



INVICTUS
ENERGY LIMITED

Quarterly Report

For period ending
31 DECEMBER 2024

invictusenergy.com



ASX:IVZ | OTCQB:IVCTF | VFEX:INV



QUARTERLY HIGHLIGHTS

Operational

- Final Petroleum Production Sharing Agreement (PPSA) review completed, and finalisation in progress in preparation for execution.
- 3D seismic and additional appraisal drilling and testing at Mukuyu gas field planned.
- Next exploration drilling campaign to focus on the Musuma prospect to test the Dande play in eastern Cabora Bassa.
- Farm out process progressing, with discussions advancing with a number of prospective partners.

Corporate

- Tranche 2 of US\$10 million Zimbabwe strategic capital raise completed at AU\$0.10 per share with additional US\$2 million of oversubscriptions accepted.
- Company's AGM held, with all resolutions passed.

ABOUT INVICTUS ENERGY

- An independent upstream oil and gas company headquartered in Perth, Australia with offices in Harare, Zimbabwe
- Invictus is transitioning from explorer to developer, after making a significant gas discovery at the Mukuyu field in the Cabora Bassa Basin in Zimbabwe
- Invictus is committed to operating in a safe, ethical and responsible manner, respecting the environment, our staff, contractors and the communities in which we work



OPERATIONAL UPDATE

Petroleum Production Sharing Agreement (PPSA)

During the quarter, a final independent review of the Petroleum Production Sharing Agreement (PPSA) was completed by external European legal counsel, marking a significant milestone in the development of the Company's exploration and production activities (refer ASX announcement [29 November 2024](#)).

The PPSA is designed to ensure equitable sharing of value generated from the Cabora Bassa Project between the Government, Invictus and its partners and will also provide a robust governing framework for Zimbabwe's oil and gas sector.

The Mutapa Investment Fund of Zimbabwe ("Mutapa") – which committed to underwriting US\$5 million of a \$10 million capital raise in mid-2024 – has been assigned the beneficiary of the PPSA product/profit share and equity holder, on behalf of the Republic of Zimbabwe.

Finalisation of the PPSA is in progress in preparation for execution.

Farm out and strategic partner options progressing

During the quarter, Invictus continued discussions with a range of potential farm out and strategic partners to provide funding and support for the Cabora Bassa Project and forward work programs.

Exploration & Appraisal Program

In Q3 2024, eight new high potential prospects were defined in the eastern Cabora Bassa basin totalling 2.9 Tcf gas and 184 MMbbl condensate, highlighting significant upside potential for the Project (refer ASX announcement on [3 September 2024](#)).

The Company's next drilling campaign will focus on exploring the Musuma prospect to test the Dande play in eastern Cabora Bassa. This prospect has interpreted seismic amplitude support and is estimated to have a recoverable prospective resource of more than 1 Tcf and 73 million barrels of condensate.

Further 3D seismic and appraisal drilling and well testing at the Mukuyu Gas Field is planned to determine future development well locations and prepare for the early commercialisation pilot gas-to-power project for the Eureka Gold Mine (refer ASX announcement on [23 April 2024](#)).

The Company continues to conduct further evaluation of the oil-prone Basin Margin play to select additional prospects for future drilling.



CORPORATE UPDATE

Tranche 2 of strategic Zimbabwe investment completed

During the quarter, the second tranche of the US\$10 million Institutional Placement managed by Mangwana Capital (Private) Limited was completed (refer ASX announcement on [31 December 2024](#)).

Due to strong demand, the Company also accepted an additional US\$2 million in oversubscriptions on the same terms.

Tranche one of the Placement was partially underwritten by Mutapa, which was completed in August 2024 (refer ASX Announcement on [1 August 2024](#)).

This strategic investment is historic for both Invictus and investors in Zimbabwe, who can now hold and trade securities in the Company through its secondary listing on the Victoria Falls Stock Exchange.

AGM meeting and results

On 29 November 2024 the Company held its Annual General Meeting (AGM) in Perth, Western Australia. All resolutions put to the AGM were approved.

INFORMATION REQUIRED UNDER ASX LISTING RULES

1. ASX LR 5.3.5

During the quarter AUD\$239,701 was paid to related parties of the Company relating to executive director salary, non-executive director fees and company secretary fee.

2. ASX LR 5.3.1

The exploration and evaluation activity spend for the quarter totalled AUD\$3.93million. The spend in the quarter includes nonrecurring payments for the close out of the Mukuyu 2 well (AUD\$2million) and has been impacted by the weakening AUD to USD rate which increased the AUD equivalent of the US dollar payments.

3. ASX LR 5.3.3

In accordance with ASX Listing Rule 5.3.3 please find below the Company's tenements as at 31 December 2024:

Tenement	Opening	Disposed	Acquired	Closing
SG 4571*	80%	-	-	80%



EPO 1848*	80%	-	-	80%
EPO 1849*	80%	-	-	80%

*Located within the Cabora Bassa Basin in Zimbabwe. No binding farm-in or farm-out agreements were entered into during the quarter.

-ENDS-

This announcement was approved for release by the Board.

Questions and enquiries

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About our project – the Cabora Bassa Basin

Located in northern Zimbabwe, the Cabora Bassa Basin has long been an area of natural energy resource exploration interest due to its geology and rift basin setting analogous to many hydrocarbon habitats.

Dating back to the 1990s, Mobil Oil Corporation explored the area and identified significant potential. Since acquiring the project in 2018, Invictus has undertaken an aggressive work program acquiring 1,400km of 2D seismic, identifying a number of high potential plays and drilling two wildcat wells resulting in the Mukuyu gas-condensate discovery in late 2023.

The company is advancing field appraisal activities in Mukuyu and planning further exploration drilling across its 360,000-hectare license area to develop its resource base and become a key energy supplier to the rapidly expanding southern African market.

#Cautionary Statement

The estimated quantities of petroleum that may be potentially recovered by the application of a future development project relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration, appraisal and evaluation are required to determine the existence of a significant quantity of potentially movable hydrocarbons. Prospective Resource assessments in this release were estimated using probabilistic methods in accordance with SPE-PRMS standards.



Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Invictus Energy Ltd

ABN

21 150 956 773

Quarter ended ("current quarter")

DECEMBER 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date 6 months \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(435)	(578)
(e) administration and corporate costs	(1,020)	(1,914)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	46	64
1.5 Interest and other costs of finance paid	-18	-18
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other – Office Recharges	12	37
1.9 Net cash from / (used in) operating activities	(1,415)	(1,415)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities		
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	(3,931)	(5,172)
(e) investments	-	-



Consolidated statement of cash flows	Current quarter \$A'000	Year to date 6 months \$A'000
(f) other non-current assets	-	-
2.2 Proceeds from the disposal of:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other	-	-
2.6 Net cash from / (used in) investing activities	(3,931)	(5,172)

3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	9,312	18,760
3.2 Proceeds from issue of convertible debt securities	-	-
3.3 Proceeds from exercise of options	-	-
3.4 Transaction costs related to issues of equity securities or convertible debt securities	(649)	(1,171)
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	8,663	17,589

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	9,850	3,256
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(1,415)	(2,409)



Consolidated statement of cash flows		Current quarter \$A'000	Year to date 6 months \$A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(3,931)	(5,172)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	8,663	17,589
4.5	Effect of movement in exchange rates on cash held	355	258
4.6	Cash and cash equivalents at end of period	13,522	13,522

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	10,877	7,205
5.2	Call deposits	2,645	2,645
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	13,522	9,850

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	240 ¹
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

¹ Payments relate to executive director salary, non- executive director fees and company secretary fee.



7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
Not applicable		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(1,415)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(3,931)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(5,346)
8.4 Cash and cash equivalents at quarter end (item 4.6)	13,522
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	13,522
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	2.53
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	
8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: N/A	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	



Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 24 January 2025

Authorised by: The Audit & Risk Committee, 24 January 2025

(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.