

## LOI EXECUTED ON PROPOSED ACQUISITION OF PRODUCTION LEASES IN ILLINOIS BASIN

**Fremont Petroleum Corporation Ltd (ASX: FPL) ('Fremont' 'the Company')** has signed a non-binding letter of intent ('LOI') with Indiana-based Trey Exploration, Inc. ('Trey') to acquire a portfolio of producing oil and gas leases located in the Illinois Basin, specifically in the states of Indiana, Illinois and Kentucky where the Company already holds production leases. Trey has a portfolio of conventional wells that are currently producing ~71 barrels of oil per day.

The Trey asset package is attractive to Fremont as the wells are currently in production, their performance can be enhanced through low-cost workovers and other field activities, and they add scale to the Company's Kentucky operations.

Subject to satisfactory completion of due diligence, the parties will then enter into a Purchase and Sale Agreement ('PSA') after which time Fremont will pay Trey US\$1m by 31 August 2020 from existing cash reserves, US\$500,000 by 1 January 2021 and US\$400,000 by 1 April 2021.

Fremont is intent on aggressively growing production by opportunistically acquiring onshore USA oil & gas assets with the following characteristics: producing conventional oil & gas wells; production can be enhanced through low-cost field operations and workovers; the leases are held by production and do not require ongoing drilling commitments; and, economies of scales can be achieved by acquiring and enhancing similar assets nearby. Trey represents the first of these opportunities and a pipeline of similar assets that have the same production and enhancement characteristics are currently being reviewed. Further updates will be provided in due course.

The LOI is a statement of mutual intent only and does not constitute a contractual commitment with respect to the proposed acquisition by either party. The acquisition is subject to Fremont's due diligence and may be further subject to ASX and/or shareholder approvals. Further details on the Trey assets will be provided after the due diligence period is completed and the PSA has been executed.

Fremont also confirms that some production has resumed across some of its existing leases and an update will be provided on progress.

This announcement has been authorised by the Board of Fremont Petroleum Corporation Limited.

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### Further information:

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### ABOUT FREMONT PETROLEUM CORPORATION LTD

**Fremont Petroleum Corporation Limited (ASX: FPL) is an Oil & Gas production and development company founded in 2006 and headquartered in Florence Colorado USA with its Australian office in Sydney, Australia. The company has operations in Colorado and Kentucky.**

### DISCLAIMER:

This announcement contains or may contain "forward looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21B of the Securities Exchange Act of 1934. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, goals, assumptions or future events or performance are not statements of historical fact and may be "forward looking statements." Forward looking statements are based on expectations, estimates and projections at the time the statements are made that involve a number of risks and uncertainties which could cause actual results or events to differ materially from those presently anticipated. Forward looking statements in this action may be identified through the use of words such as "expects", "will," "anticipates," "estimates," "believes," or statements indicating certain actions "may," "could," or "might" occur. Oil production rates fluctuate over time due to reservoir pressures, depletion or down time for maintenance. The Company does not represent that quoted production rates will continue indefinitely.