

30<sup>th</sup> January 2026

ASX ANNOUNCEMENT

## Quarterly Activities Report For the Quarter ending 31 December 2025

### Highlights

- **During the period H3 Energy conducted technical studies that further de-risked the Warro project**
- **H3E Energy completes on-ground soil gas sampling survey on PELs 253 & 81**
- **Completed corporate rebrand to H3 Energy Limited and appointed a new Chief Executive Officer, Nik Sykiotis**

H3 Energy Limited (ASX:H3E, H3 Energy or the Company) is pleased to present its Quarterly Activities Report for the 3 months ending 31 December 2025 (period or quarter).

### Officer Basin – South Australia

During the period, the Company successfully completed a soil gas survey over the Rickerscote Prospect and surrounding permit area. The program confirmed elevated hydrogen readings at multiple sensor locations, validating the presence of natural hydrogen. A transient but significant methane anomaly was also detected, interpreted as a short-lived geological gas pulse sourced from depth. Spot helium sampling returned elevated readings at a nearby water bore, providing additional positive indications for a working gas system.

Importantly, no hydrogen or methane flux was detected along the main, southern bounding fault, supporting the interpretation that this is an effective sealing structure. These results add to the growing body of evidence supporting Rickerscote as a substantial, well-contained, multi-commodity prospect and support the Company's ongoing efforts to attract a suitable farm-in partner ahead of drilling.

### Warro Gas Project – Western Australia

During the period, H3 Energy continued its comprehensive technical re-evaluation of the Warro Gas Field aimed at improving the understanding of reservoir behaviour and commercial development potential.

A key component of this work was a detailed reinterpretation of the Warro-3 borehole image log by ImageStrat Pty Ltd. The analysis incorporated previously unanalysed data and provided new insights into fracture distribution, faulting and water ingress mechanisms.

This work identified that historical water production was linked to one or two discrete fault zones at depth, rather than pervasive natural fracturing. Large sections of the reservoir were shown to be unfractured or contain resistive, cemented fractures, preserving significant dry gas potential. These findings materially de-risk the reservoir and identify a clear pathway to managing water production through targeted zone isolation and modern completion practices.

In parallel, the Company commenced integrated technical and commercial studies, including a commerciality assessment by RISC Advisory. The outcomes of this work will assist with the creating a targeted re-completion and re-testing program focused on high-confidence dry gas intervals.

### **Renewable Energy Assets**

Geothermal Project – EPG2049, EPG2050 & EPG2054 (SW QLD): This project is currently being reviewed by the new management team. Manufactured (green) hydrogen is technically and commercially challenged and will not be a focus of the company moving forward.

### **Corporate**

#### **Financials**

H3 Energy held a cash balance of A\$0.464 million as at 31 December 2025. Payments to related parties of the entity and their associates totalled \$79,167 (inclusive of GST) during the period. This includes payment of \$22,000 to AE Advisors (a related party of Mr Mark Lindh, Chairman) in respect of corporate advisory fees and a total of \$57,167 to Directors in respect of director fees.

#### **Outlook**

- Formulation of a detailed intervention plan through continued in-depth engineering data analysis on Warro.
- Attract suitable farm out partners for the Rickerscote well in the Officer Basin.
- Secure an extension to the R7 Retention Lease.

### **Chairman's Statement**

The December quarter was a period of meaningful progress for H3 Energy as the Company advanced the technical and strategic foundations of its core Australian assets.

At the Warro Gas Field in Western Australia, the Company completed a comprehensive technical re-evaluation incorporating updated petrophysical analysis and new borehole image log interpretation. This work has materially improved the understanding of reservoir behaviour and identified a clear pathway to addressing historical water production, significantly enhancing the asset's commercial development potential.

In South Australia, H3 Energy completed a soil gas survey across the Rickerscote prospect in the Officer Basin, confirming the presence of natural hydrogen, helium and deep-sourced methane. These results further support Rickerscote’s status as a large, well-contained multi-commodity prospect and strengthen the Company’s ongoing efforts to attract a suitable farm-in partner.

During the quarter, the Company also completed its rebrand to H3 Energy Limited and appointed Mr Nik Sykiotis as Chief Executive Officer, positioning the business with a clear strategic focus and experienced leadership.

H3 Energy enters 2026 with strong momentum, a disciplined technical work program, and a clear focus on advancing Warro’s redevelopment and progressing exploration opportunities in the Officer Basin.

### ‘Tenement Schedule

Project	WBE	Location	Change during the quarter
Alinya Project (PEL 253)	4,097sqkm	South Australia	No change
Alinya Project (PEL 81)	15,336sqkm	South Australia	No change
Warro JV – RL7	222sqkm	Western Australia	No change
South East Geothermal - EPG 2037	589 sqkm	South Eastern Queensland	No change
Diamantina Geothermal - EPG 2049	3875 sqkm	Western Queensland	No change
Jackson Geothermal - EPG 2050	1766 sqkm	Western Queensland	No change
Barcoo Geothermal - EPG 2054	3875 sqkm	Western Queensland	No change

This announcement has been approved for release by the Board of H3 Energy Limited.

#### For further information:

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## About H3 Energy Limited

H3 Energy Limited (ASX: H3E) (“H3E” or the “Company”) is an ASX-listed exploration and production company focused on exploring and delivering hydrocarbons, natural hydrogen and helium for the energy transition. The company has extensive exploration acreage in the Officer Basin located in South Australia; a substantial contingent gas resource in Western Australia; and geothermal exploration applications over proven conventional hot water production locations in southwest Queensland.

## Appendix 5B

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

Name of entity

H3 ENERGY LIMITED

ABN

68 079 432 796

Quarter ended ("current quarter")

31 December 2025

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(210)	(401)
(b) development	-	-
(c) production	-	-
(d) staff costs	(52)	(108)
(e) administration and corporate costs	(328)	(722)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2	9
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	52
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(588)</b>	<b>(1,170)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	(5)
(d) exploration & evaluation	-	-
(e) investments	-	-
(f) other non-current assets	-	-
2.2 Proceeds from the disposal of:		
(a) entities	-	-
(b) tenements	-	-

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
<b>2.6 Net cash from / (used in) investing activities</b>	<b>-</b>	<b>(5)</b>
<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	750	750
3.2 Proceeds from issue of convertible debt securities	-	-
3.3 Proceeds from exercise of options	-	-
3.4 Transaction costs related to issues of equity securities or convertible debt securities	(55)	(55)
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings – Convertible Note Redemption	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material) Funds in advance for shares	-	-
<b>3.10 Net cash from / (used in) financing activities</b>	<b>695</b>	<b>695</b>
<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of period	353	941
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(588)	(1,170)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	-	(5)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	695	695
4.5 Effect of movement in exchange rates on cash held	-	(1)
<b>4.6 Cash and cash equivalents at end of period</b>	<b>460</b>	<b>460</b>

<b>5. Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1 Bank balances	460	353
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>460</b>	<b>353</b>

<b>6. Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1 Aggregate amount of payments to related parties and their associates included in item 1	(79)
6.2 Aggregate amount of payments to related parties and their associates included in item 2	-

*Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.*

<b>7. Financing facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (Finance Lease)	-	-
7.4 <b>Total financing facilities</b>	-	-
7.5 <b>Unused financing facilities available at quarter end</b>		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(588)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(588)
8.4 Cash and cash equivalents at quarter end (item 4.6)	460
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	460
8.7 <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	0.78
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: No, there were payments made on historic creditor amounts and outstanding corporate overheads during the quarter. The Company continues to prudently add value to its projects targeting low cost but high impact studies and analysis.	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: The Company regularly reviews raising capital to meet its exploration and development expenditures. The Company has successfully raised capital from the market previously and notes the current buoyant Equity Capital markets conditions.	
8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: Yes – for the reason outlined above	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

## Compliance statement

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

Date: .....30 January 2026.....

Authorised by: ..... The Board of Directors of H3 Energy Limited.....

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

## Notes

- This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An

entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.