

**THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF
REGULATION 11 OF THE MARKET ABUSE (AMENDMENT) (EU EXIT) REGULATIONS
2019/310**

22 October 2024

Sunda Energy Plc
("Sunda" or "Sunda Energy" or the "Company")

Operational Update

Sunda Energy Plc (AIM: SNDA), the AIM-quoted exploration and appraisal company focused on gas assets in Southeast Asia, is pleased to provide an update on its operational and funding planning with respect to the TL-SO-19-16 Production Sharing Contract (the "**Chuditch PSC**") in Timor-Leste as well as an update on the Company's new business ventures.

Highlights

- Process continues to advance with Pacific LNG for funding Chuditch PSC appraisal and development.
- Drilling rig negotiations reaching an advanced stage against a backdrop of falling prices and greater rig availability, with estimated spud date for the Chuditch-2 appraisal well now expected in Q2 2025.
- Philippines licence awards anticipated during Q4 2024, with other proposed new ventures under evaluation.

Chuditch PSC Updates

Commercial

Following both parties' entering into an exclusivity agreement, as announced on 12 August 2024, Sunda and Pacific LNG Operations Pte Ltd ("**Pacific LNG**") have continued to make progress in the investment process through which Pacific LNG intends to provide funding for the Chuditch PSC project. The proposed funds to be raised from Pacific LNG's investment, which is anticipated to be through an equity issuance in a Sunda subsidiary company and not at the Sunda Energy Plc level, would be deployed towards appraisal drilling on the Chuditch field and anticipated subsequent development of the Chuditch PSC project.

There can be no guarantee that a definitive agreement in relation to Pacific LNG will be entered into, nor can there be any guarantee on the terms, structure or timing of any potential investment. Nevertheless, the Company looks forward to being able to provide further updates regarding the terms of a funding agreement with Pacific LNG in due course.

As appraisal drilling on the Chuditch field approaches, the Company is actively engaged with the government of Timor-Leste with regards to the potential future development and export of Chuditch PSC gas. Sunda looks forward to continuing to work closely with the Timorese government throughout Chuditch PSC's development process.

Operational Update

The global market for jack-up drilling rigs has started to ease, with some downward pressure on pricing and more rigs expected to shortly become available. Against this background, Sunda continues to seek to achieve the best deal for the procurement of the drilling rig. Significant progress has been made in the negotiations for Sunda's preferred drilling rig, with contract discussions having now reached an advanced stage. In addition, contracts are near complete for all key long lead drilling equipment items. Sunda remains focused on a drill date for the Chuditch-2 appraisal well at the earliest opportunity in 2025. Drilling is now expected to commence in Q2 2025, with slippage in the schedule principally resulting from overrunning drilling activities of other operators using the preferred rig.

All other aspects of operational planning are progressing well. Extensive geological and engineering studies in support of drilling operations are ongoing, addressing all aspects required to achieve operational objectives including well testing, whilst avoiding geological hazards and focussing throughout on health, safety and environmental protection. As part of preparations for the Chuditch-2 appraisal well, Sunda is preparing to acquire an Environmental Baseline Survey. This forms a key part of the ongoing process of environmental licencing to ensure operations at the Chuditch PSC project comply with the applicable law in Timor-Leste. Subject to vessel availability, this survey is scheduled to take place during Q4 2024. Key next stage drilling workshops are being held shortly with ANP (Timor-Leste's National Petroleum Authority) and Sunda's Joint Venture partner, state-owned TIMOR GAP.

Other Updates

New Ventures

Further to the announcement on 28 August 2024, Sunda is awaiting news of the two licences it applied for in the Philippines. All current indications suggest that the relevant authorities' review processes are on schedule for the awards of licences to take place during Q4 2024. The application areas are offshore in the Sulu Sea and are known as PDA-BP-2 and PDA-BP-3. One of these blocks contains several material gas discoveries whilst the overall fairway holds exciting upside potential which the Company hopes to evaluate following award if successful. The applications were made as part of a joint venture consortium in which Sunda has a 37.5% non-operated interest. This joint venture was the sole bidder for these application blocks and the Company is therefore confident of award. However, there is no guarantee that the applications made will result in award of new assets to Sunda Energy, nor is there certainty of the timing of any potential awards. Further information will be announced as appropriate and when available to the Company.

In line with Sunda's refined strategy with its focus on building a Southeast Asian gas business of scale, the Company continues to actively screen other possible new ventures which offer low-cost entry points to material gas opportunities in the region. Sunda is actively evaluating certain of these opportunities in detail. Whilst there is no certainty that any new assets will be secured in the near future, the Company is encouraged by the quality and scale of opportunities identified. Further information will be announced as appropriate as and when asset entry opportunities are sufficiently advanced.

Investor Relations

Sunda is pleased to have appointed Celicourt Communications to support with its investor relations and communications.

Sunda has refreshed its company website which can be found at: <https://sundaenergy.com/>.

Additionally, an updated corporate presentation has been published and is now available at: <https://sundaenergy.com/investors/reports-presentations/>.

Dr Andy Butler, Chief Executive Officer, commented:

"We are pleased with the continued progress being made at our Chuditch PSC project as we move towards drilling Chuditch-2. We remain confident that our ongoing discussions with Pacific LNG, combined with our strong government relationships in Timor-Leste, will enable us to deliver on the project's significant potential. We thank our government partners in Timor-Leste for their continued co-operation and support. I look forward to providing investors with further updates as we continue to progress Sunda's development of the Chuditch PSC.

Beyond Timor-Leste, we look forward to receiving news on the awards of licences we applied for in the Philippines. As ever, we will continue to explore new venture initiatives in the wider Southeast Asian region as we look to grow an exciting portfolio of high-quality gas assets."