



ABN 61 125 368 658

**CONSOLIDATED FINANCIAL REPORT
FOR THE HALF-YEAR ENDED
31 DECEMBER 2025**

CONTENTS

Directors' Report	3
Auditor's Independence Declaration	6
Condensed consolidated Statement of Profit or Loss and Other Comprehensive Income	7
Condensed consolidated Statement of Financial Position	8
Condensed consolidated Statement of Changes in Equity	9
Condensed consolidated Statement of Cash Flows	10
Notes to the Consolidated Financial Statements	11
Directors' Declaration	28
Independent Auditor's Review Report	29
Corporate information	31

DIRECTORS' REPORT

The Directors of QPM Energy Limited ("QPM" or "the Company") present their report, together with the financial statements on the consolidated Group consisting of QPM Energy Limited and its controlled entities for the half-year ended 31 December 2025 ("the Period").

It is recommended that the Directors' Report be read in conjunction with the annual financial statements for the year ended 30 June 2025 and considered together with any public announcement made by the Company during the period and up to the date of this report.

1. DIRECTORS

The names of the Company's Directors who held office during the Period and until the date of this report are set out below. The Directors were in office for this entire Period unless otherwise stated.

Director	Position
Eddie King	Non-Executive Chairman
John Downie	Non-Executive Director
Jim Simpson	Non-Executive Director
Sharna Glover	Non-Executive Director
John Abbott	Non-Executive Director

PRINCIPAL ACTIVITIES

QPM Energy Limited (ASX: QPM) is an Australian company based in Brisbane, Queensland. QPM is an emerging, vertically integrated utility company that produces gas for supply to power stations to generate electricity which QPM also dispatches into the national grid. QPM also sells gas to industrial users in the region.

QPM's 100% owned Moranbah Gas Project ("MGP") has an extensive and dominant infrastructure position in the Northern Bowen Basin. Within the MGP, QPM's gathering systems overlap coal tenure and are connected to a number of coking coal mines. The vast majority of QPM's current gas supply is waste coal mine gas, which would otherwise have been vented or flared.

QPM currently controls 100% of the dispatch rights at the Townsville Power Station and the Moranbah Power Station. QPM is seeking to expand its electricity generation capacity with the development of the 112MW Isaac Power Station ("IPS"), which will be co-located to existing operations in Moranbah. Highly sought after GE Vernova aeroderivative gas turbines have been secured for this project and the company is in the advanced stages of fully funding the IPS.

REVIEW AND RESULTS OF OPERATIONS

The half-year ended 31 December 2025 resulted in QPM recording an operating loss of \$1.0m (31 December 24: Profit \$17.7m). After taking into account financing expenses and income tax, the net loss was \$5.9m (31 December 24: Profit \$15.5m).

Gas Supply

During the half-year, total gas supply from the MGP was 4.5PJ (24.4TJ / day). A total of 3.6PJ of gas was sold to customers Dyno Nobel and Copper Refineries whilst 0.82PJ was supplied to the Townsville Power Station ("TPS") and Moranbah Power Station ("MPS") for electricity generation. Fuel gas usage required to operate the MGP accounted for the balance of gas supply.

Electricity

From 1 August 2025, a new commercial agreement commenced with Ratch Australia Corporation (“RAC”) in relation to the Townsville Power Station. The legacy contract which was in place in the previous financial year had QPM supplying gas, and dispatching electricity generated, and receiving 100% of electricity sales in exchange for a fixed capacity payment and variable cost payments. The new agreement is structured differently, where QPM and RAC each recover relevant costs in supplying and transporting gas to the TPS and operating the TPS, and then sharing in any excess revenue. This structure has resulted in different accounting principles being applied to the recognition of revenue in relation to electricity sales from the TPS. The new contracts have also resulted in significantly lower costs in relation to the TPS (\$Nil for this half year ended compared to \$17.5m for previous half year).

Revenue for the half-year was \$42.0m, compared with \$73.5m for the half-year ended 31 December 2024. The two main factors for the fall in revenue was the change in accounting treatment mentioned above and the realisation of lower electricity prices. The electricity price received at TPS this half year was \$146/MWh compared with \$320/MWh for the half-year ended 31 December 2024. The reduction in electricity prices during this period was driven by:

- very high availability of coal fired generation
- commissioning of new battery and wind farm generation, and
- limited days with extreme weather conditions that either would result in strong demand (e.g. hot weather) or reduction in supply (e.g. low wind conditions).

QPM believes that electricity prices at this level are not sustainable for the electricity generating sector. Existing electricity generators will struggle to be profitable and investment in new power generation capacity will face greater difficulty in obtaining financing. Lower development of new capacity could pose significant issues for the East Coast of Australia in the medium term, with significant demand growth forecasted from AI Data Centres and electrification of industry, and looming curtailment and closure of coal fired power stations.

112MW Isaac Power Station

QPM continues to execute its strategy for expanding its power generation capacity. This has been reinforced by the Queensland Government’s 2025 5-Year Energy Roadmap, which calls for a doubling of the existing 3.5GW of gas-fired generation by 2035. Based on the Energy Roadmap, QPM remains confident in the medium- and long-term outlook for gas fired generation.

As at the date of this report, QPM has achieved the following milestones in relation to the development of the IPS:

- Secured two 56MW GE Vernova aeroderivative turbines.
- Entered into a \$113.7m Master Lease Agreement (“MLA”) with Macquarie Bank Limited to fund the gas turbines and other associated transportation and insurance costs.
- Entered into a Connection Project Delivery Agreement with Powerlink to govern the grid connection of the IPS to the nearby Moranbah substation.
- Secured 402,000 mega litres of water supply required to operate the project from Sunwater.
- Obtained an Environmental Authority approval for the project from Queensland State Government and a Material Change of Use Development permit from the Isaac Regional Council.
- Completed a feasibility study and advanced on detailed engineering.
- Advanced on other financing initiatives including the Northern Australian Infrastructure Facility process for debt finance.
- Completed a share placement for gross proceeds of \$30m to fund ongoing advancement of the project and Macquarie financing costs.

2. FINANCIAL RESULTS

The financial results of the Company for the half-year ended 31 December 2025 are:

	31-Dec-25	30-Jun-25
Cash and cash equivalents (\$)	29,703,890	9,997,416
Net assets (\$)	73,543,392	41,175,782
	31-Dec-25	31-Dec-24
Net loss / (profit) after tax (\$)	(5,876,196)	15,499,330
(Loss) /Earnings per share (cents)	(0.019)	0.64

Subsequent Events

On 14 January 2026, an Extraordinary General Meeting approved the issuing of 119,251,414 shares for the second tranche of the capital raising at \$0.035 per share to raise a further amount of approximately \$4.2m.

On 17 February 2026, QPM received \$1m under the International Partnerships in Critical Minerals Program ("IPCM") grant from the Federal Government to continue to advance the feasibility activities of the TECH Project.

On 20 February 2026, QPM drew down \$5m from the Dyno Nobel development funding facility ("DFF") to fund the Wellhead Blower Program which will result in an increase in gas production from the wells where the blowers will be installed.

Subsequent to 31 December, QPM has signed a Connection Project Delivery Agreement with Powerlink to enable the 112 MW Isaac Power Station to connect to the Moranbah substation. This is a key milestone for securing project finance.

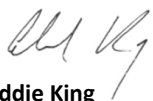
On 9 March 2026, QPM received a final gas reserves estimation report from NSAI, an independent qualified specialist which confirms a material upgrade to proved and probable reserves volumes from 435 PJ to 602 PJ.

Subsequent to 31 December, QPM obtained a Material Change of Use Development permit from the Isaac Regional Council.

3. AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration under s 307C of the *Corporations Act 2001* is set out on page 6. for the half-year ended 31 December 2025.

This report is signed in accordance with a resolution of the Board of Directors.



Eddie King
Non-Executive Chairman
13 March 2026

Auditor's independence declaration to the directors of QPM Energy Limited

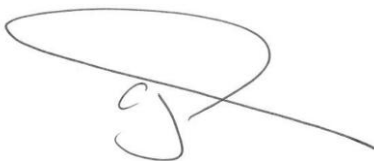
As lead auditor for the review of the half-year financial report of QPM Energy Limited for the half-year ended 31 December 2025, I declare to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review;
- b. No contraventions of any applicable code of professional conduct in relation to the review; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

This declaration is in respect of QPM Energy Limited and the entities it controlled during the financial period.



Ernst & Young



Andrew Carrick
Partner
13 March 2026

QPM ENERGY LIMITED
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE
INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

	Note	31-Dec-25	31-Dec-24
		\$	\$
Revenue	4	41,981,814	73,518,775
Cost of sales	6	(34,726,365)	(46,636,211)
Gross Profit		7,255,449	26,882,564
Other income	5	1,090,202	1,866,695
Other operating and administration expenses	7	(7,413,351)	(8,442,202)
TECH Project expenses		(1,945,413)	(2,628,011)
(Loss)/profit from operating activities		(1,013,113)	17,679,046
Finance income	8	379,756	536,475
Finance expense	9	(5,242,839)	(2,716,191)
(Loss)/profit before income tax		(5,876,196)	15,499,330
Income tax expense		-	-
(Loss)/Profit from continuing operations after income tax		(5,876,196)	15,499,330
Other comprehensive income for the year			
Items that may be classified to profit or loss:			
Changes to the fair value of cashflow hedges, net of tax	17	(3,145,212)	-
Total comprehensive (loss)/profit for the half-year attributable to owners of the parent		(9,021,408)	15,499,330
Basic (loss)/earnings per share	21	(0.19)	0.64
Diluted (loss) /earnings per share	21	(0.19)	0.64

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the notes to the consolidated financial statements.

QPM ENERGY LIMITED
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025

	Note	31-Dec-25 \$	30-Jun-25 \$
ASSETS			
Current Assets			
Cash and cash equivalents	10	29,703,890	9,997,416
Trade and other receivables	11	3,875,847	1,838,056
Other assets	12	7,900,837	1,254,916
Inventory		2,623,962	2,713,777
Total Current Assets		44,104,536	15,804,165
Non-Current Assets			
Other assets	12	4,221,721	2,733,214
Property, plant and equipment	13	121,342,732	105,631,851
Oil and gas properties	14	79,790,728	77,662,536
Right of use assets	16	32,776,312	9,521,263
Total Non-Current Assets		238,131,493	195,548,864
TOTAL ASSETS		282,236,029	211,353,029
LIABILITIES			
Current Liabilities			
Trade and other payables	15	22,866,353	12,674,652
Employee entitlements		711,080	1,067,345
Lease liabilities	16	10,948,192	1,802,514
Other liabilities	17	23,325,441	52,691,876
Interest-bearing loans and borrowings	18	6,047,746	-
Total Current Liabilities		63,898,812	68,236,387
Non-Current Liabilities			
Lease liabilities	16	22,392,583	7,918,981
Other liabilities	17	33,126,176	17,456,124
Employee entitlements		126,684	98,818
Interest-bearing loans and borrowings	18	75,063,719	62,712,798
Provisions	19	14,084,663	13,754,139
Total Non-Current Liabilities		144,793,825	101,940,860
TOTAL LIABILITIES		208,692,637	170,177,247
NET ASSETS		73,543,392	41,175,782
EQUITY			
Issued capital	20	187,291,303	145,514,484
Reserves		14,583,222	18,116,235
Accumulated losses		(128,331,133)	(122,454,937)
TOTAL EQUITY		73,543,392	41,175,782

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the notes to the consolidated financial statements.

QPM ENERGY LIMITED
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

	Issued Capital	Reserves	Accumulated Losses	Total Equity
	\$	\$	\$	\$
At 1 July 2025	145,514,484	18,116,235	(122,454,937)	41,175,782
Fair value movement	-	(3,145,212)	-	(3,145,212)
Loss for the period	-	-	(5,876,196)	(5,876,196)
Total comprehensive loss for the period	-	(3,145,212)	(5,876,196)	(9,021,408)
Transactions with owners in their capacity as owners				
Share placement	43,165,867	-	-	43,165,867
Share issue costs	(2,192,602)	-	-	(2,192,602)
Share-based payments	-	169,231	-	169,231
Issue of Options	-	246,522	-	246,522
Exercise of performance rights	803,554	(803,554)	-	-
Balance as at 31 December 2025	187,291,303	14,583,222	(128,331,133)	73,543,392
At 1 July 2024	145,300,305	16,825,878	(130,649,599)	31,476,584
Profit for the period	-	-	15,499,330	15,499,330
Total comprehensive income for the period	-	-	15,499,330	15,499,330
Transactions with owners in their capacity as owners				
Share issue costs	(13,805)	-	-	(13,805)
Share-based payments	-	1,043,096	-	1,043,096
Exercise of performance rights	16,175	(16,175)	-	-
Balance as at 31 December 2024	145,302,675	17,852,799	(115,150,269)	48,005,205

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the notes to the financial statements

QPM ENERGY LIMITED
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

	31-Dec-25	31-Dec-24
	\$	\$
Cash flows used in operating activities		
Receipts from customers	25,407,241	61,119,381
Payment to suppliers and employees	(31,290,568)	(41,147,875)
Interest and finance costs paid	(2,157,502)	(1,718,274)
Interest received	396,884	794,806
Grant income received	1,000,000	3,190,000
Net cash outflows used in operating activities	(6,643,945)	22,238,038
Cash flows from investing activities		
Payments for property and equipment and oil & gas properties	(22,253,545)	(23,621,454)
Payment of exploration activities capitalised	-	(3,040)
Long-term deposits	(6,568,812)	5,919,517
Net cash outflows used in investing activities	(28,822,357)	(17,704,977)
Cash flows from financing activities		
Proceeds from the issue of shares	43,165,867	-
Share issue costs	(2,192,602)	(13,805)
Proceeds from borrowings	18,988,815	24,820,527
Repayment of borrowings	-	(679,967)
Principal repayments of lease liabilities	(3,515,356)	(32,087,123)
Interest paid	(1,275,489)	-
Net cash inflows provided by financing activities	55,171,235	(7,960,368)
Net increase in cash and cash equivalents	19,704,933	(3,427,307)
Cash and cash equivalents at the beginning of the half-year	9,997,416	25,007,326
Effect of movement in exchange rates on cash held	1,541	2,297
Cash and cash equivalents at the end of the half-year	29,703,890	21,582,316

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the notes to the consolidated financial statements.

QPM ENERGY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

NOTE 1: BASIS OF PREPARATION

Basis of Preparation

These general purpose interim financial statements for half-year reporting period ended 31 December 2025 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: Interim Financial Reporting. The Company is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of QPM Energy Limited (“the Group”). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Company. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Company for the year ended 30 June 2025, together with any public announcements made during the following half-year.

Going Concern

This half-year financial report has been prepared on the going concern basis which contemplates the continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business at amounts stated in the financial report.

As at 31 December 2025, the Group had cash on hand of \$29.7m (30 June 2025: \$10.0m), net current liabilities of \$19.8m (30 June 2025: net current liabilities \$52.4m), and a recorded net loss of \$5.9 m (31 December 2024 net profit: \$15.5m) for the half-year period. The Group had net cash operating outflows for the half-year of \$6.6m (31 December 2024: inflows of \$22.2m). The cash outflow excludes principal payments of lease liabilities associated with the North Queensland Gas Pipeline (“NQGP”) and Townsville Power Station (“TPS”), which are reported within cash flows from financing activities.

During the next 12-18 months, the Group has operating cash commitments for the production of gas to meet remaining supply obligations under the legacy Dyno Nobel Gas Supply Agreement (expires 31 March 2026) and the new Dyno Nobel Gas Supply Agreement (commencing 1 April 2026). Correspondingly, QPM will also receive cash from gas sales to Dyno Nobel that exceeds the operating cash commitments for the production of this gas. Through to 31 March 2026, this will come from the \$40m Prepayment Facility, and from 1 April 2026, Dyno Nobel will pay cash to QPM on the basis that the gas supply agreement is take or pay.

As of 31 December 2025, the Group has achieved significant milestones towards the \$215m project cost of the Isaac Power Station (“IPS”), including a successful \$30m share placement and a \$113.7m master lease agreement executed with Macquarie Bank, subject to covenants. To finance the remaining funding requirements for the construction of the IPS, the Group is actively engaged in advanced negotiations with financial institutions. Management expects to conclude the agreements to fully fund the development of IPS prior to the end of the year on 30 June 2026.

As at the date of signing this half-year financial report, the Directors have reasonable grounds to believe that the going concern basis of preparation remains appropriate for the financial statements. A cash flow forecast has been prepared by Management for the Company through to March 2027 which indicates the Group will have sufficient cash to continue as a going concern due to the following;

- The Group completed a Share Placement for gross proceeds of \$30.3m, of which \$4.2m settled subsequent to the end of the Half-Year.
- The Group has a Development Funding Facility with Dyno Nobel for \$80m with the ability to increase to \$120m. This is currently drawn to \$40.2m. The Development Funding Facility is used to fund capital expenditure in the MGP to grow and maintain gas supply such as new drilling programs and installation of wellhead blowers. It is also not repaid in cash but is amortised based on future gas deliveries under the new Gas Supply Agreement commencing 1 April 2026.

QPM ENERGY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

- In addition, QPM is actively undertaking a program to further grow gas supply through such initiatives such as well workover programs.
- Both initiatives are intended to gas supply would lead to increased electricity generation and greater revenue.
- QPM has existing grant agreements (\$5m received out of a total \$16m) with the Australian Federal Government and Queensland State Government to fund ongoing TECH Project feasibility work.
- The Macquarie Master Lease Agreement (“MLA”) is secured against the two GE Vernova gas turbines. Due to the surge in demand for gas turbines, QPM estimates the market value of these turbines to be at least 50% higher than the QPM contracted price. As such, the loan to asset value is relatively low.
- QPM is a listed company and has had a strong track record of raising capital.

While the above matters are expected to provide sufficient liquidity for the Group to continue as a going concern, the cash flow forecast assumes cash inflows from electricity generation, the amount, timing and price of which are subject to uncertainty. In addition, the Group continues to work to secure financing for its expansionary IPS project, to continue the funding of long lead time major equipment required to ensure delivery of the project development schedule. As such, the Directors continue to closely monitor available cash reserves and undertake initiatives to maintain liquidity, including considering additional debt financing and prepayment facilities and/or capital raising in the event they are required.

In the event the Group is unsuccessful in achieving the above matter, a material uncertainty would exist that may cast significant doubt as to whether the Group will continue as a going concern and, therefore, whether it will realise its assets and settle its liabilities and commitments in the ordinary course of business, at the amounts stated in the half year financial report. The half year annual financial report does not include any adjustment relating to the recoverability of classification of recorded asset amounts or to the amounts or classification of liabilities that might be necessary should the Group not be able to continue as a going concern.

New and revised accounting Standards

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 30 June 2025, except for the adoption of new standards effective as of 1 July 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

The Group has adopted all new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and effective for the current reporting period. New and revised standards, amendments thereof and Interpretations which became effective during the current half-year and are relevant to the Group include:

- *AASB 2023-5 Amendments to Australian Accounting Standards – Lack of Exchangeability*
The AASB has issued amendments to AASB 101 Presentation of Financial Statements to specify how to assess whether a currency is exchangeable and how to determine the exchange rate when it is not.

These amendments had no significant impact on the Group’s financial reporting.

NOTE 2: CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In preparing the Consolidated Interim Financial Statements, the Directors have made judgements, estimates and assumptions that affect the application of accounting policies and the reporting amounts of assets and liabilities, revenue and expenses.

The significant judgements made by the Directors in applying the Group’s accounting policies and key sources of estimation uncertainty are the same as those described in the Group’s Consolidated Financial Statements for the year-ended 30 June 2025, unless otherwise stated.

QPM ENERGY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

NOTE 3: SEGMENT INFORMATION

AASB 8 Operating Segments requires operating segments to be identified on the basis of internal reports that are reviewed and used by the Chief Operating Decision Maker (CODM). The Board, identified as the CODM, assess the performance of the Group and determine the allocation of resources.

The Group's operating segments have been determined with reference to the monthly management accounts used by the CODM to make decisions regarding the Group's operations and allocation of working capital.

For management purposes, the Group organises and reports on two operating segments as follows:

- The QPM Energy segment covers the production and sale of gas, gas processing services and electricity.
- The corporate and TECH segment which includes all corporate head office costs, shared services, capital raisings for the Group, activities related to the TECH Project in Townsville and early works and feasibility costs incurred various projects such as the IPS.

This segment's customers are located in one geographic area, Queensland, with 100% of revenue from the sale of gas and electricity being derived from that area during the half-year period.

QPM ENERGY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

NOTE 3: SEGMENT INFORMATION (CONT.)

	Energy \$	Corporate & TECH Project \$	Adjustments \$	Total \$
Period ended 31 December 2025				
Revenue gas sales	20,424,082	-	19,723,408 ¹	40,147,490
Revenue from electricity sales	8,884,623		(7,050,299) ²	1,834,324
Grant income	-	1,052,980	-	1,052,980
Sundry income	37,222	-	-	37,222
Total revenue	29,345,927	1,052,980	12,673,109	43,072,016
Field costs	(21,469,393)	-	246,169	(21,223,224) ⁷
Gas processing/transport/storage costs	(5,542,055)	-	4,850,261 ³	(691,794) ⁷
Power stations operating costs	(7,570,509)	-	5,405,026 ⁴	(2,165,483) ⁷
Exploration & business development	(1,398,622)	-	-	(1,398,622)
Other costs	(3,801,359)	(2,207,472)	364,923	(5,643,908)
TECH Project costs	-	(1,945,413)	-	(1,945,413)
Total operating costs	(39,781,938)	(4,152,885)	10,866,379	(33,068,444)
Operating margin	(10,436,011)	(3,099,905)	23,539,488	10,003,572
Interest income	225,334	152,516	-	377,850
Foreign exchange gain/(loss)	2,805	(899)	-	1,906
Depreciation in operating and other expenses	(351,797)	(39,083)	-	(390,880)
Depreciation in cost of sales	(5,840,570)	-	(4,805,294) ⁵	(10,645,864) ⁷
Development Funding Facility (DFF) interest expense	(2,100,423)	-	-	(2,100,423)
Interest expense on rehabilitation provision	(330,507)	-	-	(330,507)
Interest paid/payable	(682,565)	-	(2,109,285) ⁵	(2,791,850)
Income tax	-	-	-	-
Net loss after tax	(19,513,734)	(2,987,371)	16,624,909	(5,876,196)
31 December 2025				
Total assets	261,437,255	24,131,396	(3,332,622) ⁶	282,236,029
Total liabilities	(206,021,047)	(6,004,212)	3,332,622 ⁶	(208,692,637)

QPM ENERGY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

	Energy \$	Corporate & TECH Project \$	Adjustments \$	Total \$
Period ended 31 December 2024				
Revenue from gas and electricity sales	55,571,340	-	17,947,435 ¹	73,518,775
Grant income	557,530	1,298,054	-	1,855,583
Sundry income	23,622	(12,511)	-	11,111
Total revenue	56,152,492	1,285,543	17,947,435	75,385,470
Field costs	(18,502,164)	-	257,130	(18,245,034) ⁷
Gas processing/transport/storage costs	(19,226,002)	-	15,845,613 ³	(3,380,389) ⁷
Power stations OpEx	(21,773,708)	-	17,565,410 ⁴	(4,208,298) ⁷
Exploration & business development	(673,755)	-	-	(673,755)
Other costs	(5,074,585)	(2,656,856)	241,627	(7,489,814)
TECH Project costs	-	(2,628,011)	-	(2,628,011)
Total operating costs	(65,250,214)	(5,284,867)	33,909,780	(36,625,301)
Operating margin	(9,097,722)	(3,999,324)	51,857,215	38,760,169
Interest income	409,085	127,390	-	536,475
Foreign exchange gain/(loss)	(3,801)	1,104	-	(2,697)
Depreciation in operating and other expenses	(347,585)	(57,322)	-	(404,907)
Depreciation in cost of sales	(5,181,913)	-	(15,620,577) ⁵	(20,802,490) ⁷
Development Funding Facility (DFF) interest expense	(663,528)	-	-	(663,528)
Interest expense on rehabilitation provision	(396,287)	-	-	(396,287)
Interest paid/payable	(26,495)	-	(1,500,910) ⁵	(1,527,405)
Net profit after tax	(15,308,246)	(3,928,152)	34,735,728	15,499,330
30 June 2025				
Total assets	207,083,235	30,488,350	(26,218,556)⁶	211,353,029
Total liabilities	(186,406,585)	(9,989,218)	26,218,556⁶	(170,177,247)

¹Non-cash income of \$14.5m recognised from unwinding the fair value of contract liabilities associated with the Moranbah Gas Project (MGP) acquisition in the prior year and recognition of \$5.2m in gas sales and associated revenue charged to Ratch as the registered operator of the power station. The amount is net of \$3.6m, which is contingent upon the surplus revenue being generated from associated electricity sales to cover operating and maintenance expenses.

²CODM reviews TPS performance on a gross basis as if QPM operates the power station. The adjustment eliminates Ratch's portion of electricity income.

³The Group's transportation agreement for use of the North Queensland Gas Pipeline (GTA) contract is accounted for a lease under AASB 16 leases, whereas the CODM reviews these costs as on ongoing expense.

⁴The Group's agreements with both the Moranbah Power Station (MPS) lease, North Queensland Gas Pipeline (NQGP) and Townsville Power Station (TPS) are accounted for under AASB 16 leases whereas the CODM reviews these costs as ongoing expenses. TPS lease ended on 26 March 2025. Amount also includes TPS operating costs that are borne by Ratch.

⁵AASB 16 leases interest and lease depreciation expense related to the NQGP, GTA and MPS

⁶Elimination of intercompany loan receivables and payables which are eliminated on consolidation as presented in the Statement of Financial Position.

⁷These amounts reconcile to cost of sales presented in the Consolidated Statement of Profit and Loss and Other Comprehensive Income.

⁸Prior year figures have been adjusted to be in line with the change in the presentation of the segment results and the reportable segments.

QPM ENERGY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

NOTE 4: REVENUE

	Consolidated	
	31-Dec-25	31-Dec-24
	\$	\$
Revenue from contracts with customers	20,244,390	48,856,244
Other revenue ¹	21,737,424	24,662,531
	41,981,814	73,518,775

¹QPME acquired two customer contracts in the prior year as part of the acquisition of MGP which were fair valued as at the acquisition date and assessed as contract liabilities. The fair value was calculated as the lower of a) differential cash flows between fulfilling the gas sales contract and selling the gas at market rates; and b) the termination penalties under the contract. The liabilities are unwound over the life of the contract against sundry income.

(a) Disaggregation of revenue from contracts with customers

The Group recognises revenue from the transfer of goods at a point in time for the following products.

Revenue from external customers

	Consolidated	
	31-Dec-25	31-Dec-24
	\$	\$
Revenue from sale of gas	17,970,366	12,889,916
Revenue from the sale of electricity	1,834,324	35,535,097
Revenue from the provision of gas compression services	439,700	431,231
Total	20,244,390	48,856,244

Revenue by major customers	31-Dec-25	31-Dec-24
Customer A	55%	23%
Customer B	9%	73%
Customer C	10%	4%
Customer D	26%	-

(b) Recognition and measurement

Revenue is recognised when control of the goods is passed to the customer. The amount of revenue recognised is the consideration the Group is entitled to receive in exchange for transferred goods to the customer.

(i) Contracts with customers – gas sales

Revenue from sale of gas is recognised in the profit or loss when performance obligations have been met, which is deemed to be when control of the gas has been transferred from the Group to the customer. Typically, the transfer of control and the recognition of a sale occurs when the amount of gas nominated by the customer is delivered to the contractual delivery point.

As is customary with gas contracts, quality specifications and requirements are tested using independent experts and gas meters once the gas is delivered to the customer's delivery point. The total quantity of gas delivered is confirmed between the customer and buyer after verification is received from several parties involved with the gas metering process. Once confirmed, the measured parameters form the basis for calculation of final price on the commercial invoice. All customer contracts specify a known price and tolerance range for quality parameters prior to the Group committing to the supply of gas to the customer.

The transaction price for Gas sales (and associated amounts for the provision of the gas supply) to RATCH is variable, as it is contingent upon the surplus revenue being generated from associated electricity sales.

QPM ENERGY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

(ii) Electricity sales to the National Electricity Market

Sales to the National Electricity Market relate to the sale of electricity. These sales are classified as individual, short term, day-by-day contracts and are recognised as revenue on a day-by-day basis upon delivery of energy to customers. The daily units of electricity delivered are measured by two national metering identifiers on site that measure the power inflows into the national grid. Revenue is recognised based on the total units delivered per the National Metering Identifier reports at their respective electricity spot sale price. From 1 August 2025, electricity revenue is entirely MPS.

(iii) Contracts with customers – gas compression services

Revenue from provision of gas compression services is recognised under the gas processing agreement (GPA). The GPA provides for (the Group as the Service Provider) processing gas received from the customer at the Moranbah Gas Processing Facility (MGPF) and its re-delivery as processed gas at the outlet flange at the interconnection between the MGPF and the North Queensland gas pipeline. The revenue each month is calculated by confirming the total high-pressure gas delivered to Dyno Nobel during the month.

Revenue from the provision of gas compression services is comprised of a fixed monthly service charge and variable compression charges which are based on the total gas delivered to the Moranbah gas processing facility and undergoes a compression process.

NOTE 5: OTHER INCOME

	Consolidated	
	31-Dec-25	31-Dec-24
	\$	\$
Grant income	1,052,980	1,855,584
Sundry income	37,222	11,111
	1,090,202	1,866,695

NOTE 6: COST OF SALES

	Consolidated	
	31-Dec-25	31-Dec-24
	\$	\$
Production expenses	21,223,224	18,245,034
Royalties	336,785	2,024,690
Landowner compensation	1,828,697	2,183,608
Transportation and Processing	691,794	3,380,388
Depreciation of property, plant and equipment – producing assets	4,937,970	4,545,481
Depreciation of right of use assets	4,540,126	15,340,999
Amortisation and depletion of gas properties	1,167,769	916,011
	34,726,365	46,636,211

QPM ENERGY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

NOTE 7: OTHER OPERATION AND ADMINISTRATION EXPENSES

	Consolidated	
	31-Dec-25	31-Dec-24
	\$	\$
Depreciation and amortisation	125,711	125,328
Depreciation of right of use assets	265,169	279,579
Employee benefits expense	1,914,194	2,332,640
Share-based payments expense	169,231	1,043,097
Corporate expenses	504,491	1,098,868
Consulting and legal fees	528,302	766,697
Insurance	808,648	875,752
Office costs	117,844	105,111
Gain/loss on termination of lease	-	(3,787)
Asset write-off	354,773	-
Business development	1,043,849	673,755
Other	1,581,139	1,145,162
	7,413,351	8,442,202

NOTE 8: FINANCE INCOME

	Consolidated	
	31-Dec-25	31-Dec-24
	\$	\$
Interest income on cash and cash equivalents	377,850	536,475
Other finance charges	1,906	-
	379,756	536,475

NOTE 9: FINANCE EXPENSES

	Consolidated	
	31-Dec-25	31-Dec-24
	\$	\$
Finance transaction costs and fees	17,140	128,971
Interest expense on financial liabilities	970,505	414,555
Interest expense on financial liabilities (payable through gas deliveries) ¹	1,815,402	275,468
Interest expense on lease liability	2,109,285	1,500,910
Rehabilitation liability unwind ²	330,507	396,287
	5,242,839	2,716,191

¹This relates to interest expense on amounts drawn under the Group's Development Funding Facility ("DFF"). The interest and principal will be repaid through gas deliveries from 1 April 2026.

²This includes interest on the rehabilitation provision which was acquired as part of the MGP acquisition in the prior year.

QPM ENERGY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

NOTE 10: CASH AND SHORT-TERM DEPOSITS

	Consolidated	
	31-Dec-25	31-Dec-24
	\$	\$
Cash at banks and on hand	29,703,890	9,997,416
	29,703,890	9,997,416

NOTE 11: TRADE AND OTHER RECEIVABLES

	Consolidated	
	31-Dec-25	30-Jun-25
	\$	\$
Receivables from third-party customers	3,274,923	1,434,508
	3,274,923	1,434,508
GST receivable	519,877	184,384
Other deposits and receivables (includes R&D tax refund)	81,047	219,164
	600,924	403,548
	3,875,847	1,838,056

Recognition and measurement

Trade receivables are non-interest bearing and are generally on 30-day terms. A receivable represents the Group's right to an amount of consideration that is unconditional (i.e. only the passage of time is required before payment of the consideration is due).

The group applies the AASB 9 simplified approach to measuring credit losses which requires the expected lifetime losses to be recognised from initial recognition. To measure the expected credit losses, trade and other receivables with shared credit risk characteristics and days past due are grouped and then assessed. Management has determined that the assessment of expected credit loss associated with trade receivables is immaterial.

NOTE 12: OTHER ASSETS

	Consolidated	
	31-Dec-25	30-Jun-25
	\$	\$
Current assets		
Prepayments	2,577,706	945,749
Short-term deposit ⁽ⁱ⁾	5,130,305	105,305
Other deposits	192,826	183,453
Deferred equity raising costs	-	20,409
	7,900,837	1,254,916
Non-current assets		
Long-term deposits ⁽ⁱⁱⁱ⁾	4,221,721	2,733,214
	4,221,721	2,733,214

⁽ⁱ⁾ The above short-term deposits pertain to a performance bond in favour of Powerlink Queensland and bank guarantees held for two credit card facilities

⁽ⁱⁱⁱ⁾ Long-term deposits are term deposits held as security against the company's long-term head office lease, environmental authority ERC amounts and as required to facilitate the Moranbah Power Station AEMO registration and Ergon connection.

QPM ENERGY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

NOTE 13: PROPERTY, PLANT AND EQUIPMENT

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial half-year are set out below:

Consolidated	Land \$	Plant and equipment \$	Motor Vehicles \$	Leasehold improvements \$	Infrastructure \$	Work in Progress \$	Total \$
Balance as at 1 July 2025	1,950,000	999,042	165,144	17,403	89,695,009	12,805,253	105,631,851
Additions	-	-	-	-	-	21,129,335	21,129,335
Transfers from work in progress	-	546,624	-	-	1,064,566	(1,611,190)	-
Asset write-off	-	-	-	-	-	(354,773)	(354,773)
Depreciation expense	-	(142,297)	(16,292)	(3,246)	(4,901,846)	-	(5,063,681)
Closing net book amount as at 31 December 2025	1,950,000	1,403,369	148,852	14,157	85,857,729	31,968,625	121,342,732

QPM ENERGY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

NOTE 14: OIL AND GAS PROPERTIES

Consolidated	Oil & Gas Development Assets – under construction \$	Oil & Gas Development Assets \$	Rehabilitation asset \$	Total \$
Balance as at 1 July 2025	30,659,288	35,907,280	11,095,968	77,662,536
Transfers from work in progress	(23,084,533)	23,084,533	-	-
Additions	3,295,961	-	-	3,295,961
Amortisation expense	-	(1,000,239)	(167,530)	(1,167,769)
Closing net book value as at 31 December 2025	10,870,716	57,991,574	10,928,438	79,790,728

NOTE 15: TRADE AND OTHER PAYABLES

	Consolidated 31-Dec-25 \$	30-Jun-25 \$
Trade payables	7,969,713	5,778,695
Accrued expenses	14,685,714	6,637,690
Other payables	210,926	258,267
	22,866,353	12,674,652

NOTE 16: RIGHT OF USE ASSETS AND LEASE LIABILITIES

The Company has lease contracts for property, motor vehicles, gas pipeline and other equipment used in its operations. The leases generally have lease terms between two and seven years.

Right of use assets	Property \$	Motor vehicles \$	Pipeline \$	Other equipment \$	Total \$
Balance as at 1 July 2025	2,528,198	253,278	-	6,739,787	9,521,263
New leases entered	605,330	47,730	27,407,283	-	28,060,343
Depreciation	(411,523)	(79,842)	(3,959,401)	(354,528)	(4,805,294)
Balance as at 31 December 2025	2,722,005	221,166	23,447,882	6,385,259	32,776,312

Lease liability

Recognition and measurement

The lease liability recognised relates to office space, motor vehicle, gas pipeline and equipment leases recognised under AASB 16 leases.

QPM ENERGY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

NOTE 16: RIGHT OF USE ASSETS AND LEASE LIABILITIES (CONT.)

	Consolidated	
	31-Dec-25	30-Jun-25
	\$	\$
<i>Current liabilities</i>		
Lease liability	10,948,192	1,802,514
	10,948,192	1,802,514
<i>Non-current liabilities</i>		
Lease liability	22,392,583	7,918,981
	22,392,583	7,918,981
	33,340,775	9,721,495
Reconciliation of movements		
Opening balance	9,721,495	42,421,364
New leases entered	28,060,343	7,094,313
Payments	(6,550,349)	(50,895,133)
Interest unwind	2,109,286	2,502,023
Lease modification	-	8,722,719
Lease de-recognised (terminated)	-	(123,791)
	33,340,775	9,721,495

NOTE 17: OTHER LIABILITIES

	Consolidated	
	31-Dec-25	30-Jun-25
	\$	\$
<i>Current liabilities</i>		
Customer contract liabilities ¹	12,780,593	30,792,993
Deferred income ²	7,399,636	21,898,883
Derivative financial liability ³	3,145,212	-
	23,325,441	52,691,876
<i>Non-current liabilities</i>		
Interest payable	-	12,513
Deferred income ²	33,126,176	17,443,611
	33,126,176	17,456,124
	56,451,617	70,148,000

¹These relate to the customer contracts acquired as part of the MGP acquisition in the prior year. The revenue received under these agreements was assessed as being below market value. As a result, the present value of the difference between the contractual gas sale revenue and the market value was recorded as liability at acquisition date which unwinds over the life of the contract with the customer.

²A majority of the above reflects the make-up gas liability under the Dyno Nobel gas sale agreement, unwound by the total make-up gas delivered to the customer during the half year ended 31 December 2025. The remainder relates to deferred income from Government grants.

³This represents the Mark To Market ("MTM") of forward exchange contracts that are associated with the Macquarie facility (Note 18) to hedge exposure to USD.

QPM ENERGY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

NOTE 18: INTEREST BEARING LOANS AND BORROWINGS

	31-Dec-25			30-Jun-25		
	Current Liabilities \$	Non-current liabilities \$	TOTAL \$	Current Liabilities \$	Non-current liabilities \$	TOTAL \$
Development funding facility ("DFF")	5,413,246	39,700,048	45,113,294	-	40,993,498	40,993,48
Additional funding Facility	-	22,256,885	22,256,885	-	21,719,300	21,719,300
Insurance premium funding	634,500	-	634,500			
Macquarie Bank Lease and Performance bond Facilities (net of transaction costs) ¹	-	13,106,786	13,106,786	-	-	-
Total borrowings	6,047,746	75,063,719	81,111,465	-	62,712,798	62,712,798

¹The Group entered into a master lease agreement with Macquarie bank for \$113.7m and a performance bond agreement of \$3.35m. The amount recognised of \$13.1m is the amount drawn down as of 31 December 2025 net of \$3.88m in transaction costs directly attributable to the establishment of the facility and a performance bond of \$3.35m in favour of PLQ.

Financing arrangements

Interest bearing liabilities are initially recognised at face value, net of any transaction costs incurred. They are subsequently measured at amortised cost using the effective interest method. For facilities with fixed interest rates, the fair value of these liabilities reasonably approximates their carrying amount.

The Group entered into the following financing facilities in order to fund the expanding operations of the Group. The facilities available to the Group during the period are detailed in the categories below.

Dyno Nobel development funding facility ("DFF")

	31-Dec-25	30-Jun-25
Total facility	80,000,000	80,000,000
Facility utilised	(40,228,056)	(38,228,056)
Available facility	39,771,944	41,771,944

The Dyno Nobel Development Funding Facility is available to fund Moranbah Gas Project field development activities and has a five-year term. Interest is accrued on the facility from the initial draw down of funds. Interest is accrued at BBSY + 6% margin, with an upfront 0.35% establishment fee. The facility is secured by QPM Energy Markets Pty Ltd, QPM Energy (MGP Upstream) Pty Ltd and QPM Energy (Holdings No 2) Pty Ltd's assets.

The drawn-down funds and accrued interest will be settled from the proceeds of future gas sales from 1 April 2026.

Additional Funding Facility ("AFF") - AUD

	31-Dec-25	30-Jun-25
Total facility	30,000,000	30,000,000
Facility reduction	(22,866,885)	(21,831,389)
Available facility	7,133,115	8,168,611

QPM ENERGY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

The AFF is the Group's guarantee facility which was established in prior year. The interest rate for this facility is BBSY plus a 2% margin. 30% of the loan balance will be settled from the proceeds of future gas sales in equal monthly instalments over 72 months commencing from 1 April 2027, with the remaining loan balance paid at maturity.

Macquarie Bank Lease Facility	31-Dec-25	30-Jun-25
Total facility	113,700,000	-
Facility utilised	(13,638,816)	-
Available facility	100,061,184	-

The Macquarie Bank Lease Facility is available to fully fund the gas turbine purchase costs and is repayable in 60 months post construction with a bullet payment at the end of the lease period. An upfront establishment fee of 2% was charged on the facility. During the construction period, interest is accrued at BBSY plus escrow margin on the funds drawn and a commitment fee is charged at 7.39% of the undrawn amount. Post construction, Interest is charged at BBSY + lease margin.

NOTE 19: PROVISIONS

	31-Dec-25	30-Jun-25
	\$	\$
<i>Non-current liabilities</i>		
Rehabilitation provision	14,084,663	13,754,139
	14,084,663	13,754,139

Rehabilitation provision

The Group assesses rehabilitation liabilities at each reporting date as there are numerous factors that may affect the ultimate liability payable.

This includes the extent and nature of rehabilitation activity to be undertaken, changes in technology and techniques, changes in discount rates and regulatory impacts. There may be differences between the future actual expenditure and the assessment made at the balance date. The provisions at balance date represent management's best estimate of the present value of rehabilitation cost to completely rehabilitate the site.

The discount rate used in the calculation of provisions at 31 December 2025 equalled 4.81% (31 December 2024: 4.37%).

Movements in provisions

	31-Dec-25	30-Jun-25
	\$	\$
Opening balance	13,754,139	18,253,080
Adjustment through remeasurement	-	(5,255,341)
Unwinding of discount via profit and loss	330,507	756,400
Closing balance	14,084,663	13,754,139

QPM ENERGY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

NOTE 20: ISSUED CAPITAL

(a) Issued and fully paid

	31-Dec-25		30-Jun-25	
	\$	No.	\$	No.
Ordinary shares	187,291,303	3,838,666,614	145,514,484	2,525,290,035

Ordinary shares entitle the holder to participate in dividends and the proposed winding up of the Company in proportion to the number and amount paid on the share hold.

(b) Movement reconciliation

	Number	\$
At 1 July 2025	2,525,290,035	145,514,484
Exercise of performance rights (net of costs)	17,359,773	803,554
Placement of shares (net of costs)	1,296,016,806	40,973,265
At 31 December 2025	3,838,666,614	187,291,303

NOTE 21: EARNINGS PER SHARE

	31-Dec-25	31-Dec-24
Basic earnings per share	(0.19)	0.64
Diluted earning per share	(0.19)	0.64
	31-Dec-25	31-Dec-24
	\$	\$
(Loss) /Profit after income tax attributable to owners of QPM Energy limited	(5,876,156)	15,499,330

A reconciliation of weighted average number of ordinary share is provided below

	31-Dec-25	31-Dec-24
Weighted average number of ordinary shares used as the denominator		
Number for basic earnings per share	3,107,006,809	2,412,687,324
Effect of potential ordinary shares	-	-
Number for diluted earnings per share	3,107,006,809	2,412,687,324

NOTE 22: TAX

The Group recognises deferred tax assets when it becomes probable that sufficient taxable income will be derived in future periods against which to offset these assets.

At 31 December 2025, the Group assessed it did not have sufficient history of accounting or taxable profits to conclude its net deferred tax asset associated with its carry forward tax losses and other temporary differences were not probable of recovery. As a result, deferred tax assets were only recorded to the extent of deferred tax liabilities.

QPM ENERGY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

NOTE 23: COMMITMENTS

	31-Dec-25	31-Dec-24
	\$	\$
Within one year ¹	22,833,556	1,600,000
Later than one year but not later than five years ¹	-	22,833,556
Later than five years	-	-
Total	22,833,556	24,433,556

¹ Relates to surety payments for estimated rehabilitation costs.

NOTE 24: RELATED PARTIES

Related Party Transactions

Remuneration arrangements of key management personnel are disclosed in the annual financial report. There has been no significant changes since the end of the last annual reporting period

NOTE 25: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of the financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses derivative financial instruments such as foreign currency forward contracts to hedge foreign exchange risk exposures.

The Group uses different methods to measure and manage different types of risks to which it is exposed. These include monitoring levels of exposure to interest rate and foreign exchange risk and assessments of market forecasts for interest rate and foreign exchange prices. Ageing analysis and monitoring of specific credit allowances are undertaken to manage credit risk. Liquidity risk is monitored through the development of future cash flow forecasts.

Risk management is carried out by Management and overseen by the Board of Directors with assistance from suitably qualified external advisors.

The main risks arising for the Company are interest rate risk, credit risk and liquidity risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below.

QPM ENERGY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

NOTE 25: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT.)

The carrying values of the Company's financial instruments are as follows:

	Dec-25 \$	Jun-25 \$
Financial Assets		
Cash and cash equivalents	29,703,890	9,997,416
Short-term deposits	5,130,305	105,305
Long-term deposits	4,221,721	2,733,214
Trade and other receivables	3,274,923	1,434,508
	42,330,839	14,270,443
Financial Liabilities		
Trade and other payables	8,180,639	6,036,961
Lease liabilities	33,340,776	9,721,495
Derivative financial liability	3,145,212	-
Interest bearing loans and borrowings	81,111,466	62,712,798
	125,778,093	78,471,254

NOTE 26: SUBSEQUENT EVENTS

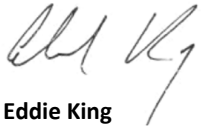
Subsequent to the half year ended 31 December 2025:

- On 14 January 2026, an Extraordinary Generally Meeting approved the issuing of 119,251,414 fully paid ordinary shares to institutional and sophisticated investors for the second tranche of the capital raising at \$0.035 per share to raise a further amount of approximately \$4.2m (before setting off fees).
- On 17 February 2026, QPM has received \$1m under the International Partnership Critical Minerals program ("IPCM") from the Federal Government to continue to advance the feasibility activities of the TECH Project.
- On 20 February 2026, QPM drew down \$5m from the Dyno Nobel development funding facility ("DFF") to fund the Wellhead Blower Program which will result in overall increased well production.
- QPM has signed a Connection Project Delivery Agreement with Powerlink to enable the 112 MW Isaac Power Station to connect to the Moranbah substation. This is a key milestone for securing project finance.
- On 9 March 2026, QPM received a final gas reserves estimation report from NSAI, an independent qualified specialist which confirms a material upgrade to proved and probable reserves volumes from 435 PJ to 602 PJ.
- Subsequent to 31 December, QPM obtained a Material Change of Use Development permit from the Isaac Regional Council.

QPM ENERGY LIMITED
DIRECTORS' DECLARATION
FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

In accordance with a resolution of the directors of QPM Energy Limited, the directors of the company declare that:

1. The financial statements and notes of the Company and its controlled entities (collectively "the Group"), as set out on pages 7 to 27 are in accordance with the *Corporations Act 2001*, including:
 - a. complying with Accounting Standard AASB 134 Interim Financial Reporting, the Corporations Regulations 2001; and
 - b. giving a true and fair view of the Group's financial position as at 31 December 2025 and of its performance for the half-year ended on that date.
2. In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable (refer to note 1 – Going Concern).



Eddie King
Non-Executive Chairman
13 March 2026



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with confidence**

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Independent auditor's review report to the members of QPM Energy Limited

Conclusion

We have reviewed the accompanying half-year financial report of QPM Energy Limited (the Company) and its subsidiaries (collectively the Group), which comprises the condensed consolidated statement of financial position as at 31 December 2025, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, explanatory notes, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group does not comply with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the consolidated financial position of the Group as at 31 December 2025 and of its consolidated financial performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of 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 annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Material uncertainty related to going concern

We draw attention to Note 1 in the half year financial report, which describes the principal conditions that raise doubt about the Group's ability to continue as a going concern. These events or conditions indicate that a material uncertainty exists that may cast significant doubt about the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Directors' responsibilities for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.



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Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2025 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

A handwritten signature in dark ink, appearing to read 'Ernst & Young' followed by a stylized flourish.

Ernst & Young

A handwritten signature in dark ink, appearing to be 'Andrew Carrick' with a large, sweeping flourish.

Andrew Carrick
Partner
Brisbane
13 March 2026

Corporate information

TWENTY LARGEST SHAREHOLDERS

This information is current as at 12 March 2026

Rank	Name	Units	% Units
1	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	517,076,355	13.06
2	PALM BEACH NOMINEES PTY LIMITED	393,365,193	9.94
3	CITICORP NOMINEES PTY LIMITED	236,390,178	5.97
4	GENERAL MOTORS HOLDINGS LLC	196,063,363	4.95
5	BNP PARIBAS NOMS PTY LTD	141,084,396	3.56
6	MR KENNETH JOSEPH HALL <HALL PARK A/C>	79,000,000	2.00
7	MR KENNETH JOSEPH HALL <HALL PARK A/C>	62,456,006	1.58
8	NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	58,409,661	1.48
9	WHSP HOLDINGS PTY LIMITED	57,142,857	1.44
10	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	45,803,877	1.16
11	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	45,700,550	1.15
12	MS XIAODAN WU	38,368,419	0.97
13	BNP PARIBAS NOMS PTY LTD <GLOBAL MARKETS>	37,567,757	0.95
14	HADDAD GROUP PTY LTD <THE HADDAD FAMILY A/C>	33,666,486	0.85
15	MR ANDREW MARTIN MATHESON	30,000,000	0.76
16	MR JOHN CHARLES DOWNIE	29,588,283	0.75
17	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <GSCO CUSTOMERS A/C>	27,440,751	0.69
18	CERTANE CT PTY LTD <CHARITABLE FOUNDATION>	27,265,875	0.69
19	DARTALE PTY LTD <BERESFORD SUPER FUND A/C>	26,000,000	0.66
20	PONDEROSA INVESTMENTS (WA) PTY LTD <THE PONDEROSA INVESTMENT A/C>	23,000,000	0.58
Totals: Top 20 holders of ORDINARY FULLY PAID SHARES (Total)		2,105,390,007	53.19