

0162/191

18 December 2019

-Translation-

Subject: The Acquisition of Barnett shale asset in USA

To: President of the Stock Exchange of Thailand

Banpu Public Company Limited ('Banpu') would like to inform the Stock Exchange of Thailand that an affiliate of Banpu North America Corporation ('BNAC'), has entered into a Purchase and Sale Agreement (PSA) to acquire a gas operatorship position in the Barnett shale, USA. The transaction is valued at \$770 million (equivalent to approximately Baht 23 billion). The transaction is subject to customary terms and conditions and is expected to complete in the second quarter of 2020.

The asset is located in Barnett shale play, Fort Worth Basin, Texas. This is a well-established gas asset with extensive gathering infrastructure across the field. The asset has been a cornerstone for supplying the gas to a key gas demand center in the Gulf Coast over the past two decades. Details are as follows;

- Premier large acreage position of over 320,000 total gross acres in the core of the Barnett Shale with high average working interests of approximately 89% in more than 4,200 wells with operatorship position, with extensive midstream infrastructure in-place
- Net production averaged approximately 600 million cubic feet per day (Mmcfd) in the third quarter of 2019, and 1P reserves of approximately 3.5 trillion cubic feet (Tcf) as of 1 September 2019 based on Devon Energy Corporation (seller) disclosure.

Upon a successful acquisition, Banpu's total net gas production is expected to increase from current of approximately 200 Mmcfd to 700 Mmcfd and 1P reserves increase more than triple to 4.2 Tcf.

The acquisition strategically fits with Banpu's strategy of greener & smarter aspiration and our ambition to expanding the company's footprint in the US shale gas. The asset is matured with relatively low-risk and low-decline production profiles, which provide not only a high immediate free cash flow generation, potential synergies around technology transfer with

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our existing portfolio but also diversification benefit into the epicenter of natural gas demand growth in the US.

Banpu certifies that this investment is not a connected transaction, and does not trigger the reporting requirement for the acquisition of assets of listed companies under the Notification of Capital Market Supervisory Board.

Please be informed accordingly and kindly disseminate the information herein to investors.

Sincerely yours,

- signature -

(Mrs. Somruedee Chaimongkol)

Chief Executive Officer