



Hartshead Resources NL

ACN 150 624 169

Annual Financial Report

for the year ended

30 June 2025

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CONTENTS

	PAGE
Chief Executive Officer - Review Of Activities	1
Directors' Report.....	3
Auditors' Independence Declaration	26
Consolidated Statement of Profit or Loss and Other Comprehensive Income	27
Consolidated Statement of Financial Position	28
Consolidated Statement of Changes in Equity.....	29
Consolidated Statement of Cash Flows.....	30
Notes to the Consolidated Financial Statements	31
Consolidated Entity Disclosure Statement.....	60
Directors' Declaration	61
Independent Auditor's Report	62
Additional Information.....	66

Dear Shareholders,

Thank you for your patience this year. Against a difficult business environment in the UK, we continue our focus on our UK portfolio while minimising our investment in the UK until we see significant improvement in the fiscal, environmental and regulatory landscape. We know that our development project can deliver gas to the UK at much lower emissions than imported LNG, support jobs, improve the balance of trade, and deliver tax receipts to the Exchequer. If and when we are presented the right conditions, there is an industry behind us that can deliver on these promises.

The team at Hartshead has worked hard this year to move our flagship gas development project forward. The main focus has been to identify and optimise our gas evacuation route and progress innovative funding solutions to reduce up-front CAPEX for the development. This has been hugely successful and has the potential to remove a large proportion of the capital requirement to execute our development plan and bring our gas fields into production. We have worked with various third-party infrastructure owners and believe we now have a much-improved development plan, funding strategy and offtake route for our gas.

In addition, mindful of the current headwinds facing our industry in the UK, we have significantly reduced our overheads, overall expenditure and future funding commitments, and delivered exceptional value for money in what is a high-cost industry.

In respect of our new licenses, while we were justifiably delighted with the award of numerous licenses in the 33rd Licensing Round, we have been frustrated by the lengthy and still unresolved Judicial Review into the license awards for all Tranche 3 licenses in the round. We are still waiting on a judge's ruling, despite the Review being heard in March of this year, and we have taken the difficult decision to suspend investment into these licenses until the legal situation has been clarified.

After the reporting period, we completed an agreement with our joint venture partner to secure funding for a commitment Well on our flagship license P2607. As a result of this we have been able to submit a request for an extension to our P2607 license, which I hope to be able to report on presently. This extension and the drilling of a Well will secure our license for several years, giving the joint venture time to progress our development project.

With this in mind, I am optimistic that our joint venture partner will now work with us to move our development project forward, and accept our revised development concept as it will deliver increased production volumes, for lower capital and lower associated production emissions.

In July 2024, as we set out on our new financial year and the current Government came to power, we had one big ask, and that was for certainty. Certainty in respect of the UK fiscal framework for oil and gas, certainty on the future licensing regime, certainty on environmental approvals, certainty on the pace and timing for our flagship development project, and certainty that the Government would support us. At the end of the year, we find ourselves still asking for these very same things.

The recent Government consultation on the future fiscal framework has been encouraging, but the voices for change are growing louder each day and the Budget in November presents the Chancellor of the Exchequer with the opportunity to fix the investment climate for businesses in a single stroke. This Government should take note and change course while it still can. As an industry we ask that the Government immediately replace the current fiscal regime with a fair windfall tax, that only taxes windfall profits and enable us to deliver a thriving UK, powered by homegrown energy that's produced safely and sustainably.

Hartshead is a proud member of the UK oil and gas industry and we are incredibly proud of our achievements in rejuvenating already-discovered gas fields and mobilising potential investment of hundreds of millions of pounds into the UK economy. We sincerely hope that common sense and sound economic reason prevail and that the right conditions return to the UK for the continuation of this vibrant and dynamic industry.

Looking forward, we will continue to work within our joint venture to promote our revised development plan, and work with third party infrastructure owners to finalise commercial and technical parameters around this. We will be assisting the Regulator to move our license extension request forward and we will focus on planning our upcoming exploration Well.

Meanwhile, industry awaits the Budget in November in the hope that this Government will recognise the damage the current fiscal regime is inflicting on the country, and we look forward reading the final opinion on the Judicial Review into the 33rd Licensing Round.

The Company remains in good health, with cash balances enabling us to survive these headwinds and retain options on how we move forward during the coming months. Financial prudence is still our watchword.

Thank you again for your continued support during some challenging times over the course of this past year.



Chris Lewis

Chief Executive Officer

30 September 2025

The Directors of Hartshead Resources NL (**Company** or **Hartshead**) and the entities it controls (**Consolidated Entity** or **Group**) present their financial year end 30 June 2025.

SEAWARD PRODUCTION LICENSE P2607, OFFSHORE UNITED KINGDOM

(ROCKROSE ENERGY 60%, HARTSHEAD RESOURCES 40% AND CURRENT OPERATOR)

During the Financial Year ending 30 June 2025, the Company continued to progress all three phases of its multi-phased development of the Seaward Production License P2607, offshore United Kingdom.

The Company holds a portfolio of assets and opportunities ranging from developable reserves (Phase 1 – Somerville and Anning Gas Fields) through discovered contingent resources (Phase II – Lovelace and Hodgkin Gas Fields) to prospective resources (Phase III).

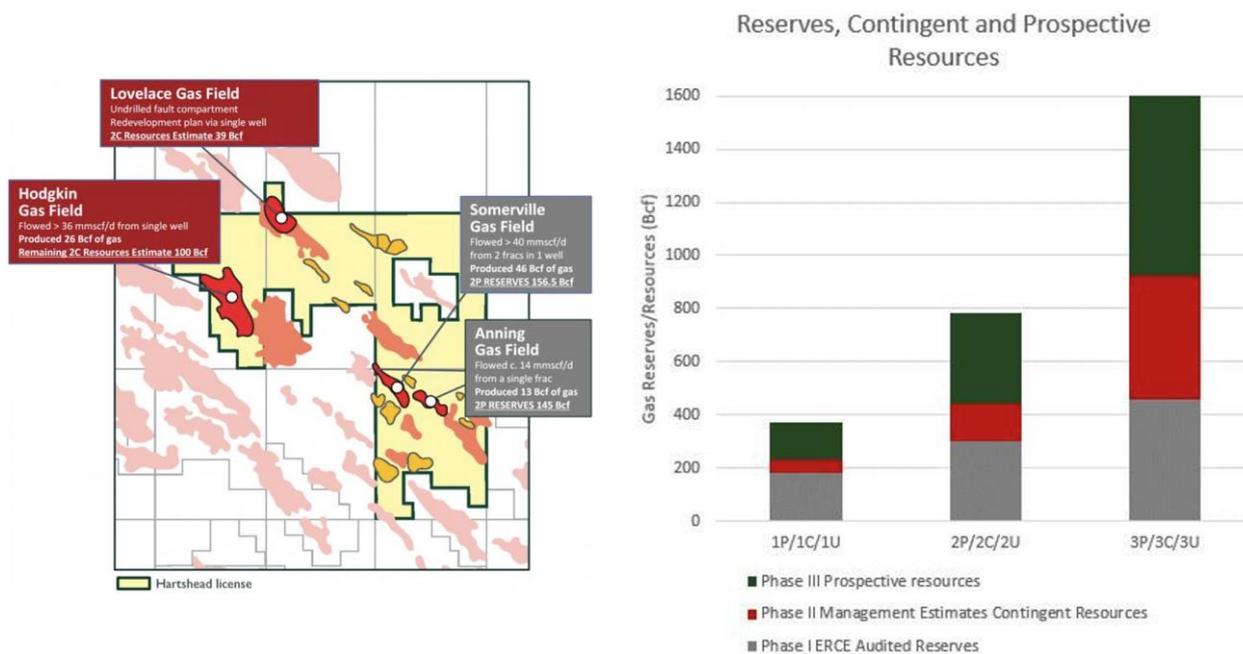


Figure 1: Seaward License P2607 Location, Resources and Reserves in the Southern Gas Basin, UK.

Figure 2. P2607 Reserves and Resources

Operational update on UK Southern Gas Basin – Phase 1:

During the 2025 financial year, the primary focus for the Company was to reinstate progression towards the Phase 1 development of Seaward Production License P2607.

As operator under the P2607 Joint Venture (JV), Hartshead has been aiming to reinstate progressing towards taking Final Investment Decision (FID) on the project, post the UK election finalisation in 2024. The plan for development included the establishment of six production wells, with operations expected to commence during 2025. These wells are projected to achieve peak production rates of 140 mmcsf, with Hartshead's net share being up to 56 mmcsf, equivalent to over 9,000 boepd, (ASX announcement dated 23 June 2022).

In February 2024, the UK Labour Party outlined proposed taxation policy changes, that would see an increase in taxation and reduction of tax relief for UK gas developments if they were elected in the 2024 UK election. Labour was elected and the UK Government confirmed changes to the Energy Profits Levy as part of its Autumn Budget on 30th October 2024. The revised oil and gas fiscal regime outlined in the UK Government budget, provided the necessary information for the economic evaluation of the Anning and Somerville gas fields development project under these new terms.

During the 2024 period Hartshead continued to review multiple development options for the Anning and Somerville fields, with a view to providing an optimised, economically robust development, both in terms of value for the stakeholders and application of the Central Obligations for the North Sea Transition Authority (NSTA). Part of the work undertaken involved a reassessment of the gas export route. This work included a revised evaluation of an option that had previously been considered unavailable due to the circumstances at the time. Recent changes in asset ownership and operatorship have seen this route become promising as an alternate route to transport the Anning and Somerville gas to market, with the added potential of infrastructure funding to be provided in part as an innovative funding option.

Hartshead updated the NSTA on the status of the Anning and Somerville development project in early December 2024 as a precursor to submitting the necessary documentation, including a revised Field Development Plan to allow the project to progress to the execution phase with the new gas transport route. The Company submitted a Concept Select Report Addendum (CSRA) to the North Sea Transition Authority for the Anning and Somerville gas field developments. This proposal includes a new gas export route via the Saturn Banks pipeline to the Bacton Terminal, offering lower capex and accelerated production potential. A revised development plan was lodged, emphasising re-use of existing infrastructure (like platform repurposing) and advanced discussions for 100% pipeline extension funding, aimed at drastically reducing development costs. A formal development plan detailing this new transport route was also submitted, reaffirming the strategic infrastructural pivot.

The Company has been working through a process with its Joint Venture Partner RockRose Energy on Licence P2607 and is currently working through the Licence extension requirements that fall due in 2025.

Operational update on UK Southern Gas Basin – Phase 2:

The Company has advanced the multi-phased strategy on Seaward Product License P2607. Subsurface work on Phase II has continued on the Hodgkin and Lovelace fields and been conducted in conjunction with work on Phase III opportunities, to high grade prospects and advance towards more detailed planning, thereby ensuring that Hartshead continues to push ahead with a balanced portfolio of risk and reward in License P2607.

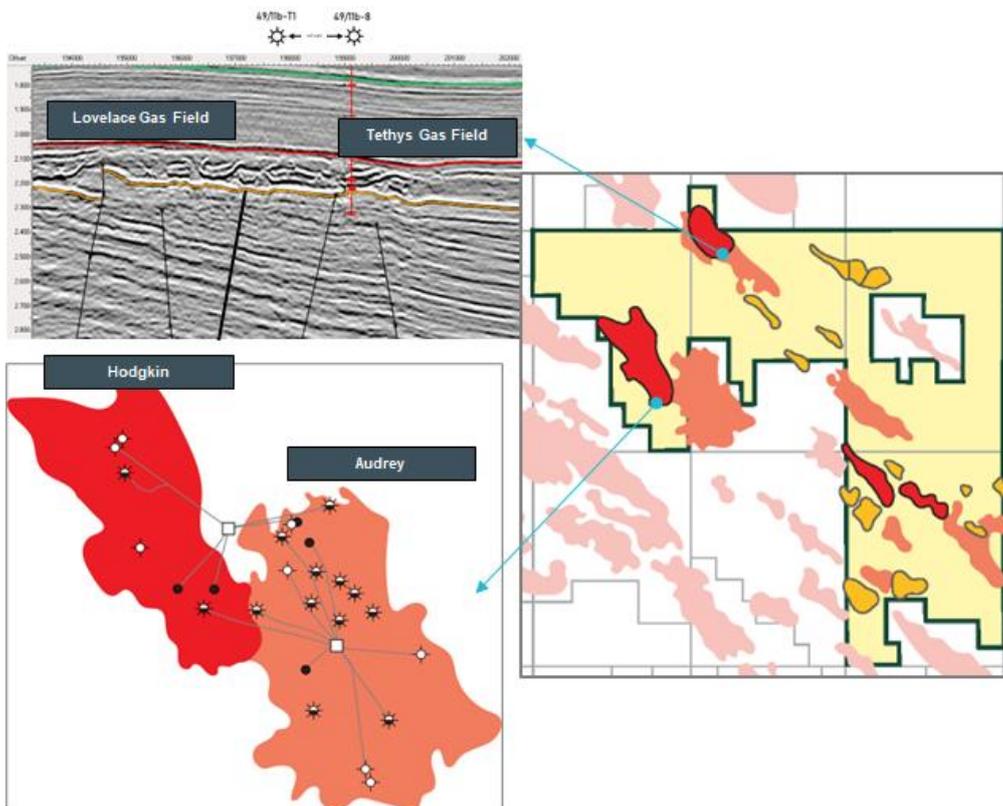


Figure 3. Location of the Phase II development Hodgkin and Lovelace fields within the License P2607 area.

The Phase II subsurface work programme covering the Hodgkin and Lovelace field developments continued during the financial period with work currently ongoing to refine the seismic interpretation and develop new models of both fields.

The Phase II workstreams have encompassed an updated geological and geophysical database, detailed interpretation of the new 3D seismic data, petrophysical analysis and reservoir engineering to deliver revised in place gas volumes, recoverable 2C contingent resources and production profiles for both the Hodgkin and Lovelace gas fields.

DIRECTORS' REPORT

The Hodgkin and Lovelace fields are located in the north-west part of License P2607 and are currently estimated to contain a combined 139Bcf of 2C Contingent Resources as detailed below (Table 1).

CONTINGENT RESOURCES (BCF) ¹		IC	2C	3C	GCoS
PHASE II	49/6c, 49/11c Lovelace	14	39	70	100%
	48/15c Hodgkin	35	100	387	100%

Table 1. Phase II Contingent Resources across the Hodgkin and Lovelace fields.

Hodgkin and Lovelace present the opportunity to utilise the Phase I infrastructure to monetise the Phase II gas production and a Field Development Plan will be assessed in the coming year. Transmission of the Phase II gas flow stream through the Phase I pipeline may lead to a potentially enhanced economic performance of the Hodgkin and Lovelace fields given the upfront investment in Phase I infrastructure.

Operational update on UK Southern Gas Basin – Phase III:

Phase III is a low-risk infrastructure-led portfolio of exploration opportunities which will utilise the infrastructure assembled in Phase I and Phase II as an “enabler” to accelerate the development scenario.

An exploration study across License P2607 was conducted during the FY 2022 reporting period by Xodus generating a new prospect inventory totalling 14 prospects and leads with un-risked 2U Prospective Resources of 344 Bcf (Figure 10). Twelve new prospects, in addition to the existing Garrod and Ayrton prospects, were identified on the license area. All the new prospects are undrilled structural traps within the Rotliegendes reservoir as summarised below along with their respective geological chance of success (GCoS) which ranges from 32% to 54% with an arithmetic average of 43%.

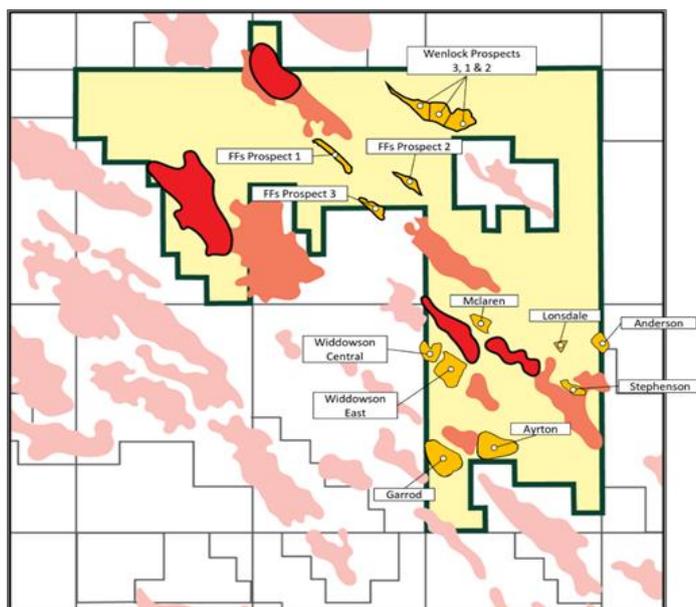


Figure 5. Phase III exploration portfolio prospects and leads map.

With the availability of the reprocessed seismic, subsurface work to high grade the prospects started during the period. The prospects listed below (Table 2) will be economically evaluated and ranked prior to being short listed for further work, which will involve initial well planning for the drilling of exploration wells in the final selected prospect or prospects. Any prospects selected to be drilled would likely be drilled sometime following Phase I first gas which is scheduled for 2027.

Prospect	Recoverable Volume ² (Bcf)			GCoS
	1U	2U	3U	
McLaren	18	27	39	0.54
Stephenson	36	47	60	0.43
Widdowson East	6	29	79	0.32
Widdowson Central	11	21	40	0.50
Lonsdale	5	16	31	0.50
Anderson	5	12	29	0.45
Garrod	16	52	125	0.50
Ayrton	25	74	146	0.41
Wenlock Prospect 1	4	19	55	0.36
Wenlock Prospect 2	1	5	19	0.36
Wenlock Prospect 3	1	5	17	0.36
FFs Prospect 1	3	11	26	0.41
FFs Prospect 2	8	19	37	0.35
FFs Prospect 3	4	9	17	0.34
Arithmetic Total	143	346	720	

Table 2. Phase III exploration portfolio resource table highlighting 2U Prospective Resources.

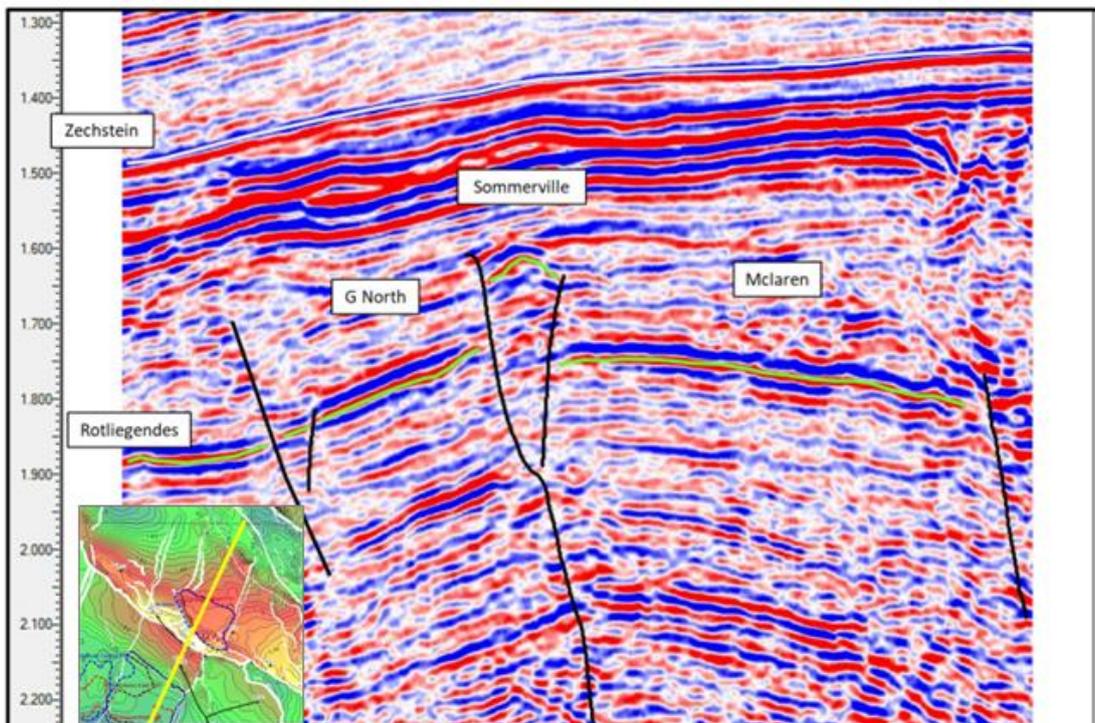


Figure 6. McLaren prospect seismic line showing its location adjacent to the Somerville field.

UK 33rd Offshore Licensing Round:

In May 2024, the Company announced it had been notified by the North Sea Transition Authority (NSTA), as the regulatory body for oil and gas exploration in the UK, that it had been successful in winning ten (10) blocks in the recent UK 33rd Offshore Licensing Round.

These blocks all contain discovered hydrocarbons and present a range of re-development, development and appraisal opportunities (Table 3). In addition, there are multiple near field exploration opportunities in the blocks. These additional licenses are strategically important for Hartshead as it transitions the Company from a single License company to having multiple Licenses and projects within the UK.

Block	Primary Opportunity Type	Hartshead Equity	Partner
44/19b	Field Redevelopment	50%	Meridian Resources
44/21d	Field Redevelopment	50%	Meridian Resources
44/22			
44/23b	Field Development	50%	Meridian Resources
44/27	Field Development	50%	Meridian Resources
48/10	Field Appraisal	100%	
48/14d	Field Redevelopment	100%	
48/15b			
48/18c	Field Appraisal	80%	Comtrack (UK) Ltd
113/27c	Field Appraisal	50%	Comtrack (UK) Ltd

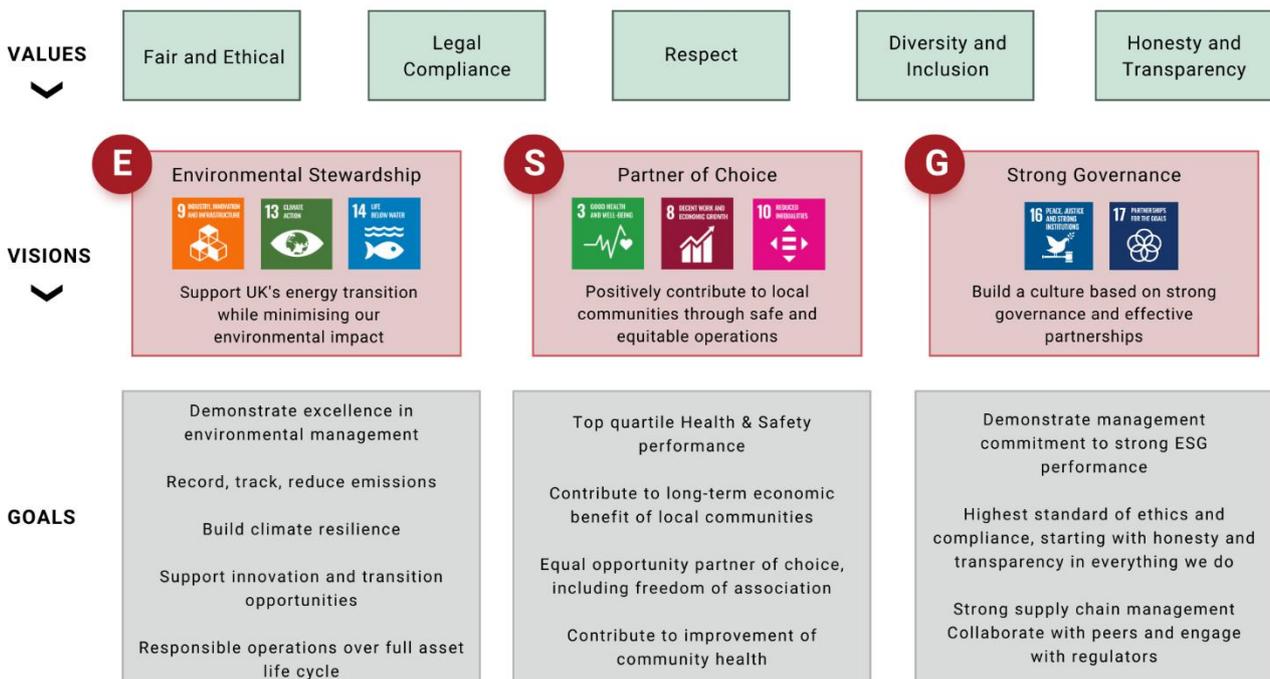
Table 3: Ten block licenses won at NSTA 33rd Offshore Licensing Round

Cost Reduction Initiatives:

During 2024/2025, Hartshead focussed on maintaining its strong cash position through this period of delay and fiscal uncertainty. The Company undertook a cost reduction initiative in respect of the areas of the project team that were recruited to deliver the current and next phase of the development project and related contract awards. This led to a material cut in head count and a reduction of the monthly costs of the JV and to Hartshead directly. The Company recognised the importance of preserving its cash position until there was clarity on oil and gas industry policy to enable the project to move forward.

ESG REPORT

An ESG Strategy that is Aligned with Our Core Values:



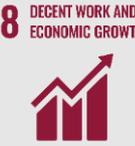
DIRECTORS' REPORT

As part of our ongoing commitment to an awareness of our impacts, we have reviewed the Materiality Assessment undertaken last year and determined that no changes were required as the company activities have not significantly changed.

We will continue to review this on an annual basis as our business and operations evolve to ensure relevant Material Topics are identified and the associated risks and opportunities are integrated into our decision-making processes. Each of our Material Topics are discussed in more detail in the table below. We have also revisited those topics that were previously deemed non-material; the description of why we have selected these to be non-material are included below.

In order to demonstrate alignment with and performance against our Material Topics, we are working to define a set of metrics that we will report once our development activities commence with fabrication and installation of our facilities. These metrics will include key topics including GHG emissions Scopes 1 and 2, health and safety statistics, environmental metrics including waste management, and governance oversight such as anti-bribery and anti-corruption training. As we do not currently have any active operations, all activities are office-based during the planning phase of the development and the operational metrics are not yet relevant to report until after FID and the development activities get underway.

Material Topic	UN SDGs	Impact on Stakeholders	Impact on Hartshead	Materiality
Climate change, transition and GHG emissions	 	High	High	As a responsible operator, Hartshead acknowledge the threat of climate change and the challenge of delivering secure, low cost energy to drive the energy transition towards a net zero future. Our development planning is focussed on reducing GHG emissions to be among the lowest of facilities in the North Sea once operations commence. We are planning to implement renewable energy and biodiesel options to power our facilities and optimise logistics in order to minimise emissions and align with the NSTA Stewardship Expectations and North Sea Transition Deal for decarbonisation of the North Sea Basin.
Occupational health and safety		High	High	One of our top priorities is that everyone who works for us goes home safely to their loved ones at the end of every day. We view health and safety in a holistic manner that addresses both physical and mental wellness.
Waste & emissions		Medium	High	A focus on minimising waste and emissions in the planning phase of our development means we can ensure we reduce the impacts of our operations from day 1. Power options, fuel type and produced water treatment are all high-priority topics throughout the design phase of the development to minimise discharge of pollutants to the environment. Management and disposal of waste during our operations will be carried out in accordance with all relevant laws and regulations.
Full lifecycle asset management	 	Medium	High	We believe full lifecycle asset management is heavily influenced during the design phase. Planning to ensure safe operations during the planning phase is a high priority, as is consideration of decommissioning impacts at the end of the field's life.

Material Topic	UN SDGs	Impact on Stakeholders	Impact on Hartshead	Materiality
Strong governance	 	Medium	High	Hartshead are listed on the Australian Stock Exchange and operate solely within the UK and are therefore bound by UK legislation in our business conduct and operational activities in the North Sea. Both jurisdictions are highly regulated, providing a strong governance framework that we take very seriously.
Economic impacts	 	High	Medium	Our mission is to build a responsible and safe European energy business to support the UK's energy security and energy transition. We are actively engaging in a number of Special Interest Groups as part of the Bacton Energy Hub, which is a key part of the UK Government's Net Zero plan and will provide the local communities with job opportunities supporting the local economy.
Employment practices and freedom of association		High	Medium	Fair employment practices, including the right to freedom of association, reflects our core values of respect, fairness, and ethical treatment of everyone we do business with. Hartshead is a non-unionised workforce, however this does not preclude employees from becoming union members or engaging in collective bargaining where appropriate.
Equality		High	Medium	As we build our company, equality in all its forms is important to develop a strong culture and diverse, effective team.
Biodiversity		Medium	Medium	Hartshead's assets are located in the offshore UK sector of the Southern North Sea. All of the development planning approvals and offshore operations are regulated by UK Environmental legislation. We are making significant efforts to plan our development to have lowest possible impact on the marine environment in which we operate.

Non-Material Topics

Local communities, land, and resource rights: Hartshead operate in the offshore UK Southern North Sea, which is a highly regulated environment. No local communities are directly impacted by our offshore operations, and we comply with all necessary legislation and regulations in respect to obtaining land and resource rights, therefore this topic is not material to us.

Anti-competitive behaviour, government lobbying: Anti-competitive behaviour goes against our core values of fair and ethical behaviour. Our strong governance ensures transparent and compliant conduct in all aspects of our business. Additionally, as a small operator, Hartshead has limited influence on anti-competitive behaviour or government lobbying, therefore this topic is not materially relevant.

Forced labour and modern slavery: While Hartshead is vehemently against any form of slavery or forced labour, our operations in the UK and procurement predominantly from the UK and EU under strict employment and human rights laws, makes this topic a low risk for our business. We have procurement processes in place to ensure our suppliers are not engaging in, or supporting, slavery of any type.

DIRECTORS' REPORT

Conflict and security: The offshore North Sea is a safe operating environment, and no private security forces are required for our projects. Therefore, this topic is not materially relevant to us.

Rights of indigenous peoples: The UK regions where Hartshead operate are not home to any communities or peoples who would be classified as indigenous and therefore this topic is not materially relevant to us.

A WIDER ESG APPROACH

We are committed to ensuring our ESG strategy is considered in all areas in which we work and right across all of our projects.

EMISSIONS REDUCTION PLAN

During this development planning phase, Hartshead are working towards alignment with the NSTA's Stewardship Expectations (SE) 11 on Net Zero. We are in the process of reviewing and updating our Emissions Reduction Plan, with a Gap Analysis completed against SE 11, and an action plan defined to assure alignment with the expectations.

Our Anning and Somerville development is currently modelled to have very low operating emissions owing to a number of initiatives already incorporated into the Development Plan, including using Normally Unmanned Installations (NUI), no routine flaring, implementing renewable energy to power offshore facilities, utilising gas from produced water to avoid venting, minimising flaring during well clean-up, and planning for biofuel-capable generators to support additional power requirements.

PROGRESS TOWARDS TCFD REPORTING

Hartshead have chosen to begin to align with the Taskforce for Climate-related Financial Disclosures (TCFD). Whilst this is not compulsory for Hartshead at this time, the company see this as excellent guidance for how they consider and address climate-related risks, opportunities and their impact on the company's assets and business resilience as the business grows.

WHAT IS TCFD?

TCFD was created by the Financial Stability Board (FSB) which released climate-related financial disclosure recommendations in 2017. These disclosures were designed to help companies provide decision-useful, climate-related information to support informed capital allocation.

The disclosure recommendations are structured around four thematic areas: governance, strategy, risk management, and metrics and targets. Topics in each of the four areas are interrelated and supported by 11 recommended disclosures that build out the framework with information that should help investors and others understand how reporting organizations think about and assess climate-related risks and opportunities. More information on TCFD can be found on their website: <https://www.fsb-tcfid.org/>.

A phased approach towards alignment with TCFD

Hartshead are following a phased approach to build towards full alignment with the TCFD recommendations. It is anticipated that Hartshead will provide an update regarding TCFD implementation in 2025, with a goal to report fully to TCFD during the 2026-27 financial year.

Hartshead are currently monitoring the latest advice with regards to the recent International Sustainability Standards Board (ISSB) launch of the sustainability-related reporting standards: the General Requirements for Disclosure of Sustainability-related financial information (IFRS S1), and the requirements for Climate-related Disclosures (IFRS S2). Hartshead do not currently plan to start reporting against ISSB, however through their plan to implement TCFD, they will be working towards this should it become mandatory for them in the future.

MATERIAL BUSINESS RISK

The Group makes every effort to identify materials risks and to manage these effectively. This section does not attempt to provide an exhaustive list of risks faced by the Group or by investors in the Group, nor are they in order of significance. Actual events may be different to those described.

The Board aims to manage these risks by carefully planning its activities and implementing risk control measures. Some of the risks are, however, highly unpredictable and the extent to which the Board can effectively manage them is limited.

Oil & Gas Pricing Risk

It is impossible to accurately predict future oil and gas price movements. Sustained lower oil and gas prices or price declines may lead to a material decrease in the Company's future production revenues. The Company may from time to time enter into agreements to receive fixed prices on future oil and gas production to offset the risk of revenue losses if commodity prices decline. However, if commodity prices increase beyond the levels set out in such agreements, the Company will not benefit from such increases and may nevertheless be obligated to pay suppliers and others in the market based on such higher prices. Furthermore, there can be no assurance that hedging will be available or continue to be available on commercially reasonable terms, and in addition, hedging itself carries certain risks, including expenses associated with terminating any hedging agreements. Further, sustained lower oil and gas prices may also cause the Company to make substantial downward adjustments to its oil and gas reserves. If this occurs, or the Company's estimates of production or economic factors change, the Company may be required to write-down the carrying value of its proved oil and gas properties to reflect these impairments. Furthermore, certain development projects could become unprofitable as a result of a decline in oil and gas prices and could result in the Company having to postpone or cancel a planned project, or if it is not possible to cancel the project, carry out the project with negative economic impact. Additionally, if oil and gas prices remain depressed, it could reduce the Company's ability to refinance any outstanding loans at maturity.

Tax Regulation

Future political and fiscal conditions in the countries in which the Company operates its business (in particular, the UK) may result in governments adopting materially different taxation policies which could affect the petroleum industry. Furthermore, the level of taxes the Company must pay could change significantly as a result of new interpretations of tax laws and regulations or changes to such laws and regulations. In the event there are any such changes, it could lead to new investments being less attractive, prevent the Company from achieving further growth, or adversely affect the Company's current and future tax position, net income after tax and financial condition. In addition, tax authorities could challenge the Company's filed tax returns leading to additional taxes and tax penalties. In the UK tax authorities may under certain conditions change a taxpayer's tax assessment up to twenty years after the tax year.

Climate Change Risk

Climate change continues to attract considerable public, governmental and scientific attention. As a result, various proposals have been made and could continue to be made at the international, national, and regional levels of government to monitor and limit emissions of CO₂ and progress towards net zero carbon emission economies. Consequently, legislation and regulatory programs to reduce emissions of CO₂, introduce carbon capture and storage projects and move to net zero carbon could have an adverse effect on the oil and gas industry generally and adversely affect the Company's business, financial condition, and results of operations.

The North Sea Transition Authority (NSTA) views oil & gas as an important component of the UK's energy mix going forward but is also fully committed to the UK Government's commitment to reach net zero emissions by 2050 and therefore has put net zero considerations at the heart of its oil & gas strategy.

The growth of alternative energy supply options, such as renewables and nuclear, could also present a change to the energy mix that may reduce the value of oil and gas assets.

In addition, climate change activists could bring legal challenges to the Company's activity to develop its gas assets resulting in operational delays and legal costs to deal with such litigation.

Exploration Risk

Oil & gas exploration is a speculative endeavour, and the nature of the business carries a degree of risk associated with the discovery of hydrocarbons in commercial quantities. Exploration risk may be adversely influenced by a number of different factors including, amongst other things, new subsurface geological and geophysical data (e.g. seismic data), drilling results from either wells drilled by the Company or other industry players, where the well drilled has direct relevance to the plays and prospects being pursued in its licence permits. This information impacts knowledge of the fundamental geological factors that are required to be present in order to have a hydrocarbon accumulation. These fundamental elements require there to be an effective; trap, reservoir, seal, source rock presence, maturity of source rock for hydrocarbon generation and migration of hydrocarbon charge from the source rocks into a trap. Each of these elements are required and their presence needs to be effective in order to have a hydrocarbon discovery that may or may not be able to be commercialised.

The business of oil & gas exploration involves risks and hazards. For example, in an exploration context, no assurance can be given that hydrocarbons will be detected and if they are, whether they are in quantities likely to be commercialised under conventional conditions within the term of the licence permit. High risk and substantial expense can be incurred without the requisite or expected degree of reward. Even if commercial quantities of oil & gas are discovered unforeseen risks can arise in the development and production phases.

Development Risk

Development projects require complex engineering, procurement, construction, and drilling work, as well as government permits and approval. Development of oil and gas assets are risky activities, requiring high levels of capital expenditure without a commensurate degree of certainty of a return on that investment. The complexity of offshore development projects also makes them very sensitive to delays or costs increases. Projected target dates for production may be delayed and significant cost overruns may occur. Estimated exploration, development and production costs are subject to a number of assumptions that may not materialize. Such factors may affect the extent to which oil and gas fields remain commercially viable, and consequently could result in breach by the Company of its obligations and/or require the Company to raise additional debt and/or equity. Any delays, cost increases or other negative impact relating to development projects of the Company, may have a material adverse effect on its business, results of operations, cash flow, financial condition, and prospects.

Operational Risk

The business of oil & gas exploration, development, and production, by its nature, contains elements of significant risk with no guarantee of success. Ultimate and continuous success of these activities is dependent on, amongst other things:

- (i) the discovery and/or acquisition of economically recoverable reserves;
- (ii) access to adequate capital for project development;
- (iii) securing and maintaining licence permits;
- (iv) obtaining consents and approvals necessary for the conduct of oil & gas exploration;
- (v) access to competent operational management and prudent financial administration, including the availability and reliability of appropriately skilled and experienced employees, contractors, and consultants; and
- (vi) availability of equipment, such as seismic vessels or drilling rigs, within the necessary time frame.

Whether or not income will result from licence permits depends on successful exploration, appraisal, and establishment of production facilities.

There is no assurance that any exploration on current or future licence permits will result in the discovery of economic reserves. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically developed.

Other Operational Risks

In addition to the risks listed above, industry operating risks include fire, explosions, blow outs, pipe failures, abnormally pressured formations, and environmental hazards such as accidental spills or leakage of petroleum liquids, gas leaks, ruptures, or discharge of toxic gases. The occurrence of any of these risks could result in substantial losses to the Company due to injury or loss of life; damage to or destruction of property, natural resources, or equipment; pollution or other environmental damage; clean-up responsibilities; regulatory investigation and penalties or suspension of operations. Damages occurring to third parties as a result of such risks may also give rise to claims against the Company.

Uncertainty of Exploration and Development Programs

Among the many uncertainties inherent in any exploration and development program is the location of oil & gas, the development of appropriate processes, the receipt of necessary governmental permits, access to permits and the construction of processing facilities. Assuming the discovery of oil & gas, several years may lapse from the initial phases of drilling until commercial operations commence and, during such time, the economic feasibility of production may change.

PETROLEUM TENEMENTS HELD AS AT 30 JUNE 2025

LICENSE	HARTSHEAD EQUITY	LOCATION
P2607	40%	<i>Offshore United Kingdom</i>
P2669	50%	<i>Offshore United Kingdom</i>
P2670	50%	<i>Offshore United Kingdom</i>
P2676	100%	<i>Offshore United Kingdom</i>
P2678	100%	<i>Offshore United Kingdom</i>
P2679	80%	<i>Offshore United Kingdom</i>
P2682	50%	<i>Offshore United Kingdom</i>

PETROLEUM REPORTING STATEMENTS**UK SOUTHERN NORTH SEA SEAWARD PRODUCTION LICENSE P2607 – RESERVES, CONTINGENT AND PROSPECTIVE RESOURCES**

Please refer to the qualified person's statement relating to the reporting of reserves on Hartshead Resources Southern North Sea License P2607 in Hartshead's ASX announcements dated 23 June 2022. The volumetric estimates used to derive the estimates below have been made by combining probabilistically derived estimates of initial in place gas volumes with assumptions regarding the gas recovery factors from analogous fields, such as the Clipper South and Babbage gas fields located in the UK Southern Gas Basin.

Please refer to the qualified person's statement relating to the reporting of contingent and prospective resources on Hartshead Resources Southern North Sea License P2607 in Hartshead's ASX announcements dated 6 April 2022 and 8 March 2022.

Please refer to the qualified person's statement relating to the reporting of contingent and prospective resources on Hartshead Resources Southern North Sea Licenses P2669, P2670, P2676, P2678, P2679 and P2682, in Hartshead's ASX announcements dated 9 September 2024.

The Company is not aware of any new information or data that materially affects the information about the contingent resource or prospective resource estimates included in this report and all the material assumptions and technical parameters underpinning those estimates in this announcement continue to apply and have not materially changed.

Contingent resources reported herein have been estimated and prepared using the probabilistic method.

DIRECTORS' REPORT

GROSS RESERVES¹

P2607	49/17b	Anning			1P	2P	3P
			Sales Gas (Bcf)	73	145.0	245	
			Condensate (MMbbl)	0.081	0.192	0.375	
	49/17b	Somerville			107.0	156.5	213
			Sales Gas (Bcf)	107.0	156.5	213	
			Condensate (MMbbl)	0.119	0.208	0.325	
			Total (MMboe)	31.2	52.4	79.7	

GROSS CONTINGENT RESOURCES ² (BCF)			1C	2C	3C	GCOS
P2607	49/6c, 49/11c	Lovelace	14	39	70	100%
	48/15c	Hodgkin	35	100	387	100%
P2669	44/19b	Katy Field	28	67	120	100%
		Cameron	8	19	43	100%
		44/19-3	9	40	75	100%
P2670	44/22	Boulton-H Field	15	41	76	100%
	44/23b	Winchelsea North Field	17	60	129	100%
	44/27	Garnet Field	7	20	56	100%
P2676	48/10	Annabel East Field	32	91	204	100%
P2678	48/14d	Ensign Field	68	124	205	100%
	48/15b					
P2679	48/18c	Bedevere North Field	68	96	130	100%
		Bedevere Central Field	47	68	94	100%
		Bedevere South Field	39	56	78	100%
		Anglia Paris	12	24	43	100%
		Anglia North	10	19	33	100%
P2682	113/27c	Castletown Field	72	156	330	100%

¹ Reserves estimates are from ERC Equipoise Limited, Independent Competent Persons Report (CPR) entitled "Hartshead Resources NL Somerville and Anning Competent Persons Report" dated June 2022. See Qualified Persons Statement for reserves reporting notes.

² Hartshead and Partners management estimates

DIRECTORS' REPORT

GROSS PROSPECTIVE RESOURCES (BCF) ⁵			1U	2U	3U	GCOS
P2607	49/17b	Garrod	16	52	125	50%
	49/17b	Ayrton	25	74	146	41%
	49/17b	McLaren	18	27	39	54%
	49/17b	Stephenson	36	47	60	43%
	49/17b	Widdowson East	6	29	79	32%
	49/17b	Widdowson Central	11	21	40	50%
	49/17b	Lonsdale	5	16	31	50%
	49/17b	Anderson	5	12	29	45%
	49/12d	Wenlock Prospect 1	4	19	55	36%
	49/12d	Wenlock Prospect 2	1	5	19	36%
	49/11c	Wenlock Prospect 3	1	5	17	36%
	49/11c	FFs Prospect 1	3	11	26	41%
	49/11c	FFs Prospect 2	8	19	37	35%
	49/11c	FFs Prospect 3	4	9	17	34%
P2669	44/19b	Emerald	17.4	23.2	34.8	0.32
		Silmanite West	6.96	11.6	23.2	0.56
P2670	44/23b	Winchelsea West	23.2	81.2	191.4	0.24
	44/27	Schooner C	69.6	92.8	104.4	0.50
		Wheatsheaf	174	220.4	272.6	0.10
P2676	48/10	Ulnaby	53	89	149	0.35
		Ulnaby South	17	33	63	0.35
P2679	48/18c	Anglia Far North	11	28.5	68.1	0.40
P2682		Doyle	62	171	354	0.45
	113/27c	Peel	68	230	440	0.36

Prospective resources are estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) and relate to undiscovered accumulations. These prospective resources estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

COMPETENT PERSONS STATEMENT

The Reserves estimated in this report have been made by Dr Adam Law, Director, ERC Equipose (ERCE), a post-graduate in Geology, a Fellow of the Geological Society, and a member of the Society of Petroleum Evaluation Engineers. Dr Adam Law is qualified in accordance with ASX listing rule 5.41 and has consented to the use of Reserves estimates, and to the form and context in which these statements appear.

ERCE Ltd. (ERCE) is a leading, employee owned, global energy consultancy headquartered in London with offices in Singapore, Kuala Lumpur, and Perth. It's fully integrated team of Geoscientists, Engineers and Economists are specialists in Competent Persons reporting, reserves and resources auditing, technical services, commercial analysis, and Expert advisory services. ERCE supports companies in traditional energy sectors as well as providing energy transition and sustainability services.

The Reserves estimates presented in this report were originally disclosed to the market in announcement released on 23 June 2022. The information in this report that relates to Reserves estimates is based on information compiled or reviewed by Mr Christopher Lewis. Mr Lewis has consented to the form and context in which the estimated Reserves and the supporting material are presented.

Hartshead has prepared the Contingent Resource and Prospective Resource information in this announcement in accordance with the ASX Listing Rules and the 2007 Petroleum Resources Management System published by the Society of Petroleum Engineers (SPE-PRMS).

DIRECTORS' REPORT

The Contingent Resource estimates and Prospective Resource estimates presented in this report were originally disclosed to the market in announcement released on 14 December 2020 and updated 8 March 2022 and 6 April 2022. Hartshead confirms that it is not aware of any new information or data that materially affects the information included in the aforesaid market announcements and that all the material assumptions and technical parameters underpinning the estimates in the aforesaid market announcement continue to apply and have not materially changed. The information in this report that relates to Contingent Resource information in relation to the Phase II Hodgkin and Lovelace fields and the Prospective Resource information in relation to the Phase III exploration portfolio is based on information compiled by Mr Christopher Lewis and information compiled by technical consultants contracted to Hartshead which has been subsequently reviewed by Mr Christopher Lewis. Mr Lewis has consented to the inclusion of such information in this report in the form and context in which it appears and the resources information in this report is based on, and fairly represents, information and supporting documentation reviewed by, or prepared under the supervision of, Mr Christopher Lewis.

Mr Lewis is a Director of Hartshead and holds a BSc from the Imperial College, University of London and is a member of The American Association of Petroleum Geologists (AAPG) and the European Association of Geoscientists and Engineers (EAGE). Mr Lewis is qualified in accordance with the requirements in ASX Listing Rule 5.41.

RISK MANAGEMENT AND CORPORATE GOVERNANCE

The Board of Hartshead are committed to conducting its business in accordance with a high standard of corporate governance commensurate with its size, operations, and the industry within which it participates. The Directors of Hartshead are responsible for corporate governance of the Company and support the principles of the ASX Corporate Governance Council's Principles and Recommendations (4th edition – February 2019) published by the ASX Corporate Governance Council.

The Company's Corporate Governance Statement as at 30 June 2025 was approved by the Board on the date of this report. The Company's Corporate Governance Statement can be viewed www.hartshead-resources.com.au under the Corporate menu tab.

Following completion of the HRL transaction, the Company undertook a review of all of its Corporate Governance policies, including Anti-Bribery & Corruption, Statement of Values, and the Whistleblower Policy, to ensure that they remained current and compliant.

EVENTS AFTER THE REPORTING PERIOD

On 1st September 2025, the Company announced it had entered a binding Well Carry Agreement with its P2607 License Joint Venture Partner RockRose Limited. Under the terms of the agreement, RockRose Limited will fully carry Hartshead for its share of costs for the drilling and completion of the Phase C Well Work Obligation, located within UKCS Licence No. P2607. In consideration for the carry, Hartshead's interest in the P2607 Joint Venture will be reduced from 40% to 35% and an amended Phase 1 Fields Development Costs Cap of US\$197,645,714 will apply after the well work is completed. In connection with the Well Carry Agreement, a joint application has been submitted to the North Sea Transition Authority (NTSA) for a two-year extension to Phase C of UKCS No. P2607.

The extension is required to allow for the completion of the Phase C Work Programme, which has been impacted by delays in the environmental permitting process within the UK and other supply chain constraints. The Joint Venture partners are aligned on a new timeline to complete the commitment well. Management is encouraged by constructive dialogue with the NSTA on the extension and expects to receive a response to the application within three months of submission.

In the opinion of the Directors, no event of a material nature or transaction, has arisen since year end and the date of this report that has significantly affected, or may significantly affect, the Company's operations, the results of those operations, or its state of affairs.

FINANCIAL PERFORMANCE

The Group made a net loss after tax of \$2,263,213 for the year ended 30 June 2025 (30 June 2024: loss of \$2,697,677). At 30 June 2025, the Group had net assets of \$33,533,223 (30 June 2024: \$33,375,834) and cash assets of \$15,759,083, (30 June 2024: \$23,955,209).

DIRECTORS' REPORT

PRINCIPAL ACTIVITIES

Hartshead is an Australian-listed oil and gas exploration and development company. The Company has an interest in the Seaward Production License P2607, offshore United Kingdom. The Company's strategy is to extract value from the Company's assets and to build a diversified portfolio of assets over time.

Other than those already noted in the report, there were no other significant changes in the nature of these activities during the year.

INFORMATION ON DIRECTORS

The following information is current as at the date of this report.

Mr Bevan Tarratt , Executive Chairman. <i>BBus</i>		
Appointment date	24 May 2018 assumed executive role 1 December 2023	
Experience and expertise	Mr Tarratt has an extensive background in the accounting industry primarily focused on small cap resource companies. This experience has allowed Mr Tarratt to develop an in-depth understanding of the resource sector within Western Australia and globally, allowing Mr Tarratt to systematically evaluate project and corporate opportunities. Mr Tarratt has extensive equity capital markets experience with Paterson's Securities Ltd.	
Directorships held in other ASX listed entities	<i>Current directorships</i> <ul style="list-style-type: none">- Viking Mines Ltd – from October 2023- Prominence Resources Ltd – from September 2024 <i>Former directorships</i> <ul style="list-style-type: none">- Fenix Resources Ltd – from August 2015 to December 2019- Protean Energy Limited – from June 2007 to December 2020- SSH Group Limited – from August 2018 to September 2021	
Committee Memberships	None	
Interest in shares, options, performance rights	Fully paid ordinary shares	22,767,244
	Partly paid shares	1,075,000

Mr Chris Lewis, Executive Director and Chief Executive Officer. *BSc*

Appointment date	23 September 2019 (appointed Chief Executive Officer on 3 February 2021)	
Experience and expertise	Mr Lewis is a geophysicist with over 29 years' experience in the oil and gas industry having worked for major E&P companies, junior and small cap companies and service companies and was the Chief Executive Officer of Hartshead Resources Limited. Over the last 17 years Mr Lewis has held a variety of executive and senior management positions, has managed oil and gas operations in Europe and Africa and has been instrumental in the start-up and rejuvenation of multiple small companies. Mr Lewis has been involved in multiple, small oil and gas ventures including successful exits from: <ul style="list-style-type: none">• Zeta Petroleum: Built a portfolio of assets in Romanian and sold to GMI Limited (CEO: 2005-2009);• Centric Energy: Awarded license in the Kenya Tertiary Rift Basin, farmed out to Tullow Oil and then sold to Africa Oil (VP Exploration: 2010);• Lion Petroleum: The company had two blocks onshore Kenya and was successfully reversed into TSX listed Taipan Resources (VP Exploration: 2011);• Black Star Petroleum: Awarded exploration licenses offshore Guinea Bissau and Namibia and sold company to Impact Oil and Gas (Co-Founder: 2013-2014). Mr Lewis's technical strengths are in exploration and development subsurface management and delivering effective and valuable sub-surface projects. Commercially he	

DIRECTORS' REPORT

has been involved in license applications, negotiations with government bodies, new ventures transactions and capital raising for a variety of organisations

Directorships held in other ASX listed entities	None	
Committee Memberships	None	
Interest in shares, options, performance rights	Fully paid ordinary shares	235,704,481
	Partly paid shares	-

Mr Nathan Lude, Executive Director. *BBus, Msud*

Appointment date	Appointed Non-Executive Director 16 May 2016, assumed Executive role 1 May 2017	
Experience and expertise	<p>Mr Lude has broad experience working in Asset Management, Mining and the Energy Industry, and is well experienced in project identification and project development across multiple ASX listed companies.</p> <p>He is the founding Director of corporate advisory firm Advantage Management which specialises in business growth and project development of ASX listed companies or private companies aspiring to become listed. Previously Nathan worked for ATCO Gas Australia and has previously held Executive and Managing Director positions for various ASX listed companies.</p> <p>Since 2007 Mr Lude been involved in Asset and Fund Management and formerly operated a public unlisted business development fund. Nathan's business network spreads across Australia and Asia and has strong ties with Australian broking firms, institutions and also Asian Investors.</p> <p>Nathan has completed a Masters of Asset Management at Bond University, a Post Graduate Diploma in Asset Management and has a Bachelor of Business degree.</p>	
Directorships held in other ASX listed entities	<p><i>Current directorships</i></p> <ul style="list-style-type: none"> - Locksley Resources Ltd – from October 2023 <p><i>Former directorships</i></p> <ul style="list-style-type: none"> - Frontier Resources Limited – from July 2019 to May 2020 - GTI Resources Limited – from July 2018 to June 2024 	
Committee Memberships	None	
Interest in shares, options, performance rights	Fully paid ordinary shares	30,025,243
	Partly paid shares	-

Mr Matthew Foy, Company Secretary. *BCom, GradDipAppFin, GradDipACG, SAFin, AGIA, ACIS*

Appointment date	Appointed 11 December 2020
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Mr Foy is a contract Company Secretary and active member of the WA State Governance Council of the Governance Institute Australia (GIA). He spent four years at the ASX facilitating the listing and compliance of companies and possesses core competencies in publicly listed company secretarial, operational and governance disciplines.

Directors' Meetings

The table sets out the number of Directors' meetings (including meetings of committees of the Board of Directors of Hartshead) held during the financial year, which each Director of the Company was eligible to attend, and the number of meetings attended by each Director of the Company (while they were a Director or committee member).

Directors	Board of Directors	
	Held	Attended
B Tarratt	1	1
N Lude	1	1
C Lewis	1	1

AUDIT COMMITTEE

At the date of this report, the Company does not have a separately constituted Audit Committee as all matters normally considered by an audit committee are dealt with by the full Board.

REMUNERATION AND NOMINATION COMMITTEE

At the date of this report, the Company does not have separately constituted Remuneration and Nomination Committees and as such, no separate committee meetings were held during the year. All resolutions made in respect of remuneration and nomination matters were dealt with by the full Board.

INDEMNIFYING OFFICERS AND AUDITOR

During the financial year, the Company paid a premium in respect of a policy insuring the Company's Directors, Secretaries, Executive Officers and any related body corporate against a liability incurred as such a Director, Secretary or Officer to the extent permitted by the *Corporations Act 2001*. The policy of insurance prohibits disclosure of the nature of the liability and the amount of the premium. The Company has entered into Deeds of Indemnity, Insurance and Access with the Company's Directors, Secretary, and Executive Officers.

The Company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the Company or any of the related body corporates against a liability incurred as such an officer or auditor.

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor. During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

DIVIDENDS AND DISTRIBUTIONS

No dividends or distributions have been declared, recommended, provided for or paid in respect of the financial year or prior financial year.

OPTIONS OVER UNISSUED SHARES

The Company has no options on issue as at the date of this report.

CHANGES IN STATE OF AFFAIRS

There were no significant changes in the state of affairs of the Consolidated Entity that occurred during the financial year not otherwise disclosed in this report or the financial statements.

PROCEEDINGS ON BEHALF OF COMPANY

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of Hartshead, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of Hartshead for all or part of these proceedings.

No proceedings have been brought or intervened in on behalf of Hartshead with leave of the Court under section 237 of the *Corporations Act 2001*.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The Company intends to continue its present range of activities during the forthcoming year. In accordance with its strategy, the Company may participate in exploration and appraisal wells and new projects and may grow its exploration portfolio by farming into or acquiring new exploration licenses. There are no likely developments of which the Directors are aware other than that disclosed in this report which could be expected to significantly affect the results of the Company's operations in subsequent financial periods not otherwise disclosed in this report.

REMUNERATION REPORT (Audited)

The Directors of Hartshead Resources NL (**Company** or **Hartshead**) present the Remuneration Report of the Company and the entities it controlled (**Consolidated Entity** or **Group**) for the year ended 30 June 2025. The report outlines the remuneration arrangements for the Company's key management personnel (**KMP**) in accordance with the requirements of the *Corporations Act 2001* and its Regulations.

This report is presented in the following sections:

1. Introduction
2. Governance
3. Key Management Personnel
4. 2025 Remuneration
 - Remuneration related to Performance
 - Non-Executive Directors' Remuneration Structure
5. Executive Service Agreements
6. Details of Remuneration
7. Share-Based Compensation
8. Other Transactions
9. Voting and Comments – 2024 Annual General Meeting

1. INTRODUCTION

Remuneration paid to Directors and Officers of the Company is set by reference to such payments made by other ASX listed companies of a similar size and operating in the oil and gas exploration industry. In addition, reference is made to the specific skills and experience of the Directors and Officers.

The objective of the Company's reward structure is to ensure reward for performance is competitive and appropriate for the results delivered. The structure aligns individual reward with achievement of strategic objectives and the creation of value for shareholders and reflects current market practice for delivery of reward.

The Board aims to ensure that individual reward practices are aligned with the following key criteria:

- competitive and reasonable, enabling the Company to attract and retain key talent;
- aligned to the Company's strategic and business objectives, and the creation of shareholder value; and
- transparent.

Details of the nature and amount of remuneration of each Director, and other Key Management Personnel if applicable, are disclosed annually in the Company's Annual Report.

2. GOVERNANCE

The Board has adopted the Formal Remuneration Committee Charter which provides a framework for the consideration of remuneration matters.

The Company did not have a separate Remuneration Committee for the full year and as such all remuneration matters are considered by the Board as a whole, with no Member deliberating or considering such matter in respect of their own remuneration.

In the absence of a separate Remuneration Committee, the Board is responsible for:

1. Setting remuneration packages for Executive Directors, Non-Executive Directors and other Key Management Personnel; and
2. Implementing employee incentive and equity-based plans and making awards pursuant to those plans.

REMUNERATION REPORT (Audited) (continued)**3. KEY MANAGEMENT PERSONNEL**

The KMP disclosed in this report are as follows:

Executive Directors

- C Lewis – appointed 23 September 2019
- N Lude – appointed 1 May 2017
- B Tarratt (Chairman) – appointed Executive Chair 1 December 2023

4. 2025 REMUNERATION

The Board remuneration policy is to ensure that packages offered properly reflect a person's duties and responsibilities and that remuneration is competitive and attracts, retains, and motivates people of the highest quality. The Board has consciously focused on conserving funds and the remuneration policy reflects this.

Remuneration related to Performance

Given the Company's size, stage of development, and the need to attract and retain Directors of high calibre, whilst still maintaining cash reserves the Board may from time to time consider the issue of equity instruments to Directors, subject to shareholder approval.

The Consolidated Entity's earnings results and shareholders' returns for this reporting period and the previous four reporting periods, against which key management personnel remuneration and the Consolidated Entity's remuneration principles and policies can be discussed, are detailed below.

	30 June 2025	30 June 2024	30 June 2023	30 June 2022	30 June 2021
	\$	\$	\$	\$	\$
Other income	2,863,112	5,435,447	8,339,935	3,164	6,044
Net profit/ (loss) after income tax	(2,263,213)	(2,697,677)	1,515,604	(3,670,239)	(6,013,144)
Dividends	-	-	-	-	-
Share price changes	0.007	0.006	0.026	0.025	0.016

Non-Executive Directors' Remuneration Structure

While noting that corporate governance principles recommend that Non-Executive Directors be remunerated solely by way of fees and statutory superannuation. The annual fee is set to reflect current market levels based on the time, responsibilities and commitments associated with the proper discharge of their duties as members of the Board.

Non-Executive Directors' fees and payments are reviewed annually by the Board and for the year ended 30 June 2025, is \$25,000 per annum, excluding superannuation. Fees provided to Non-Executive Directors are exclusive of superannuation. There are no termination or retirement benefits paid to Non-Executive Directors (other than statutory superannuation). The aggregate amount of remuneration for Non-Executive Directors approved by shareholders at the 2014 Annual General Meeting is \$400,000 per annum.

In addition, the Directors are entitled to receive additional remuneration at a rate of \$1,000 per day or part thereof (or as otherwise approved by the Board) in addition to their fees for performing additional duties as requested by the Board.

Participation in equity-based remuneration schemes by Non-Executive Directors is subject to consideration and approval by the Company's shareholders.

REMUNERATION REPORT (Audited) (continued)

5. EXECUTIVE SERVICE AGREEMENTS

Remuneration and other terms of employment for key management personnel are formalised in service agreements. The service agreements specify the components of remuneration, benefits, and notice periods. Participation in the share and performance rights plans are subject to the Board's discretion. Other major provisions of the agreements relating to remuneration are set out below. Termination benefits are within the limits set by the *Corporations Act 2001* such that they do not require shareholder approval.

Contractual arrangement with key management personnel

Executives – Current

Name	Effective date	Term of agreement	Notice period	Base per annum ⁽¹⁾ \$	Termination payments
C Lewis ⁽²⁾ , Chief Executive Officer	1-Jun-21	No fixed term	6 months	453,978	6 months
N Lude, Executive Director	1-Dec-23	No fixed term	3 months	285,714	3 months
B Tarratt, Executive Chairman	1-Dec-23	No fixed term	3 months	573,176	3 months

1 GBP:AUD exchange rate of 2.09 as at 30 June 2025 has been used to calculate the base where applicable.

2 Mr Lewis, Executive Director, is a Director of Lewis Petroleum Consulting Limited which received Mr Lewis's Director fees during the year.

Nathan Lude – Executive Director

Mr Lude supports the company in the areas of strategy, business development and investor relations in his role as an Executive Director of the Company. Mr Lude is entitled to receive the full-time salary equivalent of \$1,000 per day for his Executive duties in addition to a payment of \$25,000 which is the equivalent to the company's annual Non-Executive Director fees.

Bevan Tarratt – Executive Director

Mr Tarratt supports the company in the areas of tax structuring and strategy, commercial development and finance in his role as an Executive Director and Chairman of the Company. Mr Tarratt is entitled to receive the full-time salary equivalent of GBP 1,000 per day for his Executive duties in addition to a payment of \$25,000 which is the equivalent to the company's annual Non-Executive Director fees. The GBP rate used to calculate Mr Tarratt's monthly salary in AUD is the Bloomberg advertised rate at month end.

6. DETAILS OF REMUNERATION

Remuneration of Hartshead Resources NL, KMP for the 2025 financial year is set out below:

Cash salary	Short-term benefits			Post-employment benefits	Share-based payments	Total remuneration	Performance related
	Additional fees ⁽¹⁾	Non-monetary benefits ⁽²⁾	Annual & long service leave	Super-annuation			
\$	\$	\$	\$	\$	\$	\$	%
Executive Directors – Current							
N Lude							
292,200	-	20,101	16,746	30,000	-	359,047	0%
C Lewis							
621,598	-	17,944	-	-	-	639,542	0%
B Tarratt							
501,439	-	20,101	58,377	30,000	-	609,917	0%
1,415,237	-	58,146	75,123	60,000	-	1,608,506	

1. Mr Lude and Mr Tarratt hold full-time salaried positions earning the equivalent of \$1,000 per/day and GBP 1000 (AUD\$1,900) per/day respectively. Mr Tarratt's GBP based remuneration is calculated using month end AUD/GBP forex rates.

2. Other benefits include the provision Working Directors' Personal Accident & Sickness insurance as well as other reimbursements relating to costs incurred on behalf of the company.

DIRECTORS' REPORT

Remuneration of Hartshead Resources NL, KMP for the 2024 financial year is set out below:

	Short-term benefits				Post-employment benefits	Share-based payments	Total remuneration	Performance related
	Cash salary	Additional fees ⁽¹⁾	Non-monetary benefits ⁽²⁾	Bonus ⁽³⁾	Annual & long service leave ⁽⁴⁾	Super-annuation		
	\$	\$	\$	\$	\$	\$	\$	%
Executive Directors – Current								
N Lude	178,335	107,000	67,450	150,000	135,298	37,043	-	675,125 28%
C Lewis	599,936	-	80,301	150,000	-	-	-	830,237 18%
B Tarratt	316,853	109,000	79,604	150,000	167,577	30,553	-	853,586 22%
	1,095,123	216,000	227,355	450,000	302,875	67,595	-	2,358,948

- For the period 1 July 2023 to 30 November 2023 Mr Lude and Mr Tarratt are entitled to receive additional remuneration at a rate of \$1,000 per day or part thereof (or as otherwise approved by the Board) in addition to their fees for performing additional duties as requested by the Board. From 1 December 2023 to 30 June 2024 Mr Lude and Mr Tarratt commenced full-time salaried positions earning the equivalent of \$1,000 per/day and GBP 1000 (AUD\$1,900) per/day respectively. Mr Tarratt's GBP based remuneration is calculated using month end AUD/GBP forex rates. Under the terms of the JV agreement the group is reimbursed a significant proportion of directors gross remuneration by the JV partner in accordance with the partners JV share of 60%.
- Other benefits include the provision Working Directors' Personal Accident & Sickness insurance as well as other reimbursements relating to costs incurred on behalf of the company.
- In December 2023, the Board approved a one-off Short-Term Incentive Payments comprising \$150,000 cash paid to each Director. The STIP was related to the work attributed in achieving the Company's objectives of securing a 20% free carry backstop agreement with a third party company in relation to Licence P2607.
- In 2024 the Board acknowledged the under-provision of annual leave and long service leave entitlements relating to Mr Tarratt and Mr Lude's service period from commencement of their employment with the Group. The Board approved the establishment of historic leave provisions in accordance with statutory requirements and has reported this provision as a lump sum entitlement in this financial year.

The following table sets out a reconciliation of each KMP's relevant interest in ordinary shares and options, performance rights and retention rights to acquire shares in the Company:

KMP	Balance at start of the year	Granted	Acquired	Exercised	Lapsed	Balance at year end
Executive						
N Lude						
Fully paid ordinary shares	23,025,243	-	7,000,000	-	-	30,025,243
Performance rights	-	-	-	-	-	-
C Lewis						
Fully paid ordinary shares	235,704,481	-	-	-	-	235,704,481
Performance rights	-	-	-	-	-	-
B Tarratt						
Fully paid ordinary shares	19,767,244	-	3,000,000	-	-	22,767,244
Partly paid shares	1,075,000	-	-	-	-	1,075,000
Performance rights	-	-	-	-	-	-

7. SHARE-BASED COMPENSATION

No performance rights, shares or options were issued to the directors as part of their remuneration during the year.

8. OTHER TRANSACTIONS

During the period, the following related party transactions have occurred:

Payment of fees – Hartshead Resources NL

Mr Christopher Lewis, Executive Director, is a Director of Lewis Petroleum Consulting Limited which received Mr Lewis's Director fees during the period. At year end the Company had an outstanding balance payable of \$52,052 (30 June 2024: \$48,370)

Purchases of services

The Group acquired the following services from entities in which the group's key management personnel have an interest:

- Rent and share office services.

Directors, Mr Lude and Mr Tarratt are Directors of AVUT Pty Ltd atf The Advantage Ventures Unit Trust (AVUT). AVUT have been a partner to Hartshead in providing rent and share office services. All services provided have been on normal commercial terms and conditions for the period 1 March 2024 to 30th June 2025. The amount recognised as an expense during this period was \$4,041 (30 June 2024: \$43,874).

There are no other outstanding loans or other transaction arising to or from with key management personnel during the year related parties (30 June 2024: \$Nil).

9. VOTING AND COMMENTS - 2024 ANNUAL GENERAL MEETING

At the 2024 Annual General Meeting (AGM) held on 20 November 2024 the adoption of the remuneration report for the year ended 30 June 2024 was carried and received more than 85.25% of 'yes' votes. There were no comments made on the remuneration report at the Company's last AGM.

This concludes the Remuneration Report which has been audited.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration, as required under section 307C of the *Corporations Act 2001* for the year ended 30 June 2025 has been received and can be found 26.

NON-AUDIT SERVICES

From time to time the Consolidated Entity may decide to employ an external auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Consolidated Entity are important.

The Board is satisfied that the provision of non-audit services during the period is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*.

The Directors are of the opinion that the services as disclosed below do not compromise the external auditor's independence requirements of the *Corporations Act 2001* for the following reasons:

- All non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- None of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as advocates for the Company or jointly sharing economic risks and rewards.

During the year ended 30 June 2025, the following amounts were paid or payable for non-audit services provided to the Group by the auditor:

	2025	2024
	\$	\$
Taxation services		
Tax compliance services	15,862	13,616
Total remuneration for taxation services	15,862	13,616

BDO Audit Pty Ltd continues in office in accordance with section 327 of the *Corporations Act 2001*.

Signed in accordance with a resolution of the Directors made pursuant to section 295(5) of the *Corporations Act 2001*.

On behalf of the Directors



Bevan Tarratt
Executive Chairman

Perth, Western Australia
30 September 2025



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Australia

DECLARATION OF INDEPENDENCE BY ASHLEIGH WOODLEY TO THE DIRECTORS OF HARTSHEAD RESOURCES NL

As lead auditor of Hartshead Resources NL for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Hartshead Resources NL and the entities it controlled during the period.

A handwritten signature in black ink, appearing to read 'Ashleigh Woodley', is written over a light blue horizontal line.

Ashleigh Woodley
Director

BDO Audit Pty Ltd
Perth
30 September 2025

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		2025	2024
		\$	\$
	Note		
Income from continuing operations			
Other income	2	2,151,560	4,683,830
Interest income		711,552	751,618
Total income		2,863,112	5,435,447
Expenses			
Administrative expenses	3	(4,331,028)	(6,646,569)
Depreciation expenses		(219,500)	(200,292)
Finance costs		(2,630)	(5,514)
Loss on investments		(66,956)	-
Project costs	3	(106,722)	(407,750)
Share-based payments expense	3	(228,245)	(822,942)
Unrealised foreign exchange gain/(loss)	3	(88,131)	1,090
Profit/(Loss) before income tax		(2,180,100)	(2,646,530)
Income tax expense	4	83,113	51,147
Profit/(Loss) attributable to the owners of the Company		(2,263,213)	(2,697,677)
Other comprehensive income			
<i>Items that may be reclassified to profit or loss</i>			
Exchange differences on translation of foreign operations		2,417,495	(261,573)
<i>Items that will not be reclassified to profit or loss</i>			
Changes in the fair value of financial assets at fair value through other comprehensive income (FVOCI)		(225,138)	(8,293)
Other comprehensive income/(loss) for the year, net of tax		2,192,357	(269,866)
		(70,856)	(2,967,543)
Earnings per share for loss from continuing operations attributable to the ordinary equity holders			
Basic and diluted loss per share (cents per share)	17	(0.081)	(0.096)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2025

	Note	2025 \$	2024 \$
Current assets			
Cash and cash equivalents	5	15,759,083	23,955,209
Other receivables	6	196,666	504,882
Total current assets		15,955,749	24,460,091
Non-current assets			
Plant and equipment		14,312	70,862
Financial assets at FVOCI	8	3,917,023	7,065
Other financial assets		40,000	-
Intangible assets		260,728	413,174
Exploration assets	9	14,792,979	11,437,098
Total non-current assets		19,025,042	11,928,199
Total assets		34,980,791	36,388,290
Current liabilities			
Trade and other payables	10	986,457	2,658,434
Provisions	10	377,998	302,875
Income tax payable	4	83,113	51,147
Total current liabilities		1,447,568	3,012,456
Total liabilities		1,447,568	3,012,456
Net assets		33,533,223	33,375,834
Equity			
Issued capital	12(a)	42,295,809	42,295,809
Share-based payment reserve	12(c)	2,479,112	2,250,867
Financial assets at FVOCI reserve	12(c)	(415,534)	(190,396)
Foreign exchange reserve	12(c)	2,769,935	352,440
Accumulated losses	12(b)	(13,596,099)	(11,332,886)
Total equity		33,533,223	33,375,834

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2025

	Issued Capital	Reserves \$	Accumulated Loss \$	Total Equity \$
Balance at 1 July 2023	42,295,809	1,859,835	(8,635,209)	35,520,435
Loss for the year	-	-	(2,697,677)	(2,697,677)
Other comprehensive income for the year	-	(269,866)	-	(269,866)
Total comprehensive profit/(loss) for the year	-	(269,866)	(2,697,677)	(2,967,543)
Transactions with owners in their capacity as owners				
Contributed equity	-	-	-	-
Share issue costs	-	-	-	-
Performance rights expense recognised during the year	-	822,942	-	822,942
Balance at 30 June 2024	42,295,809	2,412,911	(11,332,886)	33,375,834
Loss for the year	-	-	(2,263,213)	(2,263,213)
Other comprehensive loss for the year	-	2,192,357	-	2,192,357
Total comprehensive loss for the year	-	2,192,357	(2,263,213)	(70,856)
Transactions with owners in their capacity as owners				
Contributed equity	-	-	-	-
Share issue costs	-	-	-	-
Performance rights expense recognised during the year	-	228,245	-	228,245
Balance at 30 June 2025	42,295,809	4,833,513	(13,596,099)	33,533,223

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025	2024
			\$
Cash flows from operating activities			
Payments to suppliers, consultants, and employees		(5,494,501)	(5,824,679)
Operator fees		1,829,425	4,607,850
Interest received		555,389	719,650
Net cash outflow from operating activities	14	(3,109,687)	(497,179)
Cash flows from investing activities			
Payments for plant and equipment		(14,686)	(620,255)
Payments for exploration and evaluation expenditure		(4,228,484)	(19,801,274)
Exploration costs recouped under joint arrangement		2,242,661	11,918,312
Purchases of financial investments		(7,507,743)	-
Sales of financial investments		3,295,707	-
Receipt of dividends		80,619	-
Net cash outflow from investing activities		(6,131,926)	(8,503,217)
Cash flows from financing activities			
Proceeds from issue of shares	12	-	-
Share issue costs		-	-
Net cash inflow from financing activities		-	-
Net increase in cash and cash equivalents		(9,241,613)	(9,000,397)
Cash and cash equivalents at the beginning of the year		23,955,209	32,879,390
Effects of exchange rate changes on cash and cash equivalents		1,045,487	76,215
Cash and cash equivalents at the end of the year	5	15,759,083	23,955,209

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

1. SEGMENT INFORMATION

Management has determined that the Group has one reportable segment, this segment being an interest to develop and explore for gas fields in the UK North Sea in Seaward Production License P2607. Hartshead's Seaward Production License P2607 was formally awarded in January 2021, with an effective date of 1st December 2020.

This determination is based on the internal reports that are reviewed and used by the Board (chief operating decision maker) in assessing performance and determining the allocation of resources. As the Group is focused on oil and gas development and exploration, the Board monitors the Group based on actual versus budgeted development and exploration expenditure incurred by area of interest. This internal reporting framework is the most relevant to assist the Board with making decisions regarding the Group and its ongoing development and exploration activities, while also taking into consideration the results of development and exploration work that has been performed to date.

	Income from external sources	Reportable segment profit/(loss) \$	Reportable segment assets ¹ \$	Reportable segment liabilities \$
For the year ended 30 June 2025				
<i>Exploration activities</i>				
United Kingdom	2,208,876	(2,391,972)	17,549,330	(851,056)
<i>Other corporate activities</i>	654,236	128,758	17,431,461	(596,512)
Total	2,863,112	(2,263,213)	34,980,791	(1,447,568)
For the year ended 30 June 2024				
<i>Exploration activities</i>				
United Kingdom	4,803,150	(2,122,237)	22,649,669	(1,749,566)
Madagascar	-	(29,186)	3,819	(555,248)
<i>Other corporate activities</i>	632,297	(546,254)	12,734,802	(707,642)
Total	5,435,447	(2,697,677)	36,388,290	(3,012,456)

1 Other corporate activities includes cash held of \$13,323,202 for 30 June 2025 and \$12,647,881 for 30 June 2024.

2. OTHER INCOME

	2025 \$	2024 \$
Realised forex gain	200,982	76,211
Dividend income	61,338	-
Operator fees	1,889,240	4,607,618
Total Other Income	2,151,560	4,683,830

As operator, the Company earns fees pertaining to its Joint Operating Agreement which reflects the contribution by the farminee for their share of costs incurred by the Company. Where the determination of certain costs require judgement, for its UK oil and gas Licences, the Company adopts procedures set out under the UK Standard Oil Accounting Procedures issued by Offshore Energies UK, the leading representative body for the UK offshore energy industry. These Procedures set out what is generally regarded in the industry as good practice. The operator fee income is recognised as costs are incurred on the exploration activities.

In April 2023, Hartshead announced the completion of the Farm-Out Agreement with established IJK North Sea independent RockRose Energy for a divestment of a 60% equity interest in its UK Southern Gas Basin License P2607.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

3. EXPENSES

	\$	\$
Profit/(Loss) before income tax includes the following specific items:		
<u>Project costs</u>		
Southern North Sea costs (1)	106,722	407,750
Total project costs	106,722	407,750
<u>Share-based payments expense</u>		
Performance rights expense -issued to Employees	93,993	356,325
Performance rights expense -issued to Advisors	134,252	466,617
Total share-based payments expenses	228,245	822,942
<u>Administrative expense includes</u>		
Employee benefits expense	2,473,184	1,622,433
Advisory and audit fees	76,010	1,358,883
Other expenses	1,775,834	3,665,253
Total administrative expense	4,331,028	6,646,569
<u>Unrealised foreign exchange gain/(loss) (2)</u>	(88,131)	1,090

- 1 Group has capitalised exploration and evaluation expenditure for the UK project on the basis that this is expected to be recouped through future successful development (or alternatively sale). Corporate overhead costs allocated to exploration activities are ineligible to be capitalised per AASB 6.
- 2 Foreign exchange gain was recognised in relation to the retranslation of British Pound, United States and Euro dollar denominated balances.

4. TAXATION

	2025	2024
	\$	\$
(a) Income tax expense		
Current tax	83,113	51,147
Deferred tax	-	-
Income tax expense	83,113	51,147
(b) Reconciliation of income tax to prima facie tax payable		
Profit/(Loss) before income tax	(2,263,213)	(2,646,530)
Income tax expense/(benefit) at 25% (30 June 2024 25%)	(565,804)	(661,632)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Share-based payments	57,061	205,736
Other	(6,334)	535,768
Foreign tax rate differential	-	2,681
Deferred tax assets relating to tax losses and timing differences not recognised	598,190	(319,233)
Timing differences previously unrecognised now recognised	-	287,828
Total income tax expense	83,113	51,147
Unrecognised deferred tax assets		
Deferred tax assets and liabilities not recognised relate to the following:		
Tax loss	2,533,574	2,018,358
Exploration assets	-	-
Other temporary differences	3,087	7,620
Net deferred tax assets unrecognised	2,536,661	2,025,978

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

4. TAXATION (continued)

Significant accounting judgement

Deferred tax assets

The Group expects to have carried forward tax losses, which have not been recognised as deferred tax assets, as it is not considered sufficiently probable that these losses will be recouped by means of future profits taxable in the relevant jurisdictions. The utilisation of the tax losses is subject to the Group passing the required Continuity of Ownership and Same Business Test rules at the time the losses are utilised. Net deferred tax assets have not been brought to account as it is not probable within the immediate future that tax profits will be available against which deductible temporary difference can be utilised.

Income taxes

The Group is subject to income taxes in Australia and overseas and at times significant judgement is required in determining the Group's provision for income taxes. The Group estimates its tax liabilities based on the Group's understanding of the tax law in the local jurisdiction in which it operates.

5. CASH AND CASH EQUIVALENTS

(a) Risk exposure

Refer to Note 16 for details of the risk exposure and management of the Group's cash and cash equivalents.

(b) Deposits at call

	2025	2024
	\$	\$
Cash at bank	3,759,083	7,158,079
Deposits at call	12,000,000	16,797,130
	15,759,083	23,955,209

Deposits at call are presented as cash equivalents if they have a maturity of three months or less and include the term deposit held by the company as an office bond. Refer Note 26(k) for the Group's other accounting policies on cash and cash equivalents. Deposits at call held with Australian banks and financial institutions and are bearing interest rates at 0.15%.

6. OTHER RECEIVABLES

The Group has no impairments to other receivables or have receivables that are past due but not impaired. Refer to Note 16 for detail of the risk exposure and management of the Group's other receivables.

Due to the short-term nature of the current receivables, their carrying amount is assumed to be the same as their fair value.

	\$	\$
Other receivables	172,317	485,363
Prepayments	24,349	19,519
	196,666	504,882

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

7. WORKING INTERESTS IN OPERATIONS

At the reporting date, the Group has operator working interests in the following projects:

Project	Activity	Working interest ⁽¹⁾	
		Exploration phase	
		2025	2024
		%	%
UK North Sea ⁽²⁾	Development/Exploration	40	40
Ambilobe block (Madagascar)	Exploration	0	100

1 Working interest denotes the percentage share of costs to be borne by the Group in relation to its interests in the projects.

2 As of 30 June 2024, Hartshead Resources Ltd (the Company) is a Participant of a non-incorporated Joint Venture along with RockRose Energy whereby under both Farm-Out and Joint Operating Agreements executed in March 2023, and subsequent amendments executed in November 2023, each Participants interest is 40% and 60% respectively in License P2607, a license issued to the Company in January, 2021. The Company is also the Operator of the Joint Venture and is entitled to recover 60% of all Joint Venture related expenditures, including administrative overheads incurred by the Operator. Additionally, upon a Final Investment Decision (FID), defined in the Farm-Out Agreement, RockRose Energy would carry the Company for its share of development expenditures up to \$96,764,706 in respect of acquiring it's 60% interest share in the Joint Venture. The Company has the option to transfer a further 20% interest in the License P2607 to RockRose Energy in return for a full, financially unlimited carry through the entire development project following FID.

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Significant accounting estimates, assumptions, and judgements

Classification of financial assets at fair value through other comprehensive income

Investments are designated at fair value through other comprehensive income as these investments are held for medium to long-term strategic purposes rather than for any short-term benefit. Management have made this election in accordance with AASB 9: Financial Instruments.

Fair value for financial assets at fair value through other comprehensive income

Information about the methods and assumptions used in determining fair value is provided in Note 11.

Financial assets at fair value through other comprehensive income (FVOCI) comprise of listed equity securities.

Investment	Units Held	Market Value	Market Value
		30 June 2025	30 June 2024
		\$	\$
SSH Group Ltd – SSH	102,387	12,286	7,065
Prominence Energy Ltd – PRM	77,800,000	233,400	-
BOQ Capital Note - BOQPF	1,591	164,398	-
CBA Treasury Bond - GSBK54	20,000	1,984,000	-
WBC Capital Note - WBCPH	15,000	1,500,000	-
BEN Capital Note - BENPI	223	22,938	-
		3,917,023	7,065

On disposal of these equity investments, any related balance within the FVOCI reserve remains within other comprehensive income.

Hartshead remains a holder of 69,637 shares in the capital of Gemini Resources Limited, equating to 1.6% ownership in Gemini (2024: 69,637 shares). At 30 June 2025, management determined that the investment's fair value was nil (2024: nil).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

9. EXPLORATION AND EVALUATION ASSETS

	2025	2024
	\$	\$
<i>UK North Sea</i>		
Opening balance	11,437,098	3,402,012
Exploration expenditure incurred	4,699,469	20,271,960
JV cost contribution	(2,399,438)	(12,126,062)
Foreign exchange movements	1,055,850	(110,812)
Closing balance	14,792,979	11,437,098

Significant accounting estimates and assumptions

UK North Sea Farmout Arrangement

In April 2023, Hartshead announced the completion of the Farm-Out Agreement with established IJK North Sea independent RockRose Energy for a divestment of a 60% equity interest in its UK Southern Gas Basin License P2607.

From the Group's perspective, proceeds received from RockRose relating to exploration spend or consideration for the arrangement is credited against the carrying amount of existing exploration and evaluation asset with the excess accounted for as a gain on disposal. During the exploration phase, Hartshead's share of exploration expenditure is capitalised as incurred.

Impairment of capitalised exploration and evaluation expenditure

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the Group decides to exploit the related lease itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

Factors that could impact the future recoverability include the level of reserves and resources, future technological changes, costs of drilling and production, production rates, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

The carrying values of items of exploration and evaluation expenditure are reviewed for impairment indicators at each reporting date and are subject to impairment testing when events or changes in circumstances indicate that the carrying values may not be recoverable. There were no impairment indicators or impairment for the year ended 30 June 2025.

Significant accounting judgement

Capitalisation of exploration and evaluation expenditure

The Group has capitalised significant exploration and evaluation expenditure on the basis that this is expected to be recouped through future successful development (or alternatively sale) of the areas of interest concerned or on the basis that it is not yet possible to assess whether it will be recouped. Refer to Note 26(j)(page 56) for the Group's accounting policy on exploration and evaluation expenditure.

10. TRADE AND OTHER PAYABLES AND PROVISIONS

All amounts recognised as trade and other payables, but not yet invoiced, are expected to settle within 12 months. Refer to Note 16 for details of the risk exposure and management of the Group's trade and other payables.

	2025	2024
	\$	\$
Trade payables	648,169	1,071,853
Other payables	83,113	953,741
JV Payable	338,288	683,987
Provision for leave	377,998	302,875
	1,447,568	3,012,456

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

11. FAIR VALUE MEASUREMENTS

This note provides an update on the judgements and estimates made by the group in determining the fair values of the financial instruments since the last annual financial report.

Fair value hierarchy

To provide an indication about the reliability of the inputs used in determining fair value, the Group classifies its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

The following table presents the group's financial assets and financial liabilities measured and recognised at fair value at 30 June 2025 and 30 June 2024 on a recurring basis.

As at 30 June 2025	Level 1	Level 2	Level 3	Total
Financial assets at FVOCI	\$	\$	\$	\$
Equity securities (listed shares)	245,686	-	-	245,686
Debt securities (capital notes and bonds)	3,671,337	-	-	3,671,337
Total	3,917,023	-	-	3,917,023
As at 30 June 2024				
Financial assets at FVOCI				
Equity securities (listed shares)	7,065	-	-	7,065
Total	7,065	-	-	7,065

There were no transfers between levels during the year. The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels at balance date.

The fair value of financial assets and liabilities held by the Group must be estimated for recognition, measurement and/or disclosure purposes. The Group measures fair values by level, per the following fair value measurement hierarchy:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Valuation techniques used to determine fair values

The Group did not have any financial instruments that are recognised in the financial statements where their carrying value differed from the fair value. The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The carrying amounts of cash and short-term trade and other receivables, trade payables and other current liabilities approximate their fair values largely due to the short-term maturities of these payments.

Financial assets at fair value through other comprehensive income – equity securities

Fair Value in Active Market (Level 1)

The fair value of the equity holdings held in ASX listed companies are based on the quoted market prices from the ASX on the last traded price prior to year-end.

Fair value in an inactive or unquoted market (Level 2 and Level 3)

The fair value of financial assets that are not traded in an active market is determined using valuation techniques. These include the use of a recent share price from completed or planned capital raising that provides a reliable estimate of prices obtained in actual market transactions.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

12. ISSUED CAPITAL

(a) Contributed equity

	2025	2024	2025	2024
	Securities	Securities	\$	\$
Fully paid ordinary shares	2,808,682,128	2,808,682,128	42,238,773	42,238,773
Partly paid ordinary shares	5,703,550	5,703,550	57,036	57,036
			42,295,809	42,295,809

(i) Fully paid ordinary shares

Fully paid ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Group in proportion to the number of shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote. At 30 June 2025, there are no ordinary shares subject to escrow (30 June 2024: Nil).

Movement in fully paid ordinary shares

	Date	Number of Securities	Issue price \$	\$
Balance at 1 July 2023		2,808,682,128		42,238,773
Issue of Securities during period		-	-	-
Share issue costs		-	-	-
Balance at 30 June 2024		2,808,682,128		42,238,773
Issue of Securities during period		-	-	-
Share issue costs		-	-	-
Balance at 30 June 2025		2,808,682,128		42,238,773

(ii) Partly paid ordinary shares

Partly paid ordinary shares have an issue price of \$0.20 of which \$0.01 is paid. The balance of the issue price is payable at the election of the holder at any time by the issue of a payment notice in writing and delivered to the registered office of the Group. Partly paid shares participate in any dividends on the same basis as if the partly paid share were fully paid and are not listed.

Movement in partly paid shares

	Date	Number of securities	Issue price \$	\$
Balance at 1 July 2023		5,703,550		57,036
Movement		-	-	-
Balance at 30 June 2024		5,703,550		57,036
Movement		-	-	-
Balance at 30 June 2025		5,703,550		57,036

(iii) Options

Information relating to the Hartshead Incentive Option Scheme, including details of options issued, exercised, and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in Note 13.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

12. ISSUED CAPITAL (continued)

(iv) Performance rights and Retention rights

Information relating to the Hartshead Performance Rights Plan, including details of performance and retention rights issued, vested, and lapsed during the financial year and rights outstanding at the end of the reporting period, is set out in Note 13.

(b) Accumulated losses

	2025	2024
	\$	\$
Balance at 1 July	(11,332,886)	(8,635,209)
Net profit/(loss) attributable to owners of the Company	(2,263,213)	(2,697,677)
Balance at 30 June	(13,596,099)	(11,332,886)

(c) Reserves

The following table shows a breakdown of the reserves and the movements in these reserves during the year. A description of the nature and purpose of each reserve is provided.

		2025	2024
		\$	\$
Foreign currency translation reserve			
Exchange differences arising on translation of the foreign controlled entities are recognised in other comprehensive income as described in Note 26(c) and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.	Balance at 1 July	352,440	614,013
	Currency translation differences arising during the year	2,417,495	(261,573)
	Balance at 30 June	2,769,935	352,440
Share-based payments reserve			
The share-based payments reserve is used to recognise: (a) the grant date fair value of options issued to employees and directors but not exercised; (b) the grant date fair value of market-based performance rights granted to employees but not yet vested; and (c) the fair value non-market based performance and retention rights granted to employees but not yet vested.	Balance at 1 July	2,250,867	1,427,925
	Performance rights expense	228,245	822,942
	Balance at 30 June	2,479,112	2,250,867
Fair value through other comprehensive income reserve			
The Group has elected to recognise changes in the fair value of certain investments in equity securities in OCI, as explained in Note 8. These changes are accumulated within the FVOCI reserve within equity. The Group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.	Balance at 1 July	(190,396)	(182,103)
	Movement during the year	(225,138)	(8,293)
	Balance at 30 June	(415,534)	(190,396)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

13. SHARE-BASED PAYMENT TRANSACTIONS

Share-based payment transactions are recognised at fair value in accordance with AASB 2.

	Note	2025 \$	2024 \$
<i>As part of share-based payments expense:</i>			
Performance rights issued	13(b)	158,661	551,456
<i>As part of advisory fees:</i>			
Shares issued	13(c)	-	-
		158,661	551,456

During the year, the Group had the following share-based payments arrangements:

(a) Share options

Hartshead Resources NL share options are used to reward Directors, Employees, Consultants and Vendors for their performance and to align their remuneration with the creation of shareholder wealth through the performance requirements attached to the options. Options are granted at the discretion of the Board of Directors and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits. Options granted to Directors require approval from the shareholders.

The options are not listed and carry no dividend or voting right. Upon exercise, each option is convertible into one ordinary share to rank pari passu in all respects with the Company's existing fully paid ordinary shares.

Set out below are summaries of options granted:

	2025		2024	
	Average exercise price per option	Number of options	Average exercise price per option	Number of options
Opening balance	\$0.000	16,000,000	\$0.000	16,000,000
Granted during the year	-	-	-	-
Options on reverse acquisition	-	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Closing balance	\$0.000	16,000,000	\$0.000	16,000,000
Vested and exercisable	-	-	-	-

An expense of \$69,584 arose from the options issued during the reporting period (30 June 2024: \$271,486).

(b) Performance rights

Performance Rights Plan

Performance rights are issued under the long-term incentive plan and will vest as an entitlement to one fully paid ordinary share provided that certain performance milestones are met. If the performance milestones are not met, the performance rights will lapse, and the eligible participant will have no entitlement to any shares.

During the year, the Company granted performance rights as a long-term incentive to Employees and Advisors which have been issued under the Company's Performance Rights Plans approved by shareholders. Each performance right will vest as an entitlement to one fully paid ordinary share upon achievement of certain performance milestones. If the performance milestones are not met, the performance rights will lapse, and the eligible participant will have no entitlement to any shares.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

13. SHARE-BASED PAYMENT TRANSACTIONS (continued)

Performance rights are not listed and carry no dividend or voting rights. Upon exercise each right is convertible into one ordinary share to rank pari passu in all respects with the Company's existing fully paid ordinary shares.

During the prior period the Company issued 41,000,000 performance rights to employees and advisers expiring 13 October 2026.

Movement in the performance rights for the current period is shown below:

Grant date	Expiry date	Exercise price	Expired during the period	Issued during the period	Lapsed during the period	Balance at end of period	Vested at end of period
13-Sep-23 ⁽¹⁾	13-Oct-26	-	-	-	-	32,500,000	-
Total			-	-	-	32,500,000	-

Key inputs used in the fair value calculation of the performance rights which were granted during the year ended 30 June 2024 were as follows:

Number granted	Expiry date	Expected vesting dates	Exercise price	Share price at grant date	Fair value per performance right	Total fair value
Grant date: 13-Sep-23 ⁽¹⁾						
41,000,000	13-Oct-26	13-Oct-23 to 13-Oct-26	-	\$0.029	\$0.028	\$1,148,000

- Upon achieving either Milestone 1, Milestone 2, Milestone 3 or Milestone 4, a quarter of the Performance Rights will be eligible to be converted into Shares upon exercise by the holder.
- Milestones are as follows:
 - Milestone 1 Phase 1 NPV of \$300m AUD attributable to Hartshead's 40% interest in licence P2607 determined by an independent reserve auditor incorporating final metrics from the FEED and Field Development Plan ;
 - Milestone 2 Submission to the North Sea Transition Authority of the Field Development Plan (FDP) for licence P2607 and receipt of a notification of no technical objection from the North Sea Transition Authority ;
 - Milestone 3 Award of a licence or licences in the British North Sea Transition Authorities 33rd Offshore Oil and Gas Licensing round with a minimum aggregate 2C resources of 100 bcf within the licence(s) area as determined by an independent resource auditor;
 - Milestone 4 A Final Investment Decision (FID) on the Phase 1 development for licence P2607 being made and the Company having funds or binding contractual commitments to meet its share of the development costs;

The total expense arising from performance rights transactions recognised during the year were as follows:

	2025	2024
	\$	\$
Performance rights issued under the Performance Rights Plan	228,245	822,942
	228,245	822,942

Significant accounting estimates and assumptions

Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees and vendors by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using the Black-Scholes or Monte-Carlo model taking into account the assumptions detailed within this note.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

13. SHARE-BASED PAYMENT TRANSACTIONS (continued)

Probability of vesting conditions being achieved

Inputs to pricing models may require an estimation of reasonable expectations about achievement of future vesting conditions. Vesting conditions must be satisfied for the counterparty to become entitled to receive cash, other assets, or equity instruments of the entity, under a share-based payment arrangement.

Vesting conditions include service conditions, which require the other party to complete a specified period of service, and performance conditions, which require specified performance targets to be met (such as a specified increase in the entity's profit over a specified period of time).

The Company recognises an amount for the goods or services received during the vesting period based on the best available estimate of the number of equity instruments expected to vest and shall revise that estimate, if necessary, if subsequent information indicates that the number of equity instruments expected to vest differs from previous estimates. On vesting date, the entity shall revise the estimate to equal the number of equity instruments that ultimately vested.

The achievement of future vesting condition is reassessed every reporting period.

14. RECONCILIATION OF PROFIT/(LOSS) AFTER INCOME TAX TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

	Note	2025 \$	2024 \$
Profit/(Loss) for the year		(2,263,213)	(2,697,677)
Add/(Less) non-cash items:			
Depreciation		219,500	200,292
Share-based payments	13	228,245	822,942
Unrealised foreign exchange gain		88,131	(1,090)
Add/ (less) items classified as invested/financing activities:		66,956	-
Changes in assets and liabilities during the financial year:			
Increase/(Decrease) in receivables		(29,375)	1,130,954
Increase/(Decrease) in payables		(1,419,931)	47,399
Net cash outflow from operating activities		(3,109,687)	(497,179)

15. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity and items which are more likely to be materially adjusted. Detailed information about each of these estimates and judgements is included in the notes together with information about the basis of calculation for each affected line item in the financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

15. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

Significant accounting estimates and judgements

The areas involving significant estimates or judgements are:

- recognition of deferred tax asset for carried forward tax losses – Note 4;
- income taxes – Note 4;
- accounting under the Farmout Arrangement – Note 9;
- estimation of fair value of share-based payments – Note 13;
- estimation of probability of vesting conditions being satisfied – Note 13;

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances. There have been no actual adjustments this year as a result of an error and of changes to previous estimates.

16. FINANCIAL AND CAPITAL RISK MANAGEMENT

Overview

The financial risks that arise during the normal course of the Group's operations comprise market risk, credit risk and liquidity risk. In managing financial risk, it is policy to seek a balance between the potential adverse effects of financial risks on financial performance and position, and the "upside" potential made possible by exposure to these risks and by taking into account the costs and expected benefits of the various risk management methods available to manage them.

General objectives, policies, and processes

The Board is responsible for approving policies on risk oversight and management and ensuring management has developed and implemented effective risk management and internal control. The Board receives reports as required from the Chief Financial Officer and Chief Executive Officer in which they review the effectiveness of the processes implemented and the appropriateness of the objectives and policies it sets. The Board oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced.

These disclosures are not, nor are they intended to be an exhaustive list of risks to which the Group is exposed.

Financial Instruments

The Group has the following financial instruments:

	2025	2024
	\$	\$
Financial assets		
Cash and cash equivalents	15,759,083	23,955,209
Other receivables	196,666	504,882
Financial assets at FVOCI	3,917,023	7,065
	<u>19,872,772</u>	<u>24,467,156</u>
Financial liabilities		
Trade and other payables	731,282	2,514,368
	<u>731,282</u>	<u>2,514,368</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

16. FINANCIAL AND CAPITAL RISK MANAGEMENT (continued)

Market Risk

Market risk can arise from the Group's use of interest-bearing financial instruments, foreign currency financial instruments and exposure to commodity prices. It is a risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk), foreign exchange rate (currency risk), equity securities price risk (price risk) and fluctuations in commodity prices (commodity price risk).

(i) Interest rate risk

As at the year ended 30 June 2025, the Group has interest-bearing assets and liabilities being liquid funds on deposit and unsecured funds. As such, the Group's income and operating cash flows (other than interest income from funds on deposit and interest expense from the senior secured revolving credit facility) are somewhat dependent on changes in market interest rates. The Board manages the Group's exposure to interest rate risk by regularly assessing exposure, taking into account funding requirements and selecting appropriate instruments to manage its exposure.

Sensitivity analysis

Based on the financial instruments held at the reporting date, with all other variables assumed to be held constant, the table sets out the notional effect on consolidated profit after tax for the year and on equity at the reporting date under varying hypothetical changes in prevailing interest rates.

	2025	2024
	\$	\$
Impact on post-tax profits and equity		
Hypothetical basis points increase in interest	195,851	84,186
Hypothetical basis points decrease in interest	(195,851)	(84,186)

A hypothetical change of 50 basis points was used to calculate the Group's sensitivity to future interest rate movements as this figure approximates the movement in bond yields published by the Reserve Bank of Australia for bonds with a 12-month maturity.

The weighted average effective interest rate of funds on deposit is 4.75% (30 June 2024: 4.75%).

(ii) Currency risk

The Group operates in the UK, however, maintains a corporate listing in Australia. As a result of various operating locations, the Group is exposed to foreign exchange risk arising from fluctuations in primarily the British pound and US dollar.

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency. The Group manages risk by matching receipts and payments in the same currency and monitoring movements in exchange rates. The exposure to risks is measured using sensitivity analysis and cash flow forecasting.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

16. FINANCIAL AND CAPITAL RISK MANAGEMENT (continued)

The Group's exposure to foreign currency risk at the end of the reporting year, expressed in Australian dollars, was as follows:

	GBP	US \$	Euro \$	XAF \$	Other \$	Total \$
At 30 June 2025						
Financial assets						
Cash	2,476,011	1,447	630	-	204	2,478,292
Other receivables	37,346	-	-	-	-	37,346
Financial liabilities						
Trade and other payables	490,900	-	-	-	-	490,900
At 30 June 2024						
Financial assets						
Cash	4,621,320	6,680,966	565	38,907	197	11,341,954
Other receivables	468,965	-	-	-	-	468,965
Financial liabilities						
Trade and other payables	1,605,500	-	-	-	-	1,605,500

Sensitivity analysis

The following table demonstrates the estimated sensitivity to a 10% increase/decrease in the GBP/Australian dollar exchange rate and a 10% increase/decrease in the US\$/Australian dollar exchange rate, with all variables held consistent, on post tax profit and equity. These sensitivities should not be used to forecast the future effect of movement in the Australian dollar exchange rate on future cash flows.

	2025		2024	
	%	\$	%	\$
Impact on post-tax profits and equity				
GBP/A\$ + %	10	120,506	10	498,757
GBP/A\$ - %	10	(120,506)	10	(498,757)
US\$/A\$ + %	10	95	10	1,051,670
US\$/A\$ - %	10	(95)	10	(1,051,670)

A hypothetical change of 10% in the GBP and US dollar exchange rates was used to calculate the Group's sensitivity to foreign exchange rate movements as the Company's estimate of possible rate movements over the coming year taking into account current market conditions and past volatility.

(iii) Price risk

The Group is exposed to equity price risk arising from its investments in listed equity securities as summarised in Note 8. These investments are subject to market fluctuations in share prices. Given the relatively small size of the equity portfolio compared to the Group's total assets, management considers the exposure to price risk to be immaterial at 30 June 2025.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

16. FINANCIAL AND CAPITAL RISK MANAGEMENT (continued)

Sensitivity analysis

The following table demonstrates the estimated sensitivity to a 10% increase/decrease in the share price of investments in equity securities, with all variables held consistent, on post tax profit and equity. These sensitivities should not be used to forecast the future effect of movement in the share price of investments on future cash flows.

A hypothetical change of 10% in share price of investments was used to calculate the Group's sensitivity to price risk as the Company's estimate of possible rate movements over the coming year taking into account current market conditions and past volatility.

Impact on post-tax profits and equity	%	\$
30 June 2025		
+ %	10	391,702
- %	10	(391,702)
30 June 2024		
+ %	10	706
- %	10	(706)

(iv) Commodity price risk

As the Group has not yet entered into production, the risk exposure to changes in commodity price is not considered significant.

Credit risk

Credit risk arises from cash and cash equivalents, deposits with financial institutions, trade receivables, and the Group's investments in listed debt securities (bank capital notes and a treasury bond) classified as FVOCI. Exposure is limited as counterparties/issuers are investment-grade (A or higher). The Group manages credit risk on a group basis and places funds only with independently rated institutions (minimum A). The maximum exposure at reporting date is the carrying amount of these assets (see Note 8 for FVOCI debt securities).

The Board are of the opinion that the credit risk arising as a result of the concentration of the Group's assets is more than offset by the potential benefits gained.

The maximum exposure to credit risk at the reporting date is the carrying amount of the assets as summarised, none of which are impaired or past due.

Exposure to credit risk

The carrying amount of the Group's financial assets represents the maximum credit exposure. The Group's maximum exposure to credit risk at the reporting date was:

	2025	2024
	\$	\$
Cash and cash equivalents	15,759,083	23,955,209
Other receivables	236,666	504,882
Debt Securities	3,671,337	-
	19,667,086	24,460,091

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

16. FINANCIAL AND CAPITAL RISK MANAGEMENT (continued)

	2025 \$	2024 \$
Cash at bank and short-term deposits		
<i>Held with Australian banks and financial institutions</i>		
AA S&P rating	15,756,670	23,913,997
A S&P rating	-	-
B S&P rating	-	38,907
Unrated	2,413	2,305
Total	15,759,083	23,955,209
Other receivables		
<i>Counterparties with external credit ratings</i>		
	196,666	422,763
<i>Counterparties without external credit ratings(1)</i>		
Group 1	-	-
Group 2	-	6,356
Group 3	-	-
Total	196,666	429,119
Debt Securities		
<i>Held with Australian banks and financial institutions</i>		
AAA S&P rating	1,984,000	-
A S&P rating	1,500,000	-
BBB S&P rating	187,337	-
Unrated	-	-
Total	3,671,337	-

1 Group 1 — new customers (less than 6 months).

Group 2 — existing customers (more than 6 months) with no defaults in the past.

Group 3 — existing customers (more than 6 months) with some defaults in the past. All defaults were fully recovered.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. Through continuous monitoring of forecast and actual cash flows the Group manages liquidity risk by maintaining adequate reserves to meet future cash needs. The decision on how the Group will raise future capital will depend on market conditions existing at that time.

Maturities of financial liabilities

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less than 6 months \$	6 - 12 months \$	1-5 years \$	Over 5 years \$	Total contractual cash flows \$	Carrying amount liabilities \$
At 30 June 2025						
Trade and other payables	1,069,570	-	377,998	-	1,447,568	1,447,568
At 30 June 2024						
Trade and other payables	2,658,434	-	-	-	2,658,434	2,658,434

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

16. FINANCIAL AND CAPITAL RISK MANAGEMENT (continued)

Capital risk management

The Group's objective when managing capital is to safeguard the ability to continue as a going concern. This is to provide returns for shareholders, benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Board monitors capital on an ad-hoc basis. No formal targets are in place for return on capital, or gearing ratios, as the Group has not derived any income from exploration.

17. LOSS PER SHARE

Information concerning the classification of securities

(i) Partly paid ordinary shares

Partly paid ordinary shares carry the right to participate in dividends and have been recognised as ordinary share equivalents in the determination of earnings per share.

(ii) Options

Options granted to employees and Directors under the Incentive Option Scheme are considered to be potential ordinary shares and have been included in the determination of diluted earnings per share to the extent to which they are dilutive.

The options have not been included in the determination of basic earnings per share. Details relating to the options are set out in Note 13.

(iii) Deferred shares

Rights to deferred shares granted to employees under the Performance Rights Plan are included in the calculation of diluted earnings per share assuming all outstanding rights will vest. The rights are not included in the determination of basic earnings per share. Further information about the rights is provided in Note 13.

	2025	2024
Basic earning/(loss) per share		
Net profit/(loss) after tax attributable to the members of the Company	(2,263,213)	(2,697,677)
Weighted average number of ordinary shares	2,808,682,128	2,808,682,128
Basic profit/ (loss) per share	(0.081)	(0.096)
Net profit/(loss) after tax attributable to the members of the Company	(2,263,213)	(2,697,677)
Weighted average number of ordinary shares	2,808,682,128	2,808,682,128
Adjustments for calculation of diluted earnings per share		
Options	-	-
Performance rights	-	-
Weighted average number of ordinary shares and potential ordinary shares	2,808,682,128	2,808,682,128
Diluted earnings per share	(0.081)	(0.096)

No dilutive calculation has been performed for the prior year. As a result of the loss position of the Group the diluted earnings per share is equal to the basic earnings per share.

18. DIVIDENDS

No dividend has been paid or is proposed in respect of the year ended 30 June 2025 (30 June 2024: \$Nil).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

19. COMMITMENTS

(a) Capital commitments

In respect of the UK North Sea, Seaward Production License P2607, the Company has certain obligations to perform minimum work on tenements held, including the drilling of a well by 25 November 2025 under Phase C of the License. These obligations may vary over time, depending on the Company's work programs and priorities. As of 30 June 2025, there were no minimum financial commitments.

Additionally, after the Reporting date, a joint application between the Company and RockRose Energy Limited, its P2607 Joint Venture Partner, has been submitted to the North Sea Transition Authority (NTSA) for a two-year extension to Phase C of License. For more information please refer to 'Events After the Reporting Period' on page 16 of the Directors Report.

20. CONTINGENCIES

(a) Contingent liabilities

The Group currently has no contingent liabilities as at 30 June 2025 (30 June 2024: \$Nil).

(b) Contingent assets

The Group has no contingent assets as at 30 June 2025 (30 June 2024: \$Nil).

Significant judgements

Contingencies & commitments

As the Group is subject to various laws and regulations in the jurisdictions in which it operates, significant judgement is required in determining whether any potential contingencies are required to be disclosed and/or whether any capital or operating leases require disclosure.

21. RELATED PARTY TRANSACTIONS

Transactions with related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

(a) Parent entities

The ultimate parent entity and ultimate controlling party is Hartshead Resources NL (incorporated in Australia) which at 30 June 2025 owns 100% of the issued ordinary shares of the subsidiaries set out in Note 22.

(b) Subsidiaries

Interests in subsidiaries are set out in Note 22.

(c) Key management personnel compensation

	2025	2024
	\$	\$
Short-term employee benefits	1,548,506	2,291,353
Post-employment benefits	60,000	67,595
Share-based payments	-	-
	1,608,506	2,358,948

Detailed remuneration disclosures are provided within the Remuneration Report.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

21. RELATED PARTY TRANSACTIONS (continued)

(d) Transaction with other related parties

Payment of fees

Mr Christopher Lewis, Executive Director, is a Director of Lewis Petroleum Consulting Limited which received Mr Lewis's Director fees during the period. At year end the Company had an outstanding balance payable of \$52,052 (30 June 2024: \$48,370).

Purchases of services

The Group acquired the following services from entities in which the group's key management personnel have an interest:

- Rent and share office services.

Directors, Mr Lude and Mr Tarratt are Directors of AVUT Pty Ltd atf The Advantage Ventures Unit Trust (AVUT). AVUT have been a partner to Hartshead in providing rent and share office services. All services provided have been on normal commercial terms and conditions. The amount recognised as an expense during the year was \$4,041.

(e) Outstanding balances arising from sales/purchases of goods and services

There are no other outstanding balances arising from sales/purchases of goods and services (30 June 2024: \$Nil).

(f) Loan to/from related parties

There are no outstanding loans arising to or from related parties (30 June 2024: \$Nil).

22. CONSOLIDATED ENTITIES

(a) Investments in controlled entities

The consolidated financial statements incorporate the assets, liabilities, and results of the following subsidiaries in accordance with the accounting policy described in Note 26(a):

Name of entity	Country of incorporation	2025 Equity holding	2024 Equity holding
Hartshead Resources Limited	UK	100%	100%

23. REMUNERATION OF AUDITORS

During the year, the following fees were paid or payable for services provided by the auditor of the parent entity, its related parties and non-related audit firms:

	2025 \$	2024 \$
(a) BDO Audit Pty Ltd		
<i>Audit and assurance services</i>		
Audit and review of financial statements	67,015	69,660
<i>Taxation services</i>		
Tax compliance services	15,862	13,616
Total remuneration for BDO Audit Pty Ltd	82,877	83,276
(b) Network firms of BDO ⁽¹⁾		
<i>Audit and assurance services</i>		
Audit and review of financial statements	-	42,353
Tax Compliance Advice	-	-
Total auditors' remuneration	82,877	125,629

1 Fees incurred from BDO PLT and BDO LLP in relation to the audit of the Groups subsidiaries.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

23. REMUNERATION OF AUDITORS (continued)

From time to time the Consolidated Entity may decide to employ an external auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Consolidated Entity are important. These assignments are principally tax advice and due diligence on acquisitions, which are awarded on a competitive basis. It is the Group's policy to seek competitive tenders for all major consulting projects.

The Board is satisfied that the provision of non-audit services during the period is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*.

24. PARENT ENTITY INFORMATION

The following information relates to the parent entity, Hartshead Resources NL as at 30 June 2025. The information presented here has been prepared using consistent accounting policies as presented in Note 26.

Summary of financial information

The individual aggregate financial information for the parent entity is shown in the table.

(a) Guarantees entered into by the parent entity

The parent entity did not have any guarantees as at 30 June 2025 or 30 June 2024.

(b) Contingent liabilities of the parent entity

The parent entity did not have any contingent liabilities as at 30 June 2025 or 30 June 2024.

(c) Contractual commitments for the acquisition of property, plant, and equipment

The parent entity did not have any contractual commitments for the acquisition of property, plant and equipment as at 30 June 2025 or 30 June 2024.

Company	2025 \$	2024 \$
Financial position		
Current assets	13,442,523	12,683,798
Total assets	34,111,894	36,404,400
Current liabilities	578,671	656,495
Total liabilities	578,671	656,495
Equity		
Contributed equity	42,295,809	42,295,809
Reserves	5,785,196	2,080,836
Accumulated losses	(14,547,781)	(8,628,741)
Total equity	33,533,224	35,747,904
Financial performance		
Profit/(Loss) for the year	(5,919,041)	(444,499)
Total comprehensive Profit/(loss)	(6,144,179)	(452,792)

FOR THE YEAR ENDED 30 JUNE 2025

25. EVENTS OCCURRING AFTER REPORTING DATE

On 1st September 2025, the Company announced it had entered a binding Well Carry Agreement with its P2607 License Joint Venture Partner RockRose Limited. Under the terms of the agreement, RockRose Limited will fully carry Hartshead for its share of costs for the drilling and completion of the Phase C Well Work Obligation, located within UKCS Licence No. P2607. In consideration for the carry, Hartshead's interest in the P2607 Joint Venture will be reduced from 40% to 35% and an amended Phase 1 Fields Development Costs Cap of US\$197,645,714 will apply after the well work is completed. In connection with the Well Carry Agreement, a joint application has been submitted to the North Sea Transition Authority (NTSA) for a two-year extension to Phase C of UKCS No. P2607.

The extension is required to allow for the completion of the Phase C Work Programme, which has been impacted by delays in the environmental permitting process within the UK and other supply chain constraints. The Joint Venture partners are aligned on a new timeline to complete the commitment well. Management is encouraged by constructive dialogue with the NSTA on the extension and expects to receive a response to the application within three months of submission.

In the opinion of the Directors, there are no other events of a material nature or transaction has arisen since year-end and the date of this report that has significantly affected, or may significantly affect, the Group's operations, the results of those operations, or its state of affairs in subsequent financial years.

26. SUMMARY OF MATERIAL ACCOUNTING POLICIES

Hartshead Resources NL (**Company** or Hartshead) is a company incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange Hartshead is the ultimate parent entity of the Group.

The consolidated financial statements of Hartshead Resources NL for the year ended 30 June 2025 comprise the Company and its controlled subsidiaries (together referred to as the **Group** and individually as **Group entities**).

Statement of compliance

This general-purpose financial report has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Australian Accounting Company Interpretations and the *Corporations Act 2001*. Hartshead is a for-profit entity for the purpose of preparing the financial statements.

The financial statements of the Company also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Basis of preparation

The financial statements of the Group are presented in Australian dollars, which is the Company's functional currency.

Historical cost convention

These financial statements have been prepared under the historical cost convention, except for costs and do not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

Critical accounting estimates and significant judgements

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires Management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed within Note 15.

FOR THE YEAR ENDED 30 JUNE 2025

26. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

New and amended standards adopted by the Group

The Group has adopted all of the new and revised Standards and Interpretations issued by the AASB that are relevant to their operations and effective for the current annual reporting period.

The adoption of all the new and revised Standards and Interpretations has not resulted in any changes to the Group's accounting policies and has no effect on the amounts reported for the current or prior years.

New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2023 reporting periods and have not been early adopted by the group. The group's assessment of the impact of these new standards and interpretations is set out below. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

There are no other standards that are not yet effective and that are expected to have a material impact on the Group in the current or future reporting period and in the foreseeable future.

Accounting policies

In order to assist in the understanding of the accounts, the following summary explains the principle accounting policies that have been adopted in the preparation of the financial report. These policies have been applied consistently to all of the periods presented, unless otherwise stated.

(a) Principles of consolidation

Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of subsidiaries of the Company at the end of the reporting period. Subsidiaries are all those entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases. Where a subsidiary has entered or left the Group during the year, the financial performance of those entities is included only for the period of the year that they were controlled. A list of subsidiaries is contained in Note 22 to the financial statements.

Intercompany transactions, balances, and unrealised gains on transactions between Group companies are eliminated in full on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of financial position.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(b) Joint arrangements

Under AASB 11 *Joint Arrangements* investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Group only has joint operations.

Joint operations

The Group recognises its direct right to, and its share of jointly held assets, liabilities, revenues, and expenses of joint operations. These have been incorporated into the financial statements under the appropriate headings. Details of joint operations are set out in Note 7.

FOR THE YEAR ENDED 30 JUNE 2025

26. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

(c) Foreign currency translation

Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the Company operates (the functional currency). The financial statements are presented in Australian dollars, which is the Company's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency monetary assets and liabilities at the reporting date are translated at the exchange rate existing at reporting date. Exchange differences are recognised in profit or loss in the period in which they arise.

No dividends were paid or proposed during the period.

Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each statement of profit or loss and other comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, a proportionate share of such exchange difference is reclassified to profit or loss, as part of the gain or loss on sale where applicable.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

(d) Segment reporting

Operating segments are reported in a manner that is consistent with the internal reporting to the chief operating decision maker, which has been identified by the Group as the Executive Director and other members of the Board.

(e) Revenue recognition

Revenue is measured as the fair value of the consideration received or receivable. The Group recognises revenue when the amount of revenue can be reliably measured it is probable that future economic benefits will flow to the entity.

Revenue for other business activities is recognised on the following basis:

Operator fees

Operator fees are earned on expenditure incurred on behalf of joint venture parties. Revenue from providing operator services is recognised in the period in which the services are rendered.

Interest income

Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

FOR THE YEAR ENDED 30 JUNE 2025

26. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)**(f) Impairment of assets**

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash generating unit to which it belongs.

When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at re-valued amount (in which case the impairment loss is treated as a revaluation decrease).

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had the impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at the re-valued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

(g) Property, plant, and equipment

Plant and equipment is stated at cost less accumulated depreciation and any impairment in value.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the statement of profit or loss comprehensive income during the reporting period in which they are incurred.

Depreciation is calculated using the diminishing value or straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives as follows:

- Office furniture and equipment 4 - 15 years
- Computer software and equipment 2 - 4 years

Assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset carrying amount is written down immediately to its recoverable amount if the asset's carrying value is greater than its estimated recoverable amount (Note 26(f)).

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statements of profit or loss.

FOR THE YEAR ENDED 30 JUNE 2025

26. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)**(h) Income tax and other taxes**

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Group's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provision where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Group has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The Group may be entitled to claim special tax deductions for investments in qualifying assets (investment allowances). The Group accounts for such allowances as tax credits, which means that the allowance reduces income tax payable and current tax expense. A deferred tax asset is recognised for unclaimed tax credits that are carried forward as deferred tax assets.

(i) Goods and services tax

Revenues, expenses, and assets are recognised net of the amount of GST except where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST component of cash flow arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority is classified as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

FOR THE YEAR ENDED 30 JUNE 2025

26. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)**(j) Exploration and evaluation expenditure***Exploration and Evaluation expenditure*

Exploration for and evaluation of mineral resources is the search for mineral resources after the entity has obtained legal rights to explore in a specific area as well as the determination of the technical feasibility and commercial viability of extracting mineral resource.

UK North Seas

The Groups UK North Sea project is accounted for as a joint arrangement (joint operation whereby the Group recognised its share of assets and liabilities, relating to the arrangement), see Note 26(b).

Exploration lease acquisition costs relating to exploration provinces are initially capitalised and then amortised over the shorter term of the lease or the expected life of the project.

All other exploration and evaluation costs, including general permit activity, geological and geophysical costs and new venture activity costs are charged as expenses as incurred except where:

- such evaluation costs are expected to be recouped through successful development and exploitation of the area of interest or alternatively, by its sale; or
- exploration and/or evaluation activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active and significant operations in relation to the area are continuing.

Areas of interest are recognised at permit level. Subsequent to the recognition of an area of interest, all further costs relating to the Area of Interest are initially capitalised. Each area of interest is reviewed at least bi-annually to determine whether economic quantities of reserves exist or whether further exploration and evaluation work is required to support the continued carry forward of capitalised costs. To the extent it is considered that the relevant expenditure will not be recovered, it is written off.

In the statement of cash flows, those cash flows associated with the capitalised exploration and evaluation expenditure are classified as cash flows used in investing activities exploration and evaluation expenditure expensed is classified as cash flows used in operating activities.

Other Projects

Exploration and evaluation expenditure are expensed to the profit or loss as incurred except when existence of a commercially viable oil and/or gas reserve has been established and it is anticipated that future economic benefits are more likely than not to be generated as a result of the expenditure.

(k) Cash and cash equivalents

For the purposes of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, cash in bank accounts, money market investments readily convertible to cash within two working days, and bank bills but net of outstanding bank overdrafts.

(l) Investments and other financial assets*Classification*

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

FOR THE YEAR ENDED 30 JUNE 2025

26. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

The Group classifies its financial assets in the following categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss); and
- those to be measured at amortised cost.

For investments in equity instruments that are not held for trading, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

Investments in equity instruments

The Group subsequently measures all equity investments at fair value.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the statement of financial position date which are classified as non-current assets. Loans and receivables are included in trade and other receivables in the statement of financial position.

Recognition and de-recognition

Investments are initially recognised at fair value plus transactions costs for all financial assets not carried at fair value through profit or loss. Financial assets are de-recognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Subsequent measurement

Loans and receivables are carried at amortised cost using the effective interest method and available for sale assets are carried at fair value.

(m) Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result, and that outflow can be reliably measured.

Provisions are measured at the present value of Management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as an interest expense.

FOR THE YEAR ENDED 30 JUNE 2025

26. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)**(n) Employee benefits***Short-term employee benefits*

Liabilities for wages and salaries, including short-term incentive payments, non-monetary benefits and accumulating annual leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

The obligations are presented as current liabilities in the statement of financial position if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.

Other long-term employee benefits

Provision is made for long service leave and annual leave estimated to be payable to employees on the basis of statutory and contractual requirements. The liability for long service leave and annual leave which is not expected to be settled within twelve months after the end of the period in which the employees render the related service is recognised in the provision for employee entitlements and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period. Expected future payments are discounted using market yields at the end of the reporting period on government bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows.

Share-based payments

The Group has provided benefits to its employees (including key management personnel) in the form of share-based payments, whereby services were rendered partly or wholly in exchange for shares or rights over shares. The Remuneration Committee has also approved the grant of options, retention rights or performance rights as incentives to attract executives and to maintain their long-term commitment to the Company. These benefits were awarded at the discretion of the Board or following approval by shareholders.

The costs of these equity settled transactions are measured by reference to the fair value of the equity instruments at the date on which they are granted. Retention rights and performance rights granted under the Hartshead performance rights plans are determined at their fair value and can be valued by either using the share price of the Company as at the date of grant, a Monte-Carlo simulation valuation model, or other appropriate valuation methodologies. The fair value of options granted is determined by using the Black-Scholes option pricing technique. Further details of options and performance rights granted are disclosed in Note 13.

The cost of these equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled (the vesting period).

At each subsequent reporting date until vesting, the cumulative charge to the profit or loss is the product of: (i) the fair value at grant date of the award; (ii) the current best estimate of the number of equity instruments that will vest, taking into account such factors as the likelihood of employee turnover during the vesting period and the likelihood of non-market performance conditions being met; and (iii) the expired portion of the vesting period.

The charge to the profit or loss for the period is the cumulative amount as calculated above less the amounts already charged in previous periods. There is a corresponding credit to equity.

Until an equity instrument has vested, any amounts recorded are contingent and will be adjusted if more or fewer equity instruments vest than were originally anticipated to do so. Any equity instrument subject to a market condition is valued as if it will vest irrespective of whether or not that market condition is fulfilled, provided that all other conditions are satisfied.

FOR THE YEAR ENDED 30 JUNE 2025

26. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

If the terms of an equity-settled award are modified, as a minimum, an expense is recognised as if the terms had not been modified. An additional expense is recognised for any modification that increases the total fair value of the share-based payment arrangement or is otherwise beneficial to the recipient of the award, as measured at the date of modification.

If an equity-settled transaction is cancelled (other than a grant cancelled by forfeiture when the vesting conditions are not satisfied), it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new equity instrument is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new equity instrument are treated as if they were a modification of the original award, as described in the preceding paragraph.

The dilutive effect, if any, of outstanding performance rights and options is reflected as additional share dilution in the computation of diluted earnings per share (refer Note 17).

(o) Earnings per share*Basic earnings per share*

Basic earnings per share is determined by dividing the operating loss attributable to the equity holders of the Company after income tax by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

(p) Trade and other receivables

Receivables are initially recognised at fair value and subsequently measured at amortised cost, less loss allowances. Current receivables for GST are due for settlement within 30 days and other current receivables within 12 months.

(q) Trade and other payables

Trade payables and other payables are carried at cost and represent liabilities for goods and services provided to the Group prior to the end of the financial period that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and usually paid within 30 days of recognition.

(r) Parent entity financial information

The financial information for the parent entity, Hartshead Resources NL, disclosed in Note 24 has been prepared on the same basis as the consolidated financial statements, except as set out below:

Investments in subsidiaries, associates, and joint venture entities

Investments in subsidiaries, associates and joint venture entities are accounted for at cost.

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

FOR THE YEAR ENDED 30 JUNE 2025

Consolidated Entity Disclosure Statement as at 30 June 2025						
Name of Entity	Type of Entity	Trustee, Partner or Participant in Joint Venture	Country of incorporation	% of Share Capital Held	Australian Resident	Foreign jurisdiction(s) in which the entity is a resident for tax purposes (according to the law of the foreign jurisdiction)
Hartshead Resources NL	Body Corporate	-	Australia	n/a	Australian	n/a
Hartshead Resources Limited	Body Corporate	Partner	UK	100%	Foreign	UK

At the end of the financial year, no entity within the consolidated entity was a trustee of a trust within the consolidated entity, a partner in a partnership within the consolidated entity, or a participant in a joint venture within the consolidated entity.

Basis of Preparation

This Consolidated Entity Disclosure Statement (CEDs) has been prepared in accordance with the *Corporations Act 2001*, reflecting the amendments to section 295(3A)(vi) and (vii) which clarify the definition of foreign resident as being an entity that is treated as a resident of a foreign country under the tax laws of that foreign country. These amendments apply for financial years beginning on or after 1 July 2024. The CEDs includes certain information for each entity that was part of the consolidated entity at the end of the financial year in accordance with AASB 10

Determination of Tax Residency

Section 295(3B)(a) of the *Corporation Acts 2001* defines Australian resident as having the meaning in the *Income Tax Assessment Act 1997*. The determination of tax residency involves judgement as there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency. Section 295 (3A)(a)(vii) requires the determination of tax residency in a foreign jurisdiction to be based on the law of the foreign jurisdiction relating to foreign income tax.

In determining tax residency, the consolidated entity has applied the following interpretations:

- *Australian tax residency*

The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5.

- *Foreign tax residency*

Where necessary, the consolidated entity has used independent tax advisers in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with.

Partnerships and Trusts

Section 295(3B)(b) and (c) of the *Corporation Acts 2001* have been introduced to clarify that an Australian resident for the purposes of these disclosures includes a partnership with at least one member of which is an Australian resident within the meaning of the *Income Tax Assessment Act 1997* and a resident trust estate under the meaning in Division 6 of the *Income Tax Assessment Act 1936*. For the purposes of the CEDs, Public Company Share Trust is determined to be an Australian resident trust estate within the meaning of Division 6 of Part III of the *Income Tax Assessment Act 1936*. XYZ Partnership is also determined to be an Australian resident because one of its partners is an Australian tax resident.

DIRECTORS' DECLARATION

In the Directors' opinion:

1. the financial statements, and accompanying notes set out above, are in accordance with the *Corporations Act 2001* and:
 - (a) comply with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - (b) giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2025 and its performance for the financial year ended on that date.
2. there are reasonable grounds to believe that the Consolidated Entity will be able to pay its debts as and when they become due and payable; and
3. the financial statements and accompanying notes are presented in compliance with International Financial Reporting Standards as issued by the International Accounting Standards Board, as stated in Note 26 to the financial statements.
4. The information disclosed in the attached consolidated entity disclosure statement is true and correct.

The Directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer required by section 295A of the *Corporations Act 2001*.

Signed in accordance with a resolution of the Directors made pursuant to section 295(5) of the *Corporations Act 2001*.

On behalf of the Directors



Bevan Tarratt
Executive Chairman

Perth, Western Australia
30 September 2025

INDEPENDENT AUDITOR'S REPORT

To the members of Hartshead Resources NL

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Hartshead Resources NL (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

- i) Giving a true and fair view of the Group's financial position as at 30 June 2025 and of its financial performance for the year ended on that date; and
- ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Carrying value of exploration and evaluation assets

Key audit matter	How the matter was addressed in our audit
<p>The carrying value of the capitalised exploration and evaluation asset as at 30 June 2025 is disclosed in Note 9 of the financial report.</p> <p>As the carrying value of the exploration asset represents a significant asset of the Group, we considered it necessary to assess whether any facts or circumstances exist to suggest that the carrying amount of this asset may exceed its recoverable amount.</p> <p>Judgement is applied in determining the treatment of exploration expenditure in accordance with Australian Accounting Standard AASB 6 <i>Exploration for and Evaluation of Mineral Resources</i> (AASB 6). In particular:</p> <ul style="list-style-type: none"> • Whether the conditions of capitalisation are satisfied; • Which elements of exploration and evaluation expenditures qualify for recognition; and • Whether facts and circumstances indicate that the exploration and expenditure assets should be tested for impairment. <p>As a result, this is considered a key audit matter.</p>	<p>Our procedures included, but were not limited to the following:</p> <ul style="list-style-type: none"> • Obtaining a schedule of tenements held by the Group and assessing whether the rights to tenure remained current at balance date; • Considering the status of the ongoing exploration programmes by holding discussions with management, and reviewing the Group’s exploration budgets, ASX announcements and Director’s minutes; • Considering whether exploration assets had reached a stage where a reasonable assessment of economically recoverable reserves existed; • Verifying, on a sample basis, exploration and evaluation expenditure capitalised during the year for compliance with the recognition and measurement criteria of AASB 6; • Considering whether there are any other facts or circumstances existing to suggest impairment testing was required; and • Assessing the adequacy of the related disclosures in Note 9 of the financial report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group’s annual report for the year ended 30 June 2025 but does not include the financial report and the auditor’s report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of:

- a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and
- b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001, and

for such internal control as the directors determine is necessary to enable the preparation of:

- i) the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

https://www.auasb.gov.au/media/bwvjcgre/ar1_2024.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 20 to 24 of the directors' report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of Hartshead Resources NL, for the year ended 30 June 2025, complies with section 300A of the *Corporations Act 2001*.



Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit Pty Ltd

A handwritten signature in black ink, appearing to read 'Ashleigh Woodley'. Above the signature, the letters 'BDO' are written in a simple, hand-drawn style.

Ashleigh Woodley

Director

Perth, 30 September 2025

ADDITIONAL INFORMATION

The following additional information is required by ASX in respect of listed public companies only.

Information as at 25 August 2025:

1 Distribution of shareholders

Category	Ordinary Shares		Partly Paid Shares	
	Holders	% of securities in class	Holders	% of securities in class
1 - 1,000	44	0.00	-	-
1,001 - 5,000	30	0.00	-	-
5,001 - 10,000	24	0.01	-	-
10,001 - 100,000	856	1.54	2	2.96
100,001 and above	1,126	98.44	10	97.04
Total	2,080	100.00	12	100.00

The number of shareholders holding less than marketable parcel at a share price of \$0.006 is 813.

Category	Performance Rights Exp 13/10/2026		Unlisted Options Exp 13/10/26 @ 0.00	
	Holders	% of securities in class	Holders	% of securities in class
1 - 1,000	-	-	-	-
1,001 - 5,000	-	-	-	-
5,001 - 10,000	-	-	-	-
10,001 - 100,000	-	-	-	-
100,001 and above	12	100.00	5	100.00
Total	12	100.00	5	100.00

2 Voting rights

The voting rights attached to each class of equity security are as follows:

<i>Fully paid ordinary shares</i>	Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.
<i>Partly paid shares</i>	The holder will be entitled to exercise any vote attaching to a partly paid share at general meetings of members in accordance with the Constitution of the Company. Under the Constitution, on a poll, partly paid shares have a vote pro rata to the proportion of the total issue price paid up. Amounts paid in advance of a call will be ignored when calculating the proportion.
<i>Performance rights</i>	There are no voting rights attached to any class of performance right on issue.
<i>Unlisted Options</i>	There are no voting rights attached to any class of option on issue.

ADDITIONAL INFORMATION

3 20 largest shareholders of ordinary shares as at 25 August 2025:

	Name	Number of Fully Paid Ordinary Shares	% Issued Ordinary Capital
1	BNP PARIBAS NOMS PTY LTD	419,723,321	14.94
2	MR CHRISTOPHER LEWIS	211,249,233	7.52
3	CITICORP NOMINEES PTY LIMITED	140,419,646	5.00
4	JALBAR PTY LTD	92,488,606	3.29
5	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	91,120,664	3.24
6	GULF NATURAL RESOURCES PTY LTD	87,670,170	3.12
7	NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	54,843,615	1.95
8	MR RUSSELL NEIL CREAGH	50,000,000	1.78
9	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	43,009,211	1.53
10	CELTIC FINANCE CORP PTY LTD	32,000,000	1.14
11	MR KEVIN DANNI + MRS NATALIE LOUISE DANNI	31,260,267	1.11
12	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	30,043,591	1.07
13	ING INVESTMENT FUND PTY LTD <ING INVESTMENT FUND A/C>	30,025,243	1.07
14	DETROIT CAPITAL PTY LTD	28,000,000	1.00
15	SUNSET CAPITAL MANAGEMENT PTY LTD <SUNSET SUPERFUND A/C>	26,062,217	0.93
16	VANGUARD SUPERANNUATION PTY LTD <VANGUARD INVESTMENT A/C>	22,767,244	0.81
17	T C RICE PTY LTD	21,000,000	0.75
18	MR SEBASTIAN ANDREW MARR	20,395,454	0.73
19	AUTO TECH MINING PTY LTD	19,162,083	0.68
20	NEW ENERGY MINERALS AFRICA PTY LTD	18,195,851	0.65
Totals: Top 20 holders of Ordinary Fully Paid Shares (Total)		1,469,436,416	52.32
Total Remaining Holders Balance		1,339,245,712	47.68
Total		2,808,682,128	100.00

4 Substantial Shareholders of Ordinary Shares

As at **25 August 2025** the following shareholders held more than 5% of issued capital in the company as per substantial shareholder notices lodged with ASX:

Holder of Fully Paid Ordinary Shares	N° of Shares	% held
MR CHRISTOPHER LEWIS (lodged with ASX 26/05/2023)	235,704,045	8.39

5 There are no securities subject to escrow

6 Unquoted securities on issue at 25 August 2025

- 5,703,550 Partly paid shares with an issue price of \$0.20 of which \$0.01 was paid upon issue.
- 16,000,000 Unlisted Options Expiring 13/10/2026 @ \$0.00
- 41,000,000 Performance Rights Expiring 13/10/2026

7 Unquoted equity securities holders with greater than 20% of an individual class

As at **25 August 2025**, there were no classes of unquoted securities that had holders with greater than 20% of the class on issue, that were not issued under the Employee Incentive Securities Plan.

ADDITIONAL INFORMATION

8 Other

The Company is not currently conducting an on-market buy-back. There are no issues of securities approved for the purposes of item 7 of section 611 of the Corporations Act which have not yet been completed. No securities were purchased on-market during the reporting period in respect of an employee incentive scheme. There are no holders with a substantial holding in the Company.

9 Corporate Governance

Pursuant to the ASX Listing Rules, the Company's Corporate Governance Statement will be released in conjunction with this report. The Company's Corporate Governance Statement is available on the Company's website at: <https://hartshead-resources.com.au/corporate-governance/>
