



ASX Announcement

ADVANCEMENT OF NEAR-TERM OIL PRODUCTION AND FIELD OPTIMISATION - PL 264 AND PL 30

Australian Oil Company (**ASX:AOK**) advises that, following completion of the acquisition transaction announced 10 December 2025 with ADZ Energy (Queensland) Pty Ltd and OGT Energy Pty Ltd, the Company is progressing oil production optimisation and field evaluation activities across PL 264 and PL 30.

With the transaction now unconditional, operational control and production handover activities are underway, including transfer of Emu Apple field operations to AOK.

Key Production and Field Status Updates

- First oil lifting from the Emu Apple field is expected within the next fortnight, with approximately 200 barrels scheduled from when the transaction went unconditional and a sales agreement is in progress
- Current Emu Apple production is approximately 20 barrels of oil per day at about 30% water cut from Emu Apple 1
- Existing facilities at Emu Apple 1 are in good condition and operating at low rate using a hydraulic pumping unit
- Internal technical reviews are ongoing to determine improvements to production through pump optimisation and operating adjustments
- Emu Apple was discovered by Emu Apple 1, which historically flowed 360 barrels of oil per day from the lower Boxvale sandstone and was brought into production in 2007
- Four wells have been drilled in the field, with Emu Apple 2 and Emu Apple 3 suspended in good condition and available for potential reactivation
- PL 264 is supported by sparse 2D seismic coverage and retains additional mapped prospects and leads

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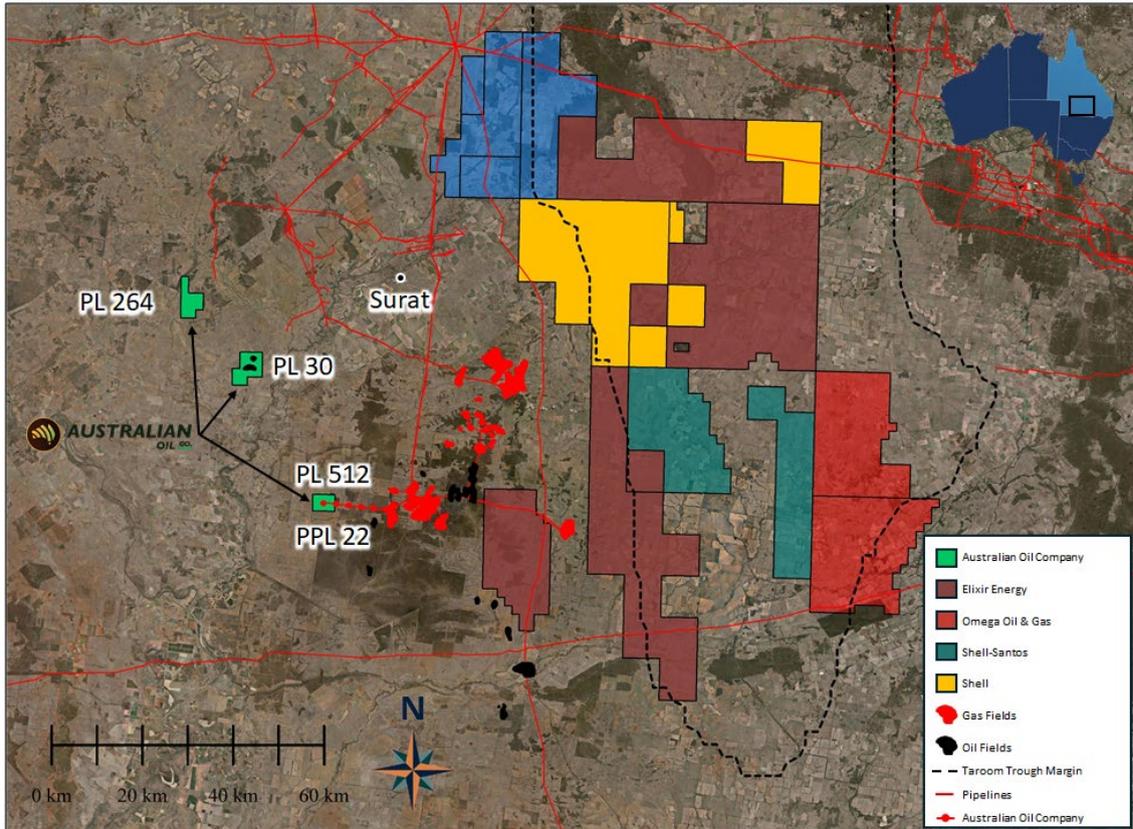


Figure 1 shows the regional position of PL 30 and PL 264 within the Company portfolio and provides geographic context for current production and evaluation activities.



Figure 2 shows Emu Apple 1 surface facilities including oil storage tanks and evaporation pond infrastructure associated with field production operations. Facilities have been inspected and assessed as being in serviceable condition for current operating levels with no environmental issues or upgrades required. Storage capacity figures are not included as detailed engineering verification is ongoing.



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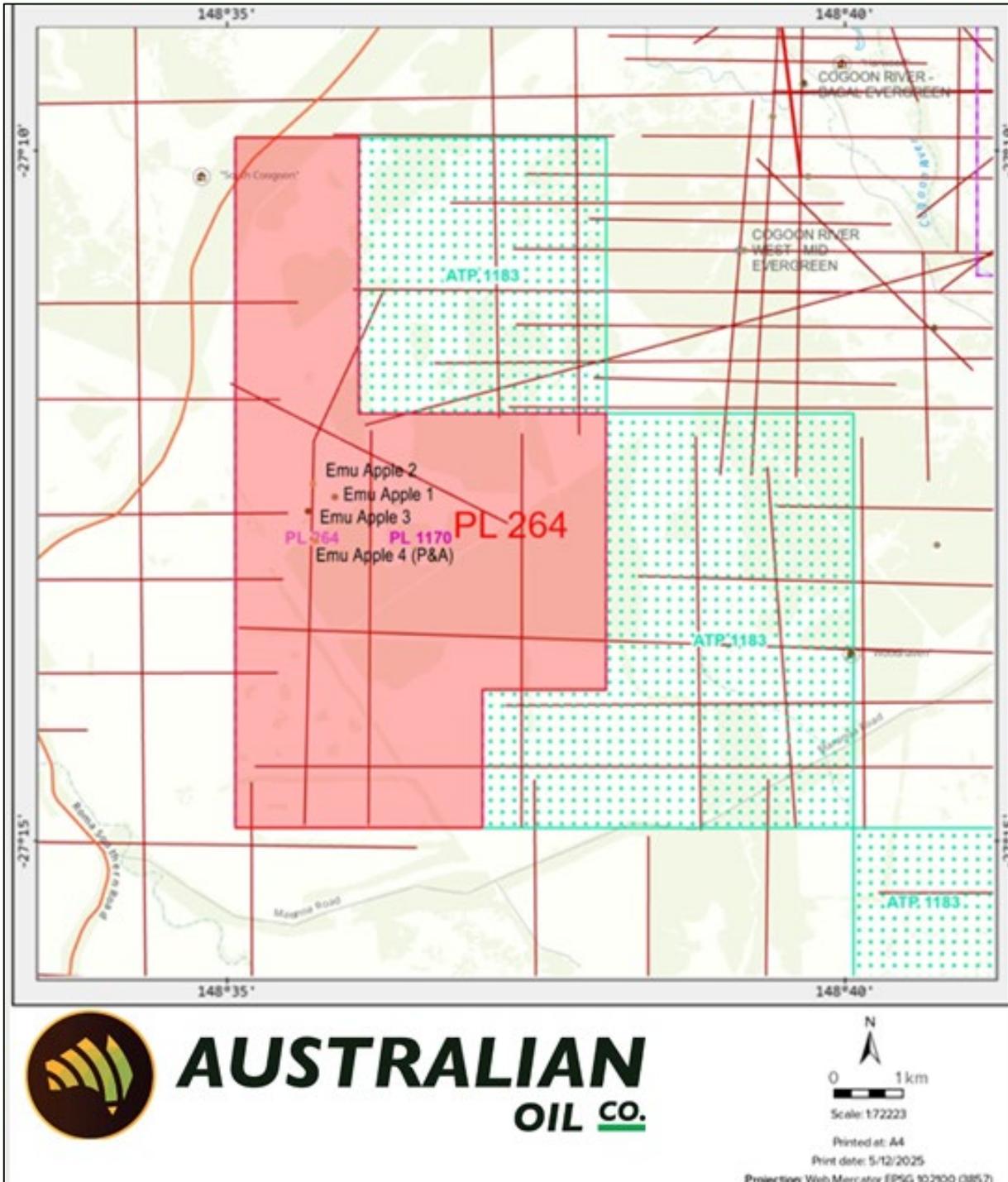


Figure 3 illustrates available 2D seismic coverage across PL 264. Seismic density across the licence is relatively sparse, indicating scope for further technical work and target refinement as additional data is acquired.



Figure 5 Riverslea-3 testing (lower left) with evaporation ponds (centre) requiring minor remediation

Near Term Work Programs and Portfolio Development

- Resource volumetric analysis is underway across Emu Apple, Riverslea and associated prospects, including Yapunyah
- Pump optimisation studies are being prioritised at Emu Apple 1, Riverslea-1 and Riverslea-3
- Additional drilling targets are being matured alongside production optimisation work
- Easement and licence transfer processes are progressing for PPL 22, PL 264, PL 30 and PL 512 as part of the operational transition
- PL 264 expired on 31 December 2025 and production continues while renewal application APL 1170 over the same 10 sub blocks is under assessment
- A detailed oil strategy presentation will be released to the market outlining development pathways and exploration opportunities across the portfolio

Kane Marshall, Managing Director of Australian Oil Co said:



We have seen a significant improvement in oil markets recently and we have direct access to offtake of our liquids from Emu Apple in the short term and Riverslea in the foreseeable future. Timing is everything in this game and we are executing on our strategic initiatives to diversify, generate free positive cash flow, generate high quality exploration targets and strengthen our operating capabilities.

The recent stronger Australian dollar is helping us with minimising our operating cost exposure in California and that will hold us in good stead as we bring on the Rec Board wells back online in due course.



– ENDS –

This announcement has been authorised by the Board of Directors of the Company.



AUSTRALIAN OIL CO.

About Australian Oil Co

Australian Oil is an Australian-based energy company focused on under-explored, recently overlooked, world class oil and gas opportunities near under-supplied markets.

The Company is currently focused on conventional oil and gas exploration and production in the Sacramento Basin in California. Australian Oil has a portfolio of natural gas and oil producing wells, in addition to prospects and discoveries at various exploration and appraisal stages.

AOK is in process of evaluating the acquisition of oil and gas producing and exploration assets to enhance the Company's strategic needs and delivering shareholder value.

Australian Oil Company Limited

ACN: 114 061 433

ASX Code: AOK

Shares on Issue

1,574,162,537

Unlisted Options

10,000,000 ex \$0.025 on or before 30-Apr-2029

10,000,000 ex \$0.035 on or before 30-Apr-2029

10,000,000 ex \$0.045 on or before 30-Apr-2029

125,937,937 ex \$0.008 on or before 30-Jun-2026

296,439,770 ex \$0.004 on or before 22-Dec-2027