

SINTANA ENERGY INC (TSX-V:SEI)

July 21, 2025

Share price: C\$0.61

Target: C\$1.80

Multiple offers received by Galp for Mopane

- Galp has received multiple non-binding offers from reputable parties for a stake in PEL 83, home to the Mopane discovery.
- The company is actively engaging with several counterparties, aiming to announce a farm-in partner by YE25.
- These counterparties bring strong operatorship credentials and have prioritized Namibia within their corporate strategies. They are committed to advancing and fully exploring the licence at a value-enhancing pace for Galp.
- Any announced transaction would provide meaningful readthrough for Sintana's 4.9% carried interest in PEL 83, which we currently value at C\$1.19 per share.
- Drilling at PEL 90 in partnership with Chevron is expected to commence in late 2025/early 2026, carrying an unrisks NAV of C\$0.79 per share.
- Additionally, a carried well at PEL 82 in the Walvis Basin is planned for early 2026, also operated by Chevron. The unrisks NAV for this asset is estimated at C\$0.24 per share.
- We reaffirm our target price of C\$1.80/sh.

Rating & target	Old	New	
Target	C\$1.80	n.c.	
Yield		0%	
Implied total return		186%	
Share data	2024	2025e	2026e
Shares dil., mm	408	408	408
Mkt cap (FD), US\$mm	\$226	\$184	\$193
EV, US\$mm	\$208	\$182	\$193
Financial data	2024	2025e	2026e
CFO, US\$mm	(\$8)	(\$4)	(\$4)
Net capex, US\$mm	\$0	\$11	\$0
Net debt, US\$mm	(\$18)	(\$2)	\$0
CFPS dil., US\$/shr	(\$0.02)	(\$0.01)	(\$0.01)
EPS dil., US\$/shr	(\$0.03)	(\$0.01)	\$0.00
Valuation	2024	2025e	2026e
Share price, C\$/shr	\$0.75	\$0.63	\$0.63
EV/DACF	n.a.	n.a.	n.a.
Net asset value			
CNAV, C\$/shr			\$1.16
RENAV, C\$/shr			\$1.81
Unrisks NAV, C\$/shr			\$4.47
P/CNAV			0.5x
P/RENAV			0.3x
P/Unrisks NAV			0.1x

All figures in US\$ unless otherwise noted

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PEL 79 Licence extension and progress at PEL 87

- The PEL 79 licence has been extended by a year to July 2026. Sintana owns ~16.5% interest in PEL 79 located adjacent to PEL 85 where Rhino Resources and Azule Energy (BP and Eni) have made a light oil discovery at Capricornus-1X and where a third well is expected to be spud in 3Q25. PEL 79 is also adjacent to PEL 3 where BW Energy is expected to start an exploration and appraisal campaign in 2H25. Our unrisks NAV for PEL 79 is C\$0.24 per share.
- Pancontinental, the operator of PEL 87, reported that the quantitative interpretation of the 3D seismic data provides support for a high net to gross reservoir system, with hydrocarbon fluid effects in evidence coincident with identified AVO anomalies. Basin modelling also confirms that the Kudu source rock is ubiquitous across PEL 87, with a mature kitchen generating low GOR oil directly beneath and to the northeast of the Saturn Complex. Modelling indicates generative capacity exceeding 20 bnbbbl feeding directly into the Saturn Complex. Our unrisks NAV for PEL 87 is C\$1.77 per share.

Valuation

Our ReNAV for Sintana is C\$1.81 per share. Our overall unrisks NAV for the company, including both Namibia and Angola, is C\$4.47 per share.

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Figure 1. Financial & operating information

Sintana Energy Inc. (SEIV)		Historical & Auctus Advisors Outlook					
Financial & Operating Information		2022	2023	2024	2025e	2026e	2027e
Commodity Prices							
Brent	US\$/bbl	\$99.60	\$82.10	\$83.00	\$74.97	\$70.00	\$70.00
Henry Hub	US\$/mcf	\$6.42	\$3.00	\$4.38	\$5.50	\$5.50	\$5.50
USD / CAD	US\$/C\$	0.770	0.748	0.740	0.717	0.750	0.750
Production							
Oil & Gas	boe/d	0	0	0	0	0	0
Financials							
Cash Flow (CFO)	US\$mm	(\$6)	(\$3)	(\$8)	(\$4)	(\$4)	(\$4)
CFPS - diluted	US\$/shr	(\$0.06)	(\$0.01)	(\$0.02)	(\$0.01)	(\$0.01)	(\$0.01)
EBITDAX	a US\$mm	(\$5)	(\$4)	(\$13)	(\$6)	(\$4)	(\$4)
E&D Capex	US\$mm	\$0.00	\$0.17	\$0.16	\$7.94	\$0.00	\$0.00
A&D Capex, Net	US\$mm	\$0.86	\$0.00	\$0.00	\$3.29	\$0.00	\$0.00
Total Net Capex	US\$mm	\$0.86	\$0.17	\$0.16	\$11.23	\$0.00	\$0.00
Total Net Capex/CFO	x	-0.1x	-0.1x	0.0x	-2.8x	0.0x	0.0x
Leverage							
Net Debt	US\$mm	(\$6)	(\$4)	(\$18)	(\$2)	\$0	\$0
Net debt/CFO (Trailing)	x	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Entry Net Debt/CFO	x	(\$0)	n.a.	n.a.	n.a.	n.a.	\$0
Capital Structure							
Basic Shares o/s @ YE	mm	270	282	375	376	376	376
Diluted Shares o/s @ YE	mm	270	395	408	408	408	408
Market Capitalization (fully diluted)	US\$mm	\$23	\$103	\$226	\$184	\$193	\$193
Enterprise Value	US\$mm	\$17	\$99	\$208	\$182	\$193	\$193
Dividends & Sustainability							
Dividends	US\$mm	0	0	0	0	0	0
Dividends	C\$/shr	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Dividend Yield	%	0%	0%	0%	0%	0%	0%
Free Cash Flow	US\$mm	(\$7)	(\$3)	(\$8)	(\$15)	(\$4)	(\$4)
Cash Use/CFO	%	-14%	-5%	-2%	-281%	0%	0%
Performance							
Prod. Per Shr Growth (Y/Y) - dil.	%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
PPS Growth (Y/Y) DDA - dil.	b %	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
CFPS Growth (Y/Y) - dil.	%	52771%	-47%	138%	-48%	0%	0%
CFPS Growth (Y/Y) DDA - dil.	b %	13943%	-85%	99%	-54%	-2%	-2%
ROCE	%	-2%	-38%	-130%	-130%	-18%	-18%
Net Asset Value							
CNAV (Atax) - diluted	C\$/shr	\$1.16					
RENAV (Atax) - diluted	C\$/shr	\$1.81					
Unrisked NAV (Atax) - diluted	C\$/shr	\$4.47					
P/CNAV	x	0.5x					
P/RENAV	x	0.3x					
P/Unrisked NAV	x	0.1x					
Valuation		2022	2023	2024	2025e	2026e	2027e
Share Price, YE/Current	C\$/shr	\$0.11	\$0.35	\$0.75	\$0.63	\$0.63	\$0.63
P/CF	x	-1.4x	-23.3x	-26.5x	-43.2x	-45.3x	-45.3x
EV/DACF	x	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Target EV/DACF	x	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

a) EBITDAX = Pre-Int. & Pre-Tax Cash Flow; b) DDA = Debt-and-Dividend-Adjusted

c) CNAV incl. 2P reserves, RENAV incl. 2P reserves + Risked LT inventory upside, ENAV incl. 2P reserves + Unrisked LT inventory upside

Source: Auctus advisors, Company Disclosures

**Futures strip as of 21-Jul-25

Figure 3. NAV Table

Asset Valuation	WI Reserves and Resources (mmboe)	CoS (%)	Unrisked (US\$mm)	EMV (US\$mm)	C\$/Share (Risky)	C\$/Share (Unrisked)	% Total
Net Cash/Debt YE25			2	2	0.01	0.01	0%
G&A			-13	-13	-0.05	-0.05	-3%
Options and Warrants exercise			4	4	0.01	0.01	1%
Namibia							
PEL 83 - Mopane (Namibia Offshore)	42.9	100%	345	345	1.19	1.19	66%
Total Core NAV			337	337	1.16	1.16	64%
Namibia							
PEL 90 (Namibia Offshore)	n.a.	35%	230	80	0.28	0.79	15%
PEL 87 (Namibia Offshore)	167.9	15%	514	54	0.19	1.77	10%
PEL 82 (Namibia Offshore)		35%	69	24	0.08	0.24	5%
PEL 79 (Namibia Offshore)			69	2	0.01	0.24	0%
PEL 103 (Namibia Onshore)			0	0	0.00	0.00	0%
Angola							
KON-16 (Angola) - Pre-Salt prospect		20%	45	9	0.03	0.16	2%
KON-16 (Angola) - Post-Salt prospect		20%	15	3	0.01	0.05	1%
Colombia							
VMM 37 (Colombia)		80%	16	13	0.04	0.06	2%
Total Risked Exploration			957	186	0.64	3.31	36%
Total			1,294	523	1.81	4.47	100%
Unrisked NAV					4.47		
P/Core NAV				54%			
P/NAV				35%			
P/Unrisked NAV				14%			

Source: Auctus Advisors, Company Reports

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