

Warrego joins innovative Mid West Blue Hydrogen and CCS consortium and accelerates carbon management initiatives

- Warrego has joined a consortium of energy and infrastructure companies to undertake a feasibility study for the innovative Mid West Blue Hydrogen and CCS project in Western Australia
- Consortium comprises APA Group, Pilot Energy and Warrego, with member companies contributing funding and sector expertise
- Genesis, Technip Energies and RISC Advisory engaged to provide leading edge technical input and third-party evaluation
- Potential to deliver cost-effective and competitive clean energy

Warrego Energy Limited ("Warrego" or the "Company") (ASX: WGO) today announced it has joined a consortium of energy and infrastructure companies to undertake and jointly fund a feasibility study for the Mid West Blue Hydrogen and CCS project.

The feasibility study led by Pilot Energy Limited (ASX:PGY) ("Pilot Energy") is designed to assess potential Blue Hydrogen and CCS projects that can integrate with existing upstream, midstream and downstream assets to deliver competitive clean energy. It will identify and select potential development projects and will form the basis for future FEED studies, partnering and other corporate initiatives. The feasibility study is anticipated to complete in the first quarter of CY 2022.

Blue Hydrogen and CCS projects require expertise and collaboration from across the energy industry which is well represented by the consortium members:

- **APA Group** – Infrastructure
- **Pilot Energy** – Carbon Management
- **Warrego Energy** – Natural Gas Supply

Warrego's CEO Australia, David Biggs, said:

"The Mid West Blue Hydrogen and CCS project has the potential to deliver significant and lasting positive benefits for the energy sector in Western Australia by reducing total emissions, generating clean energy, and creating new revenue streams.

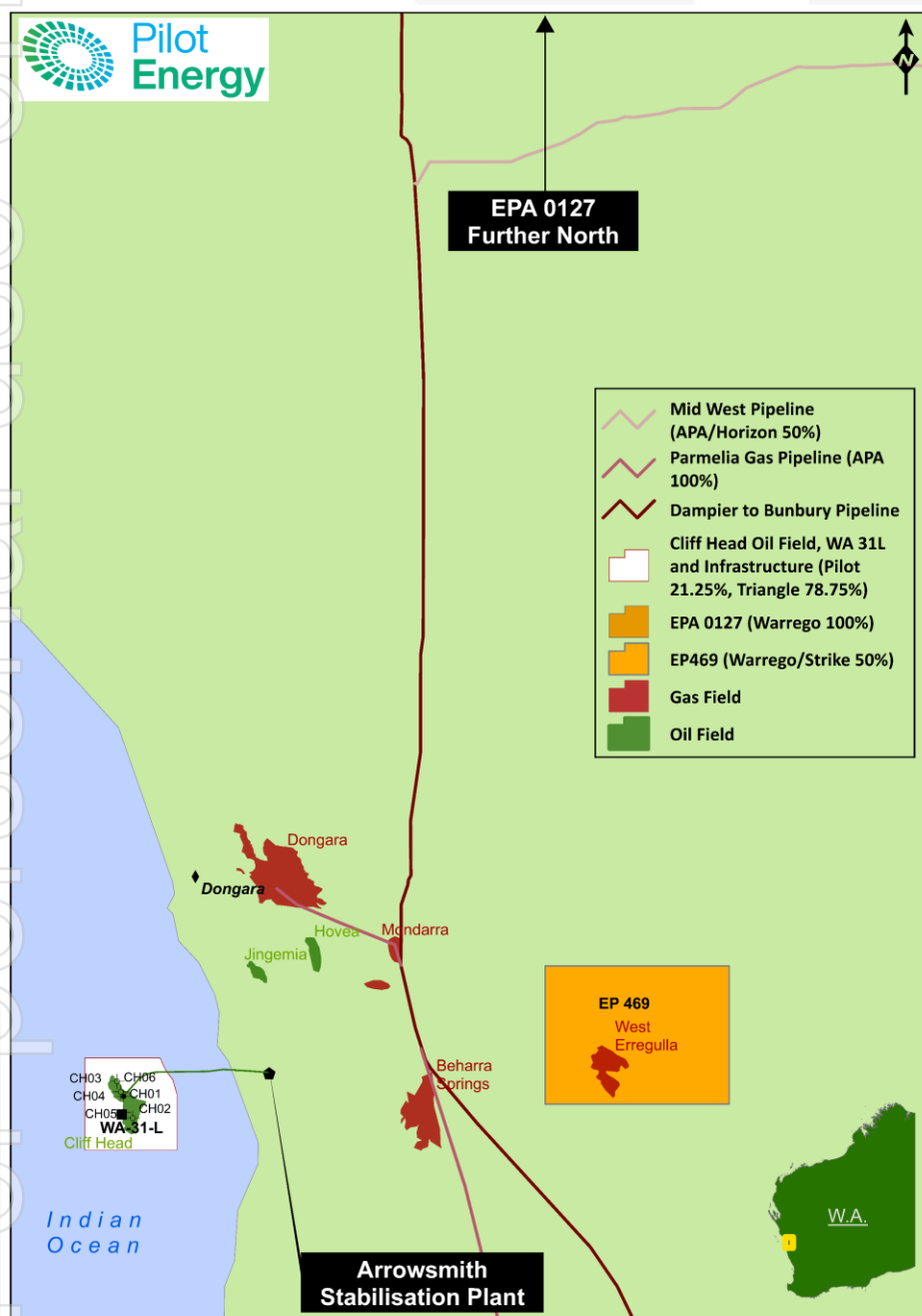
"These technologies have the potential to add considerable value to Warrego's business in the future through the positive effects of carbon management and emissions reduction.

"We are very pleased to be partnering with APA Group and Pilot Energy to deliver the feasibility study for this exciting and innovative project."

The consortium will participate in and jointly fund the feasibility study which will focus on Blue Hydrogen technology, regional CCS potential, hydrogen markets, project infrastructure and commercialisation. Pilot Energy will also undertake a standalone assessment of the Cliff Head offshore and onshore facilities to determine its CCS potential and provide data on potential CO₂ injection rates and storage capacity.

Figure 1 provides an overview of the study area and the consortium participants' infrastructure.

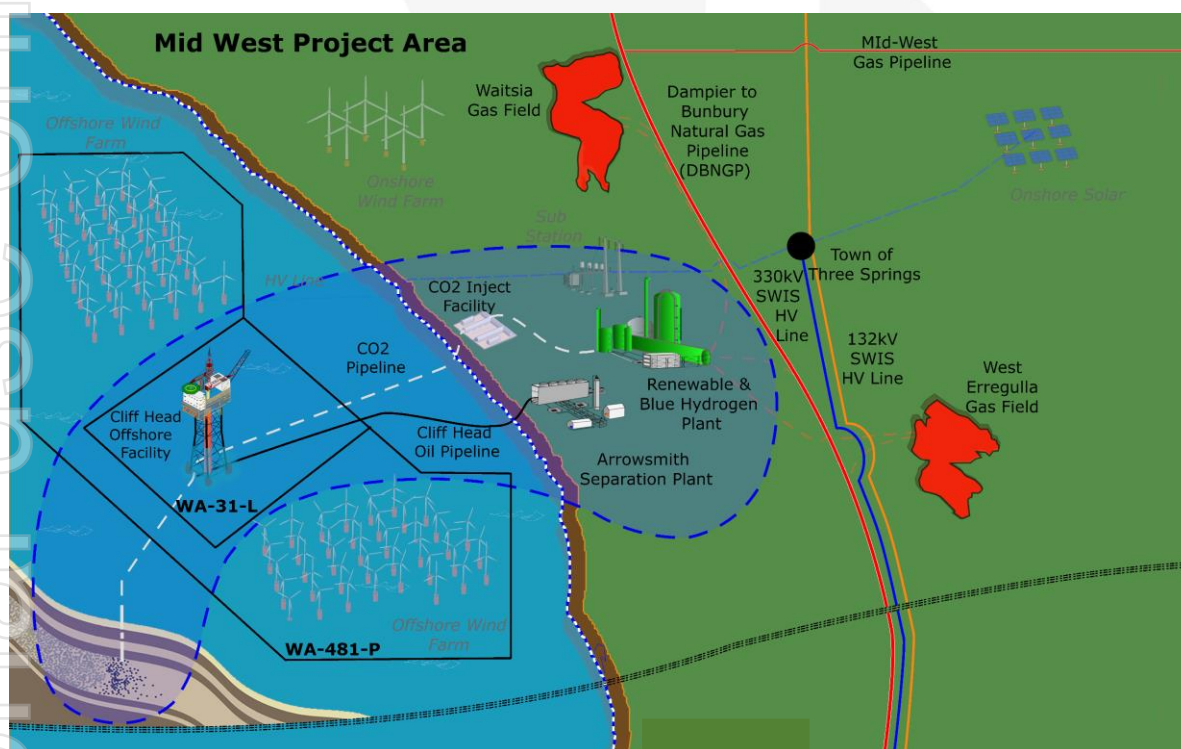
Fig 1. Feasibility Study project area



Pilot Energy has previously completed pre-feasibility screening of the CCS potential of the Cliff Head assets with RISC Advisory which indicated that the Cliff Head onshore and offshore infrastructure could provide carbon geo-sequestration of approximately 500,000 tonnes per annum of CO₂ for a period of 13-years at an injection cost of approximately \$16/tonne of CO₂ and be fully operational by 2025.

The consortium arrangements set out a process for further joint participation in progressing towards project development following completion of the Feasibility Study.

Fig 2. Mid West Blue Hydrogen and CCS project key elements



Mid West Blue Hydrogen and CCS Feasibility Study

The objective of the Mid West Blue Hydrogen and CCS study is to assess the carbon capture, storage and use potential of the Cliff Head oil project and additional reservoirs across the broader Perth Basin, the production of Blue Hydrogen and commercialisation via the provision of CO₂ management services and sale of hydrogen. Three leading international feasibility contractors have been engaged to assist with the study and further external assistance may be required to complete the study.

Genesis has been engaged to project manage the feasibility study and prepare the overall study report in conjunction with the consortium and the other feasibility consultants. In addition, the consortium will be leveraging Technip Energies' significant hydrogen industry experience to complete an assessment of blue hydrogen production technologies and hydrogen markets.

RISC Advisory has been engaged to conduct the assessment of the infrastructure and CCS reservoirs (Cliff Head and other reservoirs across Perth Basin) associated with the proposed carbon management services and CCS activities. The team at RISC has a long history with the Cliff Head asset through involvement in the initial development through to a recent Cliff Head oil reserves/resources audit for Triangle Energy (Global) Limited and Pilot Energy.

Key outcomes of the study will include detailed description and assessment of development projects, levelised cost of hydrogen and CO₂ management services.

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Authorised by the Group CEO of Warrego Energy Limited and issued in accordance with the Company's disclosure policy.

About Warrego Energy Limited

Warrego Energy is focused on the development of onshore assets in Australia, primarily in Western Australia. It holds a 50% interest in EP469, including the West Erregulla gas project, and 100% of STP-EPA-0127, potentially the largest exploration block in the Perth Basin. Warrego was admitted to the ASX All Ordinaries Index in June 2020.

Glossary

CCS	Carbon Capture & Storage
CY	Calendar Year
FEED	Front End Engineering & Design
CO ₂	Carbon Dioxide

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