



CHAUCER ENERGY LIMITED

ASX IPO

February 2021

Joint Lead Managers



Producing energy for a fast growing, modern economy



A FAST TO REVENUE GAS-SUPPLY PROJECT

Australian company with world-leading ISG expertise operating across key coal assets in Chile

Utilising InSitu-Gasification (ISG) to produce gas & electricity to regions in urgent need of energy supply

Exploration Concessions have been granted for three project locations

- Chosen on the basis of past drilling data, existing coal geology and local energy needs

A fast-to-market project strategy

- ✓ Chilean Government has previous experience of ISG and supports Chaucer energy project
- ✓ No preliminary trial is planned – 3MW of power generation needs minimal approvals
- ✓ Indicative costing for power development already undertaken

IPO proceeds to enable JORC and preparation for gas production within 24 months

A small & staged power play is planned to create early revenue and minimise CapEx & risk

- Creating revenue from power generation in 2022/23
- Expanding power generation rapidly with additional modular expansion
 1. Initially 3MW
 2. Thereafter expand to commercial scale



CHILE IS A MODERN ECONOMY AND HAS *IMMEDIATE* ENERGY NEEDS

With 19m people Chile has the highest per-capita GDP in South America

- Electricity demand - doubled since 2000 & set to more than double again by 2050
- Chile is a modern, Pacific-Nation economy

Chilean Govt. has established a 2050 National Energy Policy

- The #1 pillar is the quality and security of supply
- Our projects support the National Energy Policy in multiple ways

2/3rd of Chile's energy supply is imported

- 100% of oil, 80% of natural gas & 80% of coal are imported
- Over 90% of coal is used in power generation
- Australia is the 2nd largest provider of coal to Chile

Chile has 8th highest electricity price for industry amongst International Energy Agency nations

Firewood accounts for ~60% of domestic energy production. This is an urgent bio-health issue

Chilean Govt is supportive for projects that add domestic power generation & gas supply



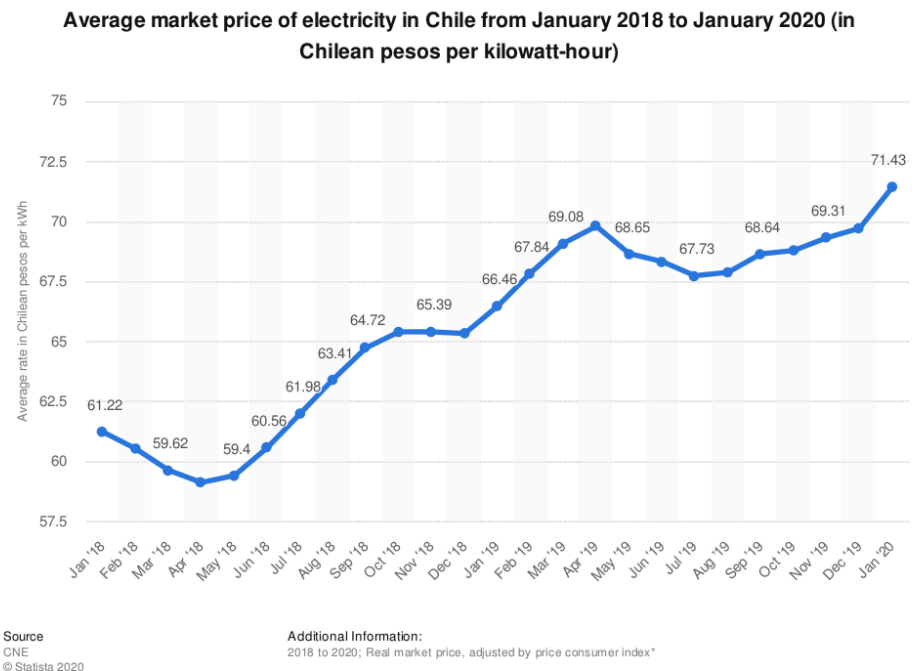
SUPPLYING ELECTRICITY IS AN ATTRACTIVE OPPORTUNITY

Electricity prices continue to rise in Chile
- Among highest in OECD

We plan to generate 3MW in 2022/23

Progressive scale-up to commercial scale

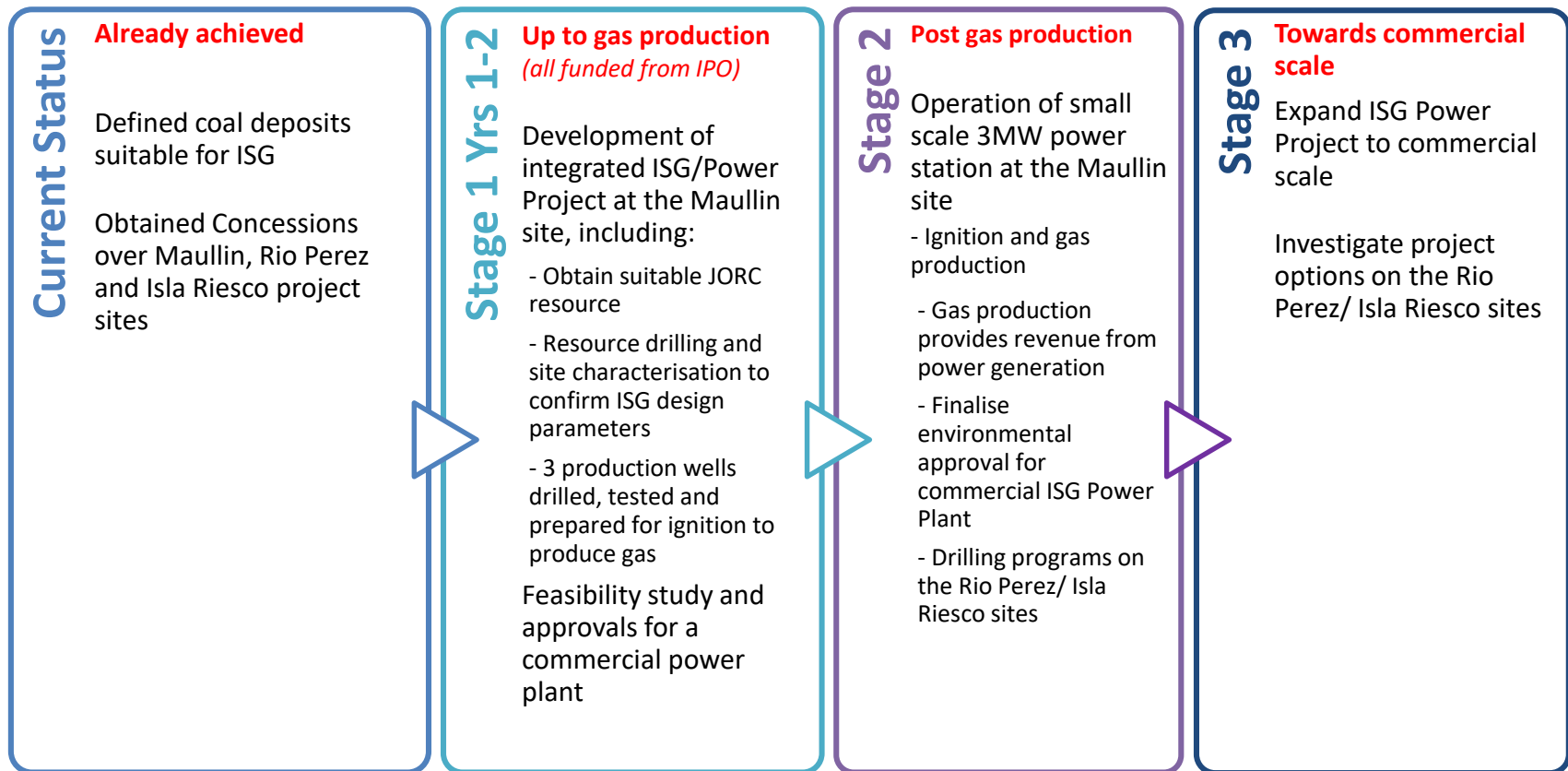
Phased development strategy minimises investment risk



Note: 71.4 peso/kWh = A\$124/MWh



CHAUCER HAS CLEAR PATHWAYS TO ELECTRICITY PRODUCTION



A staged project development aiming for near term revenue



LED BY AN EXPERIENCED BOARD OF DIRECTORS

Malcolm McAully
Chairman

- Malcolm has a strong business background with experience in a wide range of industries including financial services, energy generation and agribusiness.
- Past Chairman of three ASX Listed companies, including ISG company Cougar Energy Ltd, and is currently Chairman of ASX Listed Pure Foods Tasmania Ltd (ASX:PFT)



Dr Len Walker
Managing Director

- Len has qualifications and a background in geotechnical engineering, and for 10 years developed emerging ASX Listed companies in the resources area.
- He has spent over 20 years in advancing ISG projects, both in Australia & internationally. He founded Chaucer Energy in 2016 to develop commercial ISG operations in Chile



Stephen Layton
Non-Executive Director

- Stephen has over 35 years experience in the equity markets in the UK and Australia. He has specialized in capital raising services and opportunities, and assisting in the growth of emerging companies.
- He is currently on the Board of two ASX-listed companies in the resources area – ASX:MTH and ASX:SEI



Adrien Wing
Company Secretary

- Adrien is a CPA, having practiced in the audit and corporate advisory divisions of a chartered accountant firm.
- He has wide experience providing services as a corporate/accounting consultant and Company Secretary, and currently provides these services to a number of ASX listed companies





MANAGED BY AN EXPERIENCED, WORLD CLASS ISG TEAM

Dr Len Walker

- Geotechnical engineer, Founder and MD of Chaucer Energy, with over 30 years involvement in the ISG industry.
- Responsible for ISG project demonstrations and published ISG papers in Australia, the UK and USA

Dr Michael Blinderman

- Chemical engineer, Founder and CEO of Ergo Exergy Technologies Inc., internationally leading ISG technology provider to ISG gas producing projects in Australia, South Africa, New Zealand and the FSU, associate of Dr Walker since 1996. Lead author of recently published ISG text book

Valeri Melik

- Electrical engineer/project manager, experienced in the planning and on-site execution of the Kingaroy ISG project.
- Associate of Dr Walker since 2008

Kura Minerals SpA

- Chaucer representative in Chile, providing technical, legal and administrative support

Multiple support consultants

- Each with specialist expertise in the fields of geology, groundwater and chemical engineering



WITH A QUALITY ON-GROUND TEAM IN CHILE

Kura Minerals Team



Thomas Eggers | Head of
Economic Geology



Álvaro Florez | Head of Legal
Partner

Chaucer has been working with Kura Minerals for over two years

The Kura team provides experienced geological and legal advice

Providing close contact with key Chilean Govt Depts responsible for overseeing ISG operations



PROJECT LOCATIONS AND CONCESSIONS

1. Mid South: MAULLIN – South-west of Puerto Montt

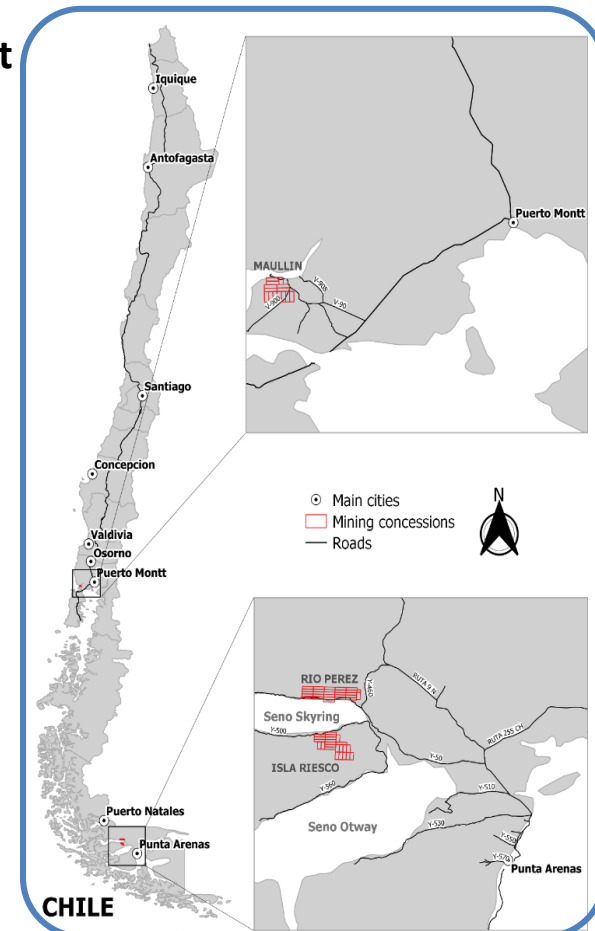
- Granted Concession of 4,100Ha with prospective coal deposit as initial project

2. Deep South: PUNTA ARENAS - Magellan Basin

- Granted Concessions of 8,200Ha (Rio Perez) and 6,900Ha (Isla Riesco) with prospective coal deposits
- Additional prospective Concession areas identified for later application

Areas selected based on:

- ✓ Presence of known local coal deposits
- ✓ Existing drill, seismic & geological data
- ✓ Regional need for gas for electricity and potential chemical manufacture



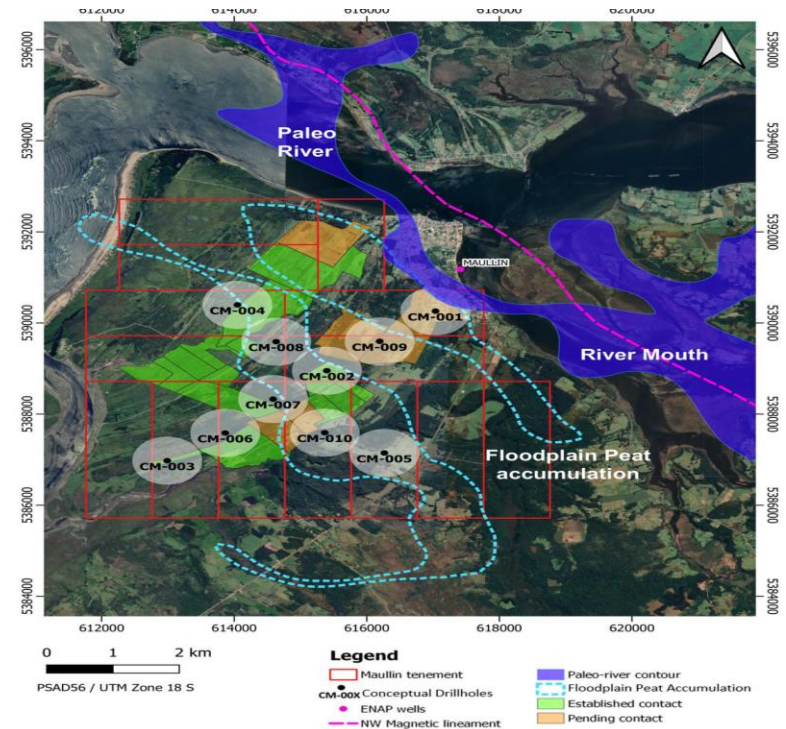


EVIDENCE OF COAL - PROJECT LOCATIONS

- Coal Seam outcrop Isla Riesco



- Proposed drilling program - Maullin





EXISTING POWER INFRASTRUCTURE SUPPORTS MAULLIN PROJECT

- ✓ Power grid available on Maullin Concessions
- ✓ Main sub-station connection to National grid
- ✓ Low intensity land use
- ✓ Power on site + on grid to export only 20km away

- ➡ **Import power to get started**
- ⬅ **Export power thereafter**





INTENDED POST LISTING MILESTONES TO REPORT ON

MAULLIN

1. Drilling to verify coal deposit
2. Drilling to establish extent of JORC resource
3. Submit notification for 3MW power plant
4. Installation plus air-testing of three production wells
5. Source 3MW gas engines in readiness for ignition & feeding electricity into grid
6. Conduct survey of Power Market
7. Submit EIS for commercial plant
8. PFS for commercial plant

RIO PEREZ/ ISLA RIESCO

1. Drilling and scoping of the extent of coal resource
2. Evaluate project options



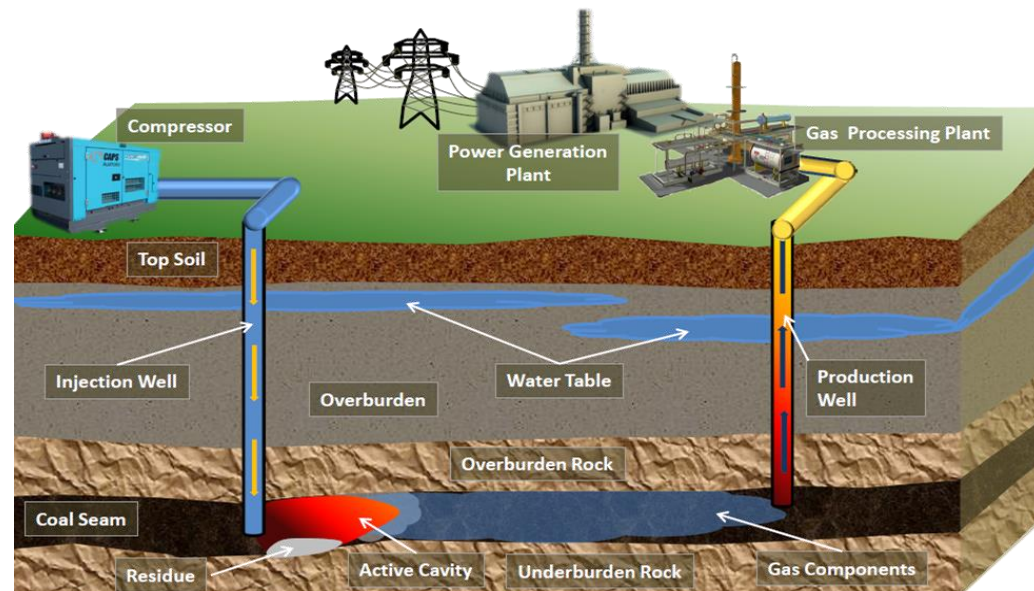
GAS PRODUCTION FROM ISG

ISG is an early form of gas production

- ✓ Internationally recognised
- ✓ Technically understood process
 - Inexpensive vertical wells used for coal at depths of 150m to 300m
 - Inject air under pressure & ignite coal
 - Combustion products flow from injection to production well
 - Chemical reactions produce syngas
 - Syngas is recovered & piped for end use
- ✓ Can be readily expanded

Staged project development

- Initial power gen. of 3MW
- Thereafter modular expansion to commercial scale power generation
- Evaluate other ISG gas project options



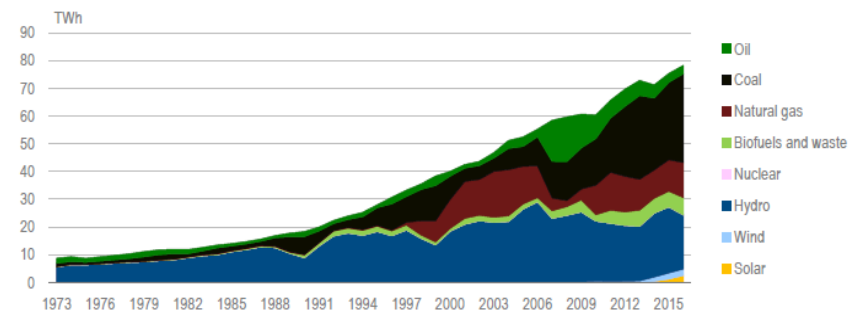


ISG ENHANCES CHILEAN DOMESTIC ENERGY SECURITY

- Reducing reliance on importing coal & building coal fired power stations is a key component in Chile's energy security strategy
 - Imported coal accounts for 80% of total coal supply
 - Over 90% of coal is used in power generation
 - Only one significant domestic open cut coal mine exists in Chile
- After the Chilean natural gas crisis of the mid-2000s, increasing coal use for power generation helped to maintain the security of electricity supply and limit the use of expensive diesel
- In 2016 coal-fired power plants accounted for 44% of the 74 terawatt hours generated
- While coal remains essential for Chile's long-term energy supply, significantly more investment in generating capacity and grid connections is required
- The Chilean government is supportive of projects that produce energy and reduce demand on electricity from coal-fired power stations

Chaucer Energy Limited projects support the Chilean Govt's 2050 Energy Policy by providing national energy security and reliable energy to regions with limited access to power

Figure 5.2 Electricity generation by source, 1973-2016



Note: Data are estimated for 2016.

Source: IEA (2017b), *World Energy Balances 2017*, www.iea.org/bookshop/753-World_Energy_Balances_2017.



COAL GASIFICATION IS A PART OF CHILE NATIONAL ENERGY AGENDA

ENERGY AGENDA

A CHALLENGE FOR THE COUNTRY, PROGRESS FOR EVERYONE



As one of the 50 measures for the first 100 days of Government, the Ministry of Energy was entrusted with the preparation of an agenda to be used as a road map to devise and implement a long-term Energy Policy with social, political and technical validation.

03

DEVELOPMENT OF
OUR OWN ENERGY
RESOURCES

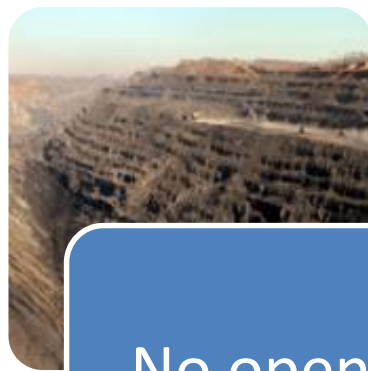
Reference to Coal Gasification *(page 53)*

5.7 Coal Gasification Project in Magallanes.

We will continue with the work already started by this Ministry with the University of Magallanes so that the Region of Magallanes and Antártica Chilena may have, among their energy options, a coal gasification project for the supply of gas to its inhabitants and for electricity generation.



BENEFITS OF PRODUCING GAS ONSITE



No open
Cut Mines



No coal
burning
power
stations



Small
surface
footprint

Reduces:

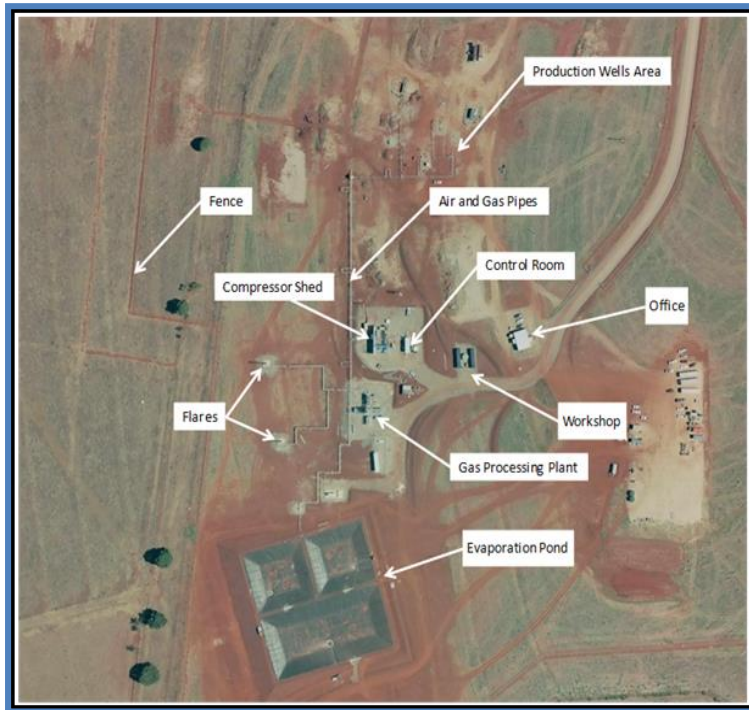
- Surface footprint
- Land occupancy timeframe
- Land compensation
- Pollution (noise, dust, fumes etc)
- Land use for power generation
- Emissions compared to conventional methods

- ✓ Minimal land use disruption
- ✓ Minimal use of local natural resources
- ✓ Quick release & restoration of operating areas
- ✓ Relatively low CapEx and fast to production
- ✓ Supports Chile's 2050 National Energy Project

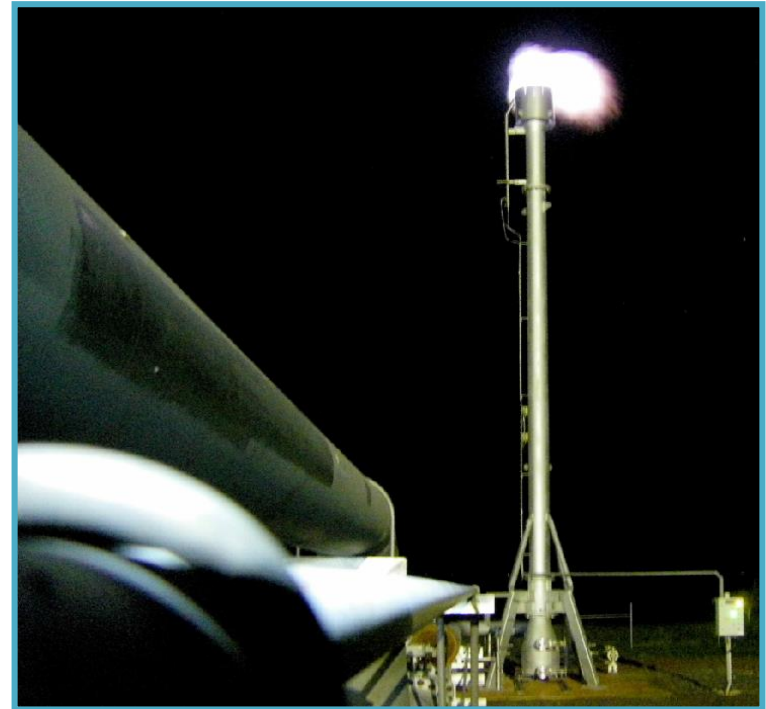


CHAUCER TEAM GAS PRODUCTION – KINGAROY ISG PROJECT

Site layout – initial gas production



Gas production flare





KEY DETAILS

DIRECTORS

Malcolm McAully	Non-Exec Chairman
Past Chairman - Cougar Energy Ltd. Current chair PFT Ltd	
Dr Len Walker	Managing Director
Geotechnical engineer & founder. Multiple ISG projects	
Stephen Layton	Non-Exec Director
35 years equity markets experience. Currently on boards of MTH & SEI	

MAJOR SHAREHOLDERS (Post IPO on min. subscription)

Innisfree P/L (Dr L Walker)	40.2%
Bodie Investment P/L (S Layton)	6.7%
Covenant Holdings P/L	5.4%

INDICATIVE TIMETABLE

Lodge Replacement Prospectus with ASIC	29 Oct 20
Closing Date for the Offer	19 Feb 21
Allotment Date	05 Mar 21
Despatch of holding statements	8 Mar 21
Expected date for quotation on ASX	15 Mar 21

Dates indicative and subject to change

APPLICATION OF FUNDS

	MIN ('000)	MAX ('000)
Funds raised from the Offer	4,500	5,500
Existing cash reserves	115	115
TOTAL FUNDS AVAILABLE	4,615	5,615
Exploration/ Drilling— Maullin Project	740	740
Exploration/ Drilling— Rio Perez/ Isla Riesco Projects	380	500
Conversion to Exploitation Mining Concessions	60	60
Site Characterisation & Feasibility Studies – Maullin	830	830
Advanced Plant/ Site preparation	-	500
Staff, Opex and Working capital	2,160	2,470
Expenses to the Offer	445	515
TOTAL FUNDS TO BE USED	4,615	5,615

INDICATIVE CAPITAL STRUCTURE AT LISTING

	Min \$4.5m	Max \$5.5m
Existing shares on issue	49.2m	49.2m
Public offer shares	22.5m	27.5m
Shares to be issued pursuant to existing agreements	1.5m	1.5m
TOTAL SHARES ON ISSUE POST IPO	73.2m	78.2m
Market cap @ 20c	\$14.6m	\$15.6m
Enterprise Value (approx.)	\$10.1 million	



SUMMARY

- ✓ High GDP growth country with immediate and fast-growing energy needs
- ✓ Long established Chile/ Australia corporate relationships- good jurisdiction
- ✓ Our executives and team have long international experience in ISG technology
- ✓ Chile regulators are familiar with our project, locations and ISG
- ✓ Detailed preparatory work has defined coal deposits with ISG project potential
- ✓ Key Concessions granted with future project options defined
- ✓ No preliminary trial is required. 3MW of power generation needs minimal approvals
- ✓ Ability to bring power generation to market quickly and for minimal initial CapEx
- ✓ Regular milestones for post-listing growth



CORPORATE DIRECTORY

Company Secretary

Adrien Wing

Registered and Principal Office

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Melbourne, Victoria 3000

Phone: +61 3 96140600

Fax: +61 3 96040550

Email: enquiries@chaucerenergy.com.au

Website: www.chaucerenergy.com.au

Share Registry

Automic Group

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Sydney, New South Wales 2000

Phone (within Australia): (02) 8072 1400

Phone (outside Australia): +61 (02) 9698 5414

Auditor

BDO Audit Pty Ltd

Tower 4, Level 18, Collins Square
727 Collins Street
Melbourne, Victoria 3008

Independent Geologist

Global Resources and Infrastructure Pty Ltd

PO Box 360 Mont Albert, Victoria 3127

Legal Advisors (Australia)

HFW Australia

Level 39, Bourke Place
600 Bourke Street
Melbourne, Victoria 3000

Legal Advisors (Chile)

Valdivieso, Gutierrez & Manriquez
Abagodas
Alcantara 200, Of 1202
Las Condes, Santiago
Chile

Investigating Accountant

BDO Corporate Finance (East Coast) Pty Ltd

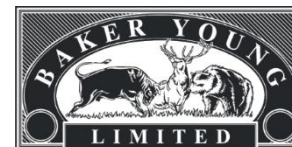
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JOINT LEAD MANAGERS

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Pulse Markets Pty Ltd

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Managing Director

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Providing energy security for a fast growing economy



DISCLAIMER

Disclaimer

Applications can only be accepted on the Application form contained in the Company's Replacement Prospectus lodged with ASIC on 29 October 2020 (Prospectus), a copy of which is available at www.chaucerenergy.com.au. The Replacement Prospectus was lodged with the Australian Securities and Investments Commission (ASIC) on that date and replaces the Original Prospectus issued by the Company dated 9 October 2020 lodged with ASIC on that date. This presentation has been prepared by Chaucer Energy Limited, ('Chaucer' or 'Company'). This presentation has been prepared in good faith, as a summary only, and does not contain all information about Chaucer's assets and liabilities, financial position and performance, profits and losses, prospects, and the rights and liabilities attaching to Chaucer's securities. The securities issued by Chaucer are considered speculative and there is no guarantee that they will make a return on the capital invested, that dividends will be paid on the shares or that there will be an increase in the value of the shares in the future. Chaucer does not purport to give financial or investment advice. No account has been taken of the objectives, financial situation or needs of any recipient of this presentation. Certain information in this document has been derived from third parties and although Chaucer has no reason to believe that it is not accurate, reliable or complete, it has not been independently audited or verified by Chaucer. Recipients of this presentation should carefully consider whether the securities issued by Chaucer are an appropriate investment for them in light of their personal circumstances, including their financial and taxation position. Investors should make and rely upon their own enquiries before deciding to acquire or deal in the Company's securities.

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Various statements in this presentation constitute statements relating to intentions, future acts and events which are generally classified as "forward looking statements". These forward looking statements are not guarantees or predictions of future performance and involve known and unknown risks, uncertainties and other important factors (many of which are beyond the Company's control) that could cause those future acts, events and circumstances to differ materially from what is presented or implicitly portrayed in this presentation. For example, future reserves or resources or exploration targets described in this presentation may be based, in part, on market prices that may vary significantly from current levels. These variations may materially affect the timing or feasibility of particular developments. Words such as "anticipates", "expects", "intends", "plans", "believes", "seeks", "estimates", "potential" and similar expressions are intended to identify forward-looking statements. Chaucer cautions security holders and prospective security holders to not place undue reliance on these forward-looking statements, which reflect the view of Chaucer only as of the date of this presentation. The forward-looking statements made in this presentation relate only to events as of the date on which the statements are made. Except as required by applicable regulations or by law, Chaucer does not undertake any obligation to publicly update or review any forward-looking statements, whether as a result of new information or future events. Past performance cannot be relied on as a guide to future performance.

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Competent Persons Statement.

The information contained in this Prospectus that relates to Exploration Results is based on, and fairly represents, information compiled by Ian Buckingham, a Competent Person who is a member of the Australian Institute of Mining and Metallurgy. Ian Buckingham is a full time employee of Global Resources & Infrastructure Pty Ltd and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code). Ian Buckingham consents to the inclusion in this Prospectus of the matters based on his information in the form and context in which it appears.

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