boe/day², more than Saudi Arabia's supergiant Ghawar field.
- Over 340 active drilling rigs (~50% of the US total rig count).
- Acreage is in hot demand. M&A activity has ramped up in the basin over recent months.
- Per Reuters, over US\$10B³ in deals have been announced in the last 6 months. The transactions and value indicates an increase in acreage values surrounding BME's investment.

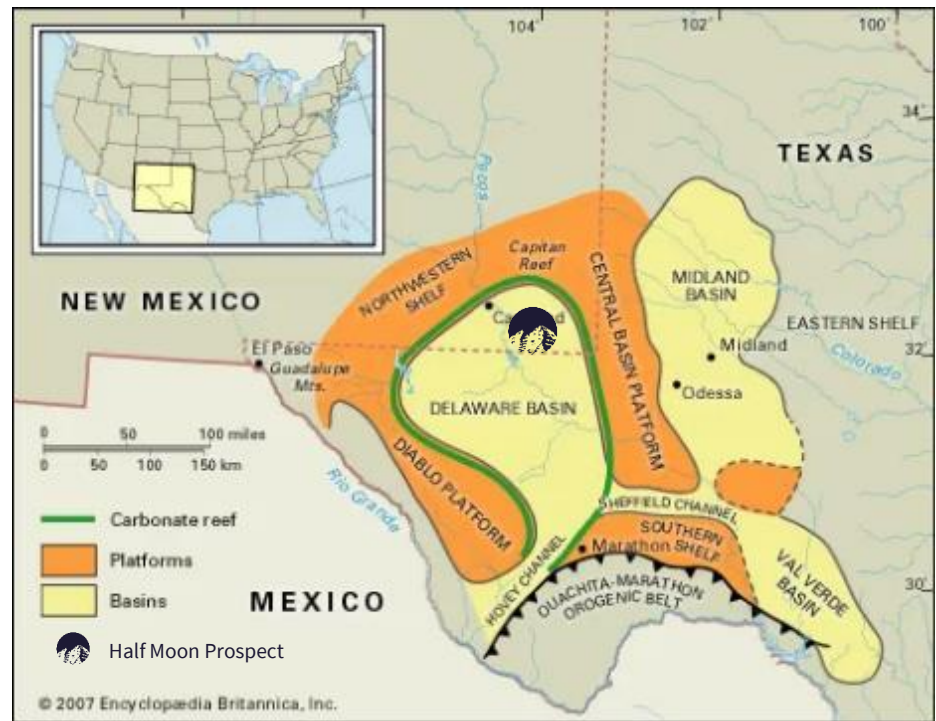


Figure 4: Permian Basin Overview

1. <https://www.blackmtn.com/press-release/sale-to-marathon-oil-for-700m/>

2. <https://oilprice.com/Energy/General/The-Permian-Basin-Is-Out-Producing-Saudi-Arabias-Ghawar-Field.html>

3. <https://www.reuters.com/markets/deals/permian-set-ma-frenzy-cash-rich-producers-seek-reserve-boost-2023-05-23/>

3RD BONE SPRING ACTIVITY

- Extensive horizontal drilling and fracture stimulation activity in the area.
- Wide range of results with average cumulative well production indicating strong performance.

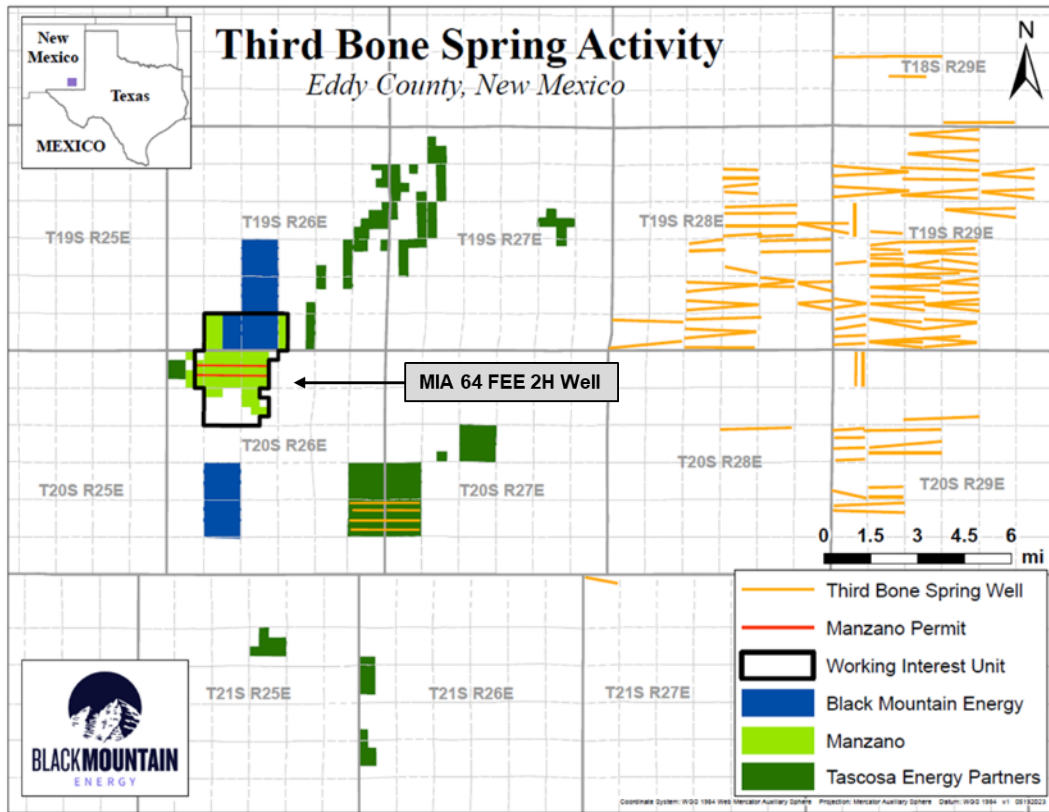
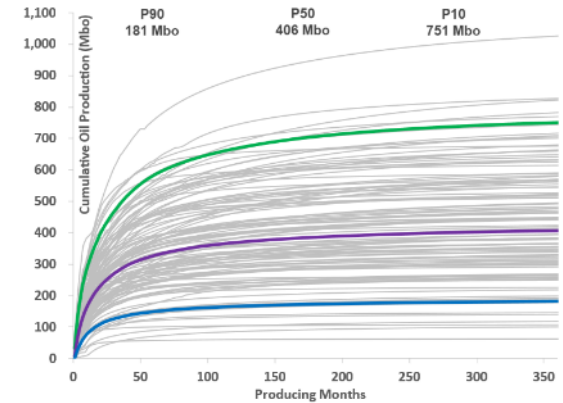


Figure 5: Half Moon Prospect Area Map with 3BS Activity

30 Year Oil EUR Statistics



30 Year Gas EUR Statistics

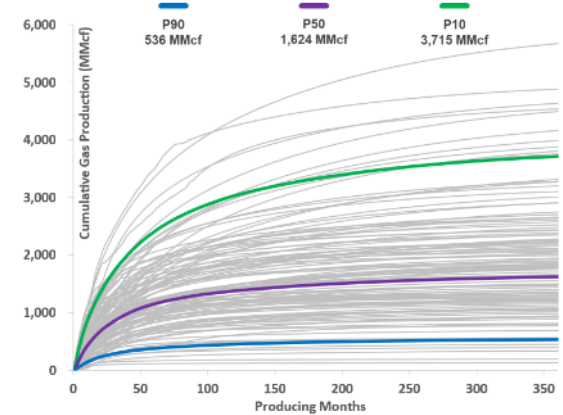


Figure 6: Third Bone Spring Cumulative Production Plots¹

¹See BME's ASX 1 June 2023 announcement for more information including data source.

NEW CONTINGENT RESOURCES ADDED

On 15 June 2023, the Company announced the addition of new contingent resources on the Half Moon Prospect in the Permian Basin.

HALF MOON

- 3rd Bone Spring contingent resources booked.
- 20 gross horizontal drilling candidates identified; the Company’s average working interest estimated at 14.1% across inventory.
- First well, MIA 64 FEE 2H, spud 10 June 2023.
- Drilling results from the MIA 64 FEE 2H well may support resources conversion to reserves.
- Further upside may exist in remaining acreage and in other intervals.

CATEGORY	CONTINGENT RESOURCES (volumes)			
	Net Oil (bbls)	Net NGL (bbls)	Net Gas (MMscf)	Total (boe)
Low Estimate (1C)	347,000	94,000	752	561,000
Best Estimate (2C)	831,000	322,000	2,577	1,564,000
High Estimate (3C)	1,587,000	782,000	6,253	3,366,000

Table 1: Half Moon Net Contingent Resources¹

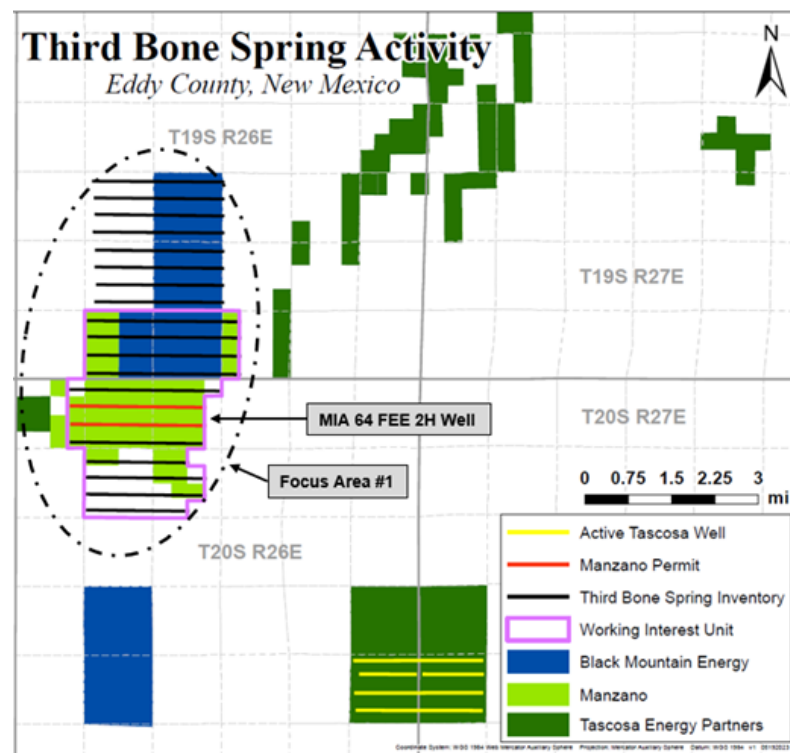


Figure 7: Half Moon Prospect Potential FDP



VISION FOR HALF MOON

Learn and monetize quickly to generate a self funding asset within 2 years.

¹See BME’s ASX 15 June 2023 announcement for more information.



VALHALLA PROJECT

Canning Basin

Western Australia

Vahalla is BME's flagship project and one of the world's last large scale unconventional and undeveloped oil & gas projects.

CLASSIFICATION Basin Centered Tight Gas

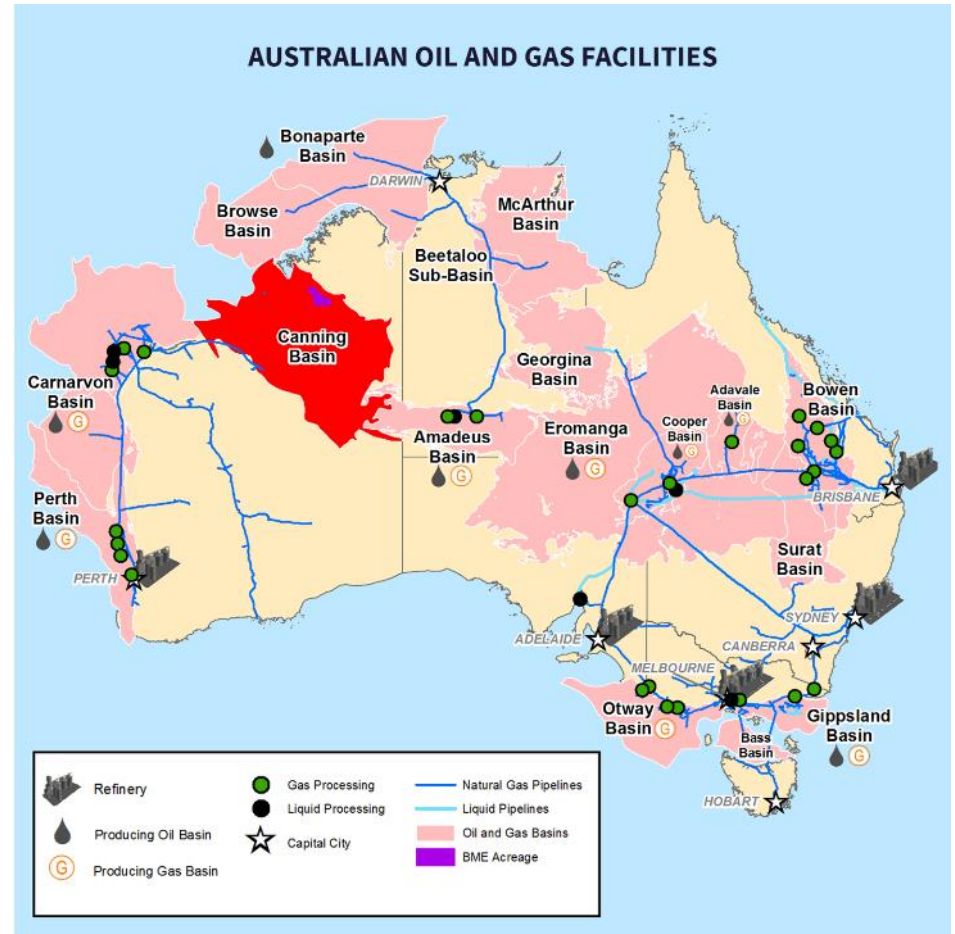
STATUS Appraisal

LOCATION Canning Basin, WA

PERMIT AREA EP371 & SPA-0065

BY THE NUMBERS

- 1.5 TCF Contingent Resource + 29.6 MM bbl of condensate defined by 3 vertical wells (2C)¹
- 11.8 TCF Prospective Resource + 165.6 MM bbl of condensate from broader basin centered gas/liquids resource (2U)²
- Gross contiguous acreage of ~6,781 km² (~1.7mm acres)
- Targeting the Laurel formation with 85% methane, 5% ethane and low inerts (CO₂ gas at around 2%)
- Condensate at 55 deg API
- Overpressure confirmed at 0.55-0.65 psi/ft



1. The estimated quantities of petroleum that may potentially be recovered 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.

2. The estimate of Prospective Resources and Contingent Resources were first reported by the Company in its Replacement Prospectus dated 5 November 2021. The Company confirms that it is not aware of any new information or data that materially affects the information included in the Replacement Prospectus and that all material assumptions and technical parameters underpinning the estimates in the Replacement Prospectus continue to apply and have not materially changed.

APPRAISAL/DEVELOPMENT OPPORTUNITY

Black Mountain Energy (BME) is unlocking the Canning Basin by appraising a significant natural gas resource using a team with a proven track record.



Differentiated capability to export gas from Western Australia, with multiple commerciality pathways, including LNG backfill, direct export, and blue hydrogen.



Strategic permanent advantage in BME's proximity to Asian LNG off-takers for Australian Natural Gas



BME has **the right skillset** to commercialize Valhalla, creating a new major natural gas resource in Australia



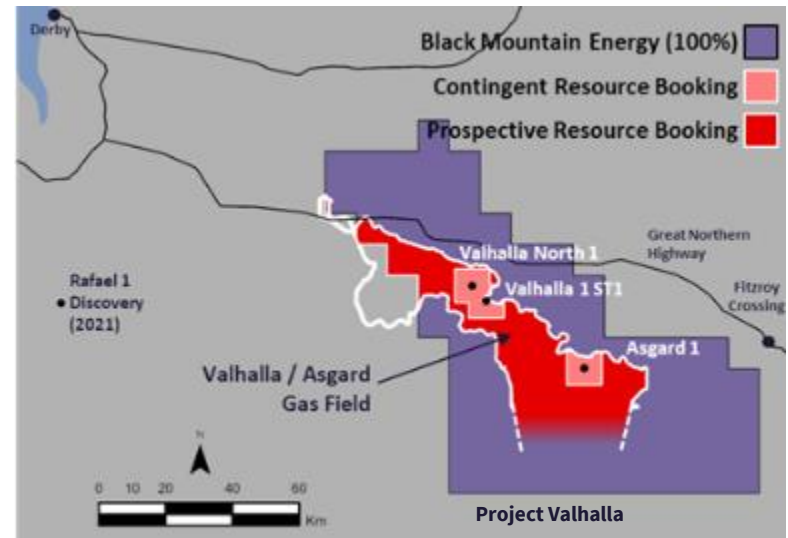
Attractive cost of development and scalability compared to other undeveloped resources



Environmental permitting and formal approval **progressing**



Proven resource from historical wells drilled on acreage that flowed gas to surface



Supportive local stakeholders and Traditional Owner groups (with ILUA's in place) who want to see the project succeed

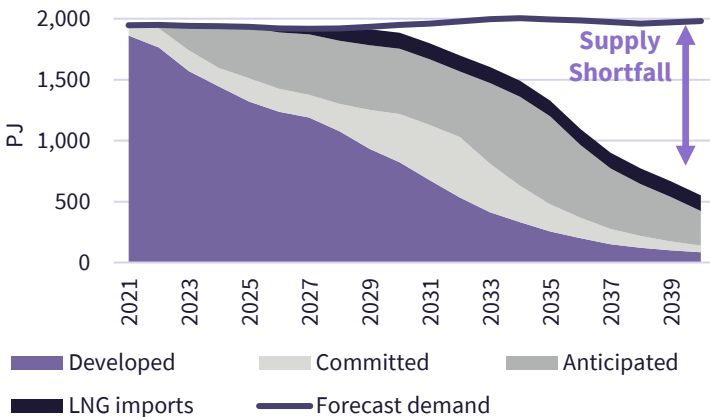


Approval and support conditionally received from West Australian Government allowing international export of gas from the Valhalla gas field

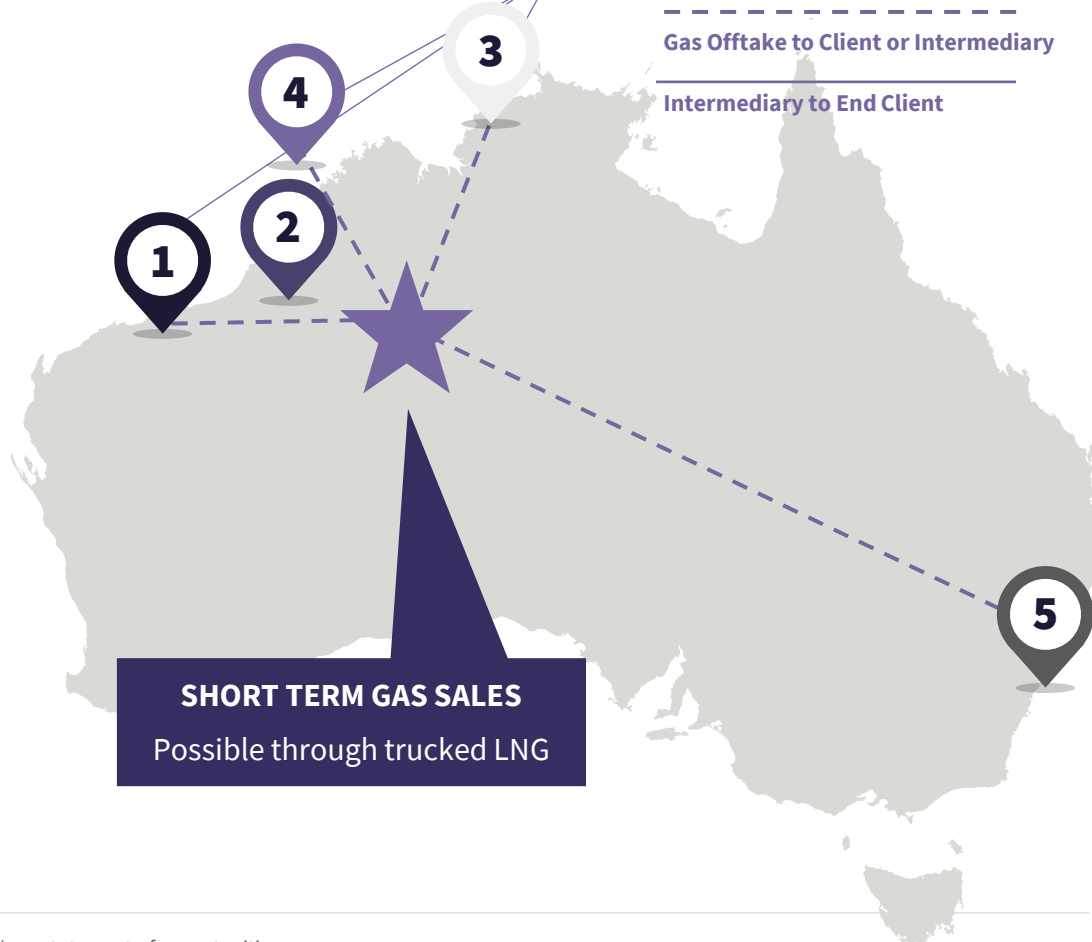
POTENTIAL PATHWAYS TO COMMERCIALITY

- 1 Existing LNG Facilities or WA Gas Market**
- 2 Downstream Production Asset**
(Methanol, Urea, or Ammonia)
- 3 Existing NT LNG Facilities**
- 4 Greenfield Export Opportunities**
- 5 Domestic East & SE Coast Gas Market**
AEMO's 2021 Residential & Commercial gas price base case projection¹ has gas price staying between A\$10-14/Gj in Sydney & Melbourne out to year 2040²

Black Mountain Energy has acquired a conditional **export exemption** from the WA Gov JTSI to **export natural gas from the Valhalla gas field**. A complementing Domestic Gas Commitment Agreement is required.



Proximity To Asian LNG Markets



1. <https://www.aemo.com.au/energy-systems/gas/gas-forecasting-and-planning/gas-statement-of-opportunities-gsoo>
 2. https://aemo.com.au/-/media/files/gas/national_planning_and_forecasting/gsoo/2021/2021-gas-statement-of-opportunities.pdf?la=en



BLACKMOUNTAIN

ENERGY

ALL INQUIRIES SHOULD BE DIRECTED TO:

Michael Laurent

Chief Operating Officer

michael.laurent@blackmountainenergy.com

This announcement has been authorised for release by the Board