

29 October 2024

## QUARTERLY ACTIVITIES REPORT For the quarter ended 30 September 2024

88 Energy Limited (ASX:88E, AIM:88E, OTC:EEENF) (**88 Energy, 88E** or the **Company**) provides the following report for the quarter ended 30 September 2024.

### Highlights

#### Project Phoenix (~75% WI)

- **Significant Resources Update:** New Contingent Resources estimates at Project Phoenix for the SMD-B and SFS reservoirs, independently verified by ERCE Australia Pty Ltd (**ERCE**) during the quarter. Existing Gross Best Estimate (**2C**) Contingent Resources increased over 50%, with an additional gross 128 million barrels of oil equivalent (MMBOE), 81MMBOE Net Entitlement to 88E, added from the Shelf Margin Delta (**SMD-B**) and Slope Fan System (**SFS**) reservoirs, comprising<sup>1</sup>:
  - 115 million barrels (MMbbl) of Gross recoverable hydrocarbon liquids (oil and natural-gas liquids), 73 MMbbl Net Entitlement to 88 Energy<sup>1</sup>; and
  - 68 billion cubic feet (BCF) of Gross recoverable gas, 43 BCF Net Entitlement to 88 Energy<sup>1</sup>
- **Strategic Development Opportunity Confirmed:** Featuring the critical characteristics required for future commercialisation and monetisation, including:
  - A **combined Best Estimate (2C)** Contingent Resources of Gross 251 MMbbl (**159 MMbbl Net to 88E**) of oil and natural-gas liquids (NGLs) across four stacked reservoirs, accessible from single surface location<sup>1</sup>;
  - Premium 37- 40<sup>o</sup> API gravity oil successfully recovered from Hickory-1, for a highly marketable and valuable light oil product<sup>1</sup>; and
  - Located on prime Alaskan State lands, directly adjacent to the Trans-Alaskan Pipeline System (TAPS), and the Dalton Highway, with close proximity to Deadhorse (oil and gas services hub);
- Successful outcomes from Hickory-1 delivered a platform for monetisation of Project Phoenix, justifying further advancement. **Near-term advancement activities** are focused on:
  - Initiating a formal farm-out process to attract a strategic partner for future drilling and development of Project Phoenix;
  - Planning and design for a potential horizontal flow test and early stage production system;
  - 3<sup>rd</sup> party review by ResFrac of the Hickory-1 stimulation and flow design, modelling production potential and optimising the completion strategy for a potential horizontal well; and
  - Constructive Partner Progress: Ongoing discussions with joint venture partner Burgundy Xploration, LLC (**Burgundy**), could result in Burgundy carrying all or part of 88 Energy's share of the 2025/2026 work program in exchange for an additional working interest in the Project.

1. Refer announcement released to ASX on 18 September 2024 for full details.

88E is not aware of any new information or data that materially affects the information included in the relevant market announcement and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

## Project Leonis (100% WI)

- Planning ongoing for the Tiri-1 exploration well, designed to test the Tiri prospect in the USB formation;
- Additional deeper resource potential identified and being assessed within the acreage, including mapping of potential new resource, AVO studies and resource estimation; and
- Ongoing farm-out process seeking a funding partner ahead of potential Tiri-1 drilling in 2026.

## Namibia PEL 93 (20% WI)

- Data processing for the ~200-line km 2D seismic program is ongoing, both in the field and at Earth Signal Processing in Calgary, with final interpretation expected in Q4 2024;
- Program outcomes set to include:
  - Validation of up to 10 independent structural closures;
  - Delivery of a maiden independently certified Prospective Resource estimate expected in H1 2025; and
  - Identification of future potential drilling locations targeting the Damara play.

## Project Longhorn (~65% WI)

- Production marginally increased from 391 BOE per day gross (average Q2 2024, ~63% oil) to Q3 2024 average of 395 BOE per day gross (~69% oil). Q3 production was expected to be higher at around 450-460 BOE per day gross but the operations experienced unplanned downtime. This included gas plant downtime resulting in the need to vent gas with higher backpressure and water station battery issues following a lightning strike requiring certain wells to be shut-in for specific periods during the quarter.
- In June 2024, the Company received a cash flow distribution of ~A 0.7M, post final workover expenditure.

## Corporate

- Cash balance of A 5.5 million and all Hickory-1 flow test payments made and program closed;
- Burgundy obliged to pay outstanding cash call of ~US 4 million in Q4 2024, which will further strengthen the balance sheet;
- Budget for the forward twelve-month activity schedule fully funded for delivery, including Phoenix horizontal well pre-planning / permitting and farmout activities, Leonis Tiri-1 planning and farmout activities, PEL93 work program and Longhorn operations; and
- Lower Corporate costs for the 9 months in 2024 of 2.7M compared to 9 months in 2023 of 4m (over a 30% reduction YTD).

## Project Phoenix (~75% WI)

Project Phoenix is an oil-bearing conventional reservoir play identified during the drilling and logging of Icewine-1 and Hickory-1 and adjacent to offset drilling and testing. Project Phoenix is strategically located on the Dalton Highway with the Trans-Alaskan Pipeline System bisecting the acreage.

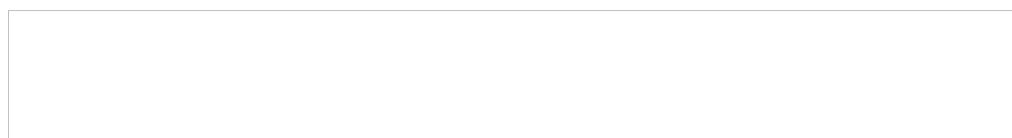
### Hickory-1 Summary

The Hickory-1 discovery well was drilled in February 2023 and flow tested during the Alaskan winter season in 1H 2024. The testing operations focused on the two shallower reservoirs, the Upper SFS (**USFS**) reservoir, previously untested, and the SMD-B reservoir. Each zone was independently isolated, stimulated, and flowed to the surface using nitrogen lift to facilitate efficient well clean-up.

Quality and deliverability of both reservoirs was demonstrated via oil to surface:

- **USFS** produced at a peak flow rate of over 70 bopd of light oil and produced under natural flow, which differentiates the USFS from other adjacent offset wells;
- **SMD** produced at a peak flow rate of ~50 bopd of light oil and little to no measurable gas which presents a production rate with low gas to oil ratio; and
- Multiple oil samples recovered measured oil gravities between 37 to 40 API (representing a valuable and marketable light crude oil).

For full details of the USFS and SMD test results please refer to the ASX announcements dated 2 April 2024 for USFS and 15 April 2024 for SMD-B.





**Figure 1: Project Phoenix multi-reservoir discoveries with significant light oil resource confirmed.**

### **Significant Contingent Resource Update for Project Phoenix**

**Major Milestone Achieved:** New Contingent Resources estimates at Project Phoenix for the SMD-B and SFS reservoirs, independently verified by ERCE Australia Pty Ltd (**ERCE**)

**Significant Resources Update:** Existing Project Phoenix **Gross Best Estimate (2C) Contingent Resources increases by over 50%** with an additional gross 128 million barrels of oil equivalent (MMBOE)<sup>1</sup>, 81 MMBOE Net Entitlement to 88E<sup>1</sup>, added from the SMD-B and SFS reservoirs, comprising:

- ▶ 115 million barrels (**MMbbl**) of Gross recoverable hydrocarbon liquids (oil and natural-gas liquids), 73 MMbbl Net Entitlement to 88 Energy; and
- ▶ 68 billion cubic feet (**BCF**) of Gross recoverable gas, 43 BCF Net Entitlement to 88 Energy

**Multi-Reservoir Discovery:** Estimates from ERCE (SMD-B and SFS reservoirs) and Netherland, Sewell & Associates, Inc (**NSAI**) Basin Floor Fan (**BFF**) reservoir confirm Project Phoenix as a robust multi-reservoir discovery, with a **total combined Gross Best Estimate 2C Contingent Resource of approximately 378 MMBOE** (239 MMBOE Net Entitlement to 88E)<sup>1</sup>

**Material Upside Potential:** **Prospective Resources of Net Mean Unrisked 155 MMbbl<sup>1,2</sup>** independently verified by Lee Keeling and Associates Inc, in the Kuparuk (undrilled), SMD-A and C reservoirs (oil interpreted on logs at Hickory-1), offer compelling additional upside potential. Unrisked net 3U (high) of 321 MMbbls, 2U (best) of 153 MMbbls, 1U (low) of 53 MMbbls<sup>1,2</sup>. The geological Chance of Success (CoS) of these prospects has been estimated as 71%, 81% and 81% respectively.

*A screenshot of a computer screen Description automatically generated*



**Figure 2: Project Phoenix confirmed 88 Energy Net Entitlement Resources summary showing untested potential upside. This information should be read in conjunction with Tables 1 to 7 and the cautionary statement in the ASX announcement dated 18 September 2024, which contains further information relating to the contingent and prospective resource estimates.**

1. Refer announcement released to ASX on 18 September 2024 for full details

2. **Cautionary Statement in relation to Prospective Resources:** The estimated quantities of petroleum that may be potentially recovered by the application of a future development project relate to undiscovered accumulations. These

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 recoverable hydrocarbons. 88E is not aware of any new information or data that materially affects the information included in the relevant market announcement and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

### Advancement Activities and Key Milestones

The Project Phoenix joint venture (**JV**) is currently planning a flow test of the SMD reservoir over an extended period at the Franklin Bluffs gravel pad in CY 2025/26. The reuse of the Franklin Bluffs gravel pad (previously used to drill the Icewine-1 and 2 wells) offers considerable cost savings over a purpose-built ice pad without compromising the objectives. The design phase for the horizontal well is progressing with ongoing assessments by ResFrac to optimise the completion strategy.

### Joint Venture potential transaction

In parallel, 88 Energy is in advanced discussions with its JV partner Burgundy Xploration, LLC (**Burgundy**) regarding a potential transaction after Burgundy completed an extensive review (internal and external) of Project Phoenix data. The potential transaction involves Burgundy providing a carry to 88E across an anticipated 2025/26 work program including the drilling, completion and extended flow testing of a horizontal well at the Franklin-Bluffs gravel pad adjacent to the Dalton Highway, in return for additional working interest in Project Phoenix:

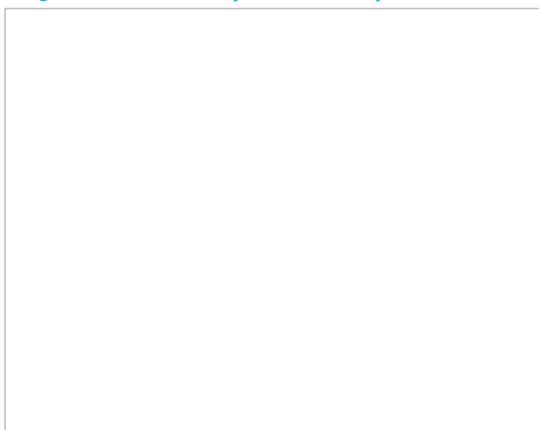
- ▶ Any carry is subject to Burgundy raising the capital required through a near-term public listing
- ▶ Burgundy to pay US 0.35M by 31 October 2024 in return for the Company extending the December 2023 standstill agreement for outstanding Flow Test AFE costs of ~US 3M until 31 December 2024, to allow Burgundy time to complete its intended public listing and raise capital towards the advancement of Project Phoenix
- ▶ Burgundy understands that under the current standstill agreement, if payment of the flow test cash call is not made by 31 December 2024, this will require Burgundy to transfer to 88E-Accumulate 50% of Burgundy's working interest in Project Phoenix's Toolik River Unit leases.
- ▶ The Company maintains its rights under the joint operating agreement (JOA) should Burgundy not be able to pay any future cash calls, including exercising the option to require Burgundy to relinquish its working interests in Project Phoenix and the Joint Venture.

There is no guarantee that any transaction with Burgundy will be completed. Accordingly, the Company intends to launch a formal farm-out process in Q4 2024 to ensure progress continues, irrespective of the outcome of Burgundy's listing process.

Project Phoenix key milestones						
Indicative Project Phoenix development timeline <sup>1</sup>	H1-24	H2-24	H1-25	H2-25	H1-26	H2-26
Successful Hickory-1 flow test flows light crude oil to surface	✓					
Post-well analysis and updated Contingent Resource Estimate		✓				
Targeted farmout to de-risk and provide pathway to production test		■	■			
Farm-out program to secure funding for forward program		■	■	■		
Planning/permitting/design for horizontal production test <sup>[1]</sup>		■	■	■	■	
Extended horizontal production test <sup>1</sup>					■	■

<sup>1</sup> This timeline is indicative and subject to change. The Company reserves the right to alter this timetable at any time. Horizontal production test subject to farm-out/funding as well as government and other approvals.

## Project Leonis (100% WI)



The Company reported a maiden Prospective Resource net mean estimate of 381 million barrels (**MMbbls**) of recoverable oil in the newly named Tiri Prospect (Upper Schrader Bluff Formation/**USB**) for Project Leonis.

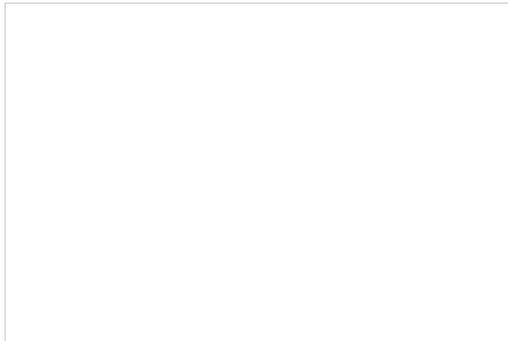
Unrisked net 3U (high) of 671 MMbbls, 2U (best) of 338 MMbbls and 1U (low) of 167 MMbbls<sup>1,2</sup>.

The initial Prospective Resource estimate followed an extensive data suite review including 3D and 2D seismic data, well logs from Hemi Springs Unit-3, Hailstorm-1 and nearby wells adjacent to Project Leonis acreage, along with extensive petrophysical analysis and mapping.

The USB formation is the same proven producing zone as found in nearby Polaris, Orion and West Sak oil fields to the north-west.

These proven USB producers served as important calibration points for the Leonis petrophysical model. The Leonis USB prospect has been fully delineated and mapped following a review of reprocessed 3D seismic data and a 3rd party dedicated fault mapping study to assist in prospect definition.

### Project Leonis: Forward Program



Continuing on from the successful outcomes at Hickory-1, Fairweather, LLC has been engaged and is progressing the planning for the newly named Tiri-1 exploration well. The well will be designed to drill, log and test the Tiri Prospect in the USB formation. The company intends to utilise the existing gravel pad at the Hemi Springs Unit-3 well location, to reduce costs.

Timing for drilling the Tiri-1 exploration well is dependent on securing a successful farm-out partner.

Additional to the Tiri prospect in the USB, 88 Energy has also identified, and is assessing, deeper prospective zones within the acreage. The Company is currently mapping the potential new resource and advancing AVO studies and resource estimation. This work is expected to be completed in Q4 2024 and will add to the extensive data set and resource potential currently being marketed for farm-out.

1. Refer announcement released to ASX on 4 June 2024 for further details

2. **Cautionary Statement in relation to Prospective Resources:** 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 recoverable hydrocarbons. 88E is not aware of any new information or data that materially affects the information included in the relevant market announcement and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

### Namibia PEL 93 (20% WI)

Namibia has been identified as one of the last remaining under-explored, onshore frontier basins and one of the world's most prospective new exploration zones. PEL 93 is more than 10 times larger in surface area than 88 Energy's Alaskan portfolio and more than 70 times larger than Project Phoenix.

Historical assessment by JV operator and majority working interest owner (55%) Monitor Exploration Limited (**Monitor**) utilised a combination of geological and geophysical techniques and interpretation of the data produced by them to identify the Owambo Basin. This validated the significant potential of the acreage which was awarded as PEL 93 in 2018, identifying ten (10) independent structural closures from airborne geophysical methods and partly verifying these using existing 2D seismic coverage.

In July 2024, Polaris Natural Resources Development Ltd (**Polaris**) successfully acquired 203-line km of 2D seismic data with data processing ongoing, both in-field and at Earth Signal Processing in Calgary with final interpretation to be finalised in Q4 2024.

Results of the new 2D seismic acquisition will be integrated with existing data to refine current prospect interpretation. Expected program outcomes include:

- Validation of up to 10 independent structural closures;
- Delivery of a maiden, independently certified, Prospective Resource estimate expected in H1 2025;
- and

- Identification of future potential drilling locations targeting the Damara play.

Recent drilling results on nearby acreage have highlighted the potential of a new and underexplored conventional oil and gas play in the Damara Fold belt, referred to as the Damara Play.

Neighbouring leaseholder Reconnaissance Energy Africa Ltd (**Recon Africa**) (TSXV: RECO) announced the spud of its first well in July 2024. Naingopo-1 on Petroleum Exploration Licence 73 (**PEL73**) in the Owambo Basin, which is modelled to be a continuation of the interpreted opportunity at PEL93. On 3 October 2024, Recon Africa announced that it will penetrate its primary objective of the Damara Fold Belt play imminently and reach total depth towards the end of October.

In August 2024, growth-focused oil and gas acquisition, development, and production company BW Energy Limited (**BW Energy**) farmed into Recon Africa's Namibian acreage. BW Energy acquired a 20% working interest in PEL 73 with a US 16 million equity investment, to participate in two Damara Fold Belt exploration wells and a 3D seismic program and with an option to participate in two Rift Basin exploration wells over a 2-year period.

This new investment demonstrates strong industry and capital market support for the potential of the Owambo Basin and the Damara Play.

### Project Longhorn (~65% WI)

Production increased marginally from 391 BOE per day gross (Q2 2024 average, ~63% oil) to 395 BOE per day gross (Q3 2024 average, ~69% oil). Q3 production was expected to be higher at around 450-460 BOE per day gross but the operations experienced unplanned downtime. This included gas plant downtime resulting in the need to vent gas with higher backpressure and water station battery issues following a lightning strike requiring certain wells to be shut-in for specific periods during the quarter.

In June 2024, the Company received a cash flow distribution of ~A 0.7M, post final workover expenditure.

### Peregrine & Umiat (100% WI)

88 Energy was successful in securing a suspension for Project Peregrine on 1 December 2023 for an initial period of 12 months due to the proposed new regulations governing the management of surface resources in the National Petroleum Reserve-A (NPR-A). On 25 June 2024, the Company applied for suspension of the Umiat Unit and leases on the same basis as the Project Peregrine suspension, requesting an initial 1-year suspension that will be reviewed as required. On 31 July 2024 The Bureau of Land Management Alaska approved a 12-month suspension of the Umiat Unit and leases from 1 July 2024 to 30 June 2025.

During the suspension period, 88 Energy will continue the refinement of internal geological and geophysical models/interpretations. The suspension will relieve 88 Energy of the obligation to pay Umiat lease rentals due in Q4 2024 of ~A 0.1 million.

### Finance

As at 30 September 2024, the Company's cash balance was A 5.5M.

The ASX Appendix 5B attached to this quarterly report contains the Company's cash flow statement for the quarter. The material cash flows for the period were:

- Exploration and evaluation expenditure of A 2.04M (June 2024 quarter: A 17.3M) predominantly related to final payments for Hickory-1, which have now been closed out.
- Administration, staff, and other costs of A 0.7M (June 2024 quarter: A 1.1M) which included fees paid to Directors and consulting fees paid to Directors of A 0.18M. Lower salary costs between quarters included additional management salary reductions in Q3 and other corporate cost reductions implemented.
- Burgundy obligated to pay outstanding cash call of ~US 4 million (flow test, G&A/G&G) in Q4 2024 which will further strengthen the balance sheet. Burgundy paid US 0.15M in Q3.

### Information required by ASX Listing Rule 5.4.3

Project Name	Location	Net Area (acres)	Interest at beginning of Quarter	Interest at end of Quarter
Phoenix	Onshore, North Slope Alaska	44,562	~75%	~75%
Icewine West <sup>2</sup>	Onshore, North Slope Alaska	-	~75%	~0%
Peregrine <sup>1</sup>	Onshore, North Slope Alaska (NPR-A)	125,735	100%	100%
Longhorn	Onshore, Permian Basin Texas	2,830	~65%	~65%

Leonis	Onshore, North Slope Alaska	25,431	100%	100%
Umiat <sup>3</sup>	Onshore, North Slope Alaska (NPR-A)	17,633	100%	100%
PEL 93	Onshore, Owambo Basin, Namibia	914,270	20%	20%

1. Refer announcement released to ASX on 21 December 2023 regarding Project Peregrine 12-month suspension until 30 November 2024
2. Acreage that was deemed non-core to 88 Energy was relinquished during the quarter, providing a reduction in lease costs from a focused strategy that unlocks value from key acreage positions with strategic locations, as announced to the ASX on 4 June 2024
3. Refer 2024 Half Yearly announcement released to ASX on 2 September 2024, regarding Umiat 12-month suspension until 30 June 2025

Pursuant to the requirements of the ASX Listing Rules Chapter 5 and the AIM Rules for Companies, the technical information and resource reporting contained in this announcement was prepared by, or under the supervision of, Dr Stephen Staley, who is a Non-Executive Director of the Company. Dr Staley has more than 40 years' experience in the petroleum industry, is a Fellow of the Geological Society of London, and a qualified Geologist / Geophysicist who has sufficient experience that is relevant to the style and nature of the oil prospects under consideration and to the activities discussed in this document. Dr Staley has reviewed the information and supporting documentation referred to in this announcement and considers the prospective resource estimates to be fairly represented and consents to its release in the form and context in which it appears. His academic qualifications and industry memberships appear on the Company's website, and both comply with the criteria for "Competence" under clause 3.1 of the Valmin Code 2015. Terminology and standards adopted by the Society of Petroleum Engineers "Petroleum Resources Management System" have been applied in producing this document.

**This announcement has been authorised by the Board.**

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**Information required by ASX Listing Rule 5.4.3 - Lease Schedules as at 30 September 2024**





## Appendix 5B

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

Name of entity

88 Energy Limited

ABN

80 072 964 179

Quarter ended ("current quarter")

30 September 2024

Consolidated statement of cash flows	Current quarter A'000	Year to date (9 months) A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(392)	(1,221)
(e) administration and corporate costs	(308)	(1,465)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	28	104
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(672)</b>	<b>(2,582)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	(427)	(1,398)
(c) property, plant and equipment	-	-
(d) exploration & evaluation	(2,043)	(23,197)
(e) investments	-	-
(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 - Joint Venture Contributions	224	3,205
Other - Distribution from Project Longhorn	670	1,897
Other - Return of Bond	-	-

<b>2. Consolidated statement of cash flows</b>		<b>Current quarter</b>	<b>Year to date (9 months)</b>
<b>Net cash from / (used in) investing activities</b>		<b>A'000</b>	<b>A'000</b>
<b>3. Cash flows from financing activities</b>			
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	9,696
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	-	(670)
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)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>-</b>	<b>9,026</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	7,882	18,183
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(672)	(2,582)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,576)	(19,493)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	9,026
4.5	Effect of movement in exchange rates on cash held	(125)	375
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>5,509</b>	<b>5,509</b>

<b>5.</b>	<b>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</b>	<b>Current quarter</b>	<b>Previous quarter</b>
		<b>A'000</b>	<b>A'000</b>
5.1	Bank balances	5,509	7,882
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>5,509</b>	<b>7,882</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter</b>
		<b>A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	186
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.*

6.1 Payments relate to Director and consulting fees paid to Directors. All transactions involving directors and associates were on normal commercial terms.

<b>7.</b>	<b>Financing facilities</b>	<b>Total facility</b>	<b>Amount drawn at</b>
	<i>Note: the term "facility" includes all forms of</i>	<b>amount at quarter</b>	<b>quarter end</b>

	financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.	end US'000	US'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	<b>Total financing facilities</b>	-	-
7.5	<b>Unused financing facilities available at quarter end</b>		-
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.		

8.	Estimated cash available for future operating activities	A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(672)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(2,043)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(2,715)
8.4	Cash and cash equivalents at quarter end (item 4.6)	5,509
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	5,509
8.7	<b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	2.03
	<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?	
	<p>Answer:</p> <p>The total outgoings are higher in Q3 than expected in subsequent quarters due to the final payments associated with the Hickory flow test program. The entity does not expect the same level of outgoings in Q4 2024 and 2025 and has more than 12 months of funding available based upon the current activity schedule. Funds available will be further increased when Burgundy Xploration pays its outstanding cash call of ~US 4 million.</p>	
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?	
	<p>Answer:</p> <p>There is no requirement to raise further funds based on anticipated expenditure with ongoing forecast cash distributions from Project Longhorn as well as ~US 4 million expected payment from Burgundy.</p>	
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?	
	<p>Answer:</p> <p>The entity's business objectives are on track with sufficient cash available as per the answers above.</p>	
	<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>	

## 1.1 Compliance statement

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

Date: 29 October 2024

Authorised by: By the Board

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

## 1.2 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.

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