

29 January 2026

## KTJ Gaining Momentum

### NEED TO KNOW

- Events over 2025 have come together to move FDR from a small company with a big ambition into a company with that ambition close to realisation.
- In summary, CY2025 saw the company secure funds for its flagship Kuda Tasi/Jahal (KTJ) upstream development, acquire a fully operational production vessel and bolster the balance sheet.
- Cash as at 31 January 2026 was A\$18.7M to fund the company through the engineering and design process.

**FDR is on track to meet its strategic growth objectives**, with many significant achievements delivered in 2025, for the delivery of the company's KTJ development, and potentially others. In summary, these were securing a fully operational production vessel (FPSO), securing funds from JV partner to carry FDR through a major portion of upstream costs, and securing ~ A\$25M in equity funds at year end 2025 to bulk up the balance sheet.

**The company is now firmly in a development phase**, with attendant project risks, but the company has tier-1 companies (E.g. SLB, formerly known as Schlumberger) and others to do the work thus mitigating risks inherent in the upcoming development phase.

After the most recent capital raising FDR had A\$18.7M in cash (at 31 Jan 2026) and nil debt.

### Investment Thesis

**The KTJ is expected to generate significant cash flow from late CY2027 and project milestones to date provide high confidence in this project delivery**, with funding in place and major production equipment procured, and SLB engaged to design the project.

**The KTJ project is aiming to commence production at 25,000-30,000 barrels of oil per day (BOPD)** and with follow-on development to maintain or increase this figure. The revenue and cash-flow impact from such high initial rates are substantial.

**KTJ is intended as a hub for further activity.** The PSC has resources and exploration targets other than KTJ. This FPSO is key process infrastructure and provides a development pathway for these other prospects, principally the Krill and Squilla discoveries.

### Valuation: A\$0.80 (Prev \$0.85) Risks & Catalysts

Our valuation is a DCF of KTJ cashflows, plus nominal value for exploration prospects in the PSC and the UK. The value decrease is from an increase in A\$/US\$ rate from 65c to 70c.

Risks include availability of project finance for development, oil prices, drilling operations and project construction. Key catalysts over the outlook are securing finance for FDR's share of the KTJ development.

### Equity Research Australia Energy

**Stuart Baker**, Senior Analyst  
stuart.baker@mstaccess.com.au



Finder Energy is an ASX-listed oil and gas production company with development assets in Timor-Leste, and exploration acreage in Australia and the UK North Sea. The company's flagship project is the Kuda Tasi and Jahal oil fields in Timor-Leste PSC-19-11

Valuation	<b>A\$0.800 (from A\$0.850)</b>
Current price	<b>A\$0.390</b>
Market cap	<b>A\$193M</b>
Cash on hand	<b>\$19M (31 Jan 26)</b>

### Upcoming Catalysts / Next News

#### Period

1H26	Secure project finance
1Q26	Award drilling contracts
2Q26	Complete FEED
2Q26	Book 2P reserves & FID

### Share Price (A\$)



Source: FactSet, MST Access

Figure 1: Financial Summary. All figures in A\$ unless otherwise stated. Financial year June 30

Finder Energy Holdings Ltd					FDR.AX	
Figures in A\$ unless otherwise stated					However field valuation in US\$	
Market Data	Y/E 30 June	Lo	Hi			
Share price	A\$/sh	0.390				
52 week range	A\$/sh	0.034	0.63			
Shares on issue	M	495				
Other capital	M	2				
Market Cap	A\$M	193				
Cash	A\$M	19	Jan-26			
Enterprise Value	A\$M	174				
A\$/US\$ conversion	cents	0.70				
Valuation multiples		FY24A	FY25A	FY26E	FY27E	FY28E
EPS	cents	-0.03	0.01	0.00	0.00	0.37
PE	X	NM	NM	NM	NM	1.0
DPS	cents	0	0	0	0	0
Yield	%	0	0	0	0	0
EBITDAX/sh	cents	0.00	0.02	0.00	0.00	0.44
EV/EBITDAX	X	NM	NM	NM	NM	0.8
Revenue/boe	A/bbl	0.0	0.0	0.0	0.0	100.3
EBITDAX/Sales	%	NM	NM	NM	NM	71%
Gearing						
ND/(ND+E)	%	NM	NM	NM	87%	3%
Realised prices		FY24A	FY25A	FY26E	FY27E	FY28E
Gas	A\$/GJ	NA	NA	NA	NA	NA
Oil	US\$/bbl	84.51	73.70	65.00	65.65	66.96
A\$/US\$ rate	cents	0.66	0.68	0.70	0.70	0.70
Production (Net)		FY24A	FY25A	FY26E	FY27E	FY28E
Gas	BCF	0.00	0.00	0.00	0.00	0.00
Liquids	MMbbls	0.00	0.00	0.00	0.00	3.10
MMboe		0.00	0.00	0.00	0.00	3.10
% liquids						
Resources-net		1C	2C	3C		
Oil	MMbbls	20.2	34.3	54.0		
Gas	BCF	0.0	0.0	0.0		
Total	MMBOE	20.2	34.3	54.0		
% oil		100%	100%	100%		
SoP Valuation (US\$M)	Unrisked	RF	Risked			
	US\$M		US\$M			
Kuda Tasi & Jahan	294	100%	294			
Other PSC-19-11 prospects	17	50%	9			
UK	2	0%	2			
W.A Bedout basin	0	0%	0			
Corp costs	-21		-21			
<b>Total E&amp;P assets-US\$</b>	<b>292</b>		<b>283</b>			
Total E&P assets-A\$	417		405			
Cash	19		19			
New issue	25		25			
<b>Total Equity value-A\$</b>	<b>461</b>		<b>449</b>			
Shares (proforma)	495		495			
Other capital	58		58			
<b>Per share- A\$M</b>	<b>0.82</b>		<b>0.80</b>			
A\$ US\$ rate	0.70		0.70			
Income (\$M)		FY24A	FY25A	FY26E	FY27E	FY28E
Gas Revenue		0.0	0.0	0.0	0.0	0.0
Oil Revenue		0.0	0.0	0.0	0.0	310.6
Other		0.2	9.6	0.6	0.3	0.2
<b>Revenue</b>		0.2	9.6	0.6	0.3	310.8
Opex		0.0	0.0	0.0	0.0	88.6
Royalties		0.0	0.0	0.0	0.0	0.0
G&A		1.7	1.5	2.0	2.0	2.0
<b>EBITDAX</b>		<b>-1.5</b>	<b>8.1</b>	<b>-1.4</b>	<b>-1.7</b>	<b>220.2</b>
Exploration exp.		2.7	4.1	0.0	0.0	0.0
Depreciation		0.0	0.0	0.0	0.0	29.3
EBIT		-4.3	4.0	-1.4	-1.7	190.9
Finance charges		0.0	0.0	0.0	0.0	0.0
Pre Tax Profit		-4.3	4.0	-1.4	-1.7	190.9
Tax		0.0	0.0	0.0	0.0	0.0
<b>NPAT Underlying</b>		<b>-4.2</b>	<b>4.0</b>	<b>-1.4</b>	<b>-1.7</b>	<b>190.9</b>
Significant items		0.0	0.0	0.0	0.0	0.0
<b>Reported NPAT</b>		<b>-4.2</b>	<b>4.0</b>	<b>-1.4</b>	<b>-1.8</b>	<b>190.7</b>
<b>Share count EOP (M)</b>		158	284	510	510	510
Cash flow		FY24A	FY25A	FY26E	FY27E	FY28E
Receipts		0.0	1.5	0.7	0.2	310.6
Payments to suppliers		-5.0	-6.3	-3.0	-3.0	-88.6
Payments for E&A		0.0	0.0	0.0	0.0	0.0
Interest & other		0.2	0.1	-1.2	-10.8	-12.8
Net cash from ops.		-4.8	-4.7	-3.5	-13.6	209.2
Development capex		0.0	0.0	-27.0	-75.0	-100.0
Acquisitions/divestments		0.0	-3.0	0.0	0.0	0.0
Net investing		0.0	-3.0	-27.0	-75.0	-100.0
Equity issuance		0.0	5.8	30.7	0.0	0.0
Debt issue		0.1	0.0	30.0	130.0	-30.0
Dividends / other		0.0	0.0	0.0	0.0	0.0
Net cash Financing		0.1	5.8	60.7	130.0	-30.0
Increase in cash		-3.1	-1.7	30.2	41.4	79.2
Cash at EOP		6.4	4.6	34.9	76.3	155.5
Balance sheet		FY24A	FY25A	FY26E	FY27E	FY28E
Cash		6.4	4.7	34.9	76.3	155.5
Receivables & Inventory		0.6	0.6	0.6	0.6	0.6
Exploration assets		0.0	3.1	30.1	105.1	175.7
Oil & gas properties		0.0	0.0	0.0	0.0	0.0
other		0.0	0.1	0.1	0.1	0.1
<b>Total Assets</b>		<b>7.0</b>	<b>8.4</b>	<b>65.6</b>	<b>182.0</b>	<b>331.9</b>
Payables		0.5	0.5	0.5	0.5	0.5
Debt		0.1	0.0	30.0	160.0	160.0
Other		9.5	0.4	9.4	9.4	9.4
<b>Total liabilities</b>		<b>10.1</b>	<b>0.9</b>	<b>39.9</b>	<b>169.9</b>	<b>169.9</b>
Shareholder funds		-3.1	7.6	25.7	12.1	162.0

Source: MST Access estimates

## KTJ gaining momentum, other assets on hold

Stepping back a few years, it would have been easy to dismiss FDR's ambitions to (1) buy and (2) fund and (3) embark on a development of the KTJ fields. Not so now.

Exiting 2025, a lot of progress has been delivered and forms a platform moving into 2026.

The most important is finance. FDR have secured the funds required to move through the upcoming development phase, in terms of an equity cushion, and the JV partner free-carrying FDR through the development funding.

Securing a fully operational FPSO, the "Petrojarl-1" for a very low cost, and agreements with the vendor to provide operational services, was pivotal in obtaining the necessary surface production facilities. Add to that, are contracts with SLB to design the sub-sea engineering aspects of the overall project.

Collectively, these outcomes in 2025 put in place the foundations for the next phase, which is development planning and engineering during most of 1HCY 2026, with a Final Investment Decision in ~mid-2026.

### Next steps

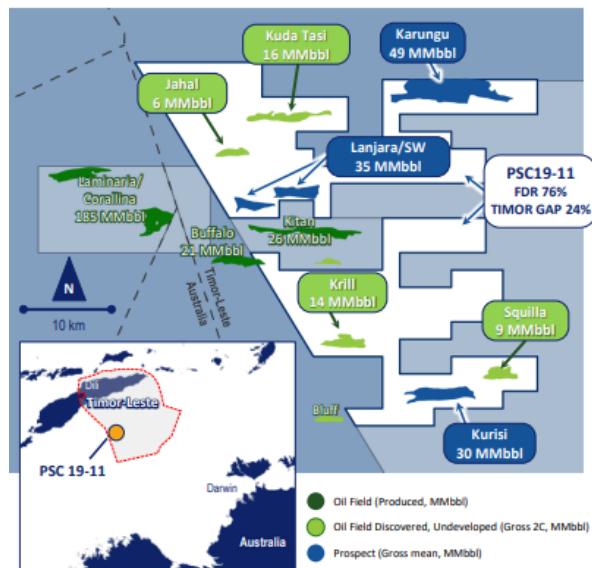
Upcoming events:

- Complete all production modeling, complete FEED and Field Development Plan ahead of independent resource certification.
- Secure a drilling rig for three development wells and long-lead items.
- Secure finance for FDR's share of capex which we estimate to be in the order of ~US\$170M.

## Kuda Tasi and Jahal (KTJ) project recap

Finder's primary asset is its working interest in Production Sharing Contract (PSC) 19-11 in Timor-Leste. This PSC contains the undeveloped Kuda Tasi and Jahal oil fields, single-well Krill and Squilla discoveries, and numerous exploration targets. FDR's working interest in the PSC is 66%.

Figure 2: FDR fields and prospects and regional context



Source: Company

The KTJ fields are well defined geologically, with excellent reservoir characteristics capable of supporting initial production rates in the 25,000-30,000BOPD range, producing from 3 wells into the Petrojarl-1 FPSO. Figures 4 and 5 outline the broad production and development concept. Over the course of 2026, we expect more information as to the production plan regarding field flow rates.

### Other assets are paused for now

Although the KTJ project, and other prospects in PSC 19-11 are front and centre of present activity, FDR does other assets which for now are largely dormant.

FDR has two 100% exploration permits in waters offshore in the W.A. Bedout Basin and North West Shelf. Industry activity in this vast and highly prospective region has stalled due to policy uncertainty and environmental activism.

In the UK, FDR has interests in four blocks, P2610 (50%), P2655 (100%), P2530 (20%) and P2656 with the latter in the process of being relinquished. In the past quarter, FDR farmed-down a part of its interest in block P2530 to Serica Energy UK, with studies underway to develop the 19MMbbl Wagtail field, or exit.

Also in the past quarter, Norway-based Equinor drilled two discovery wells in the block adjacent to P2610, with potentially positive ramifications for the existing Boaz gas & condensate discovery.

## Valuation: A\$0.80 (Prev \$0.85)

Our valuation is a DCF of forecast Kuda Tasi and Jahal cash flows. The primary reason for the decrease is due to a rising A\$/US\$ exchange rate.

Other KTJ cashflow model assumptions are:

- Brent oil price of US\$65/bbl in CY2027 and escalated at 2% p.a. (Unchanged).
- A\$/US\$ exchange rate for conversion of US\$ cashflows to A\$ of 70c (Prev. 65c).
- Kuda Tasi and Jahal entering production in late 4Q2027, delivering 27 million barrels of oil (gross) through to an economic cut-off in CY2034. This will depend on oil prices at the time, FPSO opex and production rates.
- Net after tax cash flows are discounted at 12% nominal.
- Cash \$19M as at 31 January 2026.

**Figure 3: Sum-of-parts valuation**

Asset Value (US\$M)	Unrisked	Risk	Risked	Oil (2C)	BOE	US\$/BOE	
						US\$M	US\$/bbl
<b>Prospective resources &amp; acreage</b>							
Kuda Tasi & Jahal	294	100%	294	16.8	16.8		17.48
Other PSC-19-11 prospects	17	50%	9	11.3			1
UK	2		2				0.00
W.A Bedout basin	0		0	0.0			
Corporate	-21		-21				
<b>Total E&amp;P assets (USD)</b>	<b>292</b>		<b>283</b>				
A\$/US\$ exchange rate	0.70		0.70				
<b>Total E&amp;P assets in A\$M</b>	<b>417</b>		<b>405</b>				
Cash (31 Jsn 26)- A\$	18.7		18.7				
Cap raise- A\$	25.0		25.0				
Total equity value-A\$	461		449				
Share count	495		495				
Options	11		11				
Perf Rights	58		58				
<b>Per share- A\$</b>	<b>0.82</b>		<b>0.80</b>				

Source: MST Access

## Risk factors

**Reserves and production.** The Kuda Tasi & Jahal fields and resources are defined from 5 wells, however there is no production history, only test results to inform how these fields behave over the proposed development period of the next 5-7 years.

**Kuda Tasi project execution and ongoing operation.** FDR have secured the services of SLB Ltd to design the KTJ project, and Amplus have been hired as operators and use of third-party contractors and while necessary at this juncture attenuates FDR's direct control of engineering and production.

**Funding.** Even with the TG farm-out and the current issuance FDR will need to source external funds, from shareholders, debt providers, industry partners or service providers. These may not be forthcoming, or may come with onerous conditions. We note a capital raising has been announced, and until voted for by shareholders, the money is not guaranteed.

**Oil prices are a key risk.** The Kuda Tasi and Jahal oil developments are small, with high upfront capex, followed by high early production and then steep decline over 5-6 years. Low oil prices at any time would threaten economics particularly in the years immediately after start-up when production is maximised.

## Catalysts

- Lock-in project debt finance for FDR's share of capex: early 2026.
- Complete Petrojarl acquisition (early 2026) and win shareholder approval to complete the current equity capital raising.
- Engage drilling contractors for the three well development program.
- Mid 2026: FID.
- 2H-2026-2027: Development drilling and FPSO deployment.
- Late 2027: First oil production.

## Personal disclosures

Stuart Baker received assistance from the subject company or companies in preparing this research report. The company provided them with communication with senior management and information on the company and industry. As part of due diligence, they have independently and critically reviewed the assistance and information provided by the company to form the opinions expressed in this report. They have taken care to maintain honest and fair objectivity in writing this report and making the recommendation. Where MST Financial Services or its affiliates has been commissioned to prepare content and receives fees for its preparation, please note that NO part of the fee, compensation or employee remuneration paid has, or will, directly or indirectly impact the content provided in this report.

## Company disclosures

The companies and securities mentioned in this report, include:

Finder Energy Holdings Ltd (FDR.AX) | Price A\$0.390 | Valuation A\$0.800;

*Price and valuation as at 29 January 2026 (\* not covered)*

## Additional disclosures

This report has been prepared and issued by the named analyst of MST Access in consideration of a fee payable by: Finder Energy Holdings Ltd (FDR.AX)

## Other disclosures, disclaimers and certificates

### Methodology & Disclosures

MST Access is a registered business name of MST Financial Services Limited (ABN 54 617 475 180 "MST Financial Services"), which is a limited liability company incorporated in Australia on 10 April 2017 and holds an Australian Financial Services Licence (AFSL 500 557). This research is issued in Australia through MST Access, which is the research division of MST Financial Services. The research and any access to it, is intended only for "wholesale clients" within the meaning of the Corporations Act 2001 of Australia. Any advice given by MST Access is general advice only and does not take into account your personal circumstances, needs or objectives. You should, before acting on this advice, consider the appropriateness of the advice, having regard to your objectives, financial situation and needs. If our advice relates to the acquisition, or possible acquisition, of a financial product you should read any relevant Product Disclosure Statement or like instrument.

**ECM and corporate advisory services:** MST Financial Services provides equity capital markets ("ECM") and corporate advisory services through its capital markets division, MST Capital Markets ("MST Capital"). MST Capital provides these services to a range of companies including clients of MST Access. As such, MST Capital may in the future provide ECM and/or corporate advisory services and, accordingly, may receive fees from providing such services. However, MST Financial Services has measures in place to ensure the independence of its research division is maintained, including information barriers between its Capital Markets and Research teams. In addition, neither MST Access, nor any of its research analysts, receive any financial benefit that is based on the revenues generated by MST Capital or any other division of MST Financial Services.

**Accuracy of content:** All information used in the publication of this report has been compiled from publicly available sources that are believed to be reliable, however we do not guarantee the accuracy or completeness of this report and have not sought for this information to be independently certified. Opinions contained in this report represent those of MST Access at the time of publication. Forward-looking information or statements in this report contain information that is based on assumptions, forecasts of future results and estimates of amounts not yet determinable, and therefore involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of their subject matter to be materially different from current expectations.

**Exclusion of liability:** To the fullest extent allowed by law, MST Access shall not be liable for any direct, indirect or consequential losses, loss of profits, damages, costs or expenses incurred or suffered by you arising out or in connection with the access to, use of or reliance on any information contained in this report. No guarantees or warranties regarding accuracy, completeness or fitness for purpose are provided by MST Access, and under no circumstances will any of MST Financial Services' officers, representatives, associates or agents be liable for any loss or damage, whether direct, incidental or consequential, caused by reliance on or use of the content.

## General Advice Warning

MST Access Research may not be construed as personal advice or recommendation. MST Access encourages investors to seek independent financial advice regarding the suitability of investments for their individual circumstances and recommends that investments be independently evaluated. Investments involve risks and the value of any investment or income may go down as well as up. Investors may not get back the full amount invested. Past performance is not indicative of future performance. Estimates of future performance are based on assumptions that may not be realised. If provided, and unless otherwise stated, the closing price provided is that of the primary exchange for the issuer's securities or investments. The information contained within MST Access Research is published solely for information purposes and is not a solicitation or offer to buy or sell any financial instrument or participate in any trading or investment strategy. Analysis contained within MST Access Research publications is based upon publicly available information and may include numerous assumptions. Investors should be aware that different assumptions can and do result in materially different results.

MST Access Research is distributed only as may be permitted by law. It is not intended for distribution or use by any person or entity located in a jurisdiction where distribution, publication, availability or use would be prohibited. MST makes no claim that MST Access Research content may be lawfully viewed or accessed outside of Australia. Access to MST Access Research content may not be legal for certain persons and in certain jurisdictions. If you access this service or content from outside of Australia, you are responsible for compliance with the laws of your jurisdiction and/or the jurisdiction of the third party receiving such content. MST Access Research is provided to our clients through our proprietary research portal and distributed electronically by MST Financial Services to its MST Access clients. Some MST Access Research products may also be made available to its clients via third party vendors or distributed through alternative electronic means as a convenience. Such alternative distribution methods are at MST Financial Services' discretion.

## Access & Use

Any access to or use of MST Access Research is subject to the [Terms and Conditions](#) of MST Access Research. By accessing or using MST Access Research you hereby agree to be bound by our Terms and Conditions and hereby consent to MST Financial Services collecting and using your personal data (including cookies) in accordance with our [Privacy Policy](#), including for the purpose of a) setting your preferences and b) collecting readership data so we may deliver an improved and personalised service to you. If you do not agree to our Terms and Conditions and/or if you do not wish to consent to MST Financial Services' use of your personal data, please do not access this service.

Copyright of the information contained within MST Access Research (including trademarks and service marks) are the property of their respective owners. MST Access Research, video interviews and other materials, or any portion thereof, may not be reprinted, reproduced, sold or redistributed without the prior written consent of MST Financial Services.