

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **DISCLOSEABLE TRANSACTION**

### **THE AGREEMENT**

The Board is pleased to announce that on 30 June 2025 (after trading hours), the Participant (an indirect wholly-owned subsidiary of the Company) entered into the Agreement with BRW (the owner of the Working Interest) as the operator, pursuant to which the Participant desires to participate and farm-in to the interest of BRW in the Lands to earn an interest in the Well and shall pay to BRW the Well Costs of C\$1,298,511 (approximately HK\$7,402,000), representing 100% of the costs to drill, complete, test, equip and tie-in or abandon the Well.

### **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios (as defined in the Rule 14.07 of the Listing Rules) is more than 5% but less than 25%, the Agreement constitutes a discloseable transaction for the Company and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

The Board is pleased to announce that on 30 June 2025 (after trading hours), the Participant (an indirect wholly-owned subsidiary of the Company) entered into the Agreement with BRW (the owner of the Working Interest) as the operator, pursuant to which the Participant desires to participate and farm-in to the interest of BRW in the Lands to earn an interest in the Well and shall pay to BRW the Well Costs of C\$1,298,511 (approximately HK\$7,402,000), representing 100% of the costs to drill, complete, test, equip and tie-in or abandon the Well.

\* For identification purpose only

## **THE AGREEMENT**

The principal terms of the Agreement are as follows:

### **Date**

30 June 2025 (after trading hours)

### **Parties**

- (1) EP Resources Corporation (an indirect wholly-owned subsidiary of the Company) as the Participant; and
- (2) BRW Petroleum Corp. (the owner of the Working Interest) as the operator.

### **Subject matter**

#### ***The Well***

Pursuant to the Agreement, the Participant shall, within ten (10) business days of the later of (i) the date of execution and delivery of the Agreement and (ii) the date that BRW delivers to the Participant the final version of the revised AFE mutually agreed to by the parties and notice of cash call (or such later date otherwise agreed to by the parties in writing), pay to BRW the Well Costs of C\$1,298,511 (approximately HK\$7,402,000) pursuant to the AFE, representing 100% of the costs to drill, complete, test, equip and tie-in or abandon the Well.

Upon payment of the Well Costs, the Participant will be deemed to have accepted and consented to the AFE and agrees to participate in the drilling of the Well, as if an independent operations notice in respect of the Well had been served concurrent therewith.

Subject to regulatory approval, rig availability and surface access, BRW shall spud the Well on or before 31 July 2025 (or such other date as otherwise agreed to by the parties in writing), and thereafter shall diligently and continuously drill the Well in accordance with the well design specifications set out in the AFE and subsequently complete, equip and tie-in or abandon the Well.

Upon the Participant paying the Well Costs to BRW, and provided the Participant is not otherwise in default, the Participant will earn the following interests in the Well and associated petroleum and natural gas right of the Farmout Lands, effective as of the date of payment of the Well Costs, resulting in the following Working Interests therein:

	<b>The Participant</b>	<b>BRW</b>
Working Interest in the Well before Payout	70%	30%
Working Interest in the Well after Payout	50%	50%

### ***The Well Costs***

The Well Costs of C\$1,298,511 (approximately HK\$7,402,000) were determined between the parties to the Agreement after arm's length negotiation with reference to, among other things, (i) the Company's assessment on the Well Costs based on the drilling and completion costs of wells drilled in the same oil formation in Alberta, the design specification of the Well and the market rate/quotations for the drilling and completion activities of the Well obtained by the Participant which are considered to be reasonable by the Company; and (ii) the economic feasibility of the Well.

The Well Costs is expected to be funded out of the Group's internal financial resources, including the net proceed obtained from the placing of new shares as detailed in the announcements of the Company dated 15 January 2025, 27 January 2025 and 12 February 2025.

### ***The Option Well***

If BRW elects to drill or participate in the drilling of the Option Well, BRW shall, prior to drilling, participating, or presenting the opportunity to any other potential participant, notify the Participant and the Participant shall have the option to participate in any Option Well, and the following shall apply in respect of each such Option Well:

BRW shall give written notice to the Participant of BRW's intention to drill or participate in the drilling of an Option Well (the "**Option Notice**"). Such Option Notice must contain sufficient details (including details related to location, pre-participation working interest, and anticipated cost and timing) and be accompanied by supporting title and regulatory materials, technical data and financial information as may be reasonably necessary for the Participant to evaluate whether to participate in the opportunity.

Within thirty (30) days from receipt of such Option Notice and accompanying materials, the Participant shall notify BRW, in writing, of its election to participate in such Option Well (the "**Option Election**"). Otherwise, the Participant will be deemed to have elected not to participate in such Option Well. The Participant shall have the right, in its sole discretion, to elect to participate in any Option Well as to the same capital contributions and interest earning arrangement as set out in the Agreement. Alternatively, the parties may mutually agree, in writing, as to the share of costs and working interest allocation applicable to any such Option Well.

If, within thirty (30) days of BRW's receipt of the Option Election, the parties to the Agreement are unable to mutually agree to the share of costs and working interest allocation applicable to an Option Well in accordance with the terms of the Agreement, the Participant shall have the right, in its sole discretion, to elect to participate as to the same capital contributions and interest earning arrangement as set out in the Agreement. If the Participant does not make such election, the Participant will be deemed to have elected not to participate in such Option Well.

If the Participant elects to participate in an Option Well, BRW shall send the Participant an AFE for the Participant's elected working interest share in the Option Well and the Participant shall have fifteen (15) business days to make payment of the same. An election by the Participant not to participate in a certain Option Well shall not extinguish BRW's ongoing obligation to make such offers to the Participant with respect to any other Option Well in accordance with the Agreement.

Except the terms as set out in the Agreement in respect of the Option Well, all other terms and conditions of the Agreement that apply to the Well will apply to any Option Well(s) in which the Participant elects to participate.

### ***Payout***

BRW will supply the Participant with a written statement evidencing in reasonable detail of all debits and credits made in calculating Payout (including supporting calculations for those debits and credits) for the Well and any Option Well:

- (a) within two (2) months of the drilling rig release of the Well for the initial statement; and
- (b) every month thereafter when the Well (or any Option Well) is producing Petroleum Substances or is capable of production but not then producing Petroleum Substances.

### **The Trust Agreement**

Upon payment by the Participant of the Well Costs, (a) no later than three (3) business days thereafter the parties to the Agreement shall execute and deliver the Trust Agreement in the form as attached in the Agreement, the Trust Agreement shall be effective as of the date of the Participant's earning in each Well; and (b) BRW shall take all steps necessary to transfer and assign to the Participant its Working Interest earned pursuant to the Agreement and BRW shall hold such Working Interest in trust for the benefit of the Participant until such transfer is complete pursuant to the Trust Agreement. For certainty, the arrangements of the Trust Agreement shall apply in the same manner with adjustments for the specific facts to any Option Well in which the Participant elects to participate.

## **INFORMATION ABOUT THE GROUP AND THE PARTICIPANT**

The Group is principally engaged in the businesses of petroleum exploration and production, solar energy, money lending and investment in securities.

The Participant is engaged in the petroleum exploration and production business located in Alberta which is incorporated in Alberta with limited liability and is an indirect wholly-owned subsidiary of the Company.

## **INFORMATION ABOUT BRW AND THE LANDS**

BRW is a company incorporated in Alberta with limited liability and is principally engaged in exploration and production of oil and gas. BRW has the rights and interests in the Lands and petroleum and natural gas rights.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, BRW and its ultimate beneficial owner, namely Mr. BAO Jianjiang, are third parties independent of the Company and connected persons of the Company.

The Lands is located in the Provost area, about 450km northeast of Calgary in Alberta. The primary reservoirs under the Lands consist of the Mannville group of formations which are found in the Eastern Central Plains of Alberta. Oil in the Lands is with API in the range between 22 to 26 degrees. The Lands comprise lands, formations and Petroleum Substances together with the right to explore for and recover Petroleum Substances within, upon or under such lands, insofar as such rights are granted by the Leases or other title documents (as applicable), as set forth and described in the schedule in the Agreement.

## **REASONS FOR AND BENEFITS OF THE AGREEMENT**

As mentioned in the annual report of the Company for the year ended 31 December 2024, it is the Group's business strategy to continue developing its petroleum exploration and production business, along with expanding and diversifying its business in the energy sector by operating renewable energy projects, which support the healthy and sustainable business development of the Group in the long run and create new value to shareholders. The Directors consider that the entering into of the Agreement is part of the development of the Group's oil exploration and production business which is in line with the Company's business strategy. The Directors also believe that the Agreement would enable the Group to have more future cooperation opportunities with BRW including participating in the drilling of the Option Wells which could generate stable revenue for the Group in the long term.

Based on the above, the Board is of the view that the terms of the Agreement are on normal commercial terms and are fair and reasonable and the entering into of the Agreement is in the interests of the Company and its shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios (as defined in the Rule 14.07 of the Listing Rules) is more than 5% but less than 25%, the Agreement constitutes a discloseable transaction for the Company and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

## **DEFINITIONS**

In this announcement, unless the context otherwise requires, the following terms have the meanings set out below:

“AFE”	the authorisation for expenditure in respect of the Well as attached to the schedule of the Agreement, as may be amended by mutual agreement of the parties to the Agreement
“Agreement”	the participation and operating agreement dated 30 June 2025 entered into between the Participant and BRW in respect of the Participation of Working Interest
“Alberta”	Alberta Province in Canada
“API”	API gravity is a commonly used index of the density of a crude oil or refined products. API stands for the American Petroleum Institute, which is the industry organisation that created this measure
“Board”	the board of Directors
“BRW”	BRW Petroleum Corp., a company incorporated in Alberta with limited liability
“business day(s)”	a day (other than a Saturday, Sunday or a statutory holiday in Calgary, Alberta and Hong Kong) on which banks are open generally to conduct commercial business in Calgary, Alberta and Hong Kong
“C\$”	Canadian dollars, the lawful currency of Canada
“Company”	EPI (Holdings) Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Director(s)”	director(s) of the Company

“Farmout Formation”	the formation set out in the schedule of the Agreement underlying the Lands, from which hydrocarbons are produced
“Farmout Lands”	the productive drainage area of the Farmout Formation on the Lands where any wells are completed, which is identified based on the radius around the well productive interval and defined by the radius distance from the horizontal well productive interval, which represents the set-back distance that the well produces hydrocarbons
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Lands”	lands, formations and Petroleum Substances together with the right to explore for and recover Petroleum Substances within, upon or under such lands, insofar as such rights are granted by the Leases or other title documents (as applicable), as set forth and described in the schedule of the Agreement
“Leases”	the title documents as more particularly described in the schedule of the Agreement, insofar as they relate to the Lands, and any renewals, replacements, amendments and extensions thereof
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Option Well(s)”	a well (other than the Well) on the Farmout Formation of the Lands
“Participant”	EP Resources Corporation, a company incorporated in Alberta with limited liability and an indirect wholly-owned subsidiary of the Company
“Participation of Working Interest”	the participation and farm-in to the interest of BRW in the Lands to earn an interest in the Well by the Participant pursuant to the Agreement

“Payout”	with respect to the Well (or any Option Well), the date when the Participant recovers out of the gross proceeds of sale from or allocated to such Well, an amount equal to the sum of: (i) the Well Costs in the case of the Well, and, if applicable, all additional drilling costs and completion costs for the Well (beyond the Well Costs) incurred by the Participant, less all cash governmental incentives or grants received by the Participant and derived from any of those expenditures; (ii) all operating costs for the Well and, as applicable, all costs of other operations conducted on the Well, less all cash governmental incentives or grants received by the Participant and derived from any of those expenditures; (iii) all taxes (other than income taxes) paid by the Participant pursuant to the regulations on the equipment for and production or sale of Petroleum Substances from the Well; (iv) all encumbrances applicable to Petroleum Substances from the Well; and (v) all facility fees applicable to Petroleum Substances produced from the Well
“Petroleum Substances”	petroleum, natural gas (including natural gas from coal or shale) and every other mineral or substance for which the Leases or other title documents (as applicable) grant the right to explore, develop or produce
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Trust Agreement”	the trust agreement to be entered into between the Participant and BRW in relation to the transfer of the Working Interest to the Participant
“Well”	the well located in or under the Lands and identified by Estimated UWI 102/02-01-039-04W4/00 as set out in the Agreement
“Well Costs”	C\$1,298,511 (approximately HK\$7,402,000), representing 100% of the costs to drill, complete, test, equip and tie-in or abandon the Well pursuant to the AFE



“Working Interest”

working interest of BRW in the Leases, Lands, formation  
and Petroleum Substances

*For the purpose of this announcement, unless otherwise indicated, the exchange rate of C\$1.00 =HK\$5.70 has been used, where applicable, for the purpose of illustration only.*

By Order of the Board  
**EPI (Holdings) Limited**  
**Bai Zhifeng**  
*Executive Director*

Hong Kong, 30 June 2025

*As at the date of this announcement, the Board of Directors of the Company comprises three Executive Directors, namely Mr. Chan Shui Yuen, Mr. Bai Zhifeng and Mr. Wang Jinglu; and three Independent Non-executive Directors, namely Mr. Pun Chi Ping, Mr. Khoo Wun Fat, William and Ms. Jiao Jie.*