STATE GAS

ASX RELEASE

30 April 2026

QUARTERLY ACTIVITIES REPORT – MARCH 2026

HIGHLIGHTS:

- Commenced Rolleston West Concept Study to evaluate design alternatives for pipeline supported project producing 10-30TJ/day of gas
- Re-evaluated historical sub-surface analysis within PL231 (Reid's Dome) to confirm viability of deeper oil and gas targets
- Early-stage engagement with strategic partners about farm-in and co-investment opportunities in both the Rolleston West and Reid's Dome Projects

State Gas Limited (ASX: GAS) ("State Gas or "the Company") releases this update for the quarter ending 31 March 2026 ("the Quarter").

The Quarter saw unprecedented disruption to energy markets and global fuel supply chains which in turn exposed significant vulnerabilities in Australia's current energy and fuel management strategy. State Gas believes that addressing these fuel supply chain risks will lead to a substantial increase in demand for local oil and gas. These macroeconomic events have highlighted that Australia's existing oil refining and diesel import arrangements are already under stress and options for new reliable diesel fuel alternatives to support industrial applications are urgently required. Both the Federal and Queensland State Governments have highlighted the need for oil supply self-sufficiency and security, leading to the Federal Government evaluating the development of new oil refinery assets will require significant capital investment and necessitate the identification of substantial long-term supplies of oil feedstock.

In the Company's view, natural gas remains the only immediately available fuel source that can be efficiently integrated into the existing fuel network in Australia, by leveraging mature technologies for diesel to gas substitution. However, these immediately available opportunities must be supplemented by accelerated exploration and appraisal of new energy provinces which are capable of providing long-term supplies of gas and oil.

State Gas's portfolio of conventional and unconventional Central Queensland petroleum projects is strategically positioned to contribute meaningfully to domestic production of gas and oil over a range of time horizons:

	Short term	**Medium term**	**Long Term**
State Gas Solution	• HDNG technology allows provision compressed natural gas to be made available for industrial uses where customers cannot access pipeline infrastructure	• Rolleston West CSG Project can deliver between 10-30TJ/day of pipeline quality gas into the East Coast Gas network via the QGP or to LNG buyers ex Gladstone	• Deeper exploration zones within PL231 and ATP2062 have the potential to host substantial unconventional gas and liquids (e.g. incl. oil)
Availability	Immediate	2-3 years	5 + years
Opportunity	• Mining companies	• International LNG buyers and/or domestic gas users	• International LNG buyers and/or domestic gas users

The Company continues to progress its strategies of promoting its HDNG to coal mining customers and advancing pre-feasibility studies for the Rolleston West CSG Project. However, in response to the increased interest in unconventional oil and gas targets, State Gas has re-evaluated the prospectivity of deeper Permian-age rock sequences within its existing portfolio. This work has enabled State Gas to confirm that these areas may contain significant volumes of natural gas and associated condensate (high-quality liquid hydrocarbons including oil) trapped in tight sandstone reservoirs.

Both of State Gas' tenements (PL231 and ATP 2062) are within the Denison Trough, a sub-basin of the Bowen Basin that is geologically adjacent to the Taroom Trough and share the same Permian source rock system. Previous wells drilled (by State Gas and others) within PL231 recovered sandstone core samples that showed live gas and condensate being direct physical evidence of a charged hydrocarbon system. The reservoir demonstrated an overpressure environment confirming that the system is actively charged and sealed. The prospective area covers up to 96 square kilometres within a four-way dip-closed anticline, being a structurally favourable geometry. A particular advantage of PL231 is in its superior tenure status as a granted Petroleum Lease, allowing, *inter alia*, petroleum production and related activities, and thereby provide a fast-track to commercial production.

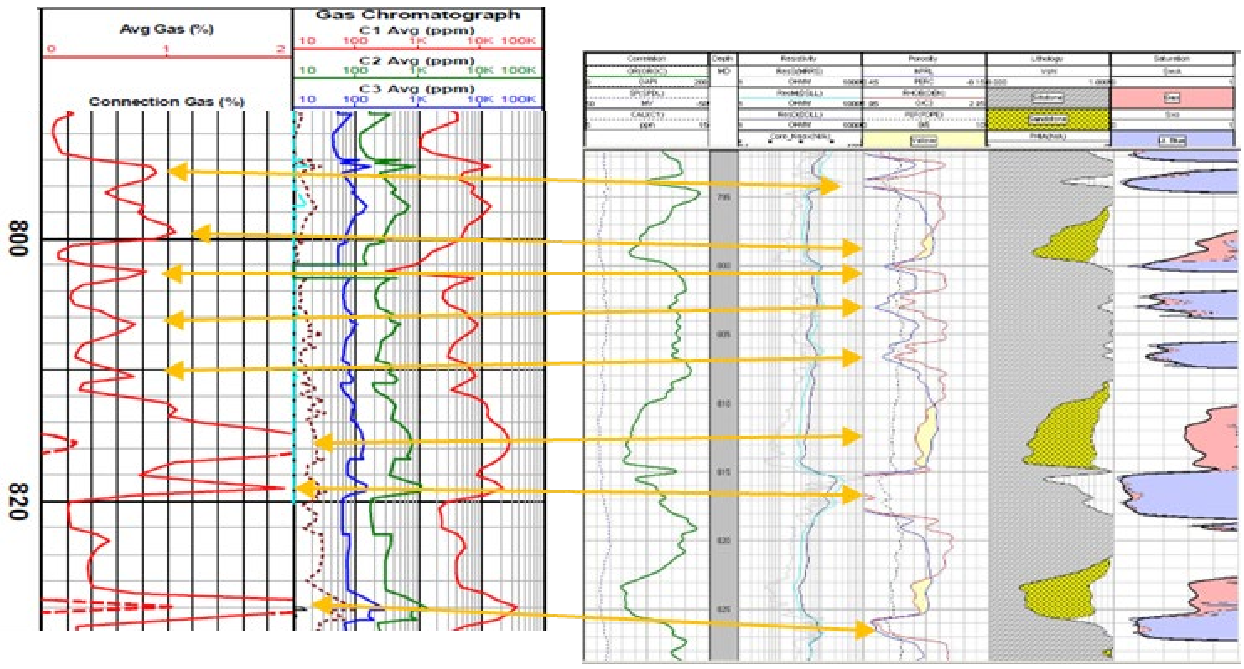

Diagram: Logs and core analysis from Nyanda 4 well in PL231 drilled in 2018. Demonstrates presence of gas and oil within interbedded sequence of coals, siltstones and sandstones at less than 1,000m depth. Condensate / gas bubbles on sandstone core from Nyanda-4 were evident under UV light

Further work is required, but State Gas believes that, together, PL231 and ATP 2062 represent another highly prospective energy precinct which can contribute meaningfully to the objective of domestic oil and gas self-sufficiency. These areas share many of the attributes of the Taroom Trough, including proximity to existing domestic and export gas infrastructure. State Gas has the flexibility to pursue these opportunities in parallel, subject to availability of capital and is now evaluating how it can accelerate further immediate exploration and appraisal work to verify the flow rates from deeper targets within PL231 over the coming quarters.

Unsolicited Offer for HDNG Assets

During the Quarter, the Company evaluated an unsolicited offer to sell its existing HDNG infrastructure and simultaneously enter into a long-term compressed gas supply arrangement. While the parties were unable to successfully negotiate commercial terms, the parties continue to engage around potential synergies between their respective businesses and how State Gas' HDNG technology and gas supply capability can be further enhanced. Although the Directors concluded at the time that a sale of these assets was not the best value realisation strategy for shareholders, the offer demonstrates strong third party recognition of the value in both the Company's HDNG assets and its compressed gas supply capability.

Rolleston West Project – Concept Study

State Gas has commenced a Concept Study to consider options for the development of a pipeline supported gas project at Rolleston West, capable of producing between 10-30JT of gas per day, subject to staging. The Concept Study encompasses process design, field development options, equipment selection and more granular capital cost estimation for a gas processing facility at Rolleston West capable of producing and delivering pipeline-quality gas into the QGP. This study is a critical step towards further delineation of the project development strategy and will support project financing, gas sales agreement execution and engagement with infrastructure providers.

Conversion of the Company's independently certified 30.2 PJ 2P reserve (plus 250PJ of adjacent 2C resource) into a commercialised, pipeline-connected gas project remains the Company's primary strategic objective and work during the Quarter was directed at establishing the commercial, technical and funding foundations required to achieve that outcome.

Partners

The Company commenced selective engagement about co-investment and strategic financial support for both the Rolleston West (ATP2062) and Reid's Dome (PL231) Projects with a small number of domestic and international parties who had expressed direct interest in gas expansion opportunities in Queensland. Supporting these existing parties through (and introducing new parties to) a structured diligence process will continue over the coming quarter. State Gas also commenced conversations about project infrastructure financing opportunities from both private and public sector lenders.

HDNG Operations & Commercial Offtake

Negotiations with a Bowen Basin coal mine owner around becoming a foundation customer for State Gas' HDNG fuel supply solution progressed significantly during the Quarter. The Company completed a range of engagement workshops with operational stakeholders and is now seeking to finalise commercial terms for a long term HDNG supply contract which will see compressed gas used as a substitute for diesel fuel across an initial fleet of mine trucks. The Company has commenced engagement with the State Government around funding support for the project.

State Gas remains convinced that HDNG is a highly attractive diesel fuel alternative for miners and other industrial users in the Bowen Basin and surrounding areas. Disruption to diesel markets over the last quarter further demonstrates the effectiveness of local gas supply in providing price and volume security.   Diesel substitution with HDNG has the potential to deliver fuel at a sustained discount to the historical price of diesel while simultaneously reducing CO_2 emissions. The Company has seen an increased level of engagement with potential customers during the last quarter in response to diesel price fluctuation, but State Gas recognises that these are long lead time negotiations and it must be in the forefront of coal mine owners and operators as they seek solutions to de-risk their fuel supply chains. This remains a significant opportunity for State Gas, with diesel fuel consumption by coal miners in the Bowen Basin in excess of $2bn per annum and our solution capable of replacing between 50 and 70% of that diesel usage.

Land Access

The Company and the landowner at ATP 2062 continue to progress proceedings in the Land Court of Queensland for claims of costs and losses arising from an access dispute dating back to September 2024.

Enforcing the Company's access rights and protecting its assets is in the best interests of shareholders as it is ensuring that there is a commercially sustainable regime for access and compensation for activities on the property as we continue to advance the Rolleston West Project. Engagement between the parties remains confidential and subject to legal privilege.

R&D Tax Incentive

The Company had anticipated that the Australian Taxation Office ("ATO") would have completed its review of the Company's 30 June 2024 R & D Claim by 31 March 2026. The ATO has advised that they are seeking further information to support the Company's claim which largely relates to costs associated with the development of the HDNG Pilot Plant. The Company is continuing to work with the ATO to expedite the completion of its review and release the R & D grant monies to which the Company and its R&D Tax Advisors believe it is entitled.

Financial Position

The balance of proceeds (approximately $2 million) from the Company's notes placement were received after relevant approvals were given at a general meeting of shareholders in January 2026. The note issuance reflected a more efficient capital solution for existing shareholders than the alternative of a dilutionary placement or entitlement offer at the time. Support for the Note Transaction reflects strong investor confidence in the commercialisation strategy for Rolleston West subsequent to the announcement of the maiden 2P Reserve.   The detailed terms of the Notes and Options set out in the ASX announcement made by the Company on 8 December 2025.

With a delay in receipt of R & D Grant monies, the Company continues to carefully manage its capital position in accordance with the Capital Management Plan described in its ASX announcement of 27 May 2025. Overhead expenditure continues to be managed conservatively. The Company continues to shape the timing and scale of its development activities based on preserving its limited capital reserves, whilst it awaits the R & D refund and seeks to introduce a partner into the Rolleston West Project.

Outlook

The Company enters the June 2026 quarter with a clearly defined commercial strategy against a backdrop of increasing demand for oil and gas. Key objectives for the coming quarter are:

- establishing a commercial framework with a foundation customer for HDNG supply;
- supporting parties with their evaluation of the farm-in/co-investment opportunity at both Rolleston West and Reid's Dome;
- completing the Rolleston West Concept Study; and
- further desk-top review of the deeper oil and gas prospectivity at Reid's Dome and Rolleston West;
- supporting the ATO in completing its R&D review and having grant monies released.

State Gas believes that its portfolio of conventional and unconventional petroleum assets is strategically attractive in the current market and its plans to demonstrate increasing value across each of these opportunity sets is executable within the Company's capital constraints. While the Company remains focussed on developing the commercial frameworks described above to support accelerated delivery of the of Rolleston West and its HDNG strategy, the Company believes there is significant previously unquantified upside from its deeper unconventional opportunities, particularly within PL231/Reid's Dome.

Resource and Reserve Estimates

Independently Certified Gas Reserves (PJs net to State Gas)

Year last amended	***Asset***	***Net Acreage (km2)***	***2P***	***3P***
2025	*ATP 2062 Rolleston-West (unconventional)*	*1,414*	*30.2*	*44.1*

Notes:

- 2P reserves = Proven + Probable Reserves; 3P Reserves = Proven + Probable + Possible Reserves
- Refer additional commentary about the reserve estimate in the accompanying Competent Person's Statement
- No 1P reserves have been included in this reserve certification as gas production from currently developed wells is insufficient to support full project development including pipeline infrastructure
- The effective date of the reserve estimate is 20 November 2025. No changes have occurred to this estimate since that date

Independently Certified Contingent Resources (PJs net to State Gas)

Year last amended	***Asset***	***Net Acreage (km²)***	***1C***	***2C***	***3C***
2017	*PL231 Reid's Dome (unconventional)*	*181*	*84*	*192*	*660*
	PL231 Reid's Dome (conventional)		*1.7*	*3.6*	*7.9*
2025	*ATP 2062 Rolleston-West (unconventional)*	*1,414*	*145*	*231*	*410*
	ATP 2062 Rolleston-West (conventional)		*6*	*18*	*52*
2022	*ATP 2068 (unconventional)*	*254*	*25*	*43*	*68*
2022-23	*ATP 2069 (unconventional)*	*108*	*12*	*17*	*24*
Total		***1,957***	***274***	***505***	***1,222***

Independently Certified Contingent Resources (PJs net to State Gas)					
Year last amended	***Asset***	***Net Acreage (km^2)***	***1C***	***2C***	***3C***

Notes:

- Refer additional commentary about the reserve estimate in the accompanying Competent Person's Statement
- The Company's 2C resource estimate for Rolleston West (within ATP 2062) have been amended by Mr Crowley on 20 November 2025 to take into account the reserve certification provided by NSAI

Payments to Related Parties

A total of $105,000 was paid to the Managing Director for salaries, fees and superannuation during the quarter ended 31 March 2026. Non-executive Directors have agreed to defer payment of their remuneration until such time as the Company has successfully executed its Capital Management Strategy and outstanding Director Loans are repaid in full.

Payments for Exploration and Evaluation activities

In accordance with ASX Listing Rule 5.3.1, the Company advises that during the quarter it incurred a total of $581,000 on exploration and evaluation expenditure, as disclosed in section 2.1(d) of the attached Appendix 5B.

Shareholder Engagement

During the quarter, the Company held a general meeting of shareholders to seek approval for an issue of convertible notes to investors. We encourage shareholders and other parties to visit the Company's website: www.stategas.com to access information about the Company and its projects. State Gas keeps the market informed of its activities through regular Company updates and third-party publications.

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This announcement was approved for release by the Board of Directors.

FOR FURTHER INFORMATION

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ABOUT STATE GAS LIMITED

STATE GAS LIMITED (ASX: **GAS**) is a Queensland-based gas exploration and development company with highly prospective gas exploration assets located in the southern Bowen Basin. State Gas Limited's mission is to support east coast energy markets through the efficient identification and development of new high quality gas assets. It will do this by applying an agile, sustainable but low-cost development approach and opportunistically expanding its portfolio in areas that are well located to gas pipeline infrastructure.

State Gas is 100%-owner of the contiguous Reid's Dome (PL-231) and Rolleston-West (ATP 2062) gas projects, both of which contain CSG and conventional gas. The Projects, together some 1,595km^2, are located south of Rolleston, approximately 50 and 30 kilometres respectively from the Queensland Gas Pipeline and interconnected east coast gas network. State Gas intends to accelerate commercialisation of these assets through the application of an innovative virtual pipeline ("VP") solution which will see the Company transport compressed gas by truck to existing pipeline infrastructure or to an end user.

State Gas also holds a 35% interest in ATP 2068 and ATP 2069 in joint venture with Santos QNT Pty Ltd (65%). These two new areas lie adjacent to or in the near vicinity of State Gas and Santos' existing interests in the region, providing for the potential of an alignment in ownership interests across the region over time and enabling synergies in operations and development.

ABOUT THE ROLLESTON WEST PROJECT

The Rolleston West Project (ATP 2062) is 100% owned by State Gas Limited and is focussed on evaluating the viability of conventional and coal seam gas ("CSG") production from Bandanna Formation coals, which are extensive across large areas within the ATP and in adjoining areas. The capability to produce CSG at commercial levels from these coal formations has already been established at the Arcadia Valley field to the south-east, and at Mahalo to the north-east.

Historical drilling programs undertaken in the eastern part of the tenement have intersected approximately 8 metres of net coal, with the thickest seams laterally continuous over many kilometres. The gas content of the coals is between 5 and 6 m3/tonne dry ash free. Gas is at or near pipeline quality, between 93.8% and 96% methane. Gas desorption data, laboratory core sample analyses and permeability data were obtained from the Rougemont 2 vertical well drilled in late 2022 and the subsequent production test (comprising a vertical production well intersected by a lateral well) which provided confidence on both permeability and gas flow.

Production testing has established sustainable commercial gas flow rates and confirmed excellent permeability within the targeted coal seams. Using its first-of-its-kind in Australia HDNG technology, State Gas compressed and sold gas from the Rougemont 2/3 dual lateral well system during the second half of calendar 2024 demonstrating both productive capability and gas quality from the project area. This data has been combined with the extensive existing dataset of coal industry and CSG data in and adjacent to Rolleston West.

ABOUT THE REID'S DOME PROJECT

The Reid's Dome Gas Project (PL 231) is within the Bowen Basin on the apex of the Springsure-Serocold Anticline. The Company is targeting conventional and coal seam gas assets in areas of sharply uplifted coals, shales and sandstone formations.
State Gas' exploration activities have established in excess of 30 m of net coals, with gas contents averaging a very high 13.75m3/tonne dry ash free. Commercial levels of sustainable production of conventional gas have been established at the Nyanda-4 well and the Company continues to evaluate a range of techniques to successfully liberate gas from the deeper formations. There are immediately available pockets of conventional gas capable of immediate, low cost extraction, subject to the delivery of supporting infrastructure.
There are substantial operational and financial synergies between ATP 2062 and PL231 and the Company is evaluating how to best develop Reid's Dome in conjunction with Rolleston West as part of an integrated gas precinct which utilised a combination of traditional pipeline and virtual pipeline infrastructure.

ABOUT THE HDNG FACILITY

State Gas has developed a "first of its kind" in Australia CSG to CNG plant ("the CNG Facility"). When implemented in conjunction with virtual pipeline ("VP") trailer technology, the CNG Facility will be able to deliver up to 1.7TJ/day of pipeline quality natural gas to end users in the Southern Bowen Basin and surrounding areas. This technology has a range of benefits and potential use cases:

- delivers substantial environmental benefits to gas producers, as it provides a reliable method for capturing and commercialising production testing gas which has historically been released to the atmosphere;
- provides a new path to market for pipeline quality natural gas which the Company believes will become increasingly important across a range of industries, including critical minerals, while the economy continues its long-term transition to renewable energy sources;
- is modular and can be efficiently expanded and relocated to support gas testing and processing opportunities in new locations; and
- provides access to a new fuel source for end users who are seeking access to smaller, flexible quantities of natural gas, but don't have access to traditional pipeline infrastructure and need to accelerate a transition away from diesel.

ASX LISTING RULES CHAPTER 5 - REPORTING ON OIL AND GAS ACTIVITIES

Competent Persons Statement – Reserves

Joseph M. Wolfe is an employee of Netherland, Sewell & Associates, Inc. (NSAI) and a Licensed Professional Engineer in the State of Texas (Texas License No. 116170). He is a Qualified Petroleum Reserves and Resources Evaluator, which is defined by the Australian Securities Exchange (ASX) as a person who (1) has obtained a bachelor's degree or advanced degree in petroleum engineering, geology, geophysics, or other discipline of engineering or physical science; (2) has more than five years of practical experience in petroleum engineering, petroleum production geology, or petroleum geology, with at least three years of such experience being in the evaluation and estimation of petroleum reserves, contingent resources, and prospective resources; and (3) is a member of good standing of a professional organization of engineers, geologists, or other geoscientists whose professional practice includes petroleum reserves, contingent resources, and prospective resources evaluations and/or audits. Mr. Wolfe attended Texas A&M University and graduated in 2009 with a Master of Engineering Degree in Petroleum Engineering; he attended Northwestern State University and graduated in 1999 with a Bachelor of Science Degree in Mathematics, has in excess of 17 years of experience in petroleum engineering studies and evaluations, and he is a member of the Society of Petroleum Engineers (SPE No. 3283427).

John G. Hattner is an employee of Netherland, Sewell & Associates, Inc. (NSAI) and a Licensed Professional Geoscientist in the State of Texas (Texas License No. 559). He is a Qualified Petroleum Reserves and Resources Evaluator, which is defined by the Australian Securities Exchange (ASX) as a person who (1) has obtained a bachelor's degree or advanced degree in petroleum engineering, geology, geophysics, or other discipline of engineering or physical science; (2) has more than five years of practical experience in petroleum engineering, petroleum production geology, or petroleum geology, with at least three years of such experience being in the evaluation and estimation of petroleum reserves, contingent resources, and prospective resources; and (3) is a member of good standing of a professional organization of engineers, geologists, or other geoscientists whose professional practice includes petroleum reserves, contingent resources, and prospective resources evaluations and/or audits. Mr. Hattner attended Saint Mary's College of California and graduated in 1989 with a Master of Business Administration Degree; he attended Florida State University and graduated in 1980 with a Master of Science Degree in Geological Oceanography; he attended University of Miami, Florida in 1976 and graduated with a Bachelor of Science Degree in Geology, has in excess of 45 years of experience in petroleum geology studies and evaluations, and is a member of the Society of Exploration Geophysicists.

Additional Information in respect to Reserves required by the ASX Listing Rules (LR)

Listing Rule (LR)	Reporting Requirements
LR 5.25.1	The 2P (Proved plus Probable) Unconventional Gas Reserves for the Rolleston West Project (State Gas 100%) have been independently certified as at 20 November 2025. The Reserves were estimated by Netherland, Sewell & Associates, Inc. ("NSAI"), an internationally recognised subsurface consultancy and qualified petroleum reserves evaluator in accordance with ASX Listing Rule 5.41. The Reserves information is based on, and fairly represents, work conducted by Mr John G. Hattner and Mr Joseph M. (Joe) Wolfe of NSAI, each of whom meets the qualification requirements of ASX Listing Rule 5.41. Both have consented to the inclusion of the Reserves information in the form and context in which it appears. Mr Wolfe and Mr. Hattner do not have, nor does not expect to receive, any direct or indirect interest in the securities of State Gas Limited or its affiliated companies. In accordance with the definition of independent under Rule 141 of the NGR, both Mr Wolfe and Mr. Hattner are independent of State Gas Limited, its directors, its senior management, and its advisors.
LR 5.25.2	The Reserves have been prepared in accordance with the SPE-PRMS 2018 and SPE PRMS 2024 guidelines and ASX Listing Rule 5.25–5.31 requirements
LR 5.25.3	Unconventional Gas Reserves have been certified in the 2P and 3P categories. There has been no adjustment for risk.
LR 5.25.5	The reported estimate of Gas Reserves applicable to the Rolleston West Project are reported at State Gas 100% economic interest in the project. No contractual royalty obligations exist over ATP 2062. Allowance has been made for State royalties in evaluating project economics.
LR 5.25.6	The 2P Reserves have been assessed using deterministic methods and have not been adjusted for risk. The certification is based on detailed geological, petrophysical, reservoir engineering and production test data acquired across ATP 2062, including gas desorption measurements, core analyses, permeability tests, and extended production testing from the Rougemont well system. NSAI also incorporated historical coal and CSG industry data relevant to the Bandanna Formation coals within and adjacent to the permit.
LR 5.25.7	The reported Gas Reserves are stated in cubic feet and gigajoules and have not been reported in or converted from other units of equivalency.
LR 5.26.1	State Gas has a high degree of confidence in the commerciality of the Rolleston West Project and evidence of the economic producibility of the reservoir. This confidence is based on internal geological and economic modelling and is now supported by independent assessment by NSAI. The Company has already demonstrated the commercial viability of gas from the Rolleston West existing well system, through sales supported by the Company's unique gas compression technology. NSAI independently reviewed the Company's assumptions regarding development concept, well count, operating parameters, anticipated recoveries, capital and operating costs, and economic cut-offs. Based on this assessment, NSAI has concluded that the certified 30.2 PJ of 2P gas reserves, together with the associated 3P reserve volume, are economically capable of supporting development of a long-life ~10 TJ/day CSG project, supplying pipeline-quality gas to the east coast market.
LR 5.26.4	Gas reserves in the reserve table are stated before any assumption of fuel gas usage and shrinkage losses associated with production activities such as wellsite compression and water treatment. Detailed plan design is insufficiently advanced to determine if use of Rolleston West gas is the most efficient fuel source to support field activities.
LR 5.26.5	The 2P Reserve estimates have been reported on a 100% working interest basis, and the reference point for the reserves is the inlet to the Gladstone–Wallumbilla Pipeline at the Rolleston Jemena Compression Station.
LR 5.31.1	All economic assumptions that form the basis of the commerciality test were provided as actual or planned expenditures and revenues by State Gas. All assumptions on capital or operating costs were based on actual costs which the Company has previously incurred and are suitable proxies for long term cost modelling or based on third party cost disclosures available in public gas industry reports. When including these costs in economic models, the Company has included appropriate cost contingencies based on the fact that it is at the pre-development stage. Economic consideration has been given to State based royalties when assessing the resulting net project cashflows. State Gas provided NSAI with drilling logs, completion reports, LAS files, gas analysis reports, production test data, and license data from the Rolleston West Project (and surrounding areas) in the Bowen Basin in Queensland, Australia. In addition, the Company provided NSAI with shape files of its geologic interpretation of fractures and other geological features within the tenement area, including public seismic data. NSAI conducted its own petrophysical review and evaluation of the core and wireline log data and included extensive pre-existing coal industry data over and adjacent to the Project area. The tenement is not

Listing Rule (LR)	Reporting Requirements
	subject to an Australian market supply condition and consequently the Company has used the calendar 2025 average LNG netback price (after applying a 5% discount) for the purposes of determining forward sales revenue.
LR 5.31.2	State Gas has 100% ownership and is operator of the Rolleston West Project
LR 5.31.3	State Gas holds an Exploration Permit (ATP 2062) over the area which encompasses the Rolleston West Project for a term of six years. State Gas is now in the process of applying for a petroleum lease over the eastern area of the ATP which supports the Rolleston West Project. The tenement is not subject to an Australian market supply condition.
LR 5.31.4 and 5.31.5	Unconventional 2P Reserves listed in the above table are supported by three existing wells and 24 future “undeveloped” vertical wells which are required to support the Company’s current assessment of minimum project size necessary to support the development of a permanent gas pipeline connection. The expected recovery rates from these wells are based on production performance from existing wells and conservative estimation of likely performance of future wells based on NSAI’s experience of similar wells developed for other CSG projects targeting the similar coal measures. The 3P reserve case assumes the development of a further 16 wells to maintain daily production of 10TJ/day over a minimum operating period of 10 years. Final well numbers, extraction methods, production strategy and plant configuration remain subject to detailed FEED studies, financing, regulatory approvals and commercial arrangements.
LR 5.31.6	The Rolleston West Project is in the pre-development phase and remains conditional on finalising financing facilities and other sources of capital necessary to support project development, securing requisite permits and approvals and finalising detailed plant and pipeline design. State Gas believes there is now sufficient technical data available and sufficient reserves certified to progress each of these development pre-conditions. The Company will seek to obtain relevant regulatory and environmental approvals by the end of calendar 2027, which would allow construction to commence in early calendar 2028, with first material gas expected in calendar 2029. Now that a substantial 2P reserve base has been established, State Gas believes it is in a strong position to engage with potential customers around the negotiation of foundational gas supply contracts and now has a range of options available to progress the project toward development, including introducing project partners and the application of government supported infrastructure finance. The Company has identified potential pipeline routes (under a previous survey license) for the connection of Rolleston West to the Gladstone Wallumbilla Pipeline system (37 kilometres).

Competent Persons Statement – Resources

The estimate of Contingent Resources for the Reid’s Dome and Rolleston-West Gas Projects (of which State Gas holds 100%), and State Gas’ 35% interest in ATP 2068 and ATP 2069 described in Table 2 in this document, is based on, and fairly represents, information and supporting documentation prepared by Mr James Crowley in accordance with Petroleum Resource Management System guidelines. Mr Crowley is a qualified person as defined under the ASX Listing Rule 5.42. Mr Crowley holds a Bachelor of Science (Honours) from Macquarie University, Sydney and has over 36 years’ experience in the industry. He is a member of The Petroleum Exploration Society of Australia and The Society of Petroleum Engineers. Mr Crowley has consented to the publication of the Contingent Resource estimates for the Reid’s Dome and Rolleston-West Gas Projects, and ATP 2068 and ATP 2069, in the form and context in which they appear in this document. The Contingent Resources estimated have been prepared in accordance with the definitions and guidelines set forth in the SPE–PRMS 2018.

Additional Information in respect to Resources required by the ASX Listing Rules (LR)

Listing Rule (LR)	Reporting Requirements
LR 5.25.1	Unconventional contingent Resources within ATP 2062 for the Rolleston West Project were previously assessed and announced on 12 September 2022 and have been amended on 20 November 2025 in conjunction with classification of the previous resource as part of a 2P reserve. All other conventional and unconventional contingent Resources were previously assessed and announced on 12 September 2022 and remain unchanged.
LR 5.25.2	Gas Resources have been reported in accordance with SPE-PRMS 2018 and the SPE 2024 PRMS guidelines and ASX Listing Rule Requirements
LR 5.25.3	Gas Resources have been certified in the 1C, 2C and 3C categories. There has been no adjustment for risk.
LR 5.25.5	The reported estimate of Gas Resources applicable to the Company’s exploration tenements are reported at State Gas economic interest in the project, as reported in the relevant table. No contractual royalty obligations exist over the Company’s tenements.
LR 5.25.6	The Contingent Resource estimates for the Reid’s Dome and Rougemont Gas Projects (State Gas 100%) and State Gas’ 35% interest in ATP 2068 and ATP 2069, were estimated utilising the probabilistic method with totals summed arithmetically and have not been adjusted for commercial risk.
LR 5.25.7	The reported Gas Resources are stated in cubic feet and gigajoules and have not been reported in or converted from other units of equivalency.
LR 5.31	The estimates reported relate to unconventional petroleum resources. The details of the project area, the method of extraction and number of wells that may be required are not yet finalised. The Contingent Resources estimated have been prepared in accordance with the definitions and guidelines set forth in the SPE–PRMS 2018. The estimates reported are not contingent on technology that remains under development
LR 5.33	Contingent Resource estimates are based on technical data for the permits, regional geologic and production interpretations, and in the case of the Reid’s Dome and Rolleston-West Projects, data derived by State Gas from exploration activities on the permits, including reprocessing of seismic, drilling, core analyses, production testing and analyses of produced gas and water. Additional exploration and appraisal is required to address the contingencies associated with these resources to confirm commercial viability and areal extent. If the contingencies are successfully addressed, some part of the Contingent Gas Resources may be reclassified as reserves. The estimates of Continent Resources have not been risked to account for the possibility that the contingencies are not successfully addressed. No decisions can yet be made about the proposed extraction method for these resources or whether additional processing is required before gas can be sold.

Appendix 5B

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

Name of entity

STATE GAS LIMITED

ABN	Quarter ended ("current quarter")
49 617 322 488	31 MARCH 2026

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation (if expensed)	(23)	(97)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(205)	(474)
	(e) administration and corporate costs	(164)	(1,005)
1.3	Dividends received (see note 3)		
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	(3)	(43)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)		
	- GST refunds	26	189
	- Insurance claim proceeds	-	425
1.9	**Net cash from / (used in) operating activities**	**(369)**	**(1,005)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	(63)
	(d) exploration & evaluation (if capitalised)	(581)	(4,568)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**(581)**	**(4,631)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	3,200	3,200
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(193)	(193)
3.5	Proceeds from borrowings	-	3,356
3.6	Repayment of borrowings	(1,127)	(1,476)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	**1,880**	**4,887**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	481	2,160
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(369)	(1,005)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(581)	(4,631)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,880	4,887

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (9 months) $A'000**
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**1,411**	**1,411**

5.	**Reconciliation of cash and cash equivalents** at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	**Current quarter $A'000**	**Previous quarter $A'000**
5.1	Bank balances	1,411	481
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**1,411**	**481**

6.	**Payments to related parties of the entity and their associates**	**Current quarter $A'000**
6.1	Aggregate amount of payments to related parties and their associates included in item 1	105
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

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

Payments included at 6.1 above is the remuneration paid to the Managing Director. Non-executive Directors have agreed to defer payment of their remuneration until such time as the Company has executed its Capital Management Strategy.

		Total facility amount at quarter end $A'000	Amount drawn at quarter end $A'000
7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*		
7.1	Loan facilities	2,808	2,808
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	2,808	2,808

7.5	**Unused financing facilities available at quarter end**	-

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

- Loan agreement with RH Capital Finance Co., LLC for $1,000,000. The loan is secured against the Company's anticipated Research and Development (R&D) tax incentive refund for the year ended 30 June 2024. Interest accrues at a rate of 17% per annum. As at 31 March 2026 the has been fully drawn down.
- Loan agreement with director Jon Stretch for $505,000. The loan is secured by a general security interest over the assets and undertakings of the Company. As at 31 March 2026 the loan has been fully drawn down. $255,000 of the loan accrues interest at 15% per annum. With the balance accruing interest at 20%. $200,000 of the loan is repayable following the refinance the CNG Facility and $305,000 of the loan is repayable on receipt of the finalised FY2024 R&D claim.
- Loan agreement with Monte Vista Holdings Pty Ltd, a related party of director Philip St Baker, for $255,000. The loan is secured by a general security interest over the assets and undertakings of the Company. As at 31 March 2026 the loan has been fully drawn down. The loan accrues interest at 15% per annum. $200,000 of the loan is repayable following the refinance the CNG Facility and $55,000 of the loan is repayable on receipt of the finalised FY2024 R&D claim.
- Loan agreement with The P&P St Baker Family Trust, a related party of director Philip St Baker, for $519,192. The loan is secured by a general security interest over the assets and undertakings of the Company. As at 31 March 2026 the loan has been fully drawn down. The loan accrues interest at 20% per annum. $50,000 of the loan is repayable following the refinance the CNG Facility. The loan is repayable on receipt of the finalised FY2024 R&D claim.
- Loan agreement with Allegro Capital Nominees Pty Ltd, a related party of director Greg Baynton, for $230,000. As at 31 March 2026 the loan has been fully drawn down. The loan accrues interest at 15% per annum. $175,000 of the remaining loan is repayable following the refinance the CNG Facility and $55,000 of the loan is repayable on receipt of the finalised FY2024 R&D claim.
- Loan agreement with Loch Explorations Pty Ltd, a related party of director Tony Bellas, for $200,000. As at 31 March 2026 the loan has been fully drawn down. The loan accrues interest at 15% per annum. The loan is repayable following the refinance the CNG Facility.
- Loan agreement with AG Super Pty Ltd, a related party of director Tony Bellas, for $22,898. As at 31 March 2026, the balance has been fully drawn down. The loan accrues interest at 15% per annum. The loan is repayable when sufficient working capital is available
- Loan agreement with Tony Bellas for $55,000. As at 31 March 2026, the loan has been fully drawn. The loan accrued interest at 15% per annum and is repayable on receipt of the finalised FY2024 R&D claim.
- Loan agreement with Richard Cottee for $20,828. As at 31 March 2026, the balance has been fully drawn down. The loan accrued interest at 15% per annum.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (Item 1.9)	(369)
8.2	Capitalised exploration & evaluation (Item 2.1(d))	(581)
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	(950)
8.4	Cash and cash equivalents at quarter end (Item 4.6)	1,411
8.5	Unused finance facilities available at quarter end (Item 7.5)	-
8.6	Total available funding (Item 8.4 + Item 8.5)	1,411
8.7	**Estimated quarters of funding available (Item 8.6 divided by Item 8.3)**	1.50

8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions: -

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not? -

Answer: The Company has taken actions to reduce discretionary expenditure and Company overhead costs to preserve capital. The Company can control the timing of further discretionary expenditure to coincide with the availability of the relevant source of capital.

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: As approved by Shareholders on 21 January 2026, the Company has raised $3.2 million through the issue of unsecured convertible notes. In addition, a material R&D expenditure grant payment in relation to the development of the HDNG plant in the FY24 year is expected. The Company is currently working with the ATO to expedite their review of that claim and release the associated grant funds.

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: The Company can control the timing of further discretionary expenditure to coincide with the availability of capital. The Company anticipates that it has access to sufficient capital to continue its operations until the R & D grant claim proceeds are received.

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 30 April 2026

Authorised by: Board of Directors
(Name of body or officer authorising release – see note 4)

Notes

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

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

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: “By the board”. If it has been authorised for release to the market by a committee of your board of directors, you can insert here: “By the [*name of board committee – eg Audit and Risk Committee*]”. If it has been authorised for release to the market by a disclosure committee, you can insert here: “By the Disclosure Committee”.

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council’s *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.