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ASX RELEASE

30 January 2026

QUARTERLY ACTIVITIES REPORT – DECEMBER 2025

HIGHLIGHTS:

- Maiden 2P gas reserve of 30.2 PJ independently certified for the Rolleston West Project
- Establishes a reserve base capable of supporting the commercial development of a 10TJ/day pipeline-connected gas project with significant expansion capability
- Provides a strong platform for negotiating project financing, gas sales agreements and long-term development partnership for the project and supporting infrastructure
- $3.2 million raised through issue of unsecured convertible notes at a 33% premium to the closing price on 3 December 2025
- Funding allows the Company to accelerate predevelopment activities for the Rolleston West Project

State Gas Limited (ASX: GAS) ("State Gas or "the Company") releases this update for the quarter ending 31 December 2025 ("the Quarter"). In conjunction with establishing a substantial maiden 2P reserve during the Quarter, funds raised through issue of convertible notes ("the Notes Transaction") provide a strong financial platform upon which State Gas can advance its flagship project - Rolleston West ("Rolleston West" or "the Project"). The establishment of a large gas reserve capable of economically supporting the first 10 years of gas production is a major step toward developing a significant gas project and one that positions the Company for immediate strategic engagement with large gas consumers, traders, retailers and exporters, infrastructure investors and project investors/financiers. These milestones have been achieved at the right time, with the macroeconomic outlook for energy markets in Australia remaining positive and an ongoing recognition that gas-fired electricity generation is critical to the stability and reliability of Australia's electricity grid. Proceeds from the Note Transaction will enable State Gas to rapidly advance its planning and pre-development activities for the Rolleston West Project.

Rolleston West Project – 30.2 PJ Maiden reserve.

During the Quarter, State Gas achieved independent certification of a maiden proven plus probable (2P) gas reserve of 30.2 petajoules (PJ)[1] for its Rolleston West Project ("Rolleston West" or "the Project") in central Queensland. Internationally recognised subsurface consultancy and reserves auditors Netherland, Sewell & Associates, Inc ("NSAI") has provided independent certification based on data from completed wells and extended production testing within the Project area, in conjunction with their independent geological and

[1] ASX Announcement 'Maiden 2P Gas Reserve of 30.2 PJ Certified for Rolleston West Project' dated 20 November 2025.

reservoir engineering evaluation. Importantly, the 30.2 PJ reserve estimated was derived from only four wells drilled in the Project area.

Noting the Rolleston West Project is in the pre-development stage, NSAI independent assessment confirms that the 30.2PJ of 2P gas reserves (in conjunction with a further 13.9PJ of 3P reserve) are economically capable of supporting the economics of a long life, 10TJ/day coal seam gas ("CSG") project, capable of providing pipeline quality gas to both the East Coast domestic and export markets. The independently reviewed project feasibility model demonstrates attractive returns on capital required for the gas field development, an appropriately sized gas processing plant and permanent pipeline infrastructure that would connect the Rolleston West Project area to the Gladstone/Wallumbilla gas pipeline network. Assuming success in future drilling campaigns in the 3P reserve zone and adjacent area which contains a large 2C resource base, the development and operation of a long-life gas project in the Rolleston West area is attractive. This is a significant value marker for the Company and demonstrates an intrinsic value in the Company's assets many times its current market capitalisation.

The 2P reserve provides a strong economic foundation for State Gas to advance funding solutions previously not available, thereby allowing the Company to more rapidly progress detailed engineering and gas sales negotiations, engagement with infrastructure providers and discussions with co-investment partners necessary for the long-term development the Project. State Gas is now focussed on enhancing Project value through:

- Completing concept and pre-FEED/FEED studies for gas processing, compression and export infrastructure, including integration with State Gas' existing HDNG® facilities;
- Seeking the relevant environmental and regulatory approvals for a petroleum lease which will support the development and operation of the Project;
- Advancing commercial discussions with potential gas off-takers (both domestic and international), including industrial users and power generators seeking to secure medium to long-term gas supply; and
- Negotiating the introduction of project co-investment partner/s who are capable of supporting long term development of the Project.

During the Quarter, State Gas commenced initial engagement with potential co-investment partners around strategic and financial support for the Project through potential farm-out, joint venture participation, off-take and/or gas presale. Over the coming quarters, State Gas will also commence initial engagement around project infrastructure financing opportunities from both private and public sector lenders.

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HDNG Operation

State Gas is continuing to promote the efficacy of HDNG as a diesel fuel alternative to other mines and industrial users in the Bowen Basin and surrounding areas. The Company is in ongoing advanced discussions with several coal mines owners about HDNG supply and the broader application of its HDNG technology to support diesel fuel reduction and the commercial utilisation of gas arising from underground coal mine development. Diesel substitution with HDNG has the potential to deliver significant emission reductions, quickly and at low cost for existing fleets of equipment, while simultaneously de-risking the miner to significant price volatility for diesel. This is a significant opportunity for State Gas, with diesel fuel consumption by coal miners in the Bowen Basin in excess of $2bn per annum and our solution capable of replacing between 50 and 70% of that diesel usage.

Reid's Dome

There are significant physical and commercial synergies between Reid's Dome (PL 231) and Rolleston West which provide State Gas with optionality to increase HDNG production. In addition to the potential for increased HDNG supply, the Company has commenced investigations into the use of conventional gas at Reid's Dome to support local power generation for remote data centres, accelerated computing and token generation. The Company believes there is an opportunity to commercialise gas from both ATP 2062 and PL 231, using a combination of virtual pipeline and traditional pipeline infrastructure. Subsequent to announcement of the 2P reserve at Rolleston West, there has been renewed interest from several parties in strategies to commercialise conventional and CSG prospects within PL231 leveraging shared gas infrastructure in line with this concept.

Land Access

Significant time and cost continue to be expended in defending the Company and protecting its Rolleston West Project Assets as a result of an ongoing an access dispute with the landowner at ATP 2062 dating back to September 2024. The parties were unable to resolve these matters through an independent mediation process and both the Company and the landowner have now respectively instigated proceedings for claims of costs and losses and these matters are currently at an early stage in the Land Court of Queensland.

State Gas' objective is to undertake its exploration and appraisal activities in a co-operative manner with landowners and through the payment of appropriate compensation for access and disturbance which arises as a consequence of these activities. Enforcing the Company's access rights and protecting its assets is in the best interests of all shareholders as it is ensuring that there is a commercially sustainable regime for access and compensation for activities on the property as we continue to advance the Rolleston West Project.

A significant portion of the engagement between the parties has been confidential or subject to legal privilege and consequently the Company is restricted in what it is capable of publicly disclosing about these matters. We continue to work toward resolution of these matters.

$3.2M raised through issue of Convertible Notes

During December 2025 the Company raised $3.2 million from sophisticated and professional investors subscribing for convertible notes ("the Note Transaction"). The relevant approvals in respect of the Note Transaction were obtained at a general meeting of shareholders convened on 21 January 2026 and all proceeds were received by the Company post the end of the Quarter. The conversion price of the notes (and strike price of attaching options) are both at a premium to the Company's prevailing share price reflecting a recognition of the intrinsic value in the Company's assets after announcement of the 2P reserve. Importantly, it reflects a more efficient capital solution for existing shareholders than the alternative of a dilutionary placement or entitlement offer. Strong support for the Note Transaction reflects strong investor confidence in the commercialisation strategy for Rolleston West subsequent to the announcement of the maiden 2P Reserve. It also provides immediate capital which allows the Company to accelerate pre-development activities for Rolleston West.

The Notes have a conversion price of $0.04 (4.0 cents) for the first 16 weeks after the payment date and thereafter have a conversion price which is the lesser of $0.04 (4.0 cents) or a 20% discount to the 15-day VWAP of State Gas shares at the time. The Company can require conversion of Notes into ordinary shares of State Gas if not converted or redeemed prior to their maturity in June 2028. In lieu of interest State Gas has issued each Note holder unlisted options ("Options"). Note holders will receive one (1) attaching option for every (2) ordinary share entitlements under the issue. Options are exercisable at $0.05 (5.0 cents) and expire 30 months from the date of issue.

State Gas has conversion and early redemption rights subject to certain conditions which are outlined in the detailed terms of the Notes and Options set out in the ASX announcement made by the Company on 8 December 2025.

Financial Position

Notwithstanding the Note Transaction has significantly improved the Company's liquidity position, the Directors are cognisant of the need to continue managing the Company's capital position and continue to execute the initiatives in accordance with a Capital Management plan first described in the ASX announcement of 27 May 2025. That plan is dependent upon receipt of further material R & D grant claims made in respect of the development costs of the HDNG plant (which is an eligible R & D project) originally expected in September 2025. Receipt of these R & D grant monies has been delayed by ATO review processes, but the Company is working to expedite the review and have the grant monies released. Receipt

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of these funds will further restore the Company's balance sheet by adding further liquidity after repayment of all outstanding Director loans and R & D grant loans.

State Gas continues to operate on reduced overhead and field staffing levels and has curtailed all non-essential expenditure. The Company has discretion over the timing and scale of future exploration and project development activities and can align spending with its near-term objectives for the Rolleston West Project and the availability of future capital.

Outlook

The Company is now focussed on developing the commercial frameworks described above to support accelerated delivery of the of Rolleston West. These actions will require significantly less capital than prior years and will add substantial value to the Project and the Company when achieved over the coming twelve months.

The resolution of the ongoing Landholder dispute through the Land Court Process or direct commercial negotiation remains a priority, as does continuing to pursue customers for the Company's HDNG technology. However, with a reduced cost structure, a significantly improved capital position, and a narrowed focus, State Gas is well-positioned to capitalise on what it believes is a continually expanding opportunity set for natural gas on the east coast of Australia.

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Resource and Reserve Estimates

Independently Certified Gas Reserves (PJs net to State Gas)				
Year last amended	**Asset**	**Net Acreage (km2)**	**2P**	**3P**
2025	ATP 2062 Rolleston-West (unconventional)	1,414	30.2	44.1

Notes:

- 2P reserves = Proven + Probable Reserves; 3P Reserves = Proven + Probable + Possible Reserves
- Refer additional commentary about the reserve estimate in the accompanying Competent Person's Statement
- No 1P reserves have been included in this reserve certification as gas production from currently developed wells is insufficient to support full project development including pipeline infrastructure
- The effective date of the reserve estimate is 20 November 2025. No changes have occurred to this estimate since that date

Independently Certified Contingent Resources (PJs net to State Gas)					
Year last amended	**Asset**	**Net Acreage (km^2)**	**1C**	**2C**	**3C**
2017	PL231 Reid's Dome (unconventional)	181	84	192	660
	PL231 Reid's Dome (conventional)		1.7	3.6	7.9
2025	ATP 2062 Rolleston-West (unconventional)	1,414	145	231	410
	ATP 2062 Rolleston-West (conventional)		6	18	52
2022	ATP 2068 (unconventional)	254	25	43	68
2022-23	ATP 2069 (unconventional)	108	12	17	24
Total		**1,957**	**274**	**505**	**1,222**

Notes:

- Refer additional commentary about the reserve estimate in the accompanying Competent Person's Statement
- The Company's 2C resource estimate for Rolleston West (within ATP 2062) have been amended by Mr Crowley on 20 November 2025 to take into account the reserve certification provided by NSAI

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Payments to Related Parties

A total of $105,000 was paid to the Managing Director for salaries, fees and superannuation during the quarter ended 31 December 2025. Non-executive Directors have agreed to defer payment of their remuneration until such time as the Company has successfully executed its Capital Management Strategy and outstanding Director Loans are repaid in full.

Shareholder Engagement

During the quarter, the Company held its annual general meeting of shareholders. A copy of the Chairman's Address presented at the meeting can be found on the Company website. We encourage shareholders and other parties to visit the Company's website: www.stategas.com to access information about the Company and its projects. State Gas keeps the market informed of its activities through regular Company updates and third-party publications.

FOR FURTHER INFORMATION

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This announcement was approved for release by the Board of Directors.

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ABOUT STATE GAS LIMITED

STATE GAS LIMITED (ASX: **GAS**) is a Queensland-based gas exploration and development company with highly prospective gas exploration assets located in the southern Bowen Basin. State Gas Limited's mission is to support east coast energy markets through the efficient identification and development of new high quality gas assets. It will do this by applying an agile, sustainable but low-cost development approach and opportunistically expanding its portfolio in areas that are well located to gas pipeline infrastructure.

State Gas is 100%-owner of the contiguous Reid's Dome (PL-231) and Rolleston-West (ATP 2062) gas projects, both of which contain CSG and conventional gas. The Projects, together some 1,595km^2, are located south of Rolleston, approximately 50 and 30 kilometres respectively from the Queensland Gas Pipeline and interconnected east coast gas network. State Gas intends to accelerate commercialisation of these assets through the application of an innovative virtual pipeline ("VP") solution which will see the Company transport compressed gas by truck to existing pipeline infrastructure or to an end user.

State Gas also holds a 35% interest in ATP 2068 and ATP 2069 in joint venture with Santos QNT Pty Ltd (65%). These two new areas lie adjacent to or in the near vicinity of State Gas and Santos' existing interests in the region, providing for the potential of an alignment in ownership interests across the region over time and enabling synergies in operations and development.

ABOUT THE ROLLESTON WEST PROJECT

The Rolleston West Project (ATP 2062) is 100% owned by State Gas Limited and is focussed on evaluating the viability of conventional and coal seam gas ("CSG") production from Bandanna Formation coals, which are extensive across large areas within the ATP and in adjoining areas. The capability to produce CSG at commercial levels from these coal formations has already been established at the Arcadia Valley field to the south-east, and at Mahalo to the north-east.

Historical drilling programs undertaken in the eastern part of the tenement have intersected approximately 8 metres of net coal, with the thickest seams laterally continuous over many kilometres. The gas content of the coals is between 5 and 6 m3/tonne dry ash free. Gas is at or near pipeline quality, between 93.8% and 96% methane. Gas desorption data, laboratory core sample analyses and permeability data were obtained from the Rougemont 2 vertical well drilled in late 2022 and the subsequent production test (comprising a vertical production well intersected by a lateral well) which provided confidence on both permeability and gas flow.

Production testing has established sustainable commercial gas flow rates and confirmed excellent permeability within the targeted coal seams. Using its first-of-its-kind in Australia HDNG technology, State Gas compressed and sold gas from the Rougemont 2/3 dual lateral well system during the second half of calendar 2024 demonstrating both productive capability and gas quality from the project area. This data has been combined with the extensive existing dataset of coal industry and CSG data in and adjacent to Rolleston West.

ABOUT THE REID'S DOME PROJECT

The Reid's Dome Gas Project (PL 231) is within the Bowen Basin on the apex of the Springsure-Serocold Anticline. The Company is targeting conventional and coal seam gas assets in areas of sharply uplifted coals, shales and sandstone formations.
State Gas' exploration activities have established in excess of 30 m of net coals, with gas contents averaging a very high 13.75m3/tonne dry ash free. Commercial levels of sustainable production of conventional gas have been established at the Nyanda-4 well and the Company continues to evaluate a range of techniques to successfully liberate gas from the deeper formations. There are immediately available pockets of conventional gas capable of immediate, low cost extraction, subject to the delivery of supporting infrastructure.
There are substantial operational and financial synergies between ATP 2062 and PL231 and the Company is evaluating how to best develop Reid's Dome in conjunction with Rolleston West as part of an integrated gas precinct which utilised a combination of traditional pipeline and virtual pipeline infrastructure.

ABOUT THE HDNG FACILITY

State Gas has developed a "first of its kind" in Australia CSG to CNG plant ("the CNG Facility"). When implemented in conjunction with virtual pipeline ("VP") trailer technology, the CNG Facility will be able to deliver up to 1.7TJ/day of pipeline quality natural gas to end users in the Southern Bowen Basin and surrounding areas. This technology has a range of benefits and potential use cases:

- delivers substantial environmental benefits to gas producers, as it provides a reliable method for capturing and commercialising production testing gas which has historically been released to the atmosphere;
- provides a new path to market for pipeline quality natural gas which the Company believes will become increasingly important across a range of industries, including critical minerals, while the economy continues its long-term transition to renewable energy sources;
- is modular and can be efficiently expanded and easily relocated to support gas testing and processing opportunities in new locations; and
- provides access to a new fuel source for end users who are seeking access to smaller, flexible quantities of natural gas, but don't have access to traditional pipeline infrastructure and need to accelerate a transition away from diesel.

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ASX Listing Rules Chapter 5 - Reporting on Oil and Gas Activities

Additional information about Reserve Estimate

The 2P (Proved plus Probable) Gas Reserves for the Rolleston West Project (State Gas 100%) have been independently certified as at 20 November 2025. The Reserves were estimated by Netherland, Sewell & Associates, Inc. ("NSAI"), an internationally recognised subsurface consultancy and qualified petroleum reserves evaluator in accordance with ASX Listing Rule 5.41. The Reserves have been prepared in accordance with the SPE-PRMS 2018 and SPE PRMS 2024 guidelines and ASX Listing Rule 5.25–5.31 requirements.

The 2P Reserves have been assessed using deterministic methods and have not been adjusted for risk. The certification is based on detailed geological, petrophysical, reservoir engineering and production test data acquired across ATP 2062, including gas desorption measurements, core analyses, permeability tests, and extended production testing from the Rougemont well system. NSAI also incorporated historical coal and CSG industry data relevant to the Bandanna Formation coals within and adjacent to the permit.

NSAI independently reviewed the Company's assumptions regarding development concept, well count, operating parameters, anticipated recoveries, capital and operating costs, and economic cut-offs. Based on this assessment, NSAI has concluded that the certified 30.2 PJ of 2P gas reserves, together with the associated 3P reserve volume, are economically capable of supporting development of a long-life ~10 TJ/day CSG project, supplying pipeline-quality gas to the east coast market.

The reserves relate to unconventional petroleum and contemplate a development scenario supported by three existing wells and approximately 24 future "undeveloped" vertical wells for the 2P case, with additional wells for the 3P case. Final well numbers, extraction methods, production strategy and plant configuration remain subject to detailed FEED studies, financing, regulatory approvals and commercial arrangements. The 2P Reserve estimates have been reported on a 100% working interest basis, and the reference point for the reserves is the inlet to the Gladstone–Wallumbilla Pipeline at the Rolleston Jemena Compression Station.

State Gas notes that the Rolleston West Project is in the pre-development phase. Progression of development remains contingent upon securing financing, obtaining production tenure and environmental approvals, finalising pipeline and processing design, and executing gas sales and infrastructure agreements. The Company considers that sufficient technical data and independently certified reserves now exist to progress these activities.

The Reserves information is based on, and fairly represents, work conducted by Mr John G. Hattner and Mr Joseph M. (Joe) Wolfe of NSAI, each of whom meets the qualification requirements of ASX Listing Rule 5.41. Both have consented to the inclusion of the Reserves information in the form and context in which it appears.

Competent Persons Statement - Reserves

The information in this announcement that relates to Gas Reserves for the Rolleston West Project (ATP 2062) is based on, and fairly represents, information and supporting documentation prepared by Mr John G. Hattner, Sr Vice President, and Mr Joseph M. (Joe) Wolfe, P.E., Vice President, of Netherland, Sewell & Associates, Inc. ("NSAI"). Both Mr Hattner and Mr Wolfe are qualified petroleum reserves and resources evaluators and meet the requirements of ASX Listing Rule 5.41. They each hold appropriate professional qualifications and have over 30 years' experience in petroleum geology, reservoir engineering, reserves assessment and economic evaluation of oil and gas resources.

Mr Hattner and Mr Wolfe have consented to the inclusion of the Gas Reserves information in the form and context in which it appears in this announcement. The Gas Reserves have been estimated in accordance with the definitions and guidelines contained in the Society of Petroleum Engineers Petroleum Resources Management System (SPE-PRMS, 2018) and the 2024 PRMS guidelines, utilising deterministic methods and applying the economic and technical assumptions described in this announcement.

The Reserves estimates are reported on a 100% working interest basis and at the reference point of the inlet to the Gladstone–Wallumbilla Pipeline at the Rolleston Jemena Compression Station. No adjustments have been made for risk. NSAI's assessment included independent geological and reservoir engineering evaluation, review of well data, production testing results, petrophysical analyses, and economic parameters relevant to the Rolleston West development concept.

Information about Contingent Resource Estimates

The Contingent Resource estimates for the Reid's Dome and Rougemont Gas Projects (State Gas 100%) and State Gas' 35% interest in ATP 2068 and ATP 2069 are as at 12 September 2022. They were estimated utilising the probabilistic method with totals summed arithmetically and have not been adjusted for commercial risk.

The Contingent Resource estimates are based on technical data for the permits, regional geologic and production interpretations, and in the case of the Reid's Dome and Rolleston-West Projects, data derived by State Gas from exploration activities on the permits, including reprocessing of seismic, drilling, core analyses, production testing and analyses of produced gas and water. Additional exploration and appraisal is required to address the contingencies associated with these resources to confirm commercial viability and areal extent. If the contingencies are successfully addressed, some part of the Contingent Gas Resources may be reclassified as reserves. The estimates of Continent Resources have not been risked to account for the possibility that the contingencies are not successfully addressed.

The estimates reported relate to unconventional petroleum reserves. The details of the project area, the method of extraction and number of wells that may be required are not yet finalised. The Contingent Resources estimated have been prepared in accordance with the definitions and guidelines set forth in the SPE–PRMS 2018.

The estimates reported are not contingent on technology that remains under development

Competent Persons Statement - Resources

The estimate of Contingent Resources for the Reid's Dome and Rolleston-West Gas Projects (of which State Gas holds 100%), and State Gas' 35% interest in ATP 2068 and ATP 2069, provided in this document, is based on, and fairly represents, information and supporting documentation prepared by Mr James Crowley in accordance with Petroleum Resource Management System guidelines.

Mr Crowley is a qualified person as defined under the ASX Listing Rule 5.42. Mr Crowley holds a Bachelor of Science (Honours) from Macquarie University, Sydney and has over 36 years' experience in the industry. He is a member of The Petroleum Exploration Society of Australia and The Society of Petroleum Engineers. Mr Crowley has consented to the publication of the Contingent Resource estimates for the Reid's Dome and Rolleston-West Gas Projects, and ATP 2068 and ATP 2069, in the form and context in which they appear in this Presentation.

Appendix 5B

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

Name of entity

STATE GAS LIMITED

ABN	Quarter ended ("current quarter")
49 617 322 488	31 DECEMBER 2025

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 (if expensed)	(23)	(74)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(130)	(269)
	(e) administration and corporate costs	(481)	(841)
1.3	Dividends received (see note 3)		
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	(7)	(40)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)		
	- GST refunds	93	163
	- Insurance claim proceeds	-	425
1.9	**Net cash from / (used in) operating activities**	**(548)**	**(636)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(63)	(63)
	(d) exploration & evaluation (if capitalised)	(1,374)	(3,987)
	(e) investments	-	-
	(f) other non-current assets	-	-

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Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
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 (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**(1,437)**	**(4,050)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
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	-	-
3.5	Proceeds from borrowings	2,118	3,356
3.6	Repayment of borrowings	(61)	(349)
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**	**2,057**	**3,007**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	409	2,160
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(548)	(636)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,437)	(4,050)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,057	3,007

Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**481**	**481**

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	481	409
5.2	Call deposits	-	-
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)**	**481**	**409**

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	105
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

Payments included at 6.1 above is the remuneration paid to the Managing Director. Non-executive Directors have agreed to defer payment of their remuneration until such time as the Company has executed its Capital Management Strategy.

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7.	**Financing facilities** *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.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	3,755	3,755
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	3,755	3,755

7.5	**Unused financing facilities available at quarter end**	-

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

- Loan agreement with RH Capital Finance Co., LLC for $1,000,000. The loan is secured against the Company's anticipated Research and Development (R&D) tax incentive refund for the year ended 30 June 2024. Interest accrues at a rate of 17% per annum. As at 31 December 2025 the has been fully drawn down.
- Loan agreement with director Jon Stretch for $555,000. The loan is secured by a general security interest over the assets and undertakings of the Company. As at 31 December 2025 the loan has been fully drawn down. $305,000 of the loan accrues interest at 15% per annum. With the balance accruing interest at 20%. $250,000 of the loan is repayable following the refinance the CNG Facility and $307,500 of the loan is repayable on receipt of the finalised FY2024 R&D claim.
- Loan agreement with Monte Vista Holdings Pty Ltd, a related party of director Philip St Baker, for $255,000. The loan is secured by a general security interest over the assets and undertakings of the Company. As at 31 December 2025 the loan has been fully drawn down. The loan accrues interest at 15% per annum. $200,000 of the loan is repayable following the refinance the CNG Facility and $55,000 of the loan is repayable on receipt of the finalised FY2024 R&D claim.
- Loan agreement with The P&P St Baker Family Trust, a related party of director Philip St Baker, for $844,192. The loan is secured by a general security interest over the assets and undertakings of the Company. As at 31 December 2025 the loan has been fully drawn down. $225,000 of the loan accrues interest at 15% per annum, with the balance accruing interest at 20% per annum. $50,000 of the loan is repayable following the refinance the CNG Facility, $175,000 is repayable when sufficient working capital is available, and $619,192 is repayable on receipt of the finalised FY2024 R&D claim.
- Loan agreement with Allegro Capital Nominees Pty Ltd, a related party of director Greg Baynton, for $305,000. As at 31 December 2025 the loan has been fully drawn down. The loan accrues interest at 15% per annum. $250,000 of the remaining loan is repayable following the refinance the CNG Facility and $55,000 of the loan is repayable on receipt of the finalised FY2024 R&D claim.
- Loan agreement with Loch Explorations Pty Ltd, a related party of director Tony Bellas, for $250,000. As at 31 December 2025 the loan has been fully drawn down. The loan accrues interest at 15% per annum. The loan is repayable following the refinance the CNG Facility.
- Loan agreement with AG Super Pty Ltd, a related party of director Tony Bellas, for $22,898. As at 31 December 2025, the balance has been fully drawn down. The loan accrues interest at 15% per annum. The loan is repayable when sufficient working capital is available
- Loan agreement with Tony Bellas for $55,000. As at 31 December, the loan has been fully drawn. The loan accrued interest at 15% per annum and is repayable on receipt of the finalised FY2024 R&D claim.
- Loan agreement with Richard Cottee for $20,828. As at 31 December 2025, the balance has been fully drawn down. The loan accrued interest at 15% per annum.

8.	Estimated cash available for future operating activities	$A'000
8.1	Net cash from / (used in) operating activities (Item 1.9)	(548)
8.2	Capitalised exploration & evaluation (Item 2.1(d))	(1,374)
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	(1,922)
8.4	Cash and cash equivalents at quarter end (Item 4.6)	481
8.5	Unused finance facilities available at quarter end (Item 7.5)	-
8.6	Total available funding (Item 8.4 + Item 8.5)	481
8.7	**Estimated quarters of funding available (Item 8.6 divided by Item 8.3)**	0.25

8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions: -

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: The Company has taken actions to reduce discretionary expenditure and Company overhead costs to preserve capital. The Company can control the timing of further discretionary expenditure to coincide with the availability of the relevant source of capital.

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: As announcement on 8 December 2025, and subsequently approved by Shareholders on 21 January 2026, the Company has raised $3.2 million through the issue of unsecured convertible notes. In addition, a material R & D expenditure grant payment in relation to the development of the HDNG plant in the FY24 year is expected. The Company is currently working with the ATO to expedite their review of that claim and release the associated grant funds.

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: The Company can control the timing of further discretionary expenditure to coincide with the availability of capital. The Company anticipates that it has access to sufficient capital to continue its operations until the R & D grant claim proceeds are received.

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: 30 January 2026

Authorised by: Board of Directors
(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

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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.

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