



PPL-579

SHAREHOLDER UPDATE

February 2023

HIGHLIGHTS

Technical studies completed with elevated understanding of PPL-579

World Class portfolio of prospects & leads identified

3D Seismic Survey – Approval/ Design/ Delivery &
Tenders underway

3D Seismic Survey – Financing process commenced

Farm-out process in full swing

Licence in good standing – Current term extended by 24 months

Exciting Board changes



As 2023 begins, the Larus board and management would like to provide shareholders with an update on the Company's achievements throughout 2022 plus provide a look at what the year ahead brings.

Geology & Geophysics

In early 2022, we completed an intensive nine-month work program of interpretation of the licenced Searcher data, technical studies and data room preparation. The Searcher data once integrated with our proprietary dataset has significantly improved our subsurface understanding and has increased the prospectivity of the PL579 License. The portfolio of prospects and leads that has resulted from this work, is nothing short of world class.

This has made for a very exciting second half of the year regarding our farm-out process, guided by Moyes & Co, our A&D advisors. A number of parties have invested large amounts of time and resources into reviewing the block and continue to do so.

The company has delivered presentations at a number of European conferences throughout the year including, AAPG, SEAPEX & BEOS and participated at the PNG Mining & Petroleum Investment in Sydney. The PPL579 opportunity was also featured in Geoscience Magazine GEO ExPro Vol. 19.

Capital Management

In the middle of the year, existing shareholders participated in a capital raise which coincided with the conversion of some of the convertible loan agreements sitting on the balance sheet. The exercise of the notes removed close to \$6m of debt from the company's balance sheet. We'd like to thank Shareholders for their strong support in the raise.

License

The PNG Department of Petroleum & Energy (DPE) awarded an additional 12-month extension to the PPL579 licence, this, coupled with the 12-month extension approved in 2021, ensures the first term of the licence is in good standing until March 2025, with all work commitments having been met until the end of this first term of the licence.

This provides a clear runway and time for Larus to realise its potential before the next 5-year term which currently extends from March 2025 to March 2030.

In-Country

Kupiano operations continue to be managed efficiently, while maintaining the Company's strong reputation in-country.

2023 THE YEAR AHEAD



Operations

While the farm-out process unfolds the board has been very pro-active in planning for a 3-dimensional (3D) seismic survey in order to further delineate and optimise the drilling location for an exploration well on Prospect 1, and also further mature other prospects and leads for follow-up drilling. Targeted completion of the acquisition phase is the first half of this year. The Kupiano office will perform key stakeholder engagement activities in-country to ensure smooth execution of the 3D seismic program.

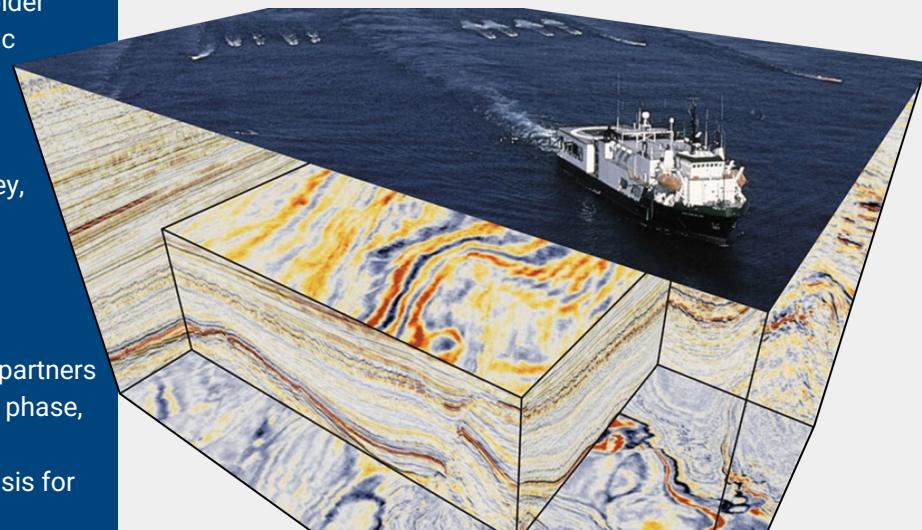
Financing

The company is exploring external funding options in PNG to acquire the survey, however, any shareholders interested in participating in this funding round are asked to contact our Company Secretary for more information.

Geology & Geophysics

The Larus subsurface team is closely working alongside our seismic provider partners with the 3D-seismic survey design and delivery. Following the data acquisition phase, data will be monitored through various stages of seismic processing. The intermediate and final processing products will be interpreted and form the basis for comprehensive technical studies and an exploration well planning program.

Other technical and de-risking studies will be conducted throughout the year on our current dataset including 2D-Seismic reprocessing and interpretation.



3D-SEISMIC ACQUISITION VESSEL & DATA EXAMPLE

BOARD CHANGES

The board and management would like to congratulate Mr Simon Kaiwi on his recent election victory to become governor of his province, Jiwaka. As a requirement of his new position, Simon has had to relinquish his board seat. The board would like to thank Simon for the significant role he has played in the company over many years and we wish him well.

We are very pleased to announce Mr Joe Holloway as the new member of our board. A description of background is included across page.

Additionally, the company has been very fortunate to also welcome Mr John Chambers as an Advisor to the board. John's bio is also included on page.

As always, the Company would like to thank shareholders for their support throughout 2022. We will keep all everyone updated on any development's as the farm-out process advances and look forward to an exciting year ahead, please contact our Company Secretary at;
matthew.azar@larusenergy.com.au for any enquiries.



MR JOE HOLLOWAY
DIRECTOR



MR JOHN CHAMBERS
ADVISOR TO THE BOARD

Mr Holloway is a prominent businessman and managing director of a number of companies consisting of hotels, retail, property development and manufacturing in PNG, he is also a director of National Finance PNG and PNG Ports Limited. Joe has strong ties to the PNG business community plus access to government networks and will play a key role in representing Larus in country.

Mr Chambers is an energy executive with 38 years of global experience across exploration, development and production activity in technical, commercial and senior management roles. John retired from Santos at end 2022 where he had been Vice President for Offshore Upstream, Northern Australia, Timor Leste and Papua New Guinea

Since joining Santos in 2003 John has variously held roles in Santos as Vice President Santos PNG, Asia Pacific Exploration Manager, President Santos Bangladesh, Country Manager Santos Vietnam, Country Manager Santos India and Exploration Manager Onshore Australia.



PAPUA NEW GUINEA

