



# ANNUAL REPORT 2025

ASX:88E

[88energy.com](http://88energy.com)

# A BALANCED ALASKAN PORTFOLIO



## LOW-RISK IVISHAK ADVANCEMENT

SHORT CYCLE, LOW  
CAPEX OPPORTUNITY  
ADJACENT TO PROVEN  
PRODUCING RESERVOIRS



## EXPANDED ALASKAN FOOTPRINT

NEW ACREAGE  
ENHANCES  
OPPORTUNITY AND  
SCALE OF PORTFOLIO



## SOUTH PRUDHOE MULTI-RESERVOIR UPSIDE

MULTI-RESERVOIR  
POTENTIAL WITH  
LOW-RISK IVISHAK  
PROSPECTS



## MULTIPLE PHOENIX VALUE PATHWAYS

HICKORY-1 SUCCESS  
OPENED A RANGE  
OF MONETISATION  
SCENARIOS



## NEW ALASKAN PARTNERS TARGETED

AIMED AT ADVANCING  
ACTIVITIES THROUGH  
COST-SHARING  
ARRANGEMENTS



## NAMIBIAN ONSHORE BASIN POTENTIAL

REGIONAL RESULTS  
SUPPORT POTENTIAL  
NEW PETROLEUM  
PROVINCE

# CONTENTS

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Corporate directory	2
Chair's letter	3
Review of operations	5
Director's report	14
Auditor's independence declaration	30
Consolidated statement of profit or loss and other comprehensive income	31
Consolidated statement of financial position	32
Consolidated statement of changes in equity	33
Consolidated statement of cash flows	34
Notes to the consolidated financial statements	35
Consolidated entity disclosure statement	58
Directors' declaration	59
Independent auditor's report	60
ASX additional information	64

# CORPORATE DIRECTORY

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## Board of Directors

Ms Joanne Williams (Non-Executive Chair)  
Mr Ashley Gilbert (Managing Director)  
Dr Stephen Staley (Non-Executive Director)

## Company Secretary

Ms Sarah Smith

## Nominated Adviser and Broker

Capital Markets Limited

## Registered and Principal Office

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Computershare Investor Services PLC  
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United Kingdom

## Share Listings

ASX	88E
AIM	88E
OTC	EEENF

## Auditors

BDO Audit Pty Ltd  
Level 9, Mia Yellagonga Tower 2  
5 Spring Street  
Perth WA 6000

Dear Shareholders,

It is my pleasure to present 88 Energy's Annual Report for the year ended 31 December 2025. The year reflected a continued sharpening of our strategic focus and the disciplined expansion and advancement of a portfolio centred on Alaskan exploration and appraisal opportunities proximate to proven producers.

Without a doubt, the Alaskan North Slope is experiencing renewed oil and gas exploration and development momentum, supported by favourable policy settings, recent exploration success, and expanding infrastructure investment. Federal and State agencies continue to streamline permitting processes and actively encourage new domestic energy investment. During the year, notable exploration success was reported by APA Corporation, Armstrong Oil and Gas, and Santos Limited. Infrastructure development also progressed, with Santos' Pikka Phase 1 project nearing completion and first oil expected in 2026, while proposed gas pipeline and LNG initiatives further serve to highlight the long-term strategic relevance of the basin. In addition, the Fall 2025 North Slope Bid Round saw 271 leases awarded to nine companies, including 88 Energy, representing approximately 466,764 acres and total investment of around US\$17 million.

Collectively, these developments underscore the growing strategic importance of the Alaskan North Slope and reinforce the commercial potential of our assets. The oil and gas sector remains integral to a well-functioning global economy amid volatile markets and evolving energy security priorities. Against this backdrop, the Board has remained focused on disciplined capital allocation, advancing a data-led approach to the progression of select assets with credible and clearly defined pathways towards future production.

During the year, 88 Energy meaningfully enhanced and evolved its Alaskan portfolio. At Project Leonis, recently renamed South Prudhoe, the Company reported a maiden internal Prospective Resource estimate for the Canning Prospect which was also recently updated in February 2026 with prospective

resource estimates covering the Ivashak, Kuparuk and also revised Canning and USB reservoirs (Schrader Bluff). This work confirmed significant prospectivity across the expanded South Prudhoe acreage with multiple drill ready prospects identified.

The expanded South Prudhoe acreage position includes fourteen new leases covering approximately 34,560 acres that were secured across two focus areas or as we see it strategic development hubs. These acquisitions reflect our infrastructure-led and data-driven strategy in action, with the new tenure supported by modern seismic interpretation and located near to established North Slope infrastructure. The expanded acreage provides us with exposure to lower-risk, near-infrastructure exploration and development opportunities, while maintaining a disciplined approach to capital deployment.

At Project Phoenix, 88 Energy achieved a significant milestone with the execution of binding terms for a farm-out participation arrangement with Burgundy Xploration LLC (Burgundy). Under the agreed structure, Burgundy is to fund up to US\$39 million of the future gross work programme, providing a full carry through the planned horizontal well and extended production test. Burgundy progressed its funding strategy through the confidential submission of a draft Form S-1 registration statement with the United States Securities and Exchange Commission and in parallel, advanced operational readiness with the appointment of Fairweather LLC, the progression of Franklin Bluffs 3D seismic planning, and the strengthening of in-state capability. Together, these activities strongly position the joint venture to support the Franklin Bluffs drilling and production test programme currently scheduled for H1 CY2026.

Turning to Namibia, the Company secured a 12-month extension to the First Renewal Exploration Period at PEL 93 through to 2 October 2026. This was accompanied by approval of a refreshed Stage 1A work programme designed to support pre-drill de-risking. The programme includes a high-

## CHAIR'S LETTER

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resolution airborne gravity, magnetic, and radiometric survey, preparation of a certified prospective resource report, and development of an Authority for Expenditure for a potential exploration well. Stage 1A is to be jointly funded on a 50:50 basis, subject to a US\$1 million cost cap.

Decisive steps were taken to simplify the portfolio and reduce future cost exposure. In August 2025, 88 Energy executed a binding agreement to sell its 75% non-operated interest in the producing Project Longhorn assets in the Permian Basin for US\$3.25 million. This removed exposure to a capital-intensive multi-well development programme, while allowing capital to be redeployed into the Company's core exploration focus. In December 2025, 88 Energy relinquished its historical Peregrine and Umiat leases as part of its ongoing portfolio optimisation strategy. This decision reduces future lease holdings and reflects a disciplined approach to capital allocation. Together with the sale of Project Longhorn, the relinquishment of the Peregrine and

Umiat assets has contributed to a significant impairment charge in the current reporting period. However, these actions strategically position the Company to direct capital and technical resources toward assets with superior subsurface characteristics, greater proximity to infrastructure and stronger near-term value potential.

On 22 August 2025, Mr Philip Byrne retired as Non-Executive Chairman and from the Board, with my appointment as Non-Executive Chair effective the same day. I would like to again acknowledge Phil's contribution and thank him for his leadership and support during his tenure, particularly during a period of strategic transition.

On behalf of the Board, I thank our shareholders for your continued support. As we look to 2026, the Company is positioned around a clear focus, with a portfolio concentrated on sensible, high-impact opportunities, and an ongoing commitment to strategic and financial discipline.

Sincerely,



**Ms Joanne Williams**  
**Non-executive Chair**




# REVIEW OF OPERATIONS

## Disciplined execution under a refined strategic focus

During 2025, 88 Energy delivered material progress as part of a deliberate strategic repositioning aimed at sharpening portfolio focus, maintaining capital discipline and prioritising high-quality, infrastructure-adjacent exploration opportunities. The period was marked by active portfolio management, including the divestment of non core assets, consolidation of the capital structure and the securing of new leases on Alaska's North Slope.

As a result, 88 Energy enters 2026 with a portfolio centred on Alaska, complemented by exploration optionality in Namibia. The Company maintains a clear exploration and appraisal focus, ongoing technical and financial de-risking activities and an increased emphasis on securing strategic partnerships ahead of future drilling and development decisions.

## Strategy overview

 <p><b>LOW-RISK, NEAR INFRASTRUCTURE EXPLORATION AND DEVELOPMENT</b></p> <ul style="list-style-type: none"><li>• Targeting Southern Prudhoe low capex, rapid development opportunities adjacent to proven producing reservoirs</li><li>• Highly attractive valuations with fast payback times on success</li></ul>	 <p><b>HIGH-IMPACT EXPLORATION AND APPRAISAL PROVIDES MATERIAL UPSIDE</b></p> <ul style="list-style-type: none"><li>• Addition of under-explored new acreage east of TAPS covered by 3D</li><li>• Appraisal program in place to assess Hickory-1 discovery at Phoenix</li><li>• Data-driven, multi-source approach</li></ul>	 <p><b>STRATEGIC FARMOUTS TO REDUCE FUNDING AND ENHANCE TECHNICAL CAPABILITY</b></p> <ul style="list-style-type: none"><li>• Advancement of de-risking milestones</li><li>• Targeting strategic farm-outs to share risks and reduce capital cost intensity</li><li>• Strategic partnerships to complement enhanced internal technical capability</li></ul>
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## Alaskan North Slope portfolio potential and strategy

88 Energy has established and expanded a material acreage position on the Alaskan North Slope, one of North America's most prolific oil provinces.

The Alaskan North Slope continues to experience renewed oil and gas exploration and development momentum, which is aligned with, and validates, 88 Energy's strategic focus on high-quality, infrastructure-led opportunities with clear development pathways.

Several structural trends are reinforcing the North Slope's renewed significance:

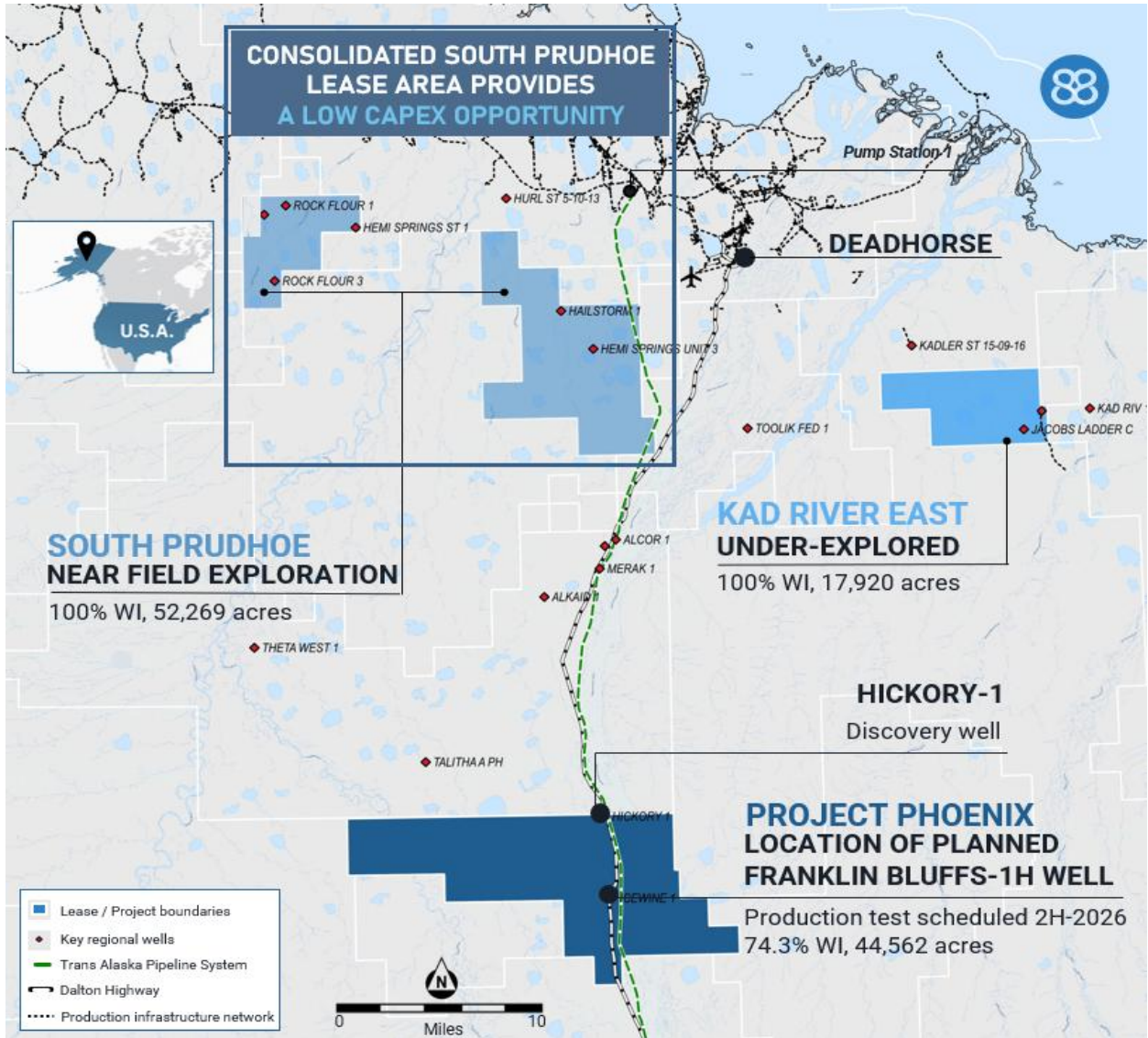
- **Policy support:** Federal and State agencies continue to streamline permitting, promote the strategic importance of Alaskan energy resources and actively encourage new investment in domestic energy production.
- **Exploration success:** In early 2025 APA Corporation, Armstrong Oil & Gas, and Santos Limited announced a major oil discovery at the Sockeye-2 well, delivered 25 ft of high-quality oil pay with porosity of 20% and average flow of 2,700 barrels of oil per day without stimulation.
- **Infrastructure growth:** Santos' Pikka Phase 1 development is nearing completion, with first oil expected in 2026 and production ramping up in 2027. In parallel, the Alaska LNG pipeline project continues to gain traction, with the proposed pipeline to enable large-scale gas exports from the North Slope.

Together, these developments reinforce the basin's growing strategic importance and highlight the commercial potential of 88 Energy's North Slope portfolio.

The newly secured South Prudhoe and Kad River leases reflect the Company's strategy in action, strengthening its position around proven fairways and existing infrastructure.

# REVIEW OF OPERATIONS

## NORTH SLOPE ALASKA PORTFOLIO



## STRATEGIC ACREAGE ADJACENT TO PROVEN PRODUCERS

### SOUTH PRUDHOE OPPORTUNITY

#### EXPLORATION DRILLING



#### FARM-OUT

FARM-OUT PROCESS TO FUND Q1'27 EXPLORATION WELL



#### EXPLORATION WELL

MULTI-RESERVOIR TEST TO FOCUS ON IVISHAK POTENTIAL



#### APPRAISAL WELL

SUCCESS TO TRIGGER TARGETED APPRAISAL WELL

### OUR STRATEGY IN ACTION

SYSTEMATICALLY PROGRESSING THROUGH EXPLORATION AND APPRAISAL TOWARD PROJECT MONETISATION

### PROJECT PHOENIX

#### DISCOVERY AND APPRAISAL



#### FARM-OUT

AGREEMENT EXECUTED Q1 2025 TO FUND HORIZONTAL WELL



#### PRODUCTION TEST

TARGETING 2H-2026 FOR LONG-TERM PRODUCTION TEST



#### MONETISATION

SALE AND OR MODULAR PRODUCTION SYSTEM WITH CASH FLOWS

# REVIEW OF OPERATIONS

## Newly acquired acreage expansion

In November 2025, through its wholly owned subsidiary Captivate Energy Alaska, Inc., 88 Energy secured fourteen additional leases as part of the North Slope Areawide 2025W Oil and Gas Lease Sale<sup>1</sup>. These newly acquired leases expand 88 Energy’s strategic landholding by 34,560 acres across two high-potential areas to the East (Kad River East) and West (South Prudhoe) of the Trans Alaskan Pipeline System (TAPS), complemented by the existing fourteen leases formally known as Project Leonis.

Securing the strategically located North Slope leases is a clear demonstration of the Company’s data-driven, infrastructure-focused strategy in action. The new South Prudhoe acreage expands 88 Energy’s footprint across proven fairways, positions itself beside existing pipelines and facilities and introduces a suite of low-risk Ivishak prospects in South Prudhoe, supported by modern 3D and strong well control.

With 3D seismic licensing and interpretation underway in 2026, there is a clear pathway to near-term value catalysts, including a potential multi-zone exploration well targeting the newly defined Ivishak prospectivity. The Company’s near-term priority is to convert these high-quality subsurface opportunities into commercial outcomes, while maintaining capital discipline and a sharp eye on monetisation routes via tie-backs to TAPS.

The Kad River East leases introduce longer-term upside across an underexplored position to the east of TAPS, further adding to 88 Energy’s growth pipeline and regional optionality. The new leases covering 17,920 acres provide a new entry into an exploration frontier area where historical wells and modern seismic data indicate a multi-reservoir petroleum system. Soon to be released Kad River 3D seismic data, together with historical well logs are expected to provide significant technical insights and opportunities in 2026.

## South Prudhoe

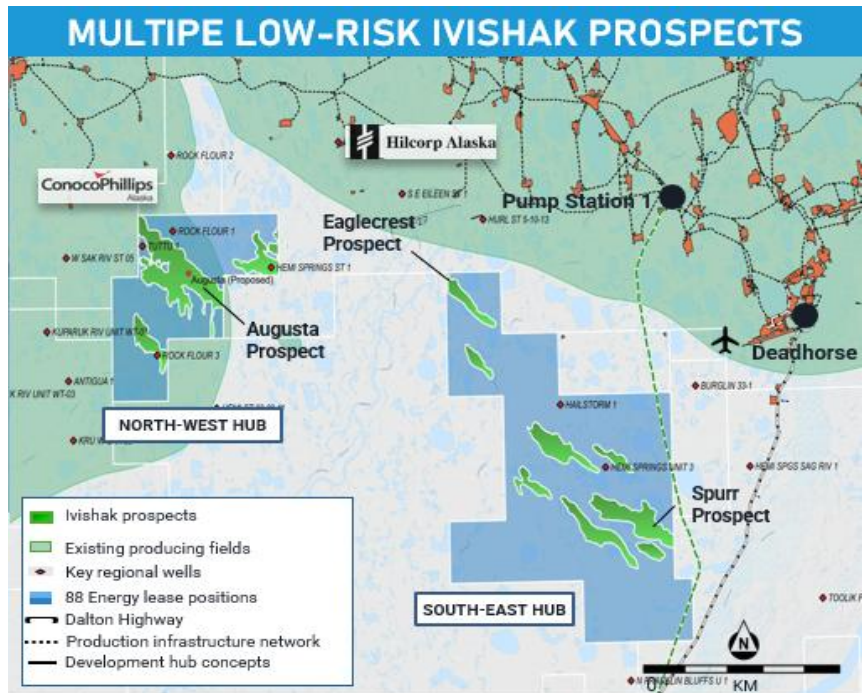
The expanded South Prudhoe leases cover 52,269 acres and position 88 Energy within one of the most prolific hydrocarbon fairways on the North Slope, immediately south of the Prudhoe Bay Unit and Kuparuk River Unit. The new acreage secured in November 2025 complements the existing leases formerly known as Project Leonis to create a dual-hub development concept with a strong strategic position across a corridor of proven reservoirs complemented by ready access to existing infrastructure on the North Slope.

The new tenure offers multiple low-moderate risk, high-potential prospects within the conventional Ivishak reservoir. The Ivishak is the main producing unit at Prudhoe Bay (the largest onshore oilfield in the United States).

The Ivishak is a premier reservoir on all measures, supported by modern 3D seismic with strong well control. It is characterised by high quality clean sandstone across the prospective area, with predicted 20% porosity and 50 to 100 mD permeability supported by offset well and core data.

Multiple fault block closures have been mapped on the Storms 3D seismic dataset, supported by oil shows and well data from key regional wells. Initial interpretation has delineated a suite of low risk Ivishak prospects:

- **Prospect Augusta:** Updip Fault block from nearby discovery with ~100’ relief and ~2,000 acres; quality reservoir (20% porosity, ~100 mD). 3D data indicates robust structure with upside.
  - Key well: Hemi Springs State-1: Oil recovered from Ivishak and Kuparuk drill stem tests flowed 101–385 BOPD (26°–34° API) from Kuparuk, together with 450-1770 MCF/D gas and 12-143 BWPD.



1. Refer to ASX announcement dated 20 November 2025. The leases are subject to adjudication and regulatory approvals in advance of formal award, expected in H2 2026.

# REVIEW OF OPERATIONS

- **Prospect Spurr:** Largest eastern closure (~60' relief, ~1,012 acres); low-moderate risk with 4-way dip; key hub opportunity with adjacent prospects
  - Key well: Hailstorm-1: Confirmed Ivishak pay with 19.4% porosity and a 13 foot oil column.
- **Prospect Eaglecrest:** Low-risk fault block on southern edge of Prudhoe Bay Unit, adjacent to P-21 (40' oil column) and analogous to P-27 production well (produced 4.1MMstb of oil to November 2025 and in operation)
  - Key well: Near-by discovery well Hurl State-5 also provides valuable insights from a vertical DST test, with max oil flow rate of 2,060 BOPD, 24 API oil, and 226 cu ft/bbl GOR.

## Multi-Zone Reservoir Upside

The Southeast Hub also contains significant multi-zone upside in the Kuparuk and shallower Schrader Bluff reservoirs. These horizons, already defined on modern 2D and 3D seismic datasets and supported by regional well control including oil shows, will be further evaluated following the Schrader Bluff 3D seismic licensing that commenced in Q1 2026.

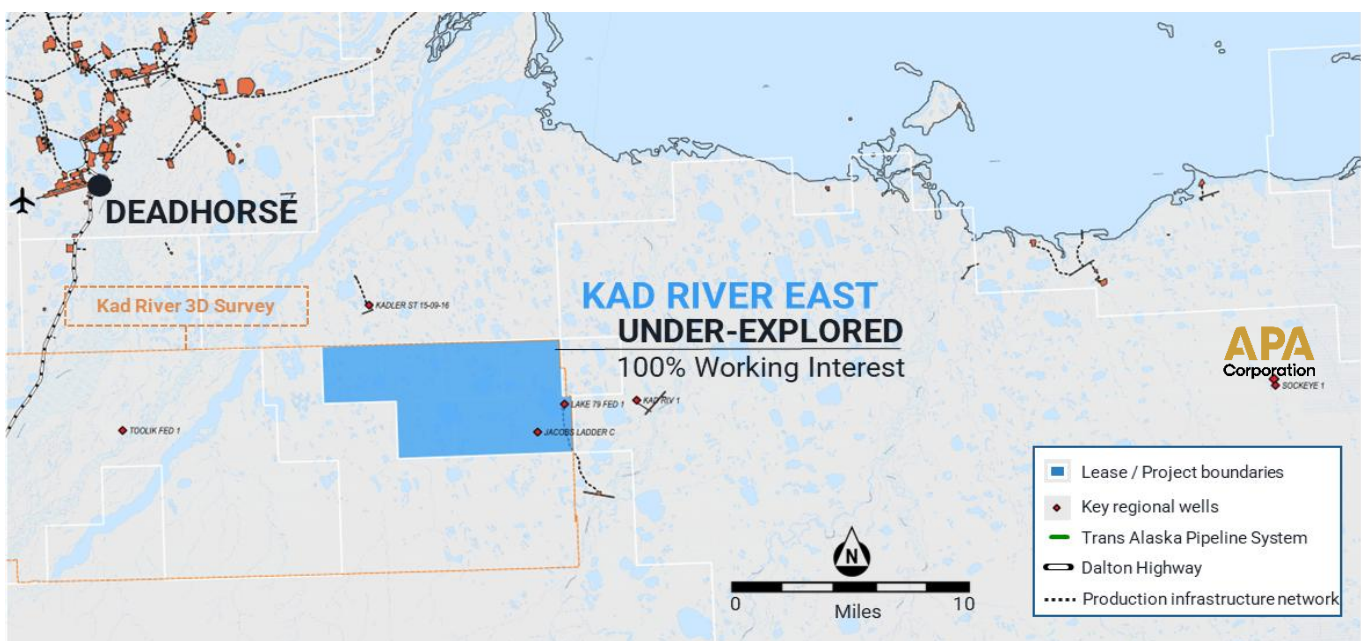
## Exploration Well Planning

Planning and permitting for an exploration well progressed during 2025, initially based on the South East Hub, with preliminary well design, vendor engagement, CPLAN (a critical permitting milestone) and preparation of the Authorisation for Expenditure all advancing. The well was initially designed to test the Canning and USB reservoirs, with deeper reservoir potential under evaluation. The recent addition of the seven South Prudhoe leases add significant optionality to the potential drilling program, with forward planning now incorporating this into the opportunity set to target the multi-zone Augusta Prospect. Drilling of the exploration well remains contingent on formal award of the new leases and securing a suitable farm-out agreement. Subject to partner participation and regulatory approvals, drilling is currently anticipated to commence in Q1 CY2027.

## Kad River East Leases

The seven Kad River East leases cover 17,920 acres east of TAPS, providing exposure to an under explored region where historical well data and planned 3D seismic licensing and reprocessing in early 2026 are expected to materially improve subsurface imaging and target definition. Historical well data indicates an active petroleum system, with hydrocarbon shows reported across multiple intervals. Planned 3D work and integrated interpretation will support the identification and maturation of drill ready targets over time.

**Kad River East Lease Area and 3D Seismic Boundary**



# REVIEW OF OPERATIONS

## South Prudhoe and Kad River Advancement

88 Energy intends to progress the following work program aimed at unlocking low-risk barrels:

- License, evaluate and reprocess the Kad River and Schrader Bluff 3D seismic datasets in early 2026
- Integrate historical well data and update prospective resource estimates across the expanded acreage position
- Advance farm out discussions to fund a planned multi zone exploration well targeting the Ivishak, Kuparuk and shallower Canning and USB reservoirs

Indicative Schedule	Q1 26	Q2 26	Q3 26	Q4 26
Updated Prospective Resource estimates for South Prudhoe	■			
License Kad River 3D and Schrader Bluff 3D	■			
Reprocess 3D and interpretation	■	■		
Update prospect and lead inventory		■	■	
Target securing farm-out to fund drilling			■	■
Plan for Q1'27 exploration well drilling		■	■	■

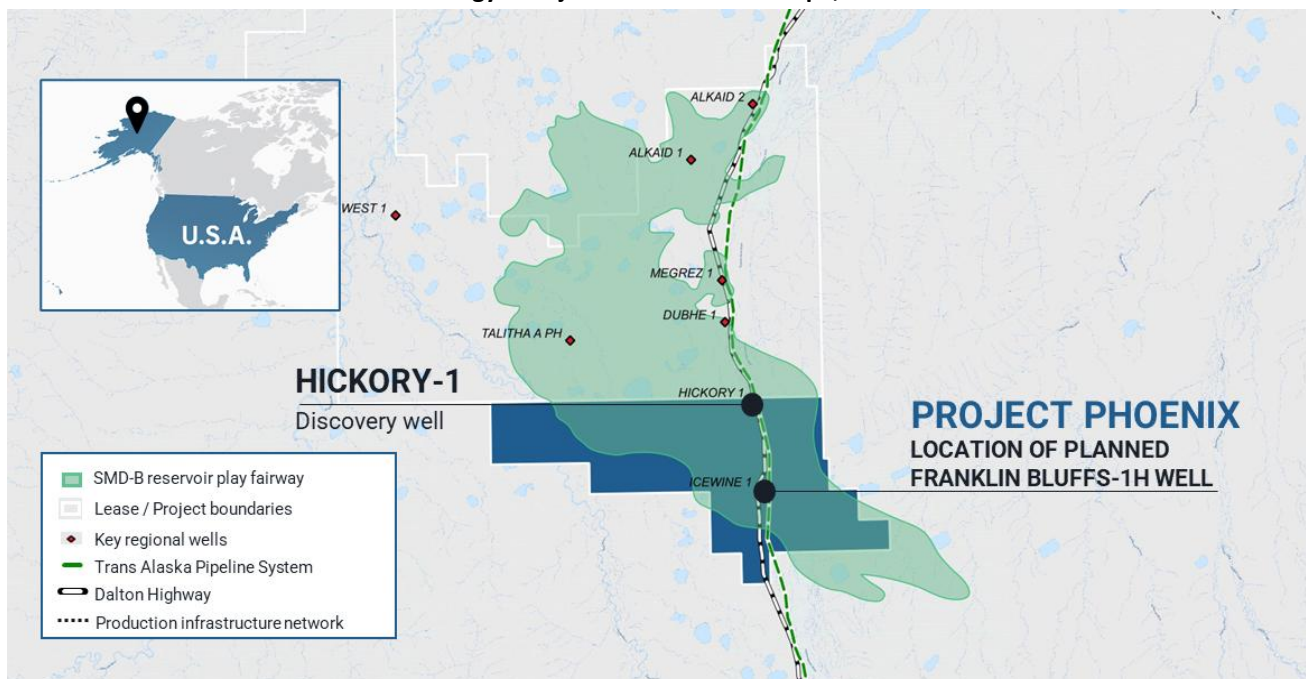
## Project Phoenix

Project Phoenix is an advanced conventional project on the North Slope of Alaska, targeting multi-reservoir production potential identified during the drilling and flow testing of Hickory-1 in 2023/2024. Key reservoir intervals include the Shelf Margin Deltaic (SMD), Slope Fan System (SFS), and Basin Floor Fan (BFF).

Successful flow testing at Hickory 1 confirmed light oil flow from the two-tested target intervals, being the SMD-B and Upper SFS, and provided the technical foundation for progression to a horizontal well and extended production test.

Project Phoenix includes a net 2C Contingent Resource of 239 MMMBOE to 88 Energy<sup>1</sup>. The project benefits from strong infrastructure proximity, including access to the Dalton Highway, Deadhorse services hub and TAPS

88 Energy's Project Phoenix North Slope, Alaska



1. Refer to ASX announcement dated 18 September 2024 for full details. 88E is not aware of any new information or data that materially affects the information included in the relevant market announcement and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

# REVIEW OF OPERATIONS

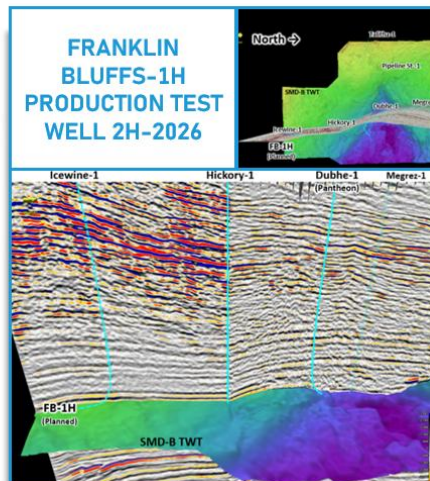
## Five-Year Pathway: From Seismic to Target Production

Project Phoenix demonstrates 88 Energy's ability to de-risk and advance high-potential acreage. Within five years, the Company has moved from seismic licensing to farm-out, positioning for first production as early as 2028.

- **2022:** Licensing and interpretation of the Franklin Bluffs 3D seismic dataset, enabling precise mapping and well planning.
- **2023:** Formation of the Toolik River Unit, consolidating lease position and streamlining regulatory approvals. Drilling of Hickory-1 confirmed multi-reservoir oil discoveries across the SMD-B, SFS and BFF intervals.
- **2024:** Flow testing of Hickory-1 confirmed oil mobility and deliverability. Independent certification of contingent resources (refer page 9).
- **2025:** Farm-out to Burgundy secured a full carry on a two-year work program, including the upcoming Franklin Bluffs-1H well and production test.
- **2026:** Planned spud of Franklin Bluffs-1H and extended production test (~90 days).

## Farmout Agreement, JV Partner Update & 2026 Production Test Well

### Clear funding pathway secured for Franklin Bluffs-1H production test program

 <h3>BURGUNDY FARM-OUT A TRANSFORMATIONAL MILESTONE<sup>1</sup></h3> <ul style="list-style-type: none"><li>• Carry of up to US\$39M for 50% W.I.</li><li>• Two-phase farm-in structure, for clear pathway to FID</li><li>• Burgundy to operate – aligns operational capabilities with development goals</li><li>• Burgundy to complete IPO by April 2026</li></ul>	 <h3>HORIZONTAL WELL PROGRAM PRELIMINARY DETAILS</h3> <ul style="list-style-type: none"><li>• Situated at the Franklin Bluffs gravel pad</li><li>• Targeting SMD-B reservoir</li><li>• Planned lateral length of ~3,500 feet</li><li>• Operational testing duration of ~90 days</li><li>• Targeting 2H-2026 spud from existing gravel pad</li></ul>	 <p><b>FRANKLIN BLUFFS-1H PRODUCTION TEST WELL 2H-2026</b></p> <p>Map showing well locations: Icwine-1, Hickory-1, Dubhe-1 (Pantheon), Megre-1, SMD-B TWT, FB-1H (Planned).</p>
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## Burgundy Farmout

In February 2025, the Company and Burgundy entered into binding terms for a Farmout Participation Agreement (PA) in relation to Project Phoenix. Under the agreement, Burgundy will fully fund up to US\$39 million (approx. A\$60 million) of Project Phoenix's total gross future work program costs in exchange for up to an additional 50% Working Interest (WI) in Project Phoenix from 88 Energy, through its wholly owned subsidiary, Accumulate Energy Alaska Inc. The PA provides a clear funding avenue to advance Project Phoenix towards a final development decision via a two-phase farm-in arrangement.

- Phase 1: Burgundy to fund US\$29 million (approx. A\$45 million) for CY25/26 work program, including drilling of a horizontal well and production testing scheduled for H2 CY26 (88E fully carried, 88E WI post Phase 1 is 35%)
- Phase 2: Upon Phase 1 Success; Burgundy to fund up to US\$10 million (approx. A\$15 million) for an additional well or other CAPEX programme (88E carry up to US\$7.5 million, with 88E WI post Phase 2 farmout to 25%).

## Burgundy funding status

Burgundy continues to progress its funding program for the Franklin Bluffs-1H horizontal well and extended production test. Supported by sophisticated energy investors, Burgundy has invested more than US\$26 million into Project Phoenix and has met all cash call requirements since execution of the agreement in February 2025.

Burgundy reaffirmed its commitment to the project by settling outstanding 2024 cash calls during the March 2025 quarter and funding 100% of lease payments in 2025, which form part of its carried expenditure under the farm-out agreement.

# REVIEW OF OPERATIONS

On 15 October 2025, Burgundy announced it had submitted a draft registration statement on Form S-1 with the US Securities and Exchange Commission (the SEC) relating to the proposed initial public offering (IPO) of common stock. The timing of the IPO remains subject to SEC review, market conditions and other customary factors. A prolonged United States government shutdown during the second half of 2025 extended usual SEC review timelines. As a result, 88 Energy granted Burgundy an extension under the Participation Agreement to 30 April 2026 to complete its funding obligations.

## Burgundy agreement for historical Icewine 3D data

In November 2025, Burgundy agreed to pay US\$2.4 million to 88 Energy for access to the Icewine 3D seismic data, acquired solely by 88 Energy in 2018. An initial payment of US\$150,000 was received on 1 December 2025, with the balance payable within 60 days of a successful IPO.

## Burgundy secured additional leases adjacent to Project Phoenix

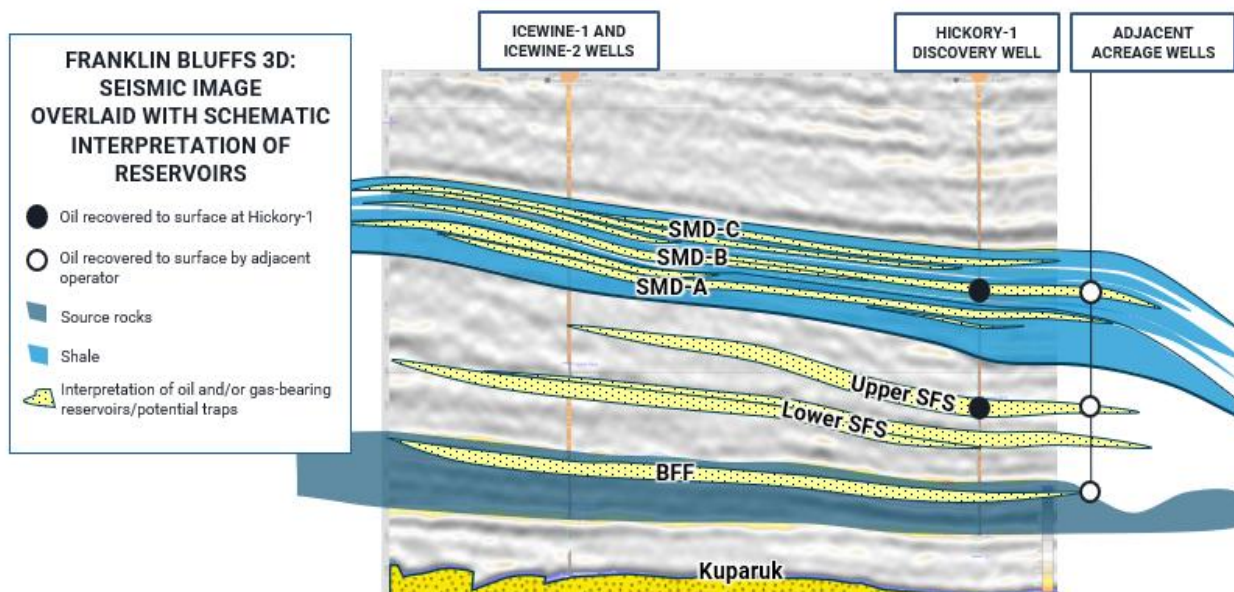
In November 2025, Burgundy was declared the successful bidder in the North Slope Fall 2025 Bid Round for a further 82,080 gross acres adjacent to the Toolik River Unit, with 88E securing the right to participate up to 25% working interest until 1 October 2026 at cost (bid bonus and rentals paid only).

## Franklin Bluffs-1H Production test well

Planning, permitting and operational readiness commenced during 2025 for the Franklin Bluffs-1H horizontal well and extended production test, which is currently scheduled to spud in H2 CY2026, subject to approvals and partner execution.

- An initial pilot hole is planned to test the SMD, SFS and BFF reservoir zones, followed by wireline logging
- Analysis of pilot hole and logging results to guide horizontal well planning and design, prior to drilling the horizontal production well and commence the extended production test. Initial hypothesis is to target the SMD-B reservoir, the best-developed topset sandstone within the Campanian sequence.
- Icewine-1 intersected a 71ft net sandstone sequence in the SMD-B with up to 14% effective porosity, while Hickory-1 recorded up to 11% porosity in the same interval.
- Operational readiness is advancing, with Fairweather LLC appointed for execution support and key staffing and operational enhancements underway, including the appointment of an Alaska-based representative.

Seismic image overlaid with schematic interpretation of reservoirs and regional wells



# REVIEW OF OPERATIONS

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## Namibia PEL 93, Owambo Basin

88 Energy holds a 20% non-operated interest in PEL 93 in the Owambo Basin, onshore Namibia, under a three-stage farm-in arrangement to earn up to a total of 45% working interest. The basin remains under explored, with growing industry attention following recent regional discoveries.

During 2025, the PEL 93 joint venture secured a 12-month licence extension to 2 October 2026 and agreed a Stage 1A work program, including airborne gravity, magnetic and radiometric surveys, prospective resource reporting and drilling location selection. The airborne geophysical survey is planned for Q1 CY2026 to acquire high resolution magnetic and gravity data, enabling accurate mapping of basin architecture and key structural features. Survey results will be integrated with existing datasets to refine prospect interpretations and support the identification of drilling targets.

### Encouraging Neighbouring Results

On 3 December 2025, ReconAfrica announced positive results from the Kavango West 1X well on PEL 73, located within the same Damara Fold Belt play fairway as PEL 93. Key developments included:

- Approximately 400 metres of gross hydrocarbon bearing section identified in the Otavi carbonate sequence.
- 64 metres of net hydrocarbon pay confirmed by wireline logs and supported by mud log anomalies.
- Additional hydrocarbon shows within deeper fractured limestone intervals.
- A production testing program planned for Q1 2026 to evaluate reservoir deliverability.

ReconAfrica's evaluation and forward testing plans underscore the potential of the Otavi carbonate reservoir system, a key play type across the broader Damara Fold Belt, including in PEL 93.

## Corporate and Governance

### Board

On 22 August 2025, Ms Joanne Williams was appointed Non Executive Chair following the retirement of Mr Philip Byrne, who had served as Chair since August 2021. The Board acknowledges Mr Byrne's contribution, including his leadership during the 2021 transition period. Ms Williams brings more than 25 years of international oil and gas experience, strengthening the Board's technical depth and governance capability.

The Board now comprises Ms Joanne Williams (Non-Executive Chair), Mr Ashley Gilbert (Managing Director), and Dr Stephen Staley (Non-Executive Director). This composition reflects a stable and experienced leadership team with deep sector knowledge and strong alignment with 88 Energy's strategic objectives. The Board considers its current size and structure appropriate for the scale and complexity of the business at this time.

### Refreshed Specialist Team of New Technical Experts

During the financial year, 88 Energy made several key appointments to its technical team enhancing the Company's core capabilities across a range of technical and commercial disciplines. Combined with the Board and Management team, 88 Energy now benefits from more than 170 years of combined oil and gas experience. Key appointments included:

- Mr Ric Jason - Exploration Manager

Mr Jason is a geoscientist with more than 30 years of international oil and gas experience, having delivered multiple significant commercial resource discoveries across several basins. He has held senior roles with Pancontinental, Key, Neon, FAR, and OMV, and has had operational experience with Hardman, BHP, Origin and Cultus.

- Mr Matt Fittall - Principal Subsurface Advisor

Mr Fittall is a geologist with extensive involvement across exploration and production activities in technical, operational and management roles. His career includes positions with BHP, Mitsui, Delhi (Beach), Total, WHL Energy and Triangle Energy. He has contributed to many successful oil and gas discoveries, field developments and major projects.

### General Meeting

The Company held its Annual General Meeting on 6 May 2025 where four (4) of the five (5) resolutions put to shareholders were carried.

# REVIEW OF OPERATIONS

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## Capital Management

During the year, 88 Energy completed a 25 for 1 consolidation of its capital structure, under which every 25 shares, options, performance rights and warrants on issue were consolidated into one of the same class.

Following the consolidation, 88 Energy implemented a Small Holding Sale Facility (SHSF) for shareholders with holdings valued under A\$500. Following the close of the SHSF on 30 July 2025, a total of 46,139,641 ordinary shares held by 6,049 shareholders, were to be sold on market with announcement of the SHSF completion on 10 March 2026. The proceeds from the sale process were apportioned pro rata amongst all participating shareholders according to the number of shares sold on their behalf.

Together, these initiatives have simplified the Company's capital structure, improved register efficiency and costs and better positioned 88 Energy for future growth and investment.

## Portfolio Rationalisation

- The Company divested its 75% ownership interest in Project Longhorn for US\$3.25 million in July 2025, removing future drilling program obligations at ~US\$2 million per well and enabling capital redeployment towards core Alaskan assets.
- In December 2025, 88E relinquished its historical Peregrine and Umiat leases as part of its ongoing portfolio optimisation strategy. The relinquishment removed the lease reinstatement requirement to lift the two-year suspension at the end of 2025. This action reduces future lease holding costs by approximately A\$0.7 million and ensures capital and technical effort remain focused on assets with superior subsurface characteristics, proximity to infrastructure and strong near-term value potential.

# DIRECTOR'S REPORT

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## Directors

The Directors in office of the Company at any time during or since the end of the financial year, unless otherwise stated, are:

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### **Ms Joanne Williams - Non-Executive Chair**

Appointed: 2 August 2021 Non-Executive Director, Appointed 22 August 2025 Non-Executive Chair

Ms Williams is a petroleum engineer with over 25 years' experience in the global oil and gas sector.

Ms Williams has previously held technical and leadership positions with various international oil and gas companies including Woodside Petroleum, Newfield Explorations, Gulf Canada and Clyde Petroleum. She delivered significant shareholder value as Deputy Managing Director and Managing Director for Nido Petroleum and Blue Star Helium respectively.

### **Directorships held in other listed entities during the three years prior to the current year**

Jadestone Energy plc (current)

Buru Energy Limited (current)

Sacgasco Limited (until April 2022)

Blue Star Helium Limited (until May 2021)

### **Interest in shares, options and rights**

Ordinary Shares – nil

Performance Rights – nil

Share Options – nil

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### **Dr Stephen Staley - Non-Executive Director**

Appointed: 9 April 2014

Dr Staley is a petroleum geoscientist with more than 40 years of wide-ranging management, technical and commercial experience in the international oil, gas and power sectors. He co-founded and brought to the AIM market Fastnet Oil & Gas plc (where he was the founding CEO) and Independent Resources plc (where he was the founding Managing Director). He also co-founded and brought Upland Resources Ltd to the Standard List of the LSE Main Market, where he was founding CEO. Dr Staley was also both a technical consultant to, and Non-Executive Director of, Cove Energy plc – the highly successful East Africa focused explorer. Dr Staley is owner and founder of Derwent Resources Limited, an upstream consultancy advising on oil and gas and carbon sequestration opportunities. Prior to this he has worked for Cinergy Corp., Conoco, and BP.

### **Directorships held in other listed entities during the three years prior to the current year**

Nostra Terra Oil & Gas Company PLC (current)

Predator Oil & Gas Holdings PLC (until March 2022)

### **Interest in shares, options and rights**

Ordinary Shares – 573,709

Performance Rights – nil

Share Options – nil

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## **Mr Ashley Gilbert - Managing Director**

Appointed: 10 May 2021

Mr Gilbert was appointed as Managing Director on 10 May 2021. Prior to his appointment, he was Chief Financial Officer and Company Secretary of 88 Energy. He is a Chartered Accountant with more than 20 years' experience in commerce and public practice. Prior to 88 Energy Mr Gilbert was CFO of Neptune Marine Services Ltd, a leading provider of integrated oil field services, and also CFO of Nido Petroleum Ltd for just under 10 years. He has also held various finance positions within Woodside Petroleum Limited, GlaxoSmithKline plc. in London and public practice in taxation, auditing, business development, financial management and governance roles.

### **Directorships held in other listed entities during the three years prior to the current year**

None

### **Interest in shares, options and rights**

Ordinary Shares – 2,175,000

Performance Rights – 2,865,000

Share Options – nil

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## **Mr Philip Byrne - Non-Executive Chairman**

Appointed: 2 August 2021, Resigned: 22 August 2025

Mr Byrne is a petroleum geologist by training with over 40 years' experience in the international oil and gas industry across technical, exploration, commercial and executive leadership roles. Previous positions he has held include Executive Vice President Marketing & Trading and Commercial, for Santos Energy, Managing Director and CEO of Nido Petroleum, President of the North-West Shelf Australia LNG organisation (the JV marketing arm of the NW Shelf LNG Project) and various roles with BHP Petroleum including General Manager (Pakistan), President Gas Marketing (Asia/Australia) and General Manager (Australia).

### **Directorships held in other listed entities during the three years prior to the current year**

GLX Digital Limited (current)

### **Interest in shares, options and rights**

Ordinary Shares – nil

Performance Rights – nil

Share Options – nil

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## **Ms Sarah Smith - Company Secretary**

Appointed: 4 March 2016 - 1 August 2020: Reappointed: 10 May 2021

Sarah specialises in corporate advisory, company secretarial and financial management services. Sarah's experience includes company secretarial and financial management services for ASX listed companies, capital raisings and IPOs, due diligence reviews and ASX and ASIC compliance. Sarah is a Chartered Accountant and has acted as the Company Secretary of several ASX listed companies.

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# DIRECTOR'S REPORT

## Board and Management Changes

On 22 August 2025, the Company announced that Mr Philip Byrne retired as Non-Executive Chairman and from the Board of 88 Energy. The Board also announced the appointment of Ms Joanne Williams as Non-Executive Chair, effective immediately.

## Directors' Meetings

The following table sets out the number of Directors' meetings held during the financial year and the number attended by each Director. During the financial year, 5 board meetings were held and several matters were approved by circular resolution.

Director	Number Eligible to Attend	Number Attended
Ms Joanne Williams	5	5
Mr Stephen Staley	5	5
Mr Ashley Gilbert	5	5
Mr Philip Byrne *	2	2

\*Mr Byrne resigned on 22 August 2025

In addition to the scheduled Board meetings, Directors regularly communicate by telephone, email or other electronic means. Due to the size and scale of the Company, there is no Remuneration and Nomination Committee or Audit Committee. Matters typically managed by these Committees are, for the time being, managed by the Board. For details of the function of the Board, please refer to the Corporate Governance Statement on the 88 Energy website.

## Remuneration Report (Audited)

This remuneration report for the year ended 31 December 2025 outlines the remuneration arrangements of the Group in accordance with the requirements of the Corporations Act 2001 ("the Act") and its regulations. This information has been audited as required by section 308(3C) of the Act. The Remuneration Report details the remuneration arrangements for Key Management Personnel ("KMP") who are defined as those persons having authority and responsibility for planning, directing, and controlling the major activities of the Group, directly or indirectly, including any Director (whether executive or otherwise) of the Parent Company.

## Key Management Personnel

The remuneration structure for Key Management and Directors is based on several factors including length of service, experience, responsibilities and the performance of the Company.

Key Management Personnel of the Group during or since the end of the 2025 financial year were:

Mr Ashley Gilbert	Managing Director (appointed 10 May 2021)
Dr Stephen Staley	Non-Executive Director (appointed 9 April 2014)
Ms Joanne Williams	Non-Executive Chair (appointed 2 August 2021 as Non-Executive Director, 22 August as Non-Executive Chair)
Mr Philip Byrne	Non-Executive Chair (appointed 2 August 2021, resigned 22 August 2025)
Mr Oliver Mortensen	Chief Financial Officer (appointed 15 November 2021)

## Remuneration Policy and Governance

The Remuneration Report is set out under the following main headings:

- A Remuneration Philosophy
- B Remuneration Governance, Structure and Approvals
- C Remuneration and Performance
- D Details of Remuneration
- E Service Agreements
- F Share-based Compensation
- G Equity Instruments Issued on Exercise of Remuneration Options
- H Voting and comments made at the Company's 2024 Annual General Meeting
- I Loans with KMP
- J Other Transactions with KMP

# DIRECTOR'S REPORT

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## A Remuneration Philosophy

The Company recognises that it operates in a competitive environment and to operate effectively, it must attract, motivate, and retain key personnel. The Board of Directors and key management personnel have authority and responsibility for planning, directing, and controlling the activities of the Group. Compensation levels for key management personnel of the Company are competitively set to attract and retain appropriately qualified and experienced Directors and Executives.

## B Remuneration Governance, Structure and Approvals

The Board is responsible for setting the remuneration of Executive and Directors and its objective is to ensure that remuneration policies and structures are fair and competitive and aligned with the long-term interests of the Company. The Board has not established a separate Remuneration Committee at this point due to the level of activity of the Group.

Board Remuneration responsibilities include:

- Executive remuneration framework
- Operation of the incentive plans, including key performance indicators and performance hurdles
- Executive Remuneration
- Non-Executive Director fees

### Non-Executive Remuneration Structure

The nature and amount of remuneration is collectively considered by the Board of Directors with reference to relevant employment conditions and fees commensurate to a Company of similar size and level of activity, with the overall objective of ensuring maximum stakeholder benefit from the retention of high performing on-Executives.

The remuneration of non-Executives consists of Directors' fees. The total aggregate fixed sum per annum to be paid to non-Executives in accordance with the Company's Constitution shall initially be no more than A\$300,000 and may be varied by ordinary resolution of the Shareholders in a General Meeting. Remuneration of non-Executives is based on fees approved by the Board of Directors and is set at levels to reflect market conditions and encourage the continued services of the non-Executives. In accordance with the Company's Constitution, the non-Executives may at any time, subject to the Listing Rules, adopt any scheme or plan which they consider to be in the interests of the Company.

The remuneration of non-Executives is detailed in Table 1(a) and their contractual arrangements are disclosed in "Section E – Service Agreements". Remuneration may also include an invitation to participate in share-based incentive programmes in accordance with Company policy.

### Executive Remuneration Structure

The nature and amount of remuneration of Executives are assessed on an annual basis or as otherwise determined by the Board, with the overall objective of ensuring maximum stakeholder benefit from the retention of high performing Executives. The main objectives sought when reviewing Executive remuneration is that the Company has:

- Coherent remuneration policies and practices to attract and retain Executives
- Executives who will create value for shareholders
- Competitive remuneration benchmarked against the market
- Fair and responsible rewards to Executives having regard to the performance of the Group

The Company aims to reward Executives with a level and mix of remuneration commensurate with their position and responsibilities within the Company and aligned with the market. Executive remuneration and incentive policies and practices are designed to motivate management to pursue the Company's strategy, growth and success and demonstrate a clear relationship between the Company's overall performance and performance of the Executives.

The remuneration of Executives is detailed in the tables below and their contractual arrangements are disclosed in "Section E – Service Agreements". Remuneration may also include an invitation to participate in share-based incentive programmes in accordance with Company policy.

## C Remuneration and Performance

The remuneration policy has been tailored to align objectives between Shareholders, Non-Executives, and Executives. As part of each of the key management personnel's remuneration package, there is a performance-based component consisting of the issue of performance rights to align Management and Shareholders' interests. The Board determines appropriate options or performance rights' vesting conditions that include share price growth and share price growth relative to Peers as well as

# DIRECTOR'S REPORT

tenure over a 3-year performance period. This policy has been deemed by the Board to be the most appropriate performance-based compensation method for a Company of its size and nature.

Due to the Company's growth stage, it is not currently appropriate to evaluate the Company's financial performance using EBITDA and other profitability metrics, as such a summary of the operating losses, share prices, and market capitalisation at year end for the last five years are as follows:

Metric	31-Dec-25	31-Dec-24	31-Dec-23	31-Dec-22	31-Dec-21
Net Loss after income tax (\$)	<b>(52,910,425)</b>	(32,819,026)	(14,439,233)	(70,721,918)	(2,410,189)
Share price <sup>(i)</sup>	<b>\$0.022</b>	\$0.05	\$0.12	\$0.25	\$0.62
Market capitalisation	<b>\$25 million</b>	\$58 million	\$123 million	\$182 million	\$370 million

(i) As approved by shareholders on 6 May 2025 a share consolidation of capital was completed during the year on a one share for every twenty-five shares held. Share Price for previous years have been retrospectively adjusted.

## Relationship between Remuneration and Company Performance:

Given the current phase of the Company's development and growth, the Board does not consider earnings when reviewing and setting the remuneration structure (nature and amount) of key management personnel. The Remuneration and reward framework for key management personnel may consist of the following areas:

- Fixed Remuneration
- Variable - Short-term Incentives
- Variable - Long-term Incentives

The combination of these would comprise the key management personnel's total remuneration.

### a) Fixed Remuneration – Base Salary

Consists of base compensation (which is calculated on a total cost basis and includes any FBT charges related to employee benefits), as well as employer contributions to superannuation. Compensation levels are reviewed regularly by the Board (and independent third parties against the market) and while considering individual performance against agreed key performance indicators and Group performance. Fixed remuneration is guided by the nature and responsibilities of each role as well as knowledge, skills and experience required for each position and market competitive.

### b) Variable - Short-term Incentives (STI)

Discretionary cash bonuses may be paid to Executives annually, subject to the requisite Board and shareholder approvals (where applicable). The Board sets annual short-term (12-month) key performance indicators (KPIs) for the Company and then rewards performance against achievement of the KPIs at the end of financial year using a scorecard approach where each KPI holds a particular weighting (STI scorecard). The Board also reviews and considers individual performance in relation to Company performance. The annual STI scorecard typically consists of project/asset results (technical and financial), resource growth, new ventures / portfolio management targets, production asset targets, and year-end cash flow targets. The STI outcome ranges from 0% to a maximum of 25% of base salary with no minimum entitlement.

### c) Variable - Long Term Incentives (LTI)

The Company adopted an Incentive Option Scheme in 2015 and a Performance Rights Scheme in 2018. LTI Rights are issued under the Employee Performance Rights and Options Plan to eligible participants. It provides for key management personnel, and staff to receive performance rights and/or options over ordinary shares. Any performance rights or options issued to Directors require the approval of shareholders.

Each Performance Right or Option granted under the Scheme will be granted for nil or nominal consideration. Each Performance Right or Option is exercisable into one Share in the Company and the exercise price and expiry date granted under the Scheme will be determined by the Board prior to the grant of the Performance Rights or Options.

The Options granted may be subject to conditions on exercise as may be fixed by the Directors prior to grant of the Options. The Options will not be quoted on ASX.

# DIRECTOR'S REPORT

## D Details of Remuneration

The following tables sets out the total remuneration expense recognised for the Company's Key Management Personnel for the current and previous financial year measured in accordance with the requirements of the accounting standards.

The Remuneration received by the Directors and Executives include cash received for short-term and post-employment benefits, together with STI payments as approved by the Board. To comply with the accounting standard AASB 2, the table below includes a Statutory Remuneration expense based on historical cost, for cancelled and unvested equity-based performance rights which have no financial benefit for the KMP.

Directors Remuneration for the years ended 31 December 2025 and 31 December 2024

Director	Year	REMUNERATION RECEIVED DURING THE PERIOD Short-Term and Post-Employment Benefits				REMUNERATION NOT RECEIVED DURING THE PERIOD
		Salary	Annual & Long Service Leave	Post – Employment Statutory Superannuation	Variable Remuneration	Statutory Expense
Stephen Staley	2025	65,000	-	-	-	-
	2024	65,000	-	-	-	17,814
Ashley Gilbert	2025	523,940	22,744	85,892	232,907	163,406
	2024	488,466	39,665	28,699	-	181,339
Philip Byrne	2025	89,945	-	10,443	-	-
	2024	140,000	-	28,699	-	17,814
Joanne Williams	2025	90,000	-	10,637	-	-
	2024	65,000	-	28,699	-	17,814
<b>Total</b>	<b>2025</b>	<b>768,885</b>	<b>22,744</b>	<b>106,972</b>	<b>232,907</b>	<b>163,406</b>
<b>Remuneration</b>	<b>2024</b>	<b>758,466</b>	<b>39,665</b>	<b>86,097</b>	<b>-</b>	<b>234,781</b>

Mr Gilbert voluntarily took a pay cut in 2024 and subsequently returned to full contracted pay in 2025 with a base salary before superannuation of \$523,940.

The variable remuneration reflects the achievement of key operational and strategic objectives over a 3 year period since 2023, including successful exploration outcomes, completion of material commercial transactions, portfolio optimisation and renewal, cost reductions, and strengthened technical capability. These achievements were significant for the Company and have positioned it for ongoing success.

Mr Gilberts total remuneration, inclusive of cash benefits and non-received, non-monetary benefits was \$1,028,889 in 2025 and \$738,169 in 2024.

Mr Gilbert's Equity based incentives is based on historical cost of unvested rights. This expense is not a reflection of the remuneration received by Mr Gilbert and is illustrated above for purpose of accounting standards disclosure.

Ms Williams was appointed Chair on 22 August, and the remuneration of \$100,637 is reflective of the change in position.

Mr Byrne resigned from the board on 22 August, and the remuneration of \$100,388 is reflective of his resignation.

# DIRECTOR'S REPORT

## Executives Remuneration for the years ended 31 December 2025 and 31 December 2024

Executives	Year	REMUNERATION RECEIVED DURING THE PERIOD Short-Term and Post-Employment Benefits				REMUNERATION NOT RECEIVED DURING THE PERIOD
		Salary	Annual & Long Service Leave	Post – Employment Statutory Superannuation	Variable Remuneration	Statutory Expense
Oliver Mortensen	2025	332,000	13,347	50,694	101,603	69,000
	2024	306,137	2,743	28,448	23,251	95,017
<b>Total</b>	<b>2025</b>	<b>332,000</b>	<b>13,347</b>	<b>50,694</b>	<b>101,603</b>	<b>69,000</b>
<b>Remuneration</b>	<b>2024</b>	<b>306,137</b>	<b>2,743</b>	<b>28,448</b>	<b>23,251</b>	<b>95,017</b>

Mr Mortensen voluntarily took a pay cut in 2024 and subsequently returned to full contracted pay in 2025 with a base salary before superannuation of \$332,000.

The variable remuneration reflects the achievement of key operational and strategic objectives over a 3 year period since 2023, including successful exploration outcomes, completion of material commercial transactions, portfolio optimisation and renewal, cost reductions, and strengthened technical capability. These achievements were significant for the Company and have positioned it for ongoing success.

Mr Mortensen's total remuneration, inclusive of cash benefits and non-received, non-monetary benefits, was \$566,644 in 2025 and \$455,596 in 2024.

Mr Mortensen's Equity based incentives is based on historical cost and an acceleration of the cancelled unvested rights. This expense is not a reflection of the remuneration received by Mr Mortensen and is illustrated above for purpose of accounting standards disclosure.

### Proportion of fixed vs variable remuneration expense

KMP	Fixed Remuneration		Variable – STI (%)		Variable – LTI (%)	
	2025	2024	2025	2024	2025	2024
<b>Directors</b>						
Stephen Staley	100%	78%	-	-	-	22%
Ashley Gilbert	61%	75%	23%	-	16%	25%
Philip Byrne	100%	90%	-	-	-	10%
Joanne Williams	100%	80%	-	-	-	20%
<b>Executives</b>						
Oliver Mortensen	70%	74%	18%	5%	12%	21%

The number of shares held as at 31 December 2025 by Directors and Executives is set out in the table below.

### Shareholdings of KMP (direct and indirect holdings)

KMP	Opening Balance 1 January 2025	Acquired	Issue on exercise of equity instruments	Net Change / Other	Closing Balance 31 December 2025
<b>Directors</b>					
Stephen Staley	573,709	-	-	-	573,709
Ashley Gilbert	1,645,600	529,400	-	-	2,175,000
Philip Byrne	-	-	-	-	-
Joanne Williams	-	-	-	-	-
<b>Executives</b>					
Oliver Mortensen	-	-	-	-	-
<b>Total</b>	<b>2,219,309<sup>(i)</sup></b>	<b>529,400</b>	<b>-</b>	<b>-</b>	<b>2,748,709</b>

(i) The opening balance has been adjusted for share consolidation during the year.

# DIRECTOR'S REPORT

The number of performance rights held as at 31 December 2025 by Directors and Executives is set out in the table below.  
Performance Rights of KMP (direct and indirect holdings)

KMP	Opening 1 Jan 2025	Granted	Vested & Exercised	Net Change / Expired / Other	Closing 31 Dec 2025	Vested & Exercisable
<b>Directors</b>						
Stephen Staley	-	-	-	-	-	-
Ashley Gilbert	2,865,000	-	-	-	2,865,000	-
Philip Byrne	-	-	-	-	-	-
Joanne Williams	-	-	-	-	-	-
<b>Executives</b>						
Oliver Mortensen	1,402,000	-	(48,000)	(144,000)	1,210,000	-
<b>Total</b>	<b>4,267,000<sup>(i)</sup></b>	<b>-</b>	<b>(48,000)</b>	<b>(144,000)<sup>(ii)</sup></b>	<b>4,075,000</b>	<b>-</b>

(i) The opening balance has been adjusted for share consolidation during the year.

(ii) The change of 144,000 is represented by the expiration of performance rights due to not meeting tranche criteria conditions.

## E Service Agreements

Mr Ashley Gilbert – Managing Director

Contract: Engaged as an employee, commencing 28 January 2017 and appointed as Managing Director 10 May 2021.

Employee Salary: \$523,940 per annum plus superannuation. During the year, Mr Gilbert elected to cash out a component of his superannuation.

Performance Based Bonuses: The Company may at any time pay Mr Gilbert a performance-based bonus over and above his salary. In determining the extent of any performance-based bonus, the Company shall take into consideration the performance of Mr Gilbert and the Company.

Termination by Company is with 3 months' notice or payment in lieu thereof. Termination by Mr Gilbert is with 3 months' notice.

Termination Benefit: Termination benefits to the extent permitted under the ASX Listing Rules and Corporations Act are included in the contract in the event of certain termination events.

Ms Joanne Williams – Non-Executive Director

Contract: Commenced on 2 August 2021, appointed Chair 22 August 2025.

Director's Fee: A\$140,000 per annum plus superannuation.

Refer to Note 1 below for details pertaining to re-appointment and termination.

Mr Stephen Staley – Non-Executive Director

Contract: Commenced on 9 April 2014.

Director's Fee: \$65,000 per annum

Refer to Note 1 below for details pertaining to re-appointment and termination.

Mr Oliver Mortensen – Chief Financial Officer

Contract: Engaged as an employee commencing 15 November 2021

Employee Salary: \$332,000 per annum plus superannuation. During the year, Mr Mortensen elected to cash out a component of his superannuation.

Performance Based Bonuses: The Company may at any time pay Mr Mortensen a performance-based bonus, calculated as a percentage of salary, over and above his salary. In determining the extent of any performance-based bonus, the Company shall take into consideration the performance of Mr Mortensen and the Company.

Termination by Company is with 3 months' notice or payment in lieu thereof. Termination by Mr Mortensen is with 3 months' notice.

Termination Benefit: Termination benefits to the extent permitted under the ASX Listing Rules and Corporations Act are included in the contract in the event of certain termination events.

# DIRECTOR'S REPORT

Note 1: The term of each Non-Executive Director is open to the extent that they hold office subject to retirement by rotation, as per the Company's Constitution, at each AGM and are eligible for re-election as a Director at that meeting. Appointment shall cease automatically in the event that the Director gives written notice to the Board, or the Director is not re-elected as a Director by the shareholders of the Company. There are no entitlements to termination or notice periods.

## F Share-based Compensation

The Performance rights and options granted are to incentivise personnel to work towards and provide rewards for achieving the Company's strategic goals and improving the Company's value as determined by market price of its shares and length of tenure with the Company. The Company has the following Performance Rights and Options issued to KMP Directors and Executives in existence during the current and prior reporting periods.

### Unlisted Options:

There are no unlisted options to KMP's at 31 December 2025.

### Unlisted Performance Rights:

There are 4,075,000 Performance Rights held by Directors and Executives at 31 December 2025. (see Note 14).

There were no new Performance Rights Issued during 2025.

The Vesting Conditions for the Performance Rights expensed over the Reporting period are as follows:

Vesting Conditions for Absolute Share Price Growth (ASPG):

50% of the LTI Performance Rights will vest subject to a hurdle based on the Company's ASPG, as assessed based on the testing date, which will be calculated as follows:

$$\text{ASPG\%} = \frac{(\text{Hurdle Price} - \text{Allocation Price})}{\text{Allocation Price}} \times 100$$

- Hurdle Price = The volume weighted average price (VWAP) of a Company Share on the Australian Securities Exchange (ASX) for any 60 trading days on which the Shares have actually traded up to and including the last day of the performance period.
- Allocation Price = The VWAP of Shares calculated over the 60 trading days on which Shares have actually traded up to and including the first day of the relevant performance period. However, the Company has agreed to set a floor price for the 60-day VWAP, being \$0.25.

The ASPG portion of the LTI Performance Rights will Vest on the Testing Date on the following basis:

ASPG	Percentage of Performance Rights Vesting
<50%*	Nil
50%	25%
>50% and <100%	Between 25% and 50%, on a straight-line basis
100%	50%
>100% and <150%	Between 50% and 75%, on a straight-line basis
150%	75%
>150% and <200%	Between 75% and 100%, on a straight-line basis
200%	100%

Vesting Conditions for Total Shareholder Return (TSR):

- 50% of the LTI Performance Rights will vest subject to satisfaction of a relative TSR condition, as assessed based on the testing date.
- TSR is the percentage growth in shareholder value, which takes into account factors such as changes in share price and dividends paid.
- The Relative TSR performance condition measures the Company's ability to deliver superior shareholder returns relative to the average of its peer companies by comparing the TSR performance of the Company against the performance of the average of its nominated peer entities.
- Vesting will occur upon the Company achieving an appreciation in Share price that is greater than the average of the nominated Peer Entities.
- The Relative TSR portion of the LTI Performance Rights will Vest on the Testing Date on the following basis:
  - 0% Vests: If TSR of the Company is below the Peer Entities;
  - 50% Vests: if TSR of the Company is equal to the Peer Entities;
  - 100% Vests: if TSR of the Company exceeds the performance of the Peer Entities by 18 percentage points or more
  - Straight-line vesting on a proportionate amount occurs between these thresholds consistent with the above table. If Relative TSR is less than Peer Entities TSR then 0% vests and no proportionate amount applies.

A Monte Carlo simulation method has been used for the valuation of the above Performance Rights.

## G Equity Instruments Issued on Exercise of Remuneration Options

No new shares were issued on exercise of options during the 2025 financial year.

No remuneration options were exercised during the 2025 financial year.

No options are on issue to Key Management Personnel.

# DIRECTOR'S REPORT

## H Voting and comments made at the Company's 2025 Annual General Meeting

The adoption of the Remuneration Report for the financial year ended 31 December 2024 was put to the shareholders of the Company at the AGM held 6 May 2025. The resolution was passed without amendment on a poll, the Board acknowledges that only 67% of shareholders voted in favour of the adoption of the Remuneration Report resulting in a first strike under the Corporations Act. The Board is committed to rebuilding confidence and ensuring the remuneration framework supports the Company's strategic objectives, incentivises sustainable long-term value creation and aligns with shareholder expectations.

## I Loans with KMP

There were no loans made to / from any KMP during the year ended 31 December 2025 (2024: nil).

## J Other Transactions with KMP

In addition to the director service agreements, the Company's Non-Executive Directors were engaged during 2025 to provide consultancy services to the Company as follows:

Dr Stephen Staley has a consultancy agreement for an indefinite term that commenced on 2 November 2012. In accordance with the agreement, Dr Staley is to receive a minimum fee of £2,315.20 (\$A4,331) per calendar month, plus Value Added Tax or other sales tax if applicable, based on 2.5 working days per month. Any work that is carried out by the Consultant more than 2.5 working days per calendar month must be pre-approved by the Managing Director. Approved days will be remunerated at a rate of £1,000 (\$A 2,033) per day. On 31 December 2025 both parties agreed to conclude the contract of Derwent Limited with one month's payment in advance.

The following transactions occurred with related parties:

	2025 \$	2024 \$
Derwent Resources Limited <sup>(i)</sup>	<u>61,511</u>	<u>53,790</u>

During the year, the Company paid £30,097, A\$61,511 (2024: £27,782, A\$53,790) to Derwent Resources Limited for consultancy services. The amount has been translated to Australian Dollars at the average rate.

Consultant fees paid to associated entities were on normal commercial terms.

(i) On 31 December 2025 both parties mutually agreed to end the contract of Derwent Resources Limited.

## End of Audited Remuneration Report

# DIRECTOR'S REPORT

## Corporate Governance Statement

The Company's Corporate Governance Statement is set out on the Company's website:

<https://88energy.com/corporate-governance/>

## Financial Review

The financial results of the Group for the year ended 31 December 2025 are:

Metric	31 Dec 25 \$	31 Dec 24 \$	Change %
Cash and cash equivalents	<b>6,821,858</b>	7,198,567	<b>(5)</b>
Net Assets	<b>87,618,381</b>	148,637,240	<b>(41)</b>
Revenue and other income	<b>345,352</b>	821,553	<b>(58)</b>
Share of profit/(loss) from equity accounted investment	<b>(1,162,061)</b>	(1,463,930)	<b>(21)</b>
Net loss after tax	<b>(52,910,425)<sup>i</sup></b>	(32,819,026) <sup>ii</sup>	<b>(61)</b>

(i) In 2025 as a result of relinquishing 11 Peregrine blocks and 2 Umiat blocks, the Company has taken up impairments for Peregrine A\$28.5 million and Umiat A\$1.8 million. In addition, a A\$16.6 million impairment was reported for the sale of the Longhorn equity accounted asset.

(ii) In 2024 the Company impaired 105 Icewine West leases (A\$25.2 million) and 16 Project Phoenix leases (A\$3.7 million).

### Financial Position

Subject to the disclosures elsewhere in this report, the Directors believe the Group is in a stable financial position to continue to explore its projects and to identify new opportunities.

## Significant 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.

## Dividends

No dividends have been paid or declared by the Group since the end of the previous financial year.

No dividend is recommended in respect of the current financial year.

## Business risk

The Company makes every effort to identify material risks and to manage these effectively. This section does not attempt to provide an exhaustive list of risks faced by the Company or by investors in the Company, nor are they in order of significance.

The Board takes a pro-active approach to risk management and aims to manage these risks by careful planning of its activities and implementing risk control measures, whilst aligning risks to the Company's objectives.

### Exploration and Production Risks

The business of exploration for, and development and exploitation of, hydrocarbon deposits is speculative and involves a high degree of risk, which even a combination of careful evaluation, experience and knowledge may not eliminate. Hydrocarbon deposits assessed by the Group as contingent resources may not ultimately contain economically recoverable hydrocarbon reserves and even if they do, delays in the construction and commissioning of production projects or other technical difficulties may result in any projected target dates for production being delayed or further capital expenditure being required.

The operations of the Group may be disrupted, curtailed, delayed or cancelled by a variety of risks and hazards which are beyond the control of the Group, including unusual or unexpected geological formations, formation pressures, geotechnical and seismic factors, environmental hazards, industrial accidents, occupational and health hazards, technical failures, mechanical difficulties, equipment shortages, labour disputes, fires, explosions, power outages and extended interruptions due to inclement or hazardous weather conditions and other acts of God. Any one of these risks and hazards could result in work stoppages, damage to, or destruction of, the Group's facilities, personal injury, damage to life or property, environmental damage or pollution, business interruption, monetary losses and possible legal liability which could have a material adverse impact on the business, operations and financial performance of the Group. Although precautions to minimise risk are taken,

# DIRECTOR'S REPORT

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even a combination of careful evaluation, experience and knowledge may not eliminate all of the hazards and risks. In addition, not all of these risks are insurable.

As is common with many exploration ventures, there is uncertainty and therefore risk associated with the Group's operating parameters and costs which can be difficult to predict and are often affected by factors outside of the Group's control. Few exploration assets are ultimately developed into producing assets. There can be no guarantee that any estimates of quantities of hydrocarbons discovered by the Group will be available to exploit or extract. If reserves are developed, it can take significant expenditure and a number of years from the initial phases of drilling and identification of hydrocarbons until production is possible, during which time the economic feasibility of production may change. Substantial expenditures are required to establish hydrocarbon reserves through drilling and, in the case of new projects, to construct processing facilities and other relevant infrastructure. With many natural resources operations there is uncertainty and, therefore, risk associated with operating parameters and costs resulting from the scaling up of extraction methods tested in pilot conditions.

## **Environmental, health and safety and other Regulatory Standards**

The projects in which the Group invests, and its exploration and potential production activities are subject to various laws and regulations relating to the protection of the environment (including regular environmental impact assessments and the obtaining of appropriate permits or approvals by relevant environmental authorities) and are also required to comply with applicable health and safety and other regulatory standards. Environmental legislation in particular can, in certain jurisdictions, comprise numerous regulations which might conflict with one another, and which cannot be consistently interpreted.

Such regulations typically cover a wide variety of matters including, without limitation, prevention of waste, pollution and protection of the environment, labour regulations and worker safety. The Group may also be subject under such regulations to clean-up costs and liability for toxic or hazardous substances which may exist on or under any of its properties or which may be produced because of its operations. Consequently, although all necessary environmental consents for the Group's activities will be obtained and the Group intends to operate in accordance with applicable petroleum industry standards of environmental practice and comply in all material respects, full compliance with applicable environmental laws and regulations may not always be ensured.

Any failure to comply with relevant environmental, health and safety and other regulatory standards may subject the Group to extensive liability, fines and/or penalties and have an adverse effect on the business and operations, financial results or financial position of the Group. Furthermore, the future introduction or enactment of new laws, guidelines and regulations could serve to limit or curtail the growth and development of the Group's business or have an otherwise negative impact on its operations. Any changes to, and increases in, current regulation or legal requirements may have a material adverse effect upon the Group in terms of additional compliance costs.

## **Volatility in the price of Oil and Gas and the general Economic Climate**

The general economic climate and market price of, and demand for, oil and gas is volatile and is affected by a variety of factors which are beyond the Group's control. These include international supply and demand, the level of consumer product demand, weather conditions, the price and availability of alternative fuels, growth in gross domestic product, supply and demand of capital, employment trends, international economic trends, currency exchange rate fluctuations, the level of interest rates and the rate of inflation, the cost of freight, global or regional political events and international events, as well as a range of other market forces. The aggregate effect of these factors is impossible to predict. Sustained downward movements in oil and gas prices could render less economic, or wholly uneconomic, some or all of the exploration and potential future oil and gas production related activities to be undertaken by the Group.

## **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:

- The discovery and/or acquisition of economically recoverable reserves.
- Access to adequate capital for project development.
- Government regulations and maintaining licence permits in locations such as Alaska, Texas and Namibia.
- Obtaining consents and approvals necessary for the conduct of oil & gas exploration.
- Access to competent operational management and prudent financial administration, including the availability and reliability of appropriately skilled and experienced employees, contractors, and consultants.
- Availability of equipment and services, such as drilling rigs, within the necessary time frame.
- The possibility that liabilities may arise because of labour accidents, workforce misfortunes, labour shortage, labour delays or restrictions during exploration activities.

# DIRECTOR'S REPORT

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- Cash flow and compliance by the Groups farm-out and Joint Venture partners specifically its Project Phoenix JV Partner, Burgundy Xploration LLC and its Namibian Joint Venture Partner in Monitor Exploration Ltd.

## General Risk

- Additional requirements for capital

Additional funding may be required in the event future costs exceed the Company's estimates and to effectively implement its business and operations plans in the future, to take advantage of opportunities for acquisitions, joint ventures or other business opportunities, and to meet any unanticipated liabilities or expenses which the Company may incur.

- General economic conditions and other global or national issues

General economic conditions, laws relating to taxation, new legislation, trade barriers, movements in interest and inflation rates, currency exchange controls and rates, national and international political circumstances (including outbreaks in international hostilities, wars, terrorist acts, sabotage, subversive activities, security operations, labour unrest, civil disorder, and states of emergency), natural disasters (including fires, earthquakes and floods), and quarantine restrictions, epidemics and pandemics, may have an adverse effect on the Company's operations and financial performance, including the Company's exploration, development and production activities, as well as on its ability to fund those activities. General economic conditions may also affect the value of the Company and its market valuation regardless of its actual performance.

- Equity market conditions

Securities listed on the stock market can experience extreme price and volume fluctuations that are often unrelated to the operating performances of such companies. The market price of Shares may fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general. General factors that may affect the market price of Shares include economic conditions in Australia, the United Kingdom and internationally (particularly Australian, US and Chinese economic conditions), investor sentiment, local and international share market conditions, changes in interest rates and the rate of inflation, variations in commodity prices, the global security situation and the possibility of terrorist disturbances, changes to government regulation, policy or legislation, changes which may occur to the taxation of companies as a result of changes in Australian and foreign taxation laws, changes to the system of dividend imputation in Australia, and changes in exchange rates.

AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the UK Listing Authority. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser.

- Change in government policy and legislation

Any material adverse changes in relevant government policies or legislation of Australia may affect the viability and profitability of the Company, and consequent returns to investors. The activities of the Company are subject to various federal, state and local laws governing prospecting, development, production, taxes, labour standards and occupational health and safety, and other matters.

- Litigation risks

The Company is exposed to possible litigation risks including intellectual property claims, contractual disputes, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. The Company is not currently engaged in any litigation.

# DIRECTOR'S REPORT

## Events Subsequent to Reporting Date

### Prospective Resource Update

On 19 February 2026, 88 Energy announced the results of its internal prospective resource assessment across its South Prudhoe acreage (100% working interest, 16.7% royalty). The acreage incorporates newly secured leases together with the former Project Leonis area, consolidating a highly strategic corridor of stacked reservoirs with direct access to existing infrastructure. Highlights:

- The update confirms material multi-million-barrel potential across multiple mapped prospects within five independent reservoir intervals, including maiden estimates for the Ivishak and Kuparuk reservoirs.
- All prospects are covered by modern 3D seismic data.
- The combined internal Prospective Resource estimate Gross (2U) Best Estimate of 507 million barrels (MMbbls) of oil and natural gas liquids (NGLs) (422 MMbbls net)<sup>1,2</sup>.
- Additional Brookian Resource upside expected to be defined within the North-West Hub, with multiple targets identified on the newly purchased Schrader Bluff 3D seismic data.
- Farm-out discussions and well planning underway targeting the multi-zone Augusta Prospect, which is adjacent to the Hemi Springs State-1 discovery well.
- Resources estimated for the North-West and South-East hubs support satellite development potential through existing third-party infrastructure.

## Likely Developments

Likely developments, prospects, and business strategies of the operations of the Group and the expected results of those operations have not been included in this Report as the Directors believe, on reasonable grounds, that the inclusion of such information would be likely to result in unreasonable prejudice to the Group.

## Environmental Issues

The Group is aware of its environmental obligations with regards to its exploration activities and ensures that it complies with all regulations when carrying out any exploration work.

The Directors of the Group are not aware of any breach of environmental legislation for the year under audit.

## Proceedings on behalf of the Company

No person has applied to the court under section 237 of the *Corporation Act 2001* ("the Act") for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the court under section 237 of the Act.

## Indemnification of Directors, Officers and Auditors

During the year ended 31 December 2025, the Company paid premiums in respect of a contract ensuring the directors and officers of the Company against liabilities incurred as directors or officers to the extent permitted by the Corporations Act 2001.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the consolidated entity, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for them or someone else or to cause detriment to the Company. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

1. Cautionary Statement: Prospective Resources are estimated quantities of petroleum that may be potentially recovered by the application of a future development project and relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration, appraisal and evaluation are required to determine the existence of a significant quantity of potentially recoverable hydrocarbons.
2. Refer to ASX announcement dated 19 February 2026 for full details

# DIRECTOR'S REPORT

## Non-Audit Services

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the group are important.

Details of the amounts paid or payable to the auditors, BDO Audit Pty Ltd, for non-audit services provided during the year are set out below.

The Board of Directors has considered the position and is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the provision of non-audit services by the auditors, as set out below, did not compromise the auditor independent requirements of the Corporations Act 2001 for the following reasons:

- All non-audit services have been reviewed by the Board of Directors to ensure they do not impact the impartiality and objectivity of the auditor; and
- None of the services undermine the general principles relating to the auditor independence as set out in APES 110 Code of Ethics for Professional Accountants.

	2025 \$	2024 \$
<b>Non-Audit Services</b>		
Remuneration for other services		
BDO USA – Taxation Services	80,493	61,563
Total Non-Audit Services	80,493	61,563

# DIRECTOR'S REPORT

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## Auditor's Independence Declaration

The Auditor's Independence Declaration is set out on page 30 and forms part of the Directors' Report for the financial year ended 31 December 2025.

Signed in accordance with a resolution of Directors made pursuant to s298 (2) of the Corporations Act 2001. This Report is made with a resolution of the Directors.



**Mr Ashley Gilbert**

Managing Director

23rd March 2026

# AUDITOR'S INDEPENDENCE DECLARATION

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## DECLARATION OF INDEPENDENCE BY ASHLEIGH WOODLEY TO THE DIRECTORS OF 88 ENERGY LIMITED

As lead auditor of 88 Energy Limited for the year ended 31 December 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 88 Energy Limited 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  
23 March 2026

BDO Audit Pty Ltd ABN 33 134 022 870 is a member of a national association of independent entities which are all members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation.

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

## FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	2025 \$	2024 \$
Other income	3(a)	345,352	821,553
Share of profit/(loss) from equity accounted investment	9	(1,162,061)	(1,463,930)
Administrative expenses	3(b)	(1,813,929)	(987,160)
Occupancy expenses		(34,642)	(31,233)
Employee benefit expenses	3(c)	(2,344,226)	(2,360,360)
Share-based payment expense	14	(326,683)	(136,879)
Depreciation and amortisation expense		(90,717)	(79,052)
Finance cost		(2,178)	(2,050)
Other expenses		(36,104)	(673,415)
Foreign exchange (loss) / gain		(478,851)	1,035,872
Impairment of Exploration & Evaluation Asset	3(d)	(30,301,809)	(28,942,372)
Impairment of Investment in Associate Asset	3(e)	(16,664,577)	-
<b>Loss before income tax</b>		<b>(52,910,425)</b>	<b>(32,819,026)</b>
Income tax expense	4	-	-
<b>Loss after income tax for the year</b>		<b>(52,910,425)</b>	<b>(32,819,026)</b>
<b>Other comprehensive income / (loss) for the year</b>			
<i>Items that may be reclassified to profit or loss</i>			
Exchange differences on translation of foreign operations		(8,432,367)	13,078,386
<b>Other comprehensive income / (loss) for the year, net of tax</b>		<b>(8,432,367)</b>	<b>13,078,386</b>
<b>Total comprehensive income / (loss) for the year attributable to members of 88 Energy Limited</b>		<b>(61,342,792)</b>	<b>(19,740,640)</b>
<b>Loss per share for the year attributable to the members of 88 Energy Limited:</b>			
Basic and diluted loss per share <sup>(i)</sup>	5	(0.0457)	(0.0275)

(i) As approved by shareholders on 6 May 2025 a share consolidation of capital was completed during the year on a one share for every twenty-five shares held. The 2024 comparative has been amended to reflect the consolidation.

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

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## AS AT 31 DECEMBER 2025

	Note	2025 \$	2024 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	6(a)	6,821,858	7,198,567
Trade and other receivables	7	3,735,245	5,596,273
<b>Total Current Assets</b>		<b>10,557,103</b>	12,794,840
<b>Non-Current Assets</b>			
Plant and equipment		57,633	30,761
Exploration and evaluation expenditure	8	76,846,962	113,929,186
Other Assets		519,350	550,768
Equity accounted investments	9	-	21,688,470
<b>Total Non-Current Assets</b>		<b>77,423,945</b>	136,199,185
<b>TOTAL ASSETS</b>		<b>87,981,048</b>	148,994,025
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables		129,189	107,374
Provisions		233,478	249,411
<b>Total Current Liabilities</b>		<b>362,667</b>	356,785
<b>TOTAL LIABILITIES</b>		<b>362,667</b>	356,785
<b>NET ASSETS</b>		<b>87,618,381</b>	148,637,240
<b>EQUITY</b>			
Contributed equity	10	392,621,587	392,621,587
Reserves	11	34,930,720	43,039,154
Accumulated losses		(339,933,926)	(287,023,501)
<b>TOTAL EQUITY</b>		<b>87,618,381</b>	148,637,240

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

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Issued Capital \$	Reserves \$	Accumulated Losses \$	Total \$
<b>At 1 January 2025</b>	<b>392,621,587</b>	<b>43,039,154</b>	<b>(287,023,501)</b>	<b>148,637,240</b>
Loss for the year	-	-	(52,910,425)	(52,910,425)
Other comprehensive income	-	(8,432,367)	-	(8,432,367)
<b>Total comprehensive income/(loss) for the year after tax</b>	<b>-</b>	<b>(8,432,367)</b>	<b>(52,910,425)</b>	<b>(61,342,792)</b>
<b>Transactions with owners in their capacity as owners:</b>				
Issue of share capital	-	-	-	-
Issue of shares for vested PR's	-	-	-	-
Issue of Options	-	-	-	-
Settlement of vested PR's	-	(2,750)	-	(2,750)
Share-based payments	-	326,683	-	326,683
Share issue costs	-	-	-	-
<b>Balance at 31 December 2025</b>	<b>392,621,587</b>	<b>34,930,720</b>	<b>(339,933,926)</b>	<b>87,618,381</b>
<b>At 1 January 2024</b>				
<b>At 1 January 2024</b>	<b>379,917,222</b>	<b>29,972,652</b>	<b>(254,204,475)</b>	<b>155,685,399</b>
Loss for the year	-	-	(32,819,026)	(32,819,026)
Other comprehensive income	-	13,078,386	-	13,078,386
<b>Total comprehensive income/(loss) for the year after tax</b>	<b>-</b>	<b>13,078,386</b>	<b>(32,819,026)</b>	<b>(19,740,640)</b>
<b>Transactions with owners in their capacity as owners:</b>				
Issue of share capital <sup>(i)</sup>	13,640,201	-	-	13,640,201
Issue of Options	-	275,462	-	275,462
Settlement of vested PR's	-	(424,226)	-	(424,226)
Share-based payments	-	136,879	-	136,879
Share issue costs	(935,836)	-	-	(935,836)
<b>Balance at 31 December 2024</b>	<b>392,621,587</b>	<b>43,039,154</b>	<b>(287,023,501)</b>	<b>148,637,240</b>

(i) For the purposes of the Consolidated Statement of Cash Flows, proceeds from issue of shares was \$9.6 million with the balance for payment of 2D Seismic commitment to Monitor Exploration as per Farm In Agreement.

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

# CONSOLIDATED STATEMENT OF CASH FLOWS

## FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	2025 \$	2024 \$
<b>Cash flows from operating activities</b>			
Payment to suppliers and employees		(4,275,259)	(3,546,555)
Interest and other income received		99,191	131,912
<b>Net cash flows used in operating activities</b>	6(b)	<b>(4,176,068)</b>	<b>(3,414,643)</b>
<b>Cash flows from investing activities</b>			
Payments for exploration and evaluation activities	8	(4,844,218)	(25,312,056)
Contribution from Joint Operation Partners in relation to exploration		6,421,139	5,042,419
Proceeds (payment) for bonds		-	609,086
Distribution from Equity Accounted Investments		261,841	2,284,633
Proceeds from sale of Longhorn		2,491,611	-
<b>Net cash flows generated from/used in investing activities</b>		<b>4,330,373</b>	<b>(17,375,918)</b>
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares	10	-	9,695,924
Share issue costs		-	(669,781)
<b>Net cash flows from financing activities</b>		<b>-</b>	<b>9,026,143</b>
Net increase/(decrease) in cash and cash equivalents		154,305	(11,764,418)
<b>Cash and cash equivalents at the beginning of the year</b>		<b>7,198,567</b>	<b>18,182,727</b>
Effect of exchange rate fluctuations on cash held		(531,015)	780,258
<b>Cash and cash equivalents at end of year</b>	6(a)	<b>6,821,858</b>	<b>7,198,567</b>

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

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 1 Summary of material accounting policies

### a) Reporting Entity

88 Energy Limited (referred to as “88 Energy” or the “Company”) is a company domiciled in Australia and listed on the ASX, AIM and OTC Markets. The address of the Company’s registered office and principal place of business is disclosed in the Corporate Directory of the Annual Report. The consolidated financial statements of the Company as at and for the year ended 31 December 2025 comprise the Company and its subsidiaries (together referred to as the “Consolidated Entity” or the “Group”). The Group is primarily involved in oil and gas exploration in Alaska.

### b) New Standards and Interpretations

New or amended Accounting Standards and Interpretations adopted:

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period.

The Group has no transactions that are affected materially by new effective accounting standards.

New accounting Standards and Interpretations not yet mandatory or early adopted:

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 31 December 2025.

The Group is currently assessing the impact of AASB 18 on its financial reporting, including potential changes to presentation, classification and disclosures. The Standard has not been early adopted in the current reporting period, and the financial statements continue to be prepared in accordance with the existing requirements of Australian Accounting Standards, including AASB 101.

The Group has not yet assessed the impact of the remaining new or amended Accounting Standards and Interpretations.

### Basis of Preparation

Statement of compliance

The consolidated financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (“AASB”) and the Corporations Act 2001. The consolidated financial statements comply with International Financial Reporting Standards (“IFRS”) adopted by the International Accounting Standards Board (“IASB”). 88 Energy Limited is a for-profit entity for the purpose of preparing the financial statements.

The annual report was authorised for issue by the Board of Directors on 20 March 2026.

### c) Going Concern

For the year ended 31 December 2025, the Group recorded a loss of A\$52 million (2024: loss A\$32 million) and experienced net cash outflows from operating activities of A\$4.1 million (2024: outflows A\$3.4 million). At 31 December 2025, the Group had a working capital balance of A\$10.1 million (2024: A\$12.3 million).

The ability of the Group to continue as a going concern is dependent on its ability to manage the Company’s working capital requirements and, if required to meet its objectives, the Company has potential funding avenues including cash, debt, farmouts and equity markets. In addition, the going concern cash flow has included lease costs associated with the Group’s acreage position which are discretionary and the Company may at any point decide to relinquish leases to meet its committed expenditure.

These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Group’s ability to continue as a going concern and, therefore, that the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. The Directors and Management believe there are sufficient funds to meet the Group’s working capital requirements as at the date of this report.

The financial statements have been prepared on the basis that the Group is a going concern, which contemplates continuity of normal business activities, realisation of assets, and settlement of liabilities in the ordinary course of business.

This conclusion is based on a strong cash balance position of A\$6.8 million at 31 December, the lease obligations and exploration spend being discretionary, and the Group holding a contractual right to receive U\$2.25 million from Burgundy Xploration, with Burgundy having provided written confirmation acknowledging this agreement and outstanding amount and the ability for the Group to raise additional equity as an when required.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Should the Group not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business and at amounts that differ from those stated in the financial statements. The financial report does not include any adjustments relating to the recoverability and classification of recorded assets or liabilities that may be necessary if the Group is unable to continue as a going concern.

## Significant Judgements and Estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgements in the process of applying the consolidated entity's accounting policies. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses.

The resulting accounting judgements and estimates that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are discussed below:

- 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 or whether activities have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves. For the period ending 31 December 25, the Company undertook an impairment assessment for its Phoenix, Leonis Peregrine and Umiat Projects and as a consequence of relinquishing its Peregrine and Umiat Leases impairment indicators were identified. As a result, the company has recognised an impairment of A\$28.5 million for Peregrine and A\$1.8 million for Umiat. No other explorations and evaluation impairment indicators were identified.

## d) Foreign Currency Translation

Functional and presentation currency

The consolidated financial statements are presented in Australian dollars. 88 Energy Limited's functional and presentation currency is AUD and subsidiaries with operations in the U.S. and Namibia have a functional currency of USD.

## e) Exploration & Evaluation Expenditure

The accounting policy adopted by the Group is as follows:

- Pre-licence costs are expensed in the period in which they are incurred.
- Exploration licence and leasehold property acquisition costs are capitalised in exploration and evaluation expenditure.
- Licence and property acquisition costs are reviewed at each reporting date to confirm that there is no indication that the carrying amount exceeds the recoverable amount. This review includes confirming that exploration drilling is still under way or firmly planned, or that it has been determined, or work is underway to determine that the discovery is economically viable based on a range of technical and commercial considerations and sufficient progress is being made on establishing plans and timing.

If no future activity is planned or the licence has been relinquished or has expired, the carrying value of the licence and property acquisition costs is written off through profit or loss. Upon recognition of proved reserves and internal approval for development, the relevant expenditure is transferred to oil and gas properties.

The Company accounts for exploration and evaluation activities as follows:

- Acquisition costs - Exploration and evaluation costs arising from acquisitions are carried forward where exploration and evaluation activities have not, at reporting date, reached a stage to allow a reasonable assessment of economically recoverable reserves.
- Exploration and evaluation expenditure - Costs arising from on-going exploration and evaluation activities are assessed on a project basis.

Project Phoenix, Project Leonis, and Namibia: Exploration and evaluation expenditure associated with these projects are capitalised to the Statement of Financial Position in accordance with AASB 6 Exploration for and Evaluation of Mineral Resources. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

All geological and geophysical costs, dry hole costs and unproved leasehold costs are also expensed as incurred in accordance with the successful effort's method of accounting for oil and gas exploration and evaluation expenditure.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Joint Venture contributions received, and any back costs received on farm-in are offset against exploration and evaluation costs.

There are currently no other active projects other than noted above.

## f) Oil and Gas Properties

- Producing assets - Producing projects are stated at cost less accumulated depletion. The carrying value of oil and gas properties is reviewed annually by management to ensure it is not more than the recoverable amount. The recoverable amount of an asset or Cash Generating Unit (CGU) is the greater of its fair value less costs of disposal (FVLCD) and its value-in-use (VIU), using an asset's estimated future cashflows (as described below) 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.
- Drilling and completion costs Where the Company has a non-operated interest in an oil or gas property, it may periodically be required to make a cash contribution for its share of the Operator's estimated drilling and/or completion costs.
- Commencement of production - When a well comes into commercial production, accumulated expenditure for the relevant area of interest is depleted on a unit of production basis.
- Depletion of producing projects - The Group uses the units of production (UOP) approach when depleting field-specific assets. Using this method of depletion requires the Group to compare the actual volume of production to the reserves and then to apply this determined rate of depletion to the carrying value of the depreciable asset. Capitalised producing project costs relating to commercially producing fields are depleted using the UOP basis once commercial quantities are being produced within an area of interest. The reserves used in these calculations are the proved plus probable reserves (2P) and are reviewed annually.

## g) 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 exceeds its recoverable amount, the asset 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. In determining fair value less costs to sell, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset.

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 assumptions 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 no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss. 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.

## h) Contributed equity

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration. If the entity reacquires its own

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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equity instruments, for example as a result of a share buy-back, those instruments are deducted from equity, and the associated shares are cancelled. No gain or loss is recognised in the profit or loss and the consideration paid including any directly attributable incremental costs (net of income taxes) is recognised directly in equity.

## **i) Equity Accounted Investments**

Joint ventures are joint arrangements in which the parties with joint control of the arrangement have rights to the net assets of the arrangement. Joint arrangements exist when two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. A separate vehicle, not the parties, will have the rights to the assets and obligations to the liabilities, relating to the arrangement. If more than an insignificant share of output from a joint venture is sold to third parties, this indicates that the joint venture is not dependent on the parties to the arrangement for funding and that the parties to the arrangement have no obligation for the liabilities of the arrangement. Joint ventures are accounted for using equity method.

Equity accounted investments are initially recorded at cost, including the value of any goodwill on acquisition. In subsequent periods, the carrying amount of the investment is adjusted to reflect the share of past-acquisition profit or loss and other comprehensive income. After application of the equity method, including recognising the Group's share of the joint venture's results, the value of the investment will be assessed for impairment if there is objective evidence that an impairment of the investment may have occurred. Where the carrying value of an equity accounted investment is reduced to nil after having applied equity accounting principles (and the Group has no legal or constructive obligation to make further payments, not has made payments on behalf of the associate or joint venture), dividends received from the associate or joint venture will be recognised as a 'Share of profit/(loss) of equity accounted investment'.

## **2 Critical accounting estimates and judgements and assessments**

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The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

### **a) 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 or whether activities have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves.

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

To the extent that capitalised exploration and evaluation expenditure is determined not to be recoverable in the future, this will reduce profits and net assets in the period in which this determination is made.

For the period ending 31 December 25, the Company undertook an impairment assessment for its Phoenix, Leonis, Peregrine and Umiat Projects and because of relinquishing its Peregrine and Umiat Leases impairment indicators were identified. As a result, the company has recognised an impairment of A\$28.5 million for Peregrine and A\$1.8 million for Umiat. No other explorations and Evaluation impairment indicators were identified.

### **b) Recoverability of Receivables**

At 31 December 2025, the Company has recorded a receivable of A\$3.36 million (US\$2.25 million) associated with a settlement agreement for Burgundy Xploration, LLC utilising the Icewine 3D seismic data. Total settlement is US\$2.4 million of which US\$150,000 was paid on 1 December 2025 by Burgundy Exploration, LLC. The remaining balance of US\$2.25 million is receivable within 60 days of Burgundy's successful public listing (IPO). A successful IPO is anticipated by 30 April 2026, which represents

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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the agreed deadline for the participation agreement extension with Burgundy. Based on this timeline the remaining U\$2.25 million is expected to be received by 30 June 2026.

### **c) Share-based payments**

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 14.

Non-market based performance conditions are assessed by the Company for the best estimate of likelihood of conditions being met and vesting, and timing of recognition of expense.

### **d) Income taxes**

The consolidated entity is subject to income taxes in Australia and foreign jurisdictions where it has operations. Significant judgement is required in determining the worldwide provision for income taxes. There are certain transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The consolidated entity estimates its tax liabilities based on the consolidated entity's understanding of the tax law. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 3 Revenue and expenses

	2025 \$	2024 \$
<b>3a. Income</b>		
Interest Revenue <sup>(i)</sup>	345,352	821,553
	<b>345,352</b>	<b>821,553</b>
<b>3b. Administrative expenses</b>		
Consultancy and professional fees	739,617	532,498
Legal fees	165,202	94,299
Travel costs	227,592	117,702
General and administration expenses, net of recoveries <sup>(ii)</sup>	681,518	242,660
	<b>1,813,929</b>	<b>987,160</b>
<b>3c. Employee benefit expenses</b>		
Wages and salaries	1,991,995	1,957,718
Superannuation	145,227	165,021
Annual leave accrued	111,457	76,775
Other employee expenses	95,547	160,846
	<b>2,344,226</b>	<b>2,360,360</b>
<b>3d. Impairment of Exploration and Evaluation</b>		
Impairment – Icewine West and Phoenix Leases	-	28,945,595
Exploration & Evaluation expensed	-	(3,223)
Impairment – Project Peregrine (refer Note 8)	28,521,553	-
Impairment – Project Umiat (refer Note 8)	1,780,256	-
	<b>30,301,809</b>	<b>28,942,372</b>
<b>3e. Impairment of Investment in Associate</b>		
Impairment of Investment in Associate in Asset	16,664,577	-
	<b>16,664,577</b>	<b>-</b>

(i) Includes Interest charged to Burgundy Xploration on outstanding cash calls as part of the Standstill Agreement.

(ii) General and administrative expenses are shown net of recoveries of \$580,839 mainly from the Project Leonis and Phoenix. The recoveries represent costs, including time spent by the Consolidated Group's employees on exploration and appraisal interest of the Joint Venture Projects, which get capitalised to the applicable exploration and appraisal area of interest.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 4 Income tax

	2025 \$	2024 \$
<b>The components of tax expense comprise:</b>		
Current tax	-	-
Deferred tax	-	-
Income tax expense reported in the profit or loss and other comprehensive income		
Loss before income tax expense	<b>(52,910,425)</b>	(32,819,026)
Prima facie tax benefit on loss before income tax at 30% (2024: 30%)	<b>(13,227,606)</b>	(9,845,708)
Under provision in prior year	-	-
Tax Effect of:		
Foreign expenditure not brought to account	<b>670,373</b>	354,508
Tax Rate differential on non-Australian income	<b>2,439,786</b>	1,894,062
Non-assessable/deductible items:		
Non-deductible entertainment expenses	<b>1,603</b>	1,286
Other non-deductible expenses	<b>5,228,255</b>	2,819,933
Share based payments	<b>81,671</b>	41,064
Deferred tax asset on temporary differences and tax losses not brought to account	<b>4,805,917</b>	4,734,855
Income tax expense for the year	-	-
<b>(b) Deferred income tax</b>		
Deferred tax liabilities	<b>(113,456)</b>	(136,146)
Deferred tax assets	<b>69,090,400</b>	75,839,570
Deferred tax assets not recognised on temporary differences and tax losses	<b>(68,976,944)</b>	(75,703,423)
Net deferred tax assets	-	-

The Group has unutilised tax losses for which no deferred tax asset is recognised on the reporting date of \$53.8 million (2024: \$51.2 million) which are available indefinitely for offset against future tax gains subject to continuing to meet relevant statutory tests.

The deferred tax asset not brought to account will only be obtained if:

- future assessable income is derived of a nature and of an amount sufficient to enable the benefit to be realised.
- the conditions for deductibility imposed by tax legislation continue to be complied with; and
- the Company is able to meet the continuity of business tests and/ or continuity of ownership.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 5 Loss per share

Basic loss per share amounts are calculated by dividing net loss for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted loss per share amounts are calculated by dividing the net loss attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

	2025 \$	2024 \$
Net (loss) for the year	<b>(52,910,425)</b>	(32,819,026)
Weighted average number of ordinary shares for basic and diluted loss per share <sup>(i)</sup>	<b>1,157,350,417</b>	1,104,815,613

(i) As approved by shareholders on 6 May 2025, a share consolidation of capital was completed during the year on a one share for every twenty-five shares held.

Options on issue are not considered dilutive to the earnings per share as the Company is in a loss-making position.

Continuing operations

Basic and diluted loss per share (\$)	<b>(0.0457)</b>	<b>(0.0275)</b>
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## 6 Cash and cash equivalents

	2025 \$	2024 \$
<b>(a) Cash details</b>		
Cash at bank and in hand <sup>(i)</sup>	<b>6,821,858</b>	7,198,567
	<b>6,821,858</b>	7,198,567

Cash at banks earns interest at floating rates based on daily deposit rates. Short-term deposits are made in varying periods between one day and three months, depending on the immediate cash requirements of the Group and earn interest at the respective short-term deposit rates.

(i) There is no restriction on cash for JV Operations for the year ended 31 December 2025 (31 December 2024: \$0).

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## (b) Reconciliation of net loss after tax to net cash flows from operations

	2025 \$	2024 \$
Loss for the financial year	<b>(52,910,425)</b>	(32,819,026)
<i>Adjustments for:</i>		
Other Income	<b>(246,268)</b>	(690,239)
Share of profit (loss) on equity accounted investment <sup>(i)</sup>	<b>1,162,061</b>	1,463,930
Other Expenses	<b>(52,005)</b>	986,242
Depreciation	<b>90,717</b>	79,052
(Loss)/Gain on foreign exchange	<b>478,851</b>	(1,035,871)
Share based payments	<b>326,683</b>	136,879
Finance Costs	<b>2,050</b>	2,051
Impairment of exploration & investments	<b>46,966,386</b>	28,945,595
Changes in assets and liabilities		
Decrease / (increase) in receivables	-	-
Increase / (decrease) in trade and other payables	<b>21,815</b>	(449,170)
Increase / (decrease) in provisions	<b>(15,933)</b>	(34,086)
<b>Net cash used in operating activities</b>	<b>(4,176,068)</b>	<b>(3,414,643)</b>

(i) Share of profit (loss) on equity accounted investment has been split out other income in both current year and comparative year to allow for better presentation.

## 7 Trade and other receivables

	2025 \$	2024 \$
Other deposits and receivables <sup>(i)</sup>	<b>3,735,245</b>	5,596,273
	<b>3,735,245</b>	5,596,273

Due to the short-term nature of other receivables, the expected fair value approximates their carrying values as at 31 December 2025 and 31 December 2024.

(i) Receivables in 2025 are predominately due from Burgundy Xploration LLC agreed in November 2025 to pay US\$2.4 million (A\$3.33 million) to 88 Energy for access to the historical Icewine 3D seismic data, acquired solely by 88 Energy in 2018. An initial payment of US\$150,000 was received on 1 December 2025, with the balance of US\$2.25 million payable within 60 days of a successful Initial Public Offering (IPO). The payment of this balance by Burgundy upon a successful IPO is regarded solely as a timing mechanism. The receivable represents a contractual right to receive the payment from Burgundy irrespective of whether an IPO occurs.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 8 Exploration and evaluation expenditure

	2025 \$	2024 \$
Carrying amount of exploration and evaluation expenditure	<b>76,846,962</b>	113,929,186
Movement reconciliation		
Balance at the beginning of the financial year	<b>113,929,186</b>	110,588,395
Additions <sup>(i)</sup>	<b>4,879,709</b>	29,842,886
JV Contributions <sup>(ii)</sup>	<b>(4,588,181)</b>	(6,104,039)
Less Impairment <sup>(iii)</sup>	<b>(30,301,809)</b>	(28,945,595)
Foreign currency translation	<b>(7,071,943)</b>	8,547,539
Closing balance	<b>76,846,962</b>	113,929,186

- (i) E&E additions from Project Leonis (A\$2.3 million) for annual leases rentals and bid deposit costs for the 7 South Prudhoe leases and 7 Kad River East Leases; Project Phoenix (A\$1.2 million) for annual lease rentals fully reimbursed by Burgundy as part of the farmout agreement; and Namibia PEL 93 – (A\$1.2 million) for 2025 work program. Refer to details below. For the purposes of the Consolidated Statement of Cash Flow's, all of the additions were paid from cash at bank.
- (ii) JV Contributions received from Burgundy Xploration LLC for Project Phoenix Leases paid by 88E, and the historical Icewine 3D settlement agreement of US\$2.4M, of which the residual of US\$2.25 million is due within 60 days of Burgundy's IPO.
- (iii) In Q4 2025, 88 Energy relinquished its non-core assets Peregrine and Umiat prior to the end of their suspension period. The Company deemed the assets non-core and have been suspended since 2023 following changes to the NPRA regulations. The relinquishment included all 11 blocks associated with Peregrine and the 2 Umiat blocks. The relinquishment of these projects ensures capital and technical effort are concentrated on assets offering superior subsurface characteristics, proximal to existing infrastructure, and strong potential for near term value generation. As a result of the relinquishment, impairments have been taken up for Peregrine -A\$28.5 million and Umiat -A\$1.8 million.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 9 Equity accounted investment

The Group's interest in equity accounted investment with the most significant contribution the Group's net profit/(loss) or net assets, are as follows:

Significant joint venture	Country of incorporation	Principal activity	Reporting date	Ownership interest %
Bighorn Energy LLC <sup>(i)</sup>	USA	Oil & Gas Production	31 December 2025	2024 - 75 2025 - nil

(i) Whilst the Group held a greater than 50 per cent interest in the Bighorn Energy joint ventures, joint control was contractually achieved as joint venture parties unanimously consented on decisions over the joint venture's relevant activities.

	2025 \$	2024 \$
<b>Investment in equity accounted investments</b>		
At the beginning of the financial year	21,688,470	23,251,219
Contribution of capital Bighorn	-	-
Share of profit/(loss) of equity accounted investments	(1,162,061)	(1,463,930)
Foreign Exchange gain/(loss)	(1,091,536)	2,185,814
Distribution received from equity accounted investments	(261,841)	(2,284,633)
Disposal of Investment in equity accounted investments <sup>(i)</sup>	(19,173,032)	-
<b>At the end of the financial year</b>	-	21,688,470
<b>Carrying amount of equity accounted investment</b>	-	21,688,470
<b>Share of profit/(loss) of equity accounted investment</b>	(1,162,061)	(1,463,930)
<b>Reconciliation of carrying amount of equity accounted investment</b>		
Bighorn Energy LLC		
Current Assets	1,490,412	1,822,752
Non-Current Assets	32,430,724	35,899,952
Current Liabilities	(5,116,464)	(5,390,537)
Non-Current Liabilities	(2,122,000)	(2,235,660)
<b>Net Assets – 100%</b>	<b>26,682,672</b>	<b>30,096,506</b>
Net assets – the Group's share	20,012,004	22,572,380
Prepaid contributed capital and FX	(838,972)	(883,910)
Disposal of Investment in equity accounted investments	(19,173,032)	-
<b>Carrying amount of equity accounted investments</b>	-	21,688,470
<b>Reconciliation of share of profit/(loss) of equity accounted investment</b>		
Revenue – 100%	3,432,090	9,017,230
Profit/(loss) after tax – 100%	(1,549,415)	(1,951,906)
Profit/(loss) after tax – the Group's share (75%)	(1,162,061)	(1,463,930)
<b>Share of profit/(loss) of equity accounted investments</b>	<b>(1,162,061)</b>	<b>(1,463,930)</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

<sup>(i)</sup> Sale consideration received for the equity accounted investment was A\$2.5 million / US\$1.6 million reflecting the PDP reserves of the asset at the June 2025 strip revenue pricing (no undeveloped reserves due to CAPEX requirements) adjusted for final working capital changes. Following review of the investments recoverable amount by management, an impairment loss of A\$16.6 million was reported at 31 December 2025 in the statement of profit or loss.

## 10 Contributed Equity

Issued and fully paid	2025		2024	
	Number of shares	\$	Number of shares	\$
Ordinary shares	1,157,350,417 <sup>(i)</sup>	392,621,587	28,933,811,952	392,621,587

(i) As approved by shareholders on 6 May 2025 a share consolidation of capital was completed during the year on a one share for every twenty-five shares held.

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.

Movement reconciliation	Number	\$
At 1 January 2024	24,640,802,561	379,917,222
Issue of shares in January vested Performance Rights Plan @ \$0.004	84,618,000	338,472
Issue of shares to Monitor Exploration for Namibia Tranche 2 @ \$0.0048	397,947,229	1,910,147
Issue shares in February Performance Rights Plan @ \$0.005	694,777	3,474
Issue shares to Monitor Exploration UK @ \$0.003	217,594,032	652,782
Issue shares to Monitor Exploration NAM @ \$0.003	259,040,514	777,122
Issue of shares in April 24 capital raise @ \$0.003	3,231,974,839	9,695,924
Issue of shares to Stocks Digital @ \$0.003	60,000,000	180,000
Issue of shares in July vested Performance Rights Plan @ \$0.002	41,140,000	82,280
Less equity raising shares		(935,836)
At 31 December 2024	28,933,811,952	392,621,587
<b>At 1 January 2025</b>	<b>28,933,811,952</b>	<b>392,621,587</b>
<b>Consolidation of Shares 9<sup>th</sup> May 2025 – 25:1</b>	<b>1,157,350,417</b>	<b>392,621,587</b>
<b>At 31 December 2025</b>	<b>1,157,350,417</b>	<b>392,621,587</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 11 Reserves

	2025 \$	2024 \$
Share-based payments	<b>21,802,146</b>	21,478,213
Foreign Currency Translation Reserve	<b>13,128,574</b>	21,560,941
	<b>34,930,720</b>	43,039,154
Movement reconciliation		
Share based payments reserve		
Balance at the beginning of the year	<b>21,478,213</b>	21,490,097
Equity settled share-based payment transactions (Note 14)	<b>326,683</b>	136,879
Issue of Options as part of Capital Raise	-	275,462
Settlement of vested Performance Rights	<b>(2,750)</b>	(424,225)
Balance at the end of the year	<b>21,802,146</b>	21,478,213
Foreign currency translation reserve:		
Balance at the beginning of the year	<b>21,560,941</b>	8,482,555
Effect of translation of foreign currency operations to group	<b>(8,432,367)</b>	13,078,386
Balance at the end of the year	<b>13,128,574</b>	21,560,941

### Share-based payment reserve

The share-based payment reserve is used to record the value of share-based payments provided to outside parties, and share-based remuneration provided to employees and directors. Refer to Note 14 for further details.

### Foreign currency translation reserve

The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations where their functional currency is different to the presentation currency of the reporting entity.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 12 Financial risk management objectives and policies

### Market risk

#### Foreign exchange risk

The Group operates internationally and is exposed to foreign currency risk arising from various currency exposures, primarily with respect to the US Dollar and Great British Pounds. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Group's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting. The Group's exposure to foreign currency risk at the end of the reporting period, expressed in Australian dollars was as follows:

	2025		2024	
	USD	GBP	USD	GBP
Cash and cash equivalents	6,597,483	14,951	5,093,858	392,736
Trade and other Receivables	3,735,245	-	5,596,273	-
Trade and other payables	26,127	-	-	-

As shown in the table above the group is primarily exposed to changes in USD/AUD exchange rates. The sensitivity of profit or loss to changes in the exchange rates arises mainly from US dollar-denominated assets (ie: cash and exploration and evaluations assets). Any reasonable possible change in GBP/AUD exchange rate would not result in a material change.

A 9% increase in the value of the USD exchange rate would result as follows:

	Impact on post-tax profit	
	2025 \$	2024 \$
USD/AUD exchange rate – increase 9%	599,000	635,000
USD/AUD exchange rate – decrease 9%	(599,000)	(635,000)

Profit is slightly more sensitive to movements in the Australian dollar/US dollar exchange rates in 2025 than 2024 because of the USD rate increase at the beginning of the year to the end of the year. Equity is less sensitive to movements in the Australian dollar/US dollar rates in 2025 than 2024 because of the decreased amount of foreign currency assets. The group's exposure to other foreign exchange movements is not material.

#### Interest rate risk

Interest rate risk is the risk that a financial instrument's value will fluctuate because of changes in the market interest rates on interest bearing financial instruments. The Group has no material exposure to this risk with the risk relating primarily to the Group's cash and any cash on deposit. The Group does not use derivatives to mitigate these exposures.

At the reporting date, the interest rate profile of the Group's interest-bearing financial instruments was:

	2025 \$		2024 \$	
	Weighted average interest rate	Balance \$	Weighted average interest rate	Balance \$
Cash and cash equivalents	1.88%	6,821,858	1.42%	7,198,567
Borrowings	-	-	-	-

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## Sensitivity

Within the analysis, consideration is given to potential renewals of existing positions and the mix of fixed and variable interest rates. The following sensitivity analysis is based on the interest rate risk exposures in existence at the reporting date. The 1% increase and 1% decrease in rates is based on reasonably expected possible changes over a financial year, using the observed range of historical rates for the preceding five-year period.

At 31 December 2025, if interest rates had moved, as illustrated in the table below, with all other variables held constant, post-tax losses and equity would have been affected as follows:

	Post-tax profit higher/(lower)		Other comprehensive higher/(lower)	
	2025 \$	2024 \$	2025 \$	2024 \$
<i>Judgements of reasonably possible movements:</i>				
Cash and cash equivalents:				
+ 1.0% (100 basis points)	47,753	50,390	-	-
- 1.0% (100 basis points)	(47,753)	(50,390)	-	-

## Credit risk

Credit risk arises from the financial assets of the Group, which comprise cash and cash equivalents, trade and other receivables and other financial assets. The Group's exposure to credit risk arises from potential default of the counterparty, with maximum exposure equal to the carrying amount of the financial assets.

The Group's policy is to trade only with recognised, creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms will be subject to credit verification procedures.

In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant. There are no significant concentrations of credit risk within the Group except for cash and cash equivalents held in reputable major banks in Australia and Alaska. In addition, the Company has a US\$2.25 million receivable due from Burgundy at the reporting date. Management considers the receivable fully recoverable and notes no evidence of deterioration in Burgundy's ability or intention to pay. Accordingly, no allowance for expected credit losses has been recorded. Notwithstanding this assessment, the Company recognises that the recoverability of the balance is inherently subject to risks outside the Company's control, including Burgundy's liquidity, operational developments, and prevailing market conditions. As such, the receivable has been identified as carrying an element of credit risk, which the Company will continue to monitor.

## 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 its reputation.

The Group manages liquidity risk by maintaining adequate cash reserves from funds raised in the market and by continuously monitoring forecast and actual cash flows. The Group does not have any external borrowings.

The following are the contractual maturities of financial liabilities:

	6 months	6-12 months	1-5 years	> 5 years	Total
<b>2025 \$</b>					
Trade and other payables	92,559	36,630	-	-	129,189
<b>2024 \$</b>					
Trade and other payables	107,374	-	-	-	107,374

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## Capital risk management

The Group's objectives when managing capital are to:

Safeguard their ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders; and

Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the number of dividends paid to shareholders, return capital to shareholders or issue new shares.

Given the stage of the Company's development there are no formal targets set for return on capital. There were no changes to the Company's approach to capital management during the year. The Company is not subject to externally imposed capital requirements. The net equity of the Company is equivalent to capital. Net capital is obtained through capital raisings on the Australian Securities Exchange ("ASX").

In determining the funding mix of debt and equity (total borrowings/total equity), consideration is given to the relative impact of gearing ratio on the ability of the consolidated entity to service loan interest and repayment schedules, credit facility covenants and to generate adequate free cash available for corporate and oil and gas exploration. The debt to equity ratio is 0% at 31 December 2025 (0% at 31 December 2024).

## Fair values

The management assessed that the carrying amount of financial assets and financial liabilities recorded in the financial statements represents their respective fair values largely due to the short-term maturities of these instruments. The carrying amounts are determined in accordance with accounting policies disclosed in Note 1.

AASB 13 requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

Level 1 – the instrument has quoted prices (unadjusted) in active markets for identical assets and liabilities;

Level 2 – a valuation technique using inputs other than quoted prices within Level 1 that are observable for the financial instrument, either directly (i.e. prices), or indirectly (i.e. derived from prices); or

Level 3 – a valuation technique using inputs that are not based on observable market data (unobservable inputs).

As at 31 December 2025 and 31 December 2024, the Group did not have financial liabilities measured and recognised at fair value. Due to their short-term nature, the carrying amount of the current receivables and payables is assumed to approximate their fair value.

The Group does not have any level 2 or 3 assets or liabilities.

## 13 Related party disclosure

### (a) Transactions with other related parties

Dr Stephen Staley was engaged to provide consultancy services to the Company. Derwent Resources Limited is a company in which Dr Stephen Staley is a Director. Transactions with related parties were arm's length and on normal commercial terms.

During the year, the following transactions occurred with related parties:

	2025 \$	2024 \$
Derwent Resources Limited	61,511 <sup>(i)</sup>	53,790

(i) During the year, the Company paid £30,097; A\$61,511 (2024: £27,782 : A\$51,978) to Derwent Resources Limited for consultancy services. The amount has been translated to Australian Dollars at the average rate.

Consultant fees paid to associated entities were on normal commercial terms. On 31 December 2025 both parties agreed to conclude the contract of Derwent Resources Limited.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## (b) Key Management Personnel Compensation

Details relating to KMP are included in the Remuneration Report. At 31 December 25 the following remuneration was paid.

	2025 \$	2024 \$
Short-term benefits for KMP	1,226,541	1,280,855
Post-employment benefits for KMP	136,586	89,377
Share-based payments for KMP	254,156	329,798
	<b>1,617,283</b>	<b>1,700,030</b>

Detailed remuneration disclosures are provided within the Remuneration Report.

## 14 Share based payments

The following share based payments were expensed during the period.

	2025 \$	2024 \$
<b>Recognised share-based payment expense transactions</b>		
SBP Expenses on Performance Rights issued to directors	163,406	234,782
SBP Expense on Performance Rights issued to employees	209,544	317,258
SBP Expense on Performance Rights issued to contractors	-	-
Reversal of Performance Rights	(46,267)	(415,162)
	<b>326,683</b>	<b>136,878</b>

The following table sets out the Performance Rights and Options for the Group at 31 December 2025.

	Date of Expiry	Exercise Price	Balance at the start of the year	Granted during the year	Exercised during the year	Expired and Other	Balance at the end of the year
Performance Rights	-	-	6,679,600	-	(55,000)	(740,600)	5,884,000
Placement fee options	22-02-25	\$1.5	1,440,000	-	-	(1,440,000)	-
Placement fee options	28-10-25	\$0.5	3,600,000	-	-	(3,600,000)	-
Placement fee options	14-02-26	\$0.5	3,000,000	-	-	-	3,000,000
Unlisted warrants	15-12-26	\$0.1875	10,777,770	-	-	-	10,777,770
Listed options	15-12-26	\$0.1875	21,555,519	-	-	-	21,555,519
Placement fee options	06.05.28	\$0.1375	-	2,999,999	-	-	2,999,999
			<b>47,052,889</b>	<b>2,999,999</b>	<b>(55,000)</b>	<b>(5,780,600)</b>	<b>44,217,288</b>

### Performance Rights

No performance rights were issued in 2025.

### Options

No warrants were issued in 2025.

### Listed Options

On 6<sup>th</sup> May 2025, the Company issued 75,000,000 listed options as free attaching to brokers of the April 2024 placement. Listed options have a nil value, exercisable at A\$0.1375 per share and expire 6 May 2028.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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## 15 Segment information

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For management purposes during the period ended 31 December 2025 the Company was organised into the following strategic unit:

Oil and Gas exploration in Alaska, USA.

Oil and Gas production in Texas, USA.

Oil and Gas exploration, Namibia.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

The Board of Directors review internal management reports on a periodic basis that is consistent with the information provided in the statement of profit or loss and other comprehensive income, statement of financial position and statement of cash flows.

Management has determined, based on the reports reviewed by the Board of Directors and used to make strategic decisions, that the Group has three reportable segments being Oil & Gas Exploration in Alaska, USA and Oil and Gas Production in Texas, USA and Oil & Gas Exploration in Namibia. Such structural organisation is determined by the nature of risks and returns associated with each business segment and define the management structure as well as the internal reporting system.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Revenue, Assets and Liabilities information based on the geographical location of assets are as follows:

	Texas Production \$	Alaska Exploration \$	Namibia Exploration \$	Other \$	Total \$
<b>31 December 2025</b>					
<b>Total Revenue</b>	-	258,673	-	86,679	345,352
Administrative Expenses	(158,078)	(9,566)	-	(1,646,285)	(1,813,929)
Employee benefit Expenses	-	-	-	(2,344,226)	(2,344,226)
Depreciation & Amortisation	-	-	-	(90,717)	(90,717)
Impairment	(16,664,577)	(30,301,809)	-	-	(46,966,386)
Other	-	(36,104)	-	(842,354)	(878,458)
<b>Total Expenditure</b>	<b>(16,822,655)</b>	<b>(30,347,479)</b>	-	<b>(4,923,582)</b>	<b>(52,093,716)</b>
<b>Share of profit/(loss)</b>	<b>(1,463,930)</b>				<b>(1,463,930)</b>
<b>Net Profit (loss) before tax</b>	<b>(3,359,581)</b>	<b>(30,088,810)</b>	-	<b>(19,462,034)</b>	<b>(52,910,425)</b>
<b>Additions to non-current assets</b>	<b>(21,688,470)</b>	<b>(31,522,975)</b>	746,086	<b>(6,309,881)</b>	<b>(58,775,240)</b>
<b>Assets</b>	-	<b>74,481,394</b>	<b>8,066,864</b>	<b>5,432,790</b>	<b>87,981,048</b>
<b>Liabilities</b>	-	<b>12,541</b>	-	<b>350,126</b>	<b>362,667</b>
<b>31 December 2024</b>					
Total Revenue	-	705,052	-	116,500	821,553
Administrative Expenses	(80,316)	(11,602)	-	(895,228)	(987,146)
Employee benefit Expenses	-	-	-	(2,360,360)	(2,360,360)
Depreciation & Amortisation	-	-	-	(79,052)	(79,052)
E&E Impairment	-	(28,945,595)	-	-	(28,945,595)
Other	-	-	-	195,518	195,518
Total Expenditure	(80,316)	(28,957,197)	-	(3,139,122)	(32,176,635)
Share of profit/(loss)	(1,463,930)				(1,463,930)
Net Profit (loss) before tax	(1,544,246)	(28,252,145)	-	(3,022,622)	(32,819,026)
Additions to non-current assets	(1,562,749)	(1,296,731)	4,681,472	8,413	1,830,405
Assets	23,725,908 <sup>(i)</sup>	107,855,246	7,678,185	9,377,901	148,637,240
Liabilities	-	364,984	-	(8,199)	356,785

(i) Asset is in relation to the Investment in Associate Bighorn Energy LLC, refer to Note 9 - Equity Accounted Investment.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 16 Commitments

### Exploration Commitments at 31 December 2025:

The anticipated 2026 lease payment for existing South Prudhoe acreage (ex-Project Leonis) 2026 totals US\$0.5 million net to the Company. The payment is discretionary, and the Company may choose to relinquish acreage or a portion of acreage at any time, and therefore the Company has commitments for the remaining portion of the tenement life only.

The anticipated 2026 lease payment for newly acquired South Prudhoe and Kad River East Leases totals US\$1 million however the payment is discretionary, and the Company may choose to relinquish acreage or a portion of acreage at any time, and therefore the Company has commitments for the remaining portion of the tenement life only.

As part of the farmout participation agreement with Burgundy Xploration, LLC. Burgundy will pay 100% of the Project Phoenix leases payments for 2026-2027.

All additional payments for exploration will be at the discretion of the Company, other than what is noted below, as the Company can exit the leases at any time with no penalty.

### Corporate Commitments at 31 December 2025:

	2025 \$	2024 \$
Within one year	71,123	70,272
After one year but not more than five years	-	-
	<b>71,123</b>	<b>70,272</b>

## 17 Contingencies

### Exploration Contingencies

At 31 December 2025 the Company has no exploration contingencies.

### Corporate Contingencies

At 31 December 2025 the group has a Bankers' guarantee issued as security for the lease of office premises at Gr Fl, 516 Hay Street, Subiaco to the amount of \$29,380. (2024 – A\$29,380).

### Contingent Liability

At 31 December 2025 the Company has no contingent liabilities.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 18 Events after the reporting date

The following events were noted subsequent to the reporting date;

### Prospective Resource Update

On 19 February 2026, 88 Energy announced the results of its internal prospective resource assessment across its South Prudhoe acreage (100% working interest, 16.7% royalty). The acreage incorporates newly secured leases together with the former Project Leonis area, consolidating a highly strategic corridor of stacked reservoirs with direct access to existing infrastructure. Highlights:

- The update confirms material multi-million-barrel potential across multiple mapped prospects within five independent reservoir intervals, including maiden estimates for the Ivishak and Kuparuk reservoirs.
- All prospects are covered by modern 3D seismic data.
- The combined internal Prospective Resource estimate Gross (2U) Best Estimate of 507 million barrels (MMbbls) of oil and natural gas liquids (NGLs) (422 MMbbls net)<sup>1,2</sup>.
- Additional Brookian Resource upside expected to be defined within the North-West Hub, with multiple targets identified on the newly purchased Schrader Bluff 3D seismic data.
- Farm-out discussions and well planning underway targeting the multi-zone Augusta Prospect, which is adjacent to the Hemi Springs State-1 discovery well.
- Resources estimated for the North-West and South-East hubs support satellite development potential through existing third-party infrastructure.

The Directors are not aware of any other matters or circumstances at the date of the report, other than those referred to in this report or the financial statements or notes thereto, that have significantly affected or may significantly affect the operations, the result of operations or the state of affairs of the Group in subsequent financial years.

There were no other events after the reporting date requiring disclosure.

## 19 Auditor's remuneration

	2025 \$	2024 \$
During the year the following fees were paid or payable for services provided by BDO as the auditor of the Group:		
<b>BDO Audit Pty Ltd</b>		
Audit and review of the annual and half-year financial report	88,327	87,990
Total audit services	88,327	87,990
<b>Non-audit services from BDO USA:</b>		
BDO USA Tax advisory services and due diligence	80,493	61,563
Total non-audit services	80,493	61,563
Total auditor remuneration	168,820	149,553

1. Cautionary Statement: Prospective Resources are estimated quantities of petroleum that may be potentially recovered by the application of a future development project and relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration, appraisal and evaluation are required to determine the existence of a significant quantity of potentially recoverable hydrocarbons.
2. Refer to ASX announcement dated 19 February 2026 for full details

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 20 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 1 (c):

	Principal Activities	Country of Inc.	Ownership interest %	
			2025	2024
XCD Energy Pty Ltd	Oil Exploration	Australia	100	100
Accumulate Energy USA, Inc	Oil Exploration	USA	100	100
Accumulate Energy Alaska, Inc	Oil Exploration	USA	100	100
Regenerate Energy USA, Inc	Oil Exploration	USA	100	100
Captivate Energy Alaska, Inc	Oil Exploration	USA	100	100
Captivate Energy USA, Inc	Oil Exploration	USA	100	100
Emerald House, Inc	Oil Exploration	USA	100	100
Entek USA, Inc	Oil Exploration	USA	100	100
Longhorn Energy USA, Inc	Oil Production	USA	-	100
Longhorn Energy Investments, LLC	Oil Production	USA	-	100
EightyEight Energy (Namibia) (Pty) Ltd	Oil Exploration	Namibia	100	100

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 21 Parent entity

	2025 \$	2024 \$
Current assets	5,154,742	8,801,891
Non-current assets	82,813,765	140,200,333
<b>Total assets</b>	<b>87,968,507</b>	<b>149,002,224</b>
Current liabilities	350,126	364,984
<b>Total liabilities</b>	<b>350,126</b>	<b>364,984</b>
<b>Net Assets</b>	<b>87,618,381</b>	<b>148,637,240</b>
<b>Equity</b>		
Contributed equity	392,621,587	392,621,588
Reserves	43,837,607	64,818,480
Accumulated losses	(348,840,813)	(308,802,828)
<b>Total Equity</b>	<b>87,618,381</b>	<b>148,637,240</b>
Loss for the year	(40,037,985)	(47,698,077)
<b>Total comprehensive loss</b>	<b>(40,037,985)</b>	<b>(47,698,077)</b>

### Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year. For the year ending 2025 no Balance Sheet items have been changed.

### Other Commitments and Contingencies

The Parent has no commitments to acquire property, plant and equipment, and has no contingent liabilities apart from the amounts disclosed in Note 17.

# CONSOLIDATED ENTITY DISCLOSURE STATEMENT

## Consolidated entity disclosure statement

Entity Name	Entity Type	Trustee, partner or participant in JV	% of Share Capital	Country of Incorporation	Australian or foreign tax Resident	Foreign tax Jurisdiction of foreign resident
XCD Energy Pty Ltd	Body Corporate	-	100%	Australian	Australian	N/A
Accumulate Energy USA, Inc	Body Corporate	-	100%	USA	Australian	N/A
Accumulate Energy Alaska, Inc	Body Corporate	Participant in JV	100%	USA	Australian	N/A
Regenerate Energy USA, Inc	Body Corporate	-	100%	USA	Australian	N/A
Captivate Energy Alaska, Inc	Body Corporate	-	100%	USA	Australian	N/A
Emerald House, Inc	Body Corporate	-	100%	USA	Australian	N/A
Entek USA, Inc	Body Corporate	-	100%	USA	Australian	N/A
EightyEight Energy (Namibia) (Pty) Ltd	Body Corporate	-	100%	Namibia	Australian	N/A
Captivate Energy USA, Inc	Body Corporate	-	100%	USA	Australian	N/A

1. The Consolidated Entity Disclosure Statement (CEDS) has been prepared in accordance with subsection 295(3A)(a) of the Corporations Act 2001 (Cth) and includes information for each entity that was part of the Consolidated Entity as at the end of the financial year in accordance with AASB 10 Consolidated Financial Statements.
2. The Company has not formed a tax-consolidated group under Australian taxation law.
3. Section 295(3A)(iv) of the Corporations Act 2001 provides tax residency for the purposes of this disclosure to be as defined under Australian domestic tax law, per the Income Tax Assessment Act 1997. We note that the foreign incorporated entities listed above should also be considered tax residents of their jurisdiction of incorporation under their respective domestic laws.

# DIRECTORS' DECLARATION

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In the Directors' opinion:

- a) The financial statements and accompanying notes are in accordance with the Corporations Act 2001, including:
  - i) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements, and
  - ii) giving a true and fair view of the consolidated entity's financial position as at 31 December 2025 and of its performance for the year ended on that date, and
- b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
- c) The consolidated entity disclosure statement is true and correct.
- d) The consolidated financial statements and notes thereto comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The Directors have been given the declarations required by section 295A of the Corporations Act 2001.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Directors by:



**Ms Joanne Williams**  
**Non-executive Chair**

23rd March 2026

# INDEPENDENT AUDITOR'S REPORT

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## INDEPENDENT AUDITOR'S REPORT

To the members of 88 Energy Limited

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of 88 Energy Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 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 31 December 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 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 audits of the financial report of public interest entities 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.

#### Material uncertainty related to going concern

We draw attention to Note 1(c) in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the group's ability to continue as a going concern and therefore the group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

BDO Audit Pty Ltd ABN 33 134 022 870 is a member of a national association of independent entities which are all members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation.

# INDEPENDENT AUDITOR'S REPORT



## 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. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

### Carrying value of exploration and evaluation expenditure

Key audit matter	How the matter was addressed in our audit
<p>As disclosed in Note 8 to the Financial Report, the carrying value of the capitalised exploration and evaluation expenditure represents a significant asset of the Group.</p> <p>Refer to Notes 1(g) and 2(a) to the Financial Report for a description of the accounting policy and significant judgements applied to capitalised exploration and evaluation expenditure.</p> <p>In accordance with AASB 6 <i>Exploration and Evaluation of Mineral Resources</i> (AASB 6), the recoverability of exploration and evaluation requires significant judgement by management in determining whether there are any facts or circumstances that exist to suggest that the carrying amount of this asset may exceed its recoverable amount.</p> <p>During the year, the Group relinquished leases and recognised an impairment for those leases as disclosed in Note 8. As a result, this is considered a key audit matter.</p>	<p>Our procedures included, but were not limited to:</p> <ul style="list-style-type: none"> <li>• Obtaining a schedule of the areas of interest held by the Group and assessing whether the rights to tenure of those areas of interest remained current at balance date;</li> <li>• Considering the status of the ongoing exploration programmes in the respective areas of interest by holding discussions with management, and reviewing the Group's exploration budgets, ASX announcements and Directors' minutes;</li> <li>• Considering whether any such areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed;</li> <li>• Considering whether there are any other facts or circumstances existing to suggest impairment testing was required;</li> <li>• Evaluating and assessing the accuracy of the Group's calculation of the impairment recognised for the year ended 31 December 2025; and</li> <li>• Assessing the adequacy of the related disclosures in Notes 1(g), 2(a) and 8 to the Financial Report.</li> </ul>

# INDEPENDENT AUDITOR'S REPORT

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## 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 31 December 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](https://www.auasb.gov.au/media/bwvjcgre/ar1_2024.pdf)

# INDEPENDENT AUDITOR'S REPORT

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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 16 to 23 of the directors' report for the year ended 31 December 2025.

In our opinion, the Remuneration Report of 88 Energy Limited, for the year ended 31 December 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', is written over a faint, stylized 'BDO' logo.

Ashleigh Woodley  
Director

Perth, 23 March 2026

## ASX ADDITIONAL INFORMATION

Additional information required by the Australian Securities Exchange and not shown elsewhere in this Annual Report is as follows. The information is at 6 March 2026.

### Top 20 Shareholders

	Name	Units	% Units
1	COMPUTERSHARE CLEARING PTY LTD <CCNL DI A/C>	272,757,289	23.57
2	CITICORP NOMINEES PTY LIMITED	179,964,560	15.55
3	HSBC CUSTODY NOMINEES	66,847,187	5.78
4	BNP PARIBAS NOMINEES PTY LTD <CLEARSTREAM>	54,250,571	4.69
5	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	14,910,925	1.29
6	MR DAKIN LUKE THEXTON	12,000,000	1.04
7	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	9,645,178	0.83
8	MR PETER FIDANTISIS + MRS POPI FIDANTISIS <FIDANTISIS SUPERANNUATION A/C>	6,882,763	0.59
9	HSBC CUSTODY NOMINEES <AUSTRALIA> LIMITED	6,109,085	0.53
10	FINCLEAR SERVICES PTY LTD <SUPERHERO SECURITIES A/C>	5,595,261	0.48
11	SEAVIEW PENSION FUND PTY LTD <N AND J ROYLE SUPERFUND A/C>	4,008,000	0.35
12	MR BERTRAND LALANNE	4,000,000	0.35
13	MR VAN CHUONG TRAN	4,000,000	0.35
14	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	3,512,036	0.30
15	DR THOMAS HOLLAND WHITING <WHITING LIBERTY A/C>	3,500,000	0.30
16	MR AJIT JACOB MATHEW	3,240,873	0.28
17	MR NUWAN THARAKA DE SILVA + MRS DEWARAPPERUMAGE MITHILA CHATHURANI DE SILVA	3,200,862	0.28
18	BNP PARIBAS NOMS PTY LTD	3,159,589	0.27
19	SELENAS HOLDING PTY LIMITED <SELENAS EMPLOYEES S/F A/C>	3,110,000	0.27
20	DR THOMAS HOLLAND WHITING	3,100,000	0.27
	<b>Totals: Top 20 holders of ORDINARY FULLY PAID SHARES (Total)</b>	<b>663,794,179</b>	<b>57.35</b>
	<b>Total Remaining Holders Balance</b>	<b>493,556,238</b>	<b>42.65</b>

### Distribution of equity securities

#### Ordinary share capital

1,157,350,417 fully paid shares held by 5,274 individual shareholders. All issued ordinary shares carry one vote per share and carry the rights to dividends.

The number of shareholders, by size of holding, is:

Range	Total holders	Units	% of Issued Capital
1 - 1,000	152	54,593	0.00
1,001 - 5,000	491	1,567,710	0.14
5,001 - 10,000	333	2,525,924	0.22
10,001 - 100,000	3,291	140,534,200	12.14
100,001 Over	1,007	1,012,667,990	87.50
<b>Total</b>	<b>5,274</b>	<b>1,157,350,417</b>	<b>100.00</b>

## ASX ADDITIONAL INFORMATION

### Top 20 Listed Options

	Name	Units	% Units
1	MAKHOTAGO PTY LTD	6,250,000	28.99
2	MR DARREN RAYMOND WATSON <WATSON INVESTMENT A/C>	2,000,000	9.28
3	DR WATSON INVESTMENTS PTY LTD <DR WATSON SUPER FUND A/C>	1,310,217	6.08
4	MR CRAIG PATRICK SMEDLEY	1,143,649	5.31
5	MR COLIN MILLS + MISS TRACY MILLS <MILLS FAMILY SUPER FUND A/C>	1,012,125	4.70
6	ZENIX NOMINEES PTY LTD	1,000,000	4.64
7	MR FRANCIS ZHIYAN FENG	564,000	2.62
8	MR DAVID GEORGE HORLOCK	540,000	2.51
9	MR JUSTIN PETER KOLLMORGEN	504,818	2.34
10	RIYA INVESTMENTS PTY LTD	478,180	2.22
11	AMAX PACIFIC PTY LIMITED	410,500	1.90
12	MRS VANESSA RUBEN	400,000	1.86
13	MR DERYCK CHARLES MACKAY	320,000	1.48
14	MR NATHAN CARATTI	296,666	1.38
15	MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED	296,296	1.37
16	64 CAPITAL INVESTMENTS PTY LTD	280,000	1.30
17	MR BENG BIAN LIM	263,911	1.22
18	S3 CONSORTIUM HOLDINGS PTY LTD <NEXTINVESTORS DOT COM A/C>	253,333	1.18
19	DR SYED MOHD YUSUF	250,804	1.16
20	CITICORP NOMINEES PTY LIMITED	207,407	0.96
<b>Totals: Top 20 holders of OPA/ LISTED OPTIONS EXP 15/12/2026 @ \$0.1875</b>		<b>17,781,906</b>	<b>82.49</b>
<b>Total Remaining Holders Balance</b>		<b>3,773,613</b>	<b>17.51</b>

### Distribution of listed Options

The number of listed holdings by size of holding, is:

Range	Total holders	Units	% of Units
1 - 1,000	3	4	0.00
1,001 - 5,000	1	2,051	0.01
5,001 - 10,000	3	18,852	0.09
10,001 - 100,000	57	2,131,151	9.89
100,001 Over	31	19,403,461	90.01
<b>Total</b>	<b>95</b>	<b>21,555,519</b>	<b>100.00</b>

# ASX ADDITIONAL INFORMATION

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## Warrants

10,777,770 warrants with an exercise price of GBP £0.0975 and an expiry of 15 December 2026.

## UnListed Options

2,999,999 Un-Listed Options with an exercise price of \$0.1375 and an expiry of 6 May 2028.

## Performance Rights

5,884,000 Performance Rights on issue. The Performance Rights are subject to vesting conditions.

## Unmarketable parcels

### Ordinary share capital

	Minimum Parcel Size	Holders	Units
Minimum \$500.00 parcel at \$0.0220 per unit	22,728	1,439	12,312,976

## Restricted securities

The Company has no Restricted Securities on issue.

## Substantial shareholders

The names of substantial shareholders who have notified the Company in accordance with section 671B of the Corporations Act 2001 are:

	Number of Shares
COMPUTERSHARE CLEARING PTY LTD <CCNL DI A/C>	272,757,289
CITICORP NOMINEES PTY LIMITED	179,964,560
HSBC CUSTODY NOMINEES	66,847,187

## On-market buy-back

There is no current on-market buy-back.

## Acquisition of voting shares

No issues of securities have been approved for the purposes of Item 7 of Section 611 of the Corporations Act 2001.

## Tax status

The Company is treated as a public company for taxation purposes.

## Franking credits

The Company has no franking credits.

## Tenement schedule

Project Name	Location	Net Area (acres)	Company Interest
Project Phoenix	Onshore, North Slope Alaska	44,562	~75%
South Prudhoe <sup>1</sup>	Onshore, North Slope Alaska	52,269	100%
Kad River East <sup>2</sup>	Onshore, North Slope Alaska	17,920	100%
Namibia	Onshore, Owambo Basin, Namibia	914,270	20%

## Competent persons statement

Pursuant to the requirements of the ASX Listing Rules Chapter 5 and the AIM Rules for Companies, the technical information and resource reporting contained in this announcement was prepared by, or under the supervision of, Dr Stephen Staley, who is a Non-Executive Director of the Company. Dr Staley has more than 35 years' experience in the petroleum industry, is a Fellow of the Geological Society of London, and a qualified Geologist / Geophysicist who has sufficient experience that is relevant to the style and nature of the oil prospects under consideration and to the activities discussed in this document. Dr Staley has reviewed the information and supporting documentation referred to in this announcement and considers the prospective resource estimates to be fairly represented and consents to its release in the form and context in which it appears. His academic qualifications and industry memberships appear on the Company's website and both comply with the criteria for "Competence" under clause 3.1 of the Valmin Code 2015. Terminology and standards adopted by the Society of Petroleum Engineers "Petroleum Resources Management System" have been applied in producing this document.

1. Refer to ASX announcement on 20 November 2025 regarding highest bidder on 7 leases (16,640 acres) awarded in the 2025 Fall North Slope Lease bid round. The leases are subject to adjudication and regulatory approvals in advance of formal award, expected in H2 2026. Previously named Project Leonis leases covering 35,629 acres and the 7 new leases (16,640 acres) have been combined and renamed to Project South Prudhoe and are represented in the lease schedules to this announcement.
2. Refer to ASX announcement on 20 November 2025 regarding highest bidder on 7 leases (17,920 acres) awarded in the 2025 Fall North Slope Lease bid round. The leases are subject to adjudication and regulatory approvals in advance of formal award, expected in H2 2026.