

ASX ANNOUNCEMENT

6 August 2020

## Workover program underway to increase oil production

**Fremont Petroleum Corporation Ltd (ASX: FPL) ('Fremont' 'the Company')** confirms that a workover program is now underway to enhance the performance of an initial 26 wells in Colorado and Kentucky and deliver more consistent daily oil production and revenue.

As the oil price has strengthened, some profitable wells have been brought back on line resulting in initial modest daily production of ~20 barrels of oil per day. Once these workovers are completed and gas flaring (in Colorado only) reinstated on some wells, Fremont anticipates daily production will increase to a steady ~100 barrels of oil per day. More complex workovers of some larger wells in Colorado will then be considered.

As well as the Trey acquisition already announced, smaller opportunistic bolt-on assets (such as single well and small multi-well under-performing or shut-in wells), adjacent to the Company's leases in Kentucky are being assessed where Fremont will assume operatorship and capitalise on shared production gains.

As reported, the Company is also looking to revise its Colorado lease agreements in order to reduce drilling commitments and deliver major cost savings. More details on these initiatives will be provided shortly.

**CEO Tim Hart commented** *"We have commenced and active workover program, initially in Colorado and then moving to Kentucky in order to grow current daily production, which today is still very modest. With the oil price stabilising, we can now better capitalise on the potential of our fields. The Board's clear directive is to deliver a satisfactory ROI from the small funds we are deploying to this program. We will report on progress as workovers advance."*

*"Beyond the acquisition we have announced and others we are reviewing, we are assessing ways to opportunistically grow our producing well count in Kentucky by picking up small abandoned leases with shut in wells or under-performing wells. This is another initiative aimed at incrementally growing daily production very cost effectively."*

Prior to this workover program commencing, there is presently ~1,350 barrels of oil, valued at US\$56,700<sup>1</sup> in Fremont's storage tanks and awaiting collection by our refiners Suncor in Colorado and CountryMark in Kentucky.

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

**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 with operations in Colorado and Kentucky. The Company's focus is to aggressively grow daily production by improving current asset performance and 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; 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.

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<sup>1</sup> Calculated using WTI price as at 6 August of circa US\$42.00/barrel

**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.