

## \$3m Frontier Gas Exploration Grant Received

### Highlights

- ✓ **\$3m grant awarded to QPM Energy under Frontier Gas Exploration program by Queensland State Government.**
- ✓ **Grant will fund a trial program of new wells targeting the Fort Cooper Coal Measures (“FCCM”) which includes the Fairhill Seam.**
- ✓ **FCCM are known to contain significant quantities of gas, but are currently not subject to any gas drainage activities and do not contribute to QPM Energy’s reserves or resources at Moranbah Gas Project.**
- ✓ **If the wells are successful, then there would be an immediate increase to gas production and would provide valuable technical data which could lead to future estimation of gas reserves and resources within the FCCM.**

Queensland Pacific Metals Ltd (**ASX:QPM**) (“**QPM**” or “the **Company**”) is pleased to announce its subsidiary QPM Energy has been awarded a \$3m Frontier Gas Exploration Grant under the Department of Resources’ Queensland Resources Industry Development Plan. The grant is to fund the FCCM Production Assessment Project (“**Project**”) on QPM’s Petroleum Leases which overlies existing mining leases.

### FCCM Production Assessment Project

#### Project Summary

- The Project targets the high gas content FCCM, which includes the Fairhill Seam, that is currently not subject to any gas drainage activities.
- Gas produced will be captured by QPM’s existing gathering system and used for electricity generation and other beneficial purposes.
- If successful, there would be an immediate increase in gas production from the Moranbah Project.
- Funds to be deployed during the 2024/25 financial year.
- Whilst the FCCM represents a significant in-place gas resource, it is currently not included in any reserve and resource statements.

The Project comprises the trialling of a pre-draining technique involving drilling a series of wells into the FCCM in advance of longwall mining. The FCCM is situated above the coal seams subject to mining and no commercial gas drainage activities currently occur. As the longwall moves through (i.e. below) the areas

where these wells have been drilled and the overlying stratigraphy collapses, the gas is liberated. Rather than migrating down to the mining void where it would be extracted through goaf gas drainage (flared) or through the air circulating activities of the mine (vented), it can be captured and taken to the surface for extraction from the previously drilled wells.

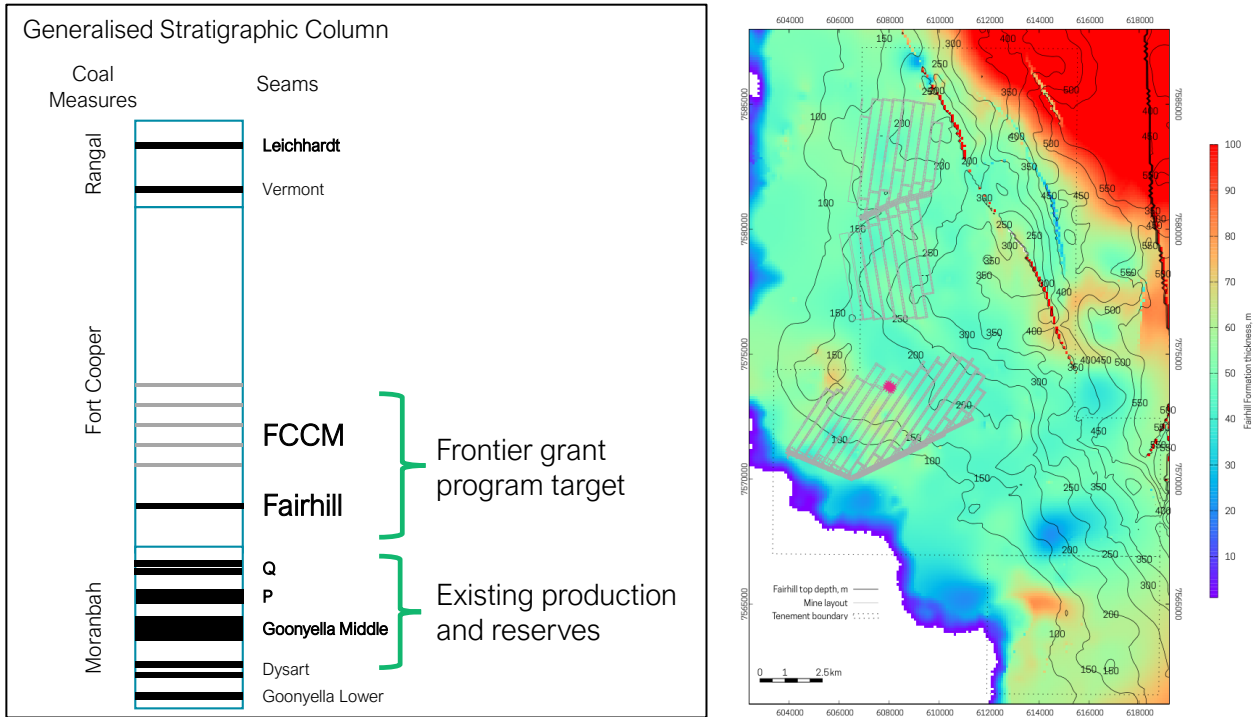


Figure: Stratigraphic column (L) and map showing FCCM thickness

The FCCM has high gas content and lies above the primary coal mining seams on the western flank of the Northern Bowen Basin. It is notable for its thickness relative to other seams – ranging between 50 - 150 metres compared with 2 to 8 metres for seams currently subject to mining. Whilst the gas resource characteristics of the FCCM are well known, there is currently no technical approach available to economically extract the gas.

If the Project is successful, the key benefits would include:

- The conversion of this gas from a waste product and GHG emission into a commercially viable resource thus improving the economic returns from the Moranbah Project.
- This could change the approach to gas extraction in coal mining, turning a safety and emissions issue into an economic asset.
- Given that gas is captured prior to migration to the mining area, it will directly reduce carbon emissions.
- The potential for a significant increase in gas resources and reserves at the Moranbah Project
- A Funding Deed has been signed by QPM with funds to be received on a staged basis as several milestones for the project are met. These milestones are intended to be met during the 2024/25 financial year.

QPM's Chief Executive Officer David Wrench commented,

*"We are delighted to receive this funding support from the Queensland Government. The grant will provide the funds to complete a new drilling technique which has the opportunity of not only increasing gas production from the Moranbah Project but will also result in a significant reduction in carbon emissions from the Bowen Basin. If successful, it can result in increased economic gas resources which can be incorporated into QPM's long term field development plan."*

***This announcement has been authorised for release by the Board.***



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