Interim Financial Report

For the half year ended 30 June 2026

88 Energy Limited
ABN 80 072 964 179

CONTENTS

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

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AIM	88E
OTC	EEENF

Auditors
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Level 9, Mia Yellagonga Tower 2
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The Directors present their report together with the interim financial report of 88 Energy Limited (the Company or 88 Energy) for the six months ended 30 June 2026 and the independent auditor's review report thereon.

The names of the Company's Directors in office during the half-year and until the date of this report are as below. Directors were in office for this entire period unless otherwise stated.

- Ms Joanne Williams (Non-executive Chair, appointed 22 August 2025, Non-executive Director, appointed 2 August 2021)
- Mr Ashley Gilbert (Managing Director, appointed 10 May 2021)
- Dr Stephen Staley (Non-executive Director, appointed 9 April 2014)

Operating Results and Financial Position

During the period, the Group continued its principal exploration and appraisal activities in Alaska. The Group also has a 20% non-operated working interest in Petroleum Exploration Licence (PEL 93), Onshore Namibia.

As an exploration and appraisal Company, 88 Energy does not currently have any producing oil and gas assets and therefore does not generate operating revenue from production. The Group's income during the period primarily comprised of interest income and consideration received in connection with fees for the amended Participation Agreement with its Joint Venture partner, Burgundy Xploration LLC.

The Group recorded a consolidated net loss after income tax for the 6 months ended 30 June 2026 of $1,776,554, (30 June 2025: $20,473,936).

During the half year, the Group received income of $191,853 (30 June 2025: $306,146) comprising of interest in bank of $49,391 (30 June 2025: $55,644), income associated with the Burgundy Second Amendment Participation agreement of $142,328 and other sundry income of $133.

As at 30 June 2026, the Group had no interest-bearing debt. The Group's principal assets comprised of cash and cash equivalents of $8,223,725 (31 December 2025: $6,821,858) and capitalised exploration and evaluation expenditure of $79,144,119 (31 December 2025: $76,846,962).

The net assets of the Company as at 30 June 2026 were $88,548,232 (31 December 2025: $87,618,381). For further details refer to the accompanying financial statements and the accompanying notes to the accounts.

First Half Highlights

Significant activities that occurred during the first half of 2026 are summarised below:

ALASKA

Detailed Data-Driven Approach to Enhance Alaskan Exploration Success

- 88 Energy's experience on the North Slope reinforces its belief that modern 3D seismic imaging and interpretation are critical to delivering exploration success and ensuring disciplined capital allocation. 3D seismic provides an order-of-magnitude improvement in subsurface resolution, when compared with 2D data.
- The integration of multiple 3D seismic surveys across the Company's North Slope portfolio, combined with a refreshed and experienced, discovery-focused technical team, represents a key competitive advantage. This approach enhances confidence in prospect definition, ranking and maturation toward drilling.
- Advanced interpretation techniques, including industry leading AI-based tools, have enabled the Company to perform more insightful interpretation work enabling the precise targeting of potential prospects. The capabilities 88 Energy's team possess are particularly valuable in Alaska, where subtle stratigraphic traps and complex depositional systems require high-resolution imaging to delineate them effectively.
- 88 Energy currently has access to six 3D seismic surveys across its North Slope portfolio, forming an extensive, portfolio of data across the basin that enables the team to integrate regional trends, legacy discoveries and newly acquired acreage, thereby materially reducing pre-drill uncertainty.
- Access to 3D data represents a significant step change in the Company's exploration strategy and de-risks future drilling. Importantly, these datasets have been acquired at substantially reduced cost through the State of Alaska's seismic incentive programmes, enabling a disciplined and capital-efficient approach to exploration.

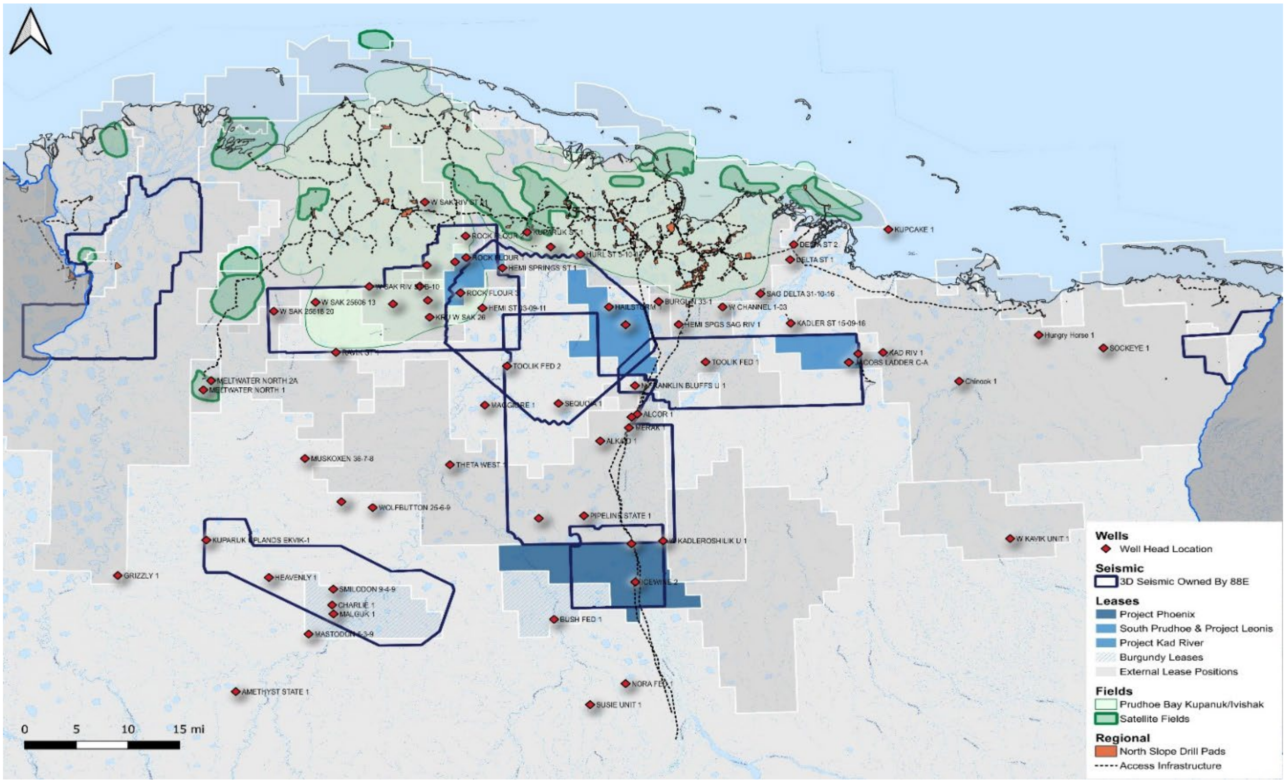

Figure 1: 88 Energy's North Slope 3D database now comprises eight separate surveys, which cover the majority of the Company's projects; Project Phoenix is covered by the Franklin Bluffs 3D, South Prudhoe is covered by the Storms 3D and Schrader Bluff 3D, Kad River East is covered by the Kad River 3D and the southern Burgundy option acreage is covered by the Icewine 3D. There are two off block 3D surveys noted in the East and West of the map.

South Prudhoe | 100% working interest

South Prudhoe is the Company's highest-priority project within the portfolio because it represents a material, relatively low-risk and near-term value creation opportunity and well location and planning is supported by well-defined structural traps and seismic amplitude anomalies consistent with nearby proven reservoirs.

South Prudhoe and importantly the North-West Hub where Augusta-1 will be located, is immediately South of the prolific Prudhoe Bay and Kuparuk River producing fields on Alaska's North Slope.

Figure 2 below, shows the South Prudhoe leases, covered by 3D data and located immediately South of the Prudhoe Bay Unit and Kuparuk River Unit. Since 1990 there has been a steady stream of satellite oil fields (as shown in Figure 2), which more recently have been developed within two to three years from discovery / sanction to first oil and benefiting from tie-in to existing North Slope infrastructure.

During the first half of 2026, the Company delivered an internal Prospective Resource estimate at South Prudhoe of 768.9 MMbbls (gross unrisked 2U), equivalent to 640.7 MMbbls net to 88 Energy[1,2] from multiple stacked reservoirs within the consolidated South Prudhoe lease position. The initial prospective resource was estimated at 507 MMbbl (2U, gross unrisked) in February 2026 and the estimate was upgraded in May 2026 to incorporate a maiden Brookian Prospective Resource for the North-West Hub and an upgraded Ivishak Prospective Resource, further defining South Prudhoe as a material, multi-reservoir exploration opportunity.

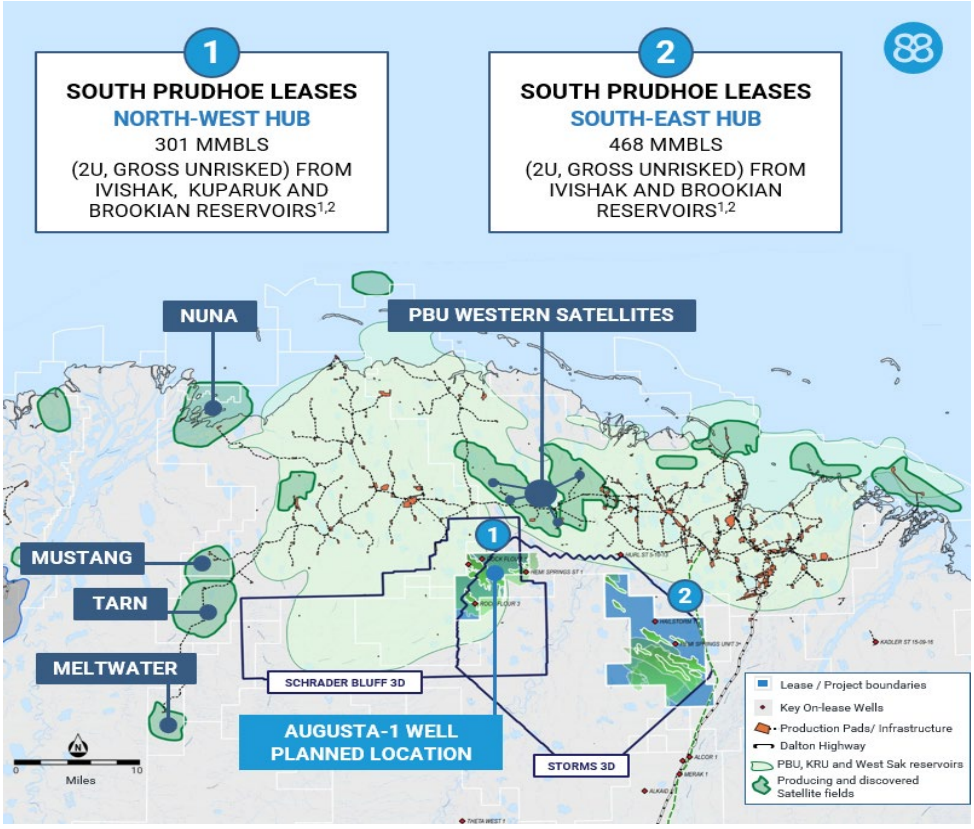

Figure 2: South Prudhoe leases located immediately south of the Prudhoe Bay Unit and Kuparuk River Unit.

Augusta-1

The Augusta-1 well is designed to test up to 133.7 MMbbls of gross unrisked 2U Prospective Resources, equivalent to 111.4 MMbbls net to 88 Energy, across the stacked Ivishak, Kuparuk and Upper Schrader Bluff reservoir intervals.[1]

Operational preparations for the Augusta-1 well commenced in Q1 2026 and were materially advanced during Q2 2026, including well planning, permitting, vendor engagement including rig and camp contracting as well as road and facility access to the well site.

Augusta-1 has a clear path to market supported by ~6-mile tie-in to the Kuparuk Pipeline to the North. The Kuparuk pipeline network is a regulated common carrier, so third- party producers are assured the right to tie-in and move barrels to market.

The Augusta-1 planned Q1 2027 spud[3] remains subject to funding and completion of the required permitting, contracting and operational preparations.

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[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 exploration1001, appraisal and evaluation are required to determine the existence of a significant quantity of potentially recoverable hydrocarbons.

[2] Refer to the ASX Announcements dated 19 February and 18 May 2026. Iv = Ivishak, Kup = Kuparuk and SB = Upper Schrader Bluff. GCOS = Geological Chance of Success. N-W = North-West Hub

[3] Target spud is indicative and subject to change. The Company reserves the right to alter this timetable at any time.

2026 Half Year Highlights

- The Schrader Bluff 3D (SB3D) seismic survey data, acquired in January 2026 from the Alaska Department of Natural Resources, Oil & Gas Division, provided high-resolution subsurface imaging that captured material prospectivity across the South Prudhoe Project. The dataset enhanced the Company's ability to:
    - Refine structural and stratigraphic interpretation across the South Prudhoe leases, while improving correlation of key horizons and reservoir intervals with regional fields and discoveries to 88E prospects, strengthening confidence in both existing and emerging prospectivity.
    - Advance prospect definition within the focussed Ivishak and Kuparuk reservoirs, plus the additional Brookian reservoirs, which combined, represent stacked high-potential reservoirs.
    - De-risk multiple low-to-moderate risk structures identified on 3D datasets already held by 88 Energy and supported by offset well data, including the historical Hemi Springs State-1.
- The Schrader Bluff 3D data was incorporated into the Company's internal exploration database and was followed by detailed interpretation of the SB3D in conjunction with the existing Storms 3D dataset and other licenced data sets to produce an updated internal combined Prospective Resource estimate for the South Prudhoe acreage position.
- South Prudhoe total gross unrisked 2U Prospective Resource estimate of 768.9 MMbbls (640.7 MMbbls net to 88E)[4], comprising:
    - North-West Hub: 301.3 MMbbls (gross unrisked, 2U), 251.1 MMbbls net to 88E[4]
    - South-East Hub: 467.6 MMbbls (gross unrisked, 2U), 389.7 MMbbls net to 88E[4]
    - The Company's immediate strategic focus on the North-West Hub, merited an upgrade to the Prospective Resource in May 2026, following further geophysical analysis of the Schrader Bluff 3D seismic velocity data, resulting in:
        - Ivishak Prospective Resource increasing ~44% to 69.9 MMbbls (gross unrisked 2U), 58.2 MMbbls net to 88E[4]; and
        - A maiden Brookian Prospective Resource of 181.5 MMbbls (gross unrisked 2U), 151.2 MMbbls net to 88E[4] was defined across the West Sak and Upper Schrader Bluff intervals.

    - Augusta-1 is designed to test up to 133.7MMbbls (gross unrisked, 2U), 111.4 MMbbls net to 88E[4]:
        - Primary targets:
            - Ivishak: 57.5 MMbbls (gross unrisked, 2U), 47.9 MMbbls net to 88E[4].
            - Kuparuk: 23.5 MMbbls (gross unrisked, 2U), 19.6 MMbbls net to 88E[4].
        - Secondary target Upper Schrader Bluff: 52.7 MMbbls (gross unrisked, 2U), 43.9 MMbbls net to 88E[4].

- Augusta-1 Advancements:
    - Drilling location finalised.
    - Permitting, road and facility access, logistics and execution planning advanced.
    - Nordic Rig-3 contracted for the Augusta-1 exploration well. The fully winterised Arctic drilling rig was previously used during 88 Energy's 2019 and 2020 North Slope drilling programmes.
    - A dedicated Nabors Arctic-rated camp, with capacity for 58 personnel, secured for the drilling programme.
    - Long-lead procurement and service contracting continued to progress.
    - Farm-out discussions progressed, with multiple parties actively engaged in the data room.

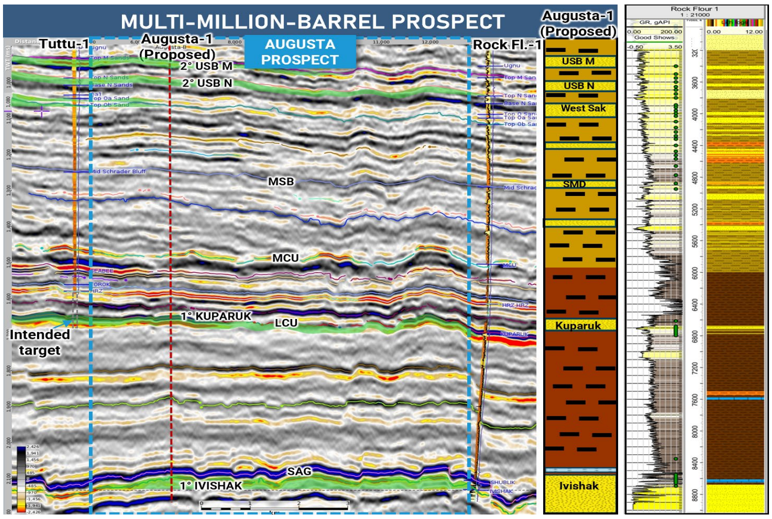

Figure 3: Priority Augusta Prospect, a multi-zone opportunity targeting Ivishak, Kuparuk and USB reservoirs.

H2 2026 Planned Activities

- Progress the South Prudhoe farm-out process and associated funding discussions.
- Advance permitting, contracting, procurement and logistics for Augusta-1.
- Finalise road, facility and operational-access arrangements.
- Continue preparations for the targeted Q1 2027 winter drilling campaign, subject to funding and other customary conditions.

[4] Refer to the Cautionary statement on page 1 and the ASX Announcements dated 19 February and 18 May 2026. Iv = Ivishak, Kup = Kuparuk and SB = Upper Schrader Bluff. GCOS = Geological Chance of Success. N-W = North-West Hub.

Kad River East | 100% working interest

Kad River East represents a longer-term exploration opportunity within 88 Energy's Alaska portfolio and complements the Company's more advanced South Prudhoe and Project Phoenix projects.

During 1H 2026, 88 Energy secured access to the recently released Kad River 3D seismic dataset, which covers the Company's entire ~17,794-acre Kad River East lease position. Interpretation of the dataset is underway and is expected to support prospect identification, maturation and ranking ahead of a targeted maiden internal Prospective Resource estimate.

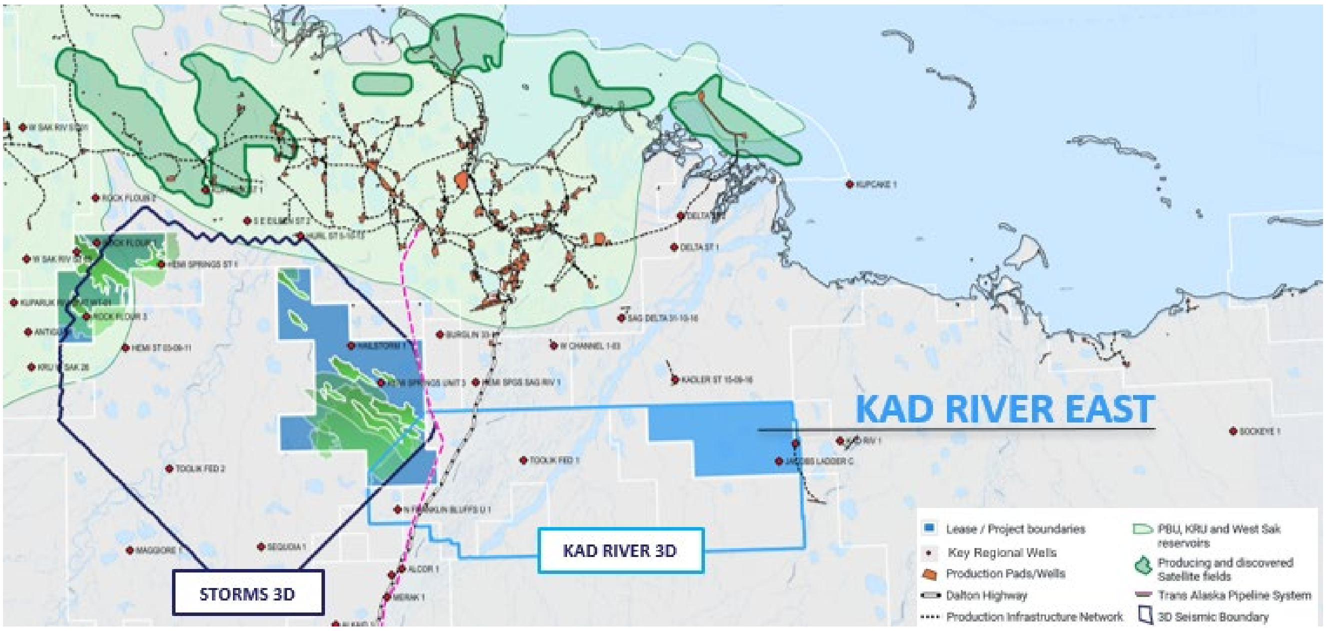

Figure 4: Kad River East Leases, shown in light blue, together with South Prudhoe leases shown in dark blue. The purchased Kad River 3D seismic survey (light blue outline) and the historically purchased Storms 3D seismic survey (dark blue outline).

2026 Half Year Highlights

- Secured access to the Kad River 3D seismic dataset, covering 100% of the Kad River East lease position.
- Interpretation and integration of the 3D seismic data commenced:
  - The technical programme is incorporating modern seismic analysis, historical well information and regional geological data.
  - Regional mapping identified potential multi-reservoir prospectivity, including interpreted turbidite fairways with analogues to productive North Slope oilfields to the east.
  - Historical wells within and adjacent to the acreage recorded hydrocarbon shows across multiple reservoir intervals, including the Ivishak, Seabee, Canning, Kuparuk-equivalent and Lisburne intervals.
- The nearby Sockeye-2 well (refer to Figure 4 for location on eastern edge of map) provides a compelling analogue supporting the resource potential of the broader Kad River East area. Sockeye-2 was drilled to approximately 10,500 ft, encountering a high-quality Palaeocene-aged clastic reservoir with an average porosity of 20%. The vertical well was completed over a single 25 ft interval at approximately 9,200 ft TVD and delivered exceptional performance during a 12-day flow test, averaging approximately 2,700 BOPD without stimulation or artificial lift.
  This result demonstrates the productivity of distal turbidite systems and provides strong evidence for a laterally extensive, high-quality reservoir framework across this region of the North Slope.

H2 2026 Planned Activities

- Complete interpretation of the Kad River 3D seismic dataset.
- Refine geological and geophysical mapping across the lease position.
- Identify, mature and rank exploration prospects.
- Progress a maiden internal Prospective Resource estimate during H2 CY2026.

Project Phoenix | ~75% working interest

Project Phoenix is 88 Energy's advanced conventional oil appraisal project on Alaska's North Slope. The project is underpinned by 378 MMBOE of gross best-estimate 2C Contingent Resources (239 MMBOE net to 88E).[5] [6] across the SMD, SFS and BFF reservoir intervals.

During the first half of 2026, the Company and its farm-in partner, Burgundy Xploration LLC (Burgundy), continued planning for the Franklin Bluffs-1H (FB-1H) horizontal well and production test. The Joint Venture also amended the Participation Agreement to align Burgundy's funding milestone with its proposed United States initial public offering (IPO).

The amended terms provide 88 Energy with significant advantages including additional near-term cash payments, enhanced security protections and an accelerated payment structure for the outstanding Icewine 3D data consideration. Burgundy's obligation to fund 100% of Project Phoenix expenditure under the agreed US$29 million Phase 1 carry was maintained.

2026 Half Year Highlights

- The Phase 1 funding longstop date was extended to 30 September 2026 and the target spud date for Franklin Bluffs-1H was revised to 30 March 2027 to align with Burgundy's funding timelines. FB-1H spud remains subject to Burgundy completing its funding.
- The payment structure for the outstanding Icewine 3D data consideration was accelerated and enhanced enforcement mechanisms were agreed. A payment of US$100,000 was received as a 2nd amendment fee. In November 2025 as part of the 2nd amendment participation agreement, Burgundy contractually committed to pay US$2.4 million (~A$3.33 million) for access to the historical 3D seismic dataset, which was acquired solely by 88 Energy in 2018. Payments of US$300,000 were received up to 30 June 2026, resulting in US$2.1 million receivable as 30 June 2026, approximately A$3.1 million. (Refer to note 5). Subsequent to period end a further instalment of US$150,000 was received on 31 July 2026 reducing the outstanding balance to US$1.95 million which is due within 15 days of a funding event, defined as an initial public offering or other bona fide funding event.
- Additional security arrangements were established over Burgundy's Fall 2025 North Slope leases.
- 88 Energy's exclusive option to acquire up to a 25% working interest in Burgundy's Fall 2025 North Slope leases at cost was extended to 1 April 2027.
- Burgundy continued to progress its proposed United States listing, having submitted a draft Form S-1 and completed two rounds of comments with the United States Securities and Exchange Commission in April 2026.
- Burgundy has funded 100% of Project Phoenix expenditure incurred under the agreed carry. Payments made by Burgundy since execution of the Participation Agreement in February 2025 have provided approximately A$2.0 million of net cashflow benefits to 88 Energy.

H2 2026 Planned Activities

- Continue supporting Burgundy's funding and listing process.
- Progress the remaining milestones under the amended Participation Agreement.
- Advance detailed well design, engineering, contracting and operational planning for Franklin Bluffs-1H.
- Evaluate potential operational and contracting synergies with the South Prudhoe drilling programme.

NAMIBIA

PEL 93 | 20% working interest

Petroleum Exploration Licence (PEL) 93 provides 88 Energy with exposure to the underexplored Owambo Basin in onshore Namibia. The licence covers approximately 18,500km^2 and is operated by Monitor Exploration Limited (**Monitor**).

During the half year, 88 Energy amended its Farm-In Agreement with Monitor, securing its 20% working interest on a fully earned and unconditional basis and removed the Stage 2 and Stage 3 farm-in obligations, substantially reducing the Company's future capital exposure by approximately US$15 million, while preserving its participation in PEL 93. The revised structure retained capital-efficient exposure to a potentially basin-opening exploration opportunity while enabling the Company to maintain its focus on its priority Alaska portfolio.

Monitor also completed an integrated interpretation of aerogravity, magnetic and radiometric data, together with historical seismic, passive seismic and legacy datasets. This work improved structural definition across the licence and confirmed Lead 9 as a priority future drilling candidate.

The Joint Venture (JV) has fulfilled all its commitments associated with the first renewal exploration period for PEL 93 which ends on 2 October 2026. On the 29 June 2026, the (JV) applied to the Namibian Ministry of Industries, Mines and Energy (MIME) to enter the second renewal exploration period for a period 2-years from 3 October 2026. The proposed 2-year work programme includes preparations for and the drilling of at least one exploration well. As part of the second renewal exploration period, the JV proposed relinquishing 50% of the existing licence area which exceeds the statutory minimum requirement of 25%. The proposed relinquishment is based on the results of the integrated technical interpretation and will enable the JV to focus future exploration activities on the highest-ranked opportunities within the licence area, including all 13 identified prospects and leads. The reduced licence area will also deliver minor cost savings, and no further relinquishment obligations will apply.

Entry into the second renewal exploration period including a well commitment remains subject to JV and NAMCOR approval.

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[5] Refer to the 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

[6] 88 net 2C contingent resource is calculated based on 74.3% working interest and does not include projected impacts from the farmout.

Subsequent to period end, ReconAfrica also announced the successful flow of hydrocarbons from both the Elandshoek and Huttenberg formations, supporting the basin's hydrocarbon potential. (Refer to ReconAfrica' s news releases dated 16 July 2026 and 17 August 2026).

2026 Half Year Highlights

- 20% working interest is fully earned and unconditional, with no remaining earn-in funding or reassignment conditions.
- Stage 2 and 3 farm-in obligations were cancelled, reducing minimum forward financial exposure by ~US$15 million.
- Potential future funding pathways include third-party participation or the possible formation of a Namibia-focused listed entity.
- 88 Energy retained an option to increase its interest in PEL 93.
- Integrated aerogravity, magnetic and radiometric interpretation improved subsurface and structural definition across the licence.
- Lead 9 was confirmed as a priority future drilling candidate.

H2 2026 Planned Activities

- Continue integrating the new technical datasets into basin-scale and prospect-level evaluations.
- Advance the maturation and ranking of Lead 9 and other priority exploration leads.
- Evaluate funding and commercialisation pathways for future exploration.
- Assess the implications of regional exploration and testing activity for PEL 93.
- Work with Monitor to progress the report, proposal and associated submissions required for the joint venture and the Namibian Government to consider entry into the Second Renewal Exploration Period commencing October 2026.

CORPORATE

At 30 June 2026, the Company had a cash balance of A$8.2 million.

The Company held its Annual General Meeting (AGM) on 26 May 2026. All resolutions were carried by way of a poll.

On 27 March 2026, the Company announced a placement to raise approximately A$5.0 million, or approximately £2.6 million, before costs through the issue of 173,602,563 new ordinary shares at an issue price of A$0.0290 ((£0.01508) per share (**Placement**). In addition, the Company issued a 1:2 free attaching option (exercisable at A$0.0435; 3-year term) to ASX investors participating in the Placement, and a 1:2 free attaching warrant (exercisable at £0.02262; 3-year term) to UK investors who participated in the Placement. The Placement settled during April 2026 and delivered approximately A$4.6 million in net proceeds.

The proceeds raised continue to support permitting, planning and pre-drilling activities associated with the Augusta-1 exploration well, currently targeted to spud in Q1 CY2027, together with general working capital requirements.

Following completion of the Placement the Company had 1,330,952,980 ordinary shares on issue, each carrying one vote per share.

Events after the period end

The following events were noted after reporting date:

Formal Award of 2025 Fall North Slope leases

On 15 July 2026, the Company via its U.S. subsidiary Captivate Energy Alaska, Inc received formal award notice from the State of Alaska, Department of Natural Resources for the fourteen (14) leases covering approximately 34,301 gross acres. The Company holds a 100% working interest in the leases:

- Seven (7) leases covering 16,507 gross acres at South Prudhoe
- Seven (7) leases covering 17,794 gross acres at Kad River East

Payment of US$1,077,736 (inclusive of final bid bonus and first year lease rentals) for the awarded leases was made on 30th July 2026.

Other than as disclosed above, there were no significant events occurring after balance date requiring disclosure.

A copy of the lead auditor's independence declaration for the half-year ended 30 June 2026 has been received by the Directors and can be found on the following page. This declaration forms part of the Directors' Report.

Signed in accordance with a resolution of the Board of Directors.

Ms Joanne Williams
Non-executive Chair

27th August 2026

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

As lead auditor for the review of 88 Energy Limited for the half-year ended 30 June 2026, 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 review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of 88 Energy Limited and the entities it controlled during the period.

Ashleigh Woodley

Director

BDO Audit Pty Ltd

Perth

27 August 2026

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED 30 JUNE 2026

	Note	**30 June 2026 $**	30 June 2025 $
Other income	3(a)	**191,853**	306,146
Share of profit/(loss) from equity accounted investment		**-**	(1,162,061)
Administration expenses	3(b)	**(580,325)**	(1,065,089)
Occupancy expenses		**(17,208)**	(18,184)
Employee benefit expenses	3(c)	**(1,112,768)**	(1,297,393)
Share based payment expense	3(d)	**(67,261)**	(222,922)
Depreciation and amortisation expense		**(46,735)**	(41,257)
Finance cost		**(1,069)**	(1,156)
Realised/unrealised gain/(loss) on foreign exchange		**(130,317)**	(371,172)
Other income /(expenses)		**(12,724)**	(30,869)
Impairment of Investment in Associate Asset	3(e)	**-**	(16,569,979)
Loss before income tax		**(1,776,554)**	(20,473,936)
Income tax benefit/(expense)		**-**	-
Loss after income tax for the period		**(1,776,554)**	(20,473,936)
Other comprehensive income for the period			
Other comprehensive income that may be recycled to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		**(2,009,210)**	(6,676,698)
Total comprehensive profit/(loss) for the period		**(3,785,764)**	(27,150,634)
Basic and diluted profit/(loss) per share		**(0.0013)**	(0.0177)

The consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2026

	Note	30 June 2026 $	31 December 2025 $
ASSETS			
Current Assets			
Cash and cash equivalents	4	**8,223,725**	6,821,858
Other receivables	5	**3,421,168**	3,735,245
Total Current Assets		**11,644,893**	10,557,103
Non-Current Assets			
Plant and equipment		**48,145**	57,633
Exploration and evaluation expenditure	6	**79,144,119**	76,846,962
Other assets		**35,559**	519,350
Total Non-Current Assets		**79,227,823**	77,423,945
TOTAL ASSETS		**90,872,716**	87,981,048
LIABILITIES			
Current Liabilities			
Provisions		**298,386**	233,478
Trade and other payables	7	**2,026,098**	129,189
Total Current Liabilities		**2,324,484**	362,667
TOTAL LIABILITIES		**2,324,484**	362,667
NET ASSETS		**88,548,232**	87,618,381
EQUITY			
Issued and fully paid shares	8(a)	**396,951,502**	392,621,587
Reserves	8(b)	**33,307,210**	34,930,720
Accumulated losses		**(341,710,480)**	(339,933,926)
TOTAL EQUITY		**88,548,232**	87,618,381

The consolidated statement of financial position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
AS AT 30 JUNE 2026

	Issued Capital $	Reserves $	Accumulated Losses $	Total $
At 1 January 2026	**392,621,587**	**34,930,720**	**(339,933,926)**	**87,618,381**
Loss for the period	**-**	**-**	**(1,776,554)**	**(1,776,554)**
Other comprehensive income	**-**	**(2,009,210)**	**-**	**(2,009,210)**
Total comprehensive income/(loss) for the period after tax	**-**	**(2,009,210)**	**(1,776,554)**	**(3,785,764)**
Transactions with owners in their capacity as owners:				
Issue of share capital	**5,034,474**	**-**	**-**	**5,034,474**
Issue of Options	**-**	**318,439**	**-**	**318,439**
Vesting of Performance Rights	**-**	**-**	**-**	**-**
Share-based payments	**-**	**67,261**	**-**	**67,261**
Share issue costs	**(704,559)**	**-**	**-**	**(704,559)**
Balance at 30 June 2026	**396,951,502**	**33,307,210**	**(341,710,480)**	**88,548,232**
At 1 January 2025	392,621,587	43,039,154	(287,023,501)	148,637,240
Loss for the period	-	-	(20,473,936)	(20,473,936)
Other comprehensive income	-	(6,676,698)	-	(6,676,698)
Total comprehensive income/(loss) for the period after tax		(6,676,698)	(20,473,936)	(27,150,634)
Transactions with owners in their capacity as owners:				
Issue of share capital	-	-	-	-
Issue of Options	-	-	-	-
Vesting of Performance Rights	-	(2,750)	-	(2,750)
Share-based payments	-	222,922	-	222,922
Share issue costs	-	-	-	-
Balance at 30 June 2025	392,621,587	36,582,628	(307,497,437)	121,706,778

The consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED 30 JUNE 2026

	30 June 2026 $	30 June 2025 $
Cash flows from operating activities		
Interest	**49,388**	55,213
Payments to suppliers and employees	**(1,684,051)**	(2,227,402)
Net cash outflows used in operating activities	**(1,634,663)**	(2,172,189)
Cash flows from investing activities		
Payments for exploration and evaluation activities	**(2,272,276)**	(2,577,955)
Contributions from JV Partners in relation to Exploration	**803,626**	5,744,081
Distribution from Equity Accounted Investments	**-**	261,841
Net cash (outflows)/inflows from investing activities	**(1,468,650)**	3,427,967
Cash flows from financing activities		
Proceeds from issue of shares	**5,034,474**	-
Share issue costs	**(405,606)**	-
Net cash inflows from financing activities	**4,628,868**	-
Net increase/(decrease) in cash and cash equivalents	**1,525,555**	1,255,778
Net foreign exchange differences	**(123,688)**	(407,133)
Cash and cash equivalents at beginning of period	**6,821,858**	7,198,567
Cash and cash equivalents at end of period	**8,223,725**	8,047,212

The consolidated statement of cash flows should be read in conjunction with the accompanying notes.

1 Corporate Information

The consolidated financial statements of the Company for the six months ended 30 June 2026 were authorised for issue in accordance with a resolution of the Directors on 27th August 2026.

88 Energy Limited is a public company, limited by shares, incorporated and domiciled in Australia whose securities are publicly traded. The principal activities of the company and its subsidiaries (the Company or the group) are oil and gas exploration with a portfolio of operated exploration interests in Alaska and a 20% non-operated exploration interest in Namibia.

2 Basis of Preparation and changes to the company's accounting policies

Basis of Preparation

The half year financial report for the six months ended 30 June 2026 is a general-purpose financial report prepared in accordance with requirements of the Corporations Act 2001 and Australian Accounting Standard AASB 134: Interim Financial Reporting.

The half year financial report has been prepared on a historical cost basis. Unless otherwise noted, the carrying value of financial assets and liabilities as disclosed in the half year financial report approximates their fair value. The company is domiciled in Australia, and all amounts are presented in Australian dollars, and all values are rounded to the nearest dollar, unless otherwise noted.

For the purpose of preparing the half year financial report, the half-year has been treated as a discrete reporting period.

The accounting policies adopted in the preparation of the half year financial report are consistent with those followed in the preparation of the Company's annual financial report for the year ended 31 December 2025.

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 30 June 2026.

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.

The half year financial report does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements as at 31 December 2025, together with any public announcements made during the period.

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 several factors, including whether the Group elects to develop the relevant tenements, or alternatively, whether it can realise value from the related exploration and evaluation assets through sale. Recoverability is also dependent on the stage of exploration activities and whether sufficient information exists to support an assessment of the presence of economically recoverable reserves.

For the period ending 30 June 2026, no impairment indicators were identified regarding its Alaskan and Namibian Projects.

Going concern

For the half-year ended 30 June 2026, the Group recorded a loss of $1.7 million (30 June 2025: loss of $20.4 million). The loss primarily reflected corporate costs including employment expenses, and other administrative expenses. Revenue recognised during the period related to fees received from Burgundy Xploration, LLC (Burgundy) in connection with the 2nd amendment participation agreement.

At 30 June 2026, the Group had a working capital balance $9.3 million (31 December 2025: $10.1 million) which included cash and cash equivalents of $8.2 million (31 December 2025: $6.8 million).

Management has prepared a cash flow forecast covering the period through to 31 December 2027. The forecast incorporates several assumptions relating to the Group's operations and funding requirements, including the contractual entitlement to receive the outstanding US$1.95 million from Burgundy in respect of the historical 3D seismic acquisition completed.

In November 2025 as part of the 2nd amendment participation agreement, Burgundy committed to pay US$2.4 million (~A$3.33 million) for access to the historical 3D seismic dataset, which was acquired solely by 88 Energy in 2018. Payments of US$300,000 were received up to 30 June 2026, resulting in a receivable balance of US$2.1 million (~A$3.1 million) at 30 June 2026. (Refer to note 5). Subsequent to period end a further instalment of US$150,000 was received on 31 July 2026 reducing the outstanding balance to US$1.95 million. Burgundy has provided written confirmation acknowledging this agreement and the outstanding amount payable and has made payments in accordance with the agreed payment schedule. The remaining balance is due within 15 days of a funding event, defined as an initial public offering of other bona fide funding event.

The Group is also actively progressing its farm-out process for the South Prudhoe project which commenced in late February 2026 following appointment of a third-party advisor to run a competitive formal farmout process. Numerous parties have signed confidentiality agreements, received management presentations and reviewed the data room. Several parties remain engaged in the projects data room and discussion with potential farm-in partners continue to advance. While no farm-out transaction can be assured, management considers the ongoing level of third-party engagement encouraging and deems that this provides additional support for the Group's funding strategy for its Augusta-1 exploration programme. The Company has announced, that drilling of Augusta-1 planned for Q1 2027 is subject to funding and other customary conditions.

In May 2026, 88 Energy Limited through its Namibian subsidiary, amended its Farm-In Agreement with operator and JV partner Monitor Exploration (Monitor), securing its 20% working interest in Petroleum Exploration Licence (PEL) 93 on a fully earned and unconditional basis. The amendment also removed the Stage 2 and Stage 3 farm-in obligations, substantially reducing the Company's future capital exposure by approximately US$15 million.

The Group has met all its commitments under the first renewal exploration period for PEL 93 in onshore Namibia which ends on 2 October 2026 and has been incorporated into the Group's cashflow forecast. On the 29 June 2026, the Joint Venture (JV) applied to the Namibian Ministry of Industries, Mines and Energy (MIME) to enter the second renewal exploration period for a period 2-years from 3 October 2026. If approved, the JV has a firm budget commitment to 30 June 2027, of which the Group's share will be approximately US$98,000 for the work program and budget and its share of the licence bond of approximately US$267,000. Approval of PEL93 second renewal period includes a gross JV minimum exploration expenditure of US$10 million over the 2-year licence period including a well commitment. The contingent expenditure from 1 July 2027 including the contingent well during the second renewal period remains subject to JV and NAMCOR approval.

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.

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.

Notwithstanding the existence of this material uncertainty the Directors have concluded that the going concern basis of preparation remains appropriate. Based on the Groups current strong cash reserves, forecast cash flows, committed expenditure profile, anticipated contractual receipts and access to potential funding sources for discretionary activities such as Augusta-1 program and all lease payments, the Directors have a reasonable expectation that the group will have sufficient resources to continue as a going concern and meet its obligations as and when they fall due for at least 12 months from the date of signing this report.

Accordingly, the financial statements have been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the ordinary course of business. Should the Group not be able 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.

3 Income and expenses

	30 June 2026 $	30 June 2025 $
a) Income		
Interest Income	**49,391**	306,146
Other Income (i)	**142,462**	-
	191,853	306,146
b) Administrative expenses		
Consultancy and professional fees	**283,805**	346,780
Legal fees	**144,484**	93,240
General and administration expenses (ii)	**138,029**	561,265
Travel	**14,007**	63,804
	580,325	1,065,089
c) Employee benefit expenses		
Wages and salaries	**894,636**	1,129,284
Superannuation	**83,206**	76,753
Annual leave expense	**95,475**	50,373
Other employee expenses	**39,451**	40,983
	1,112,768	1,297,393

d) Share based payment expense

Performance Rights issued to Directors	**37,758**	81,703
Performance Rights issued to Employees	**29,503**	154,157
Reversal in SBP due to forfeited Performance Rights	-	(12,938)
	67,261	222,922

e) Impairment of Investment in Associate

Impairment of Investment in Associate Asset [(iii)]	-	16,569,979
	-	16,569,979

[(i)] US$100,000 from Burgundy Xploration, LLC for the participation agreement 2nd amendment fee. The Group agreed to extend Burgundy's funding timeline under the Participation Agreement from 30 April 2026 to 30 September 2026. This is to reflect the extended SEC review timeline which has been influenced by several factors including the 43-day US government shutdown. In consideration for a 2nd extension, Burgundy paid immediately on 30 April 2026 a fee of US$100,000.

[(ii)] General and administrative expenses are presented net of recoveries of $503,784 primarily related to the South Prudhoe Project. These recoveries represent costs, including employee time incurred on exploration and appraisal activities, which have been capitalised to the relevant exploration and appraisal assets.

[(iii)] The 2025 impairment of the Investment in Associate was recognised following the sale of the Longhorn Asset.

4 Reconciliation of cash

	30 June 2026 $	31 December 2025 $
Cash at bank and in hand	**8,223,725**	6,821,858
	8,223,725	6,821,858

5 Other receivables

	30 June 2026 $	31 December 2025 $
Other deposits and receivables [(i)]	**3,421,168**	3,735,245
	3,421,168	3,735,245

[(i)] Receivables at 30 June 2026 predominately consist of commitments due from Burgundy Xploration LLC (Burgundy). In November 2025, as part of the 2nd amendment participation agreement, Burgundy agreed to pay US$2.4 million (~A$3.33 million) for access to the historical Icewine 3D seismic dataset, which was acquired solely by 88 Energy in 2018. Payments of US$300,000 were received up to 30 June 2026, resulting in US$2.1 million receivable at 30 June 2026, approximately A$3.1 million. The agreed instalment of US$150,000 was paid on 31 July 2026 with the remaining US$1.95 million due within 15 days of a funding event with a long stop date of 30 September 2026. The requirement for payment following a successful IPO is considered a timing mechanism only. The Group's entitlement to the remaining consideration arises under the contractual arrangement and is not contingent upon Burgundy completing an IPO. Accordingly, the receivable represents a contractual right to receive the outstanding payment from Burgundy irrespective of whether an IPO occurs.

6 Exploration expenditure

	30 June 2026 $	31 December 2025 $
Capitalised expenditure at the beginning of the period	**76,846,962**	113,929,186
Additions [(ii)]	**4,730,556**	4,879,709
JV Contributions [(i)]	**(465,471)**	(4,588,181)
Less Impairment [(iii)]	-	(30,301,809)
Foreign Currency translation	**(1,967,928)**	(7,071,943)
Closing balance	**79,144,119**	76,846,962

(i) JV Contributions called for June 2026 and June 2025 was for 2026 Phoenix lease rentals.

(ii) Additions in 2026 are predominantly for the South Prudhoe Augusta-1 programme including rig commencement payments, camp commitment fee, permitting and planning as well as PEL 93 work programme.

(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 were in suspension since 2023 following changes to the NPRA regulations. The relinquishment included all 11 lease blocks associated with Peregrine and the 2 Umiat lease blocks. As a result of the relinquishment, impairments were taken up for Peregrine of (A$28.5 million) and Umiat (A$1.8 million).

7 Trade Payables and Other Payables

	30 June 2026 $	31 December 2025 $
Trade Payables	**402,754**	34,161
Accrued Liabilities	**1,582,915**	-
Other Payables	**40,429**	95,028
	2,026,098	129,189

8 Contributed equity and reserves

a) Ordinary Shares fully paid

	Number of shares	**$**
Balance at 1 January 2026	**1,157,350,417**	**392,621,587**
Issue of shares in March 26 capital raise	**173,602,563**	**5,034,474**
Less Equity raising costs		**(704,559)**
Issued and fully paid shares at 30 June 2026	**1,330,952,980**	**396,951,502**
Balance as 1 January 2025	28,933,811,952	392,621,587
Consolidation of Shares 9th May 2025 – 25:1	1,157,350,417	392,621,587
Issued and fully paid shares at 31 December 2025	1,157,350,417	392,621,587

b) Reserves	**30 June 2026 $**	31 December 2025 $
Share-based payments	**22,187,846**	21,802,146
Foreign currency translation reserve	**11,119,364**	13,128,574
	33,307,210	34,930,720

Movement reconciliation

Share-based payments reserve		
Balance at the beginning of the half year	**21,802,146**	21,478,213
Equity settled share-based payment expense	**67,261**	326,683
Issue of Options as part of Capital Raise	**318,439**	-
Settlement of vested Performance Rights	**-**	(2,750)
Balance at the end of the half year	**22,187,846**	21,802,146
Foreign currency translation reserve		
Balance at the beginning of the half year	**13,128,574**	21,560,941
Effect of translation of foreign currency operations to group presentation	**(2,009,210)**	(8,432,367)
Balance at the end of the half year	**11,119,364**	13,128,574

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.

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.

9 Segment information

Identification of reportable segments

For management purposes during the period ended 30 June 2026 the Company was organised into the following strategic unit:

- Oil and Gas exploration in Alaska, USA.
- Oil and Gas exploration in 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 two reportable segments being Oil and Gas Exploration in Alaska 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.

In 2025 the Group completed the disposal of its Longhorn asset in Texas, USA. Following the disposal, Oil and Gas production in Texas is no longer considered a reportable operating segment.

	Texas Production $	Alaska Exploration $	Namibia Exploration $	Other $	Total $
30 June 2026					
Total Revenue	-	142,328	-	49,524	191,853
Administrative Expenses	-	(636)	-	(579,689)	(580,325)
Employee benefit Expenses	-	-	-	(1,112,768)	(1,112,768)
DD&A	-	-	-	(46,735)	(46,735)
Asset Impairment	-	-	-	-	-
Other	-	(12,724)	-	(215,855)	(228,579)
Total Expenditure	-	(13,360)	-	(1,955,046)	(1,968,406)
Net Profit (loss) before tax	-	128,968	-	(1,905,522)	(1,776,554)
Additions to non-current assets	-	1,609,944	238,984	-	1,848,928
Assets	-	76,310,094	8,305,848	6,256,774	90,872,716
Liabilities	-	1,817,482	132,816	374,186	2,324,484
30 June 2025					
Total Revenue	-	263,120	-	43,026	306,146
Administrative Expenses	(122,908)	(6,785)	-	(935,396)	(1,065,089)
Employee benefit Expenses	-	-	-	(1,297,393)	(1,297,393)
DD&A	-	-	-	(41,257)	(41,257)
Asset Impairment	(16,569,979)	-	-	-	(16,569,979)
Other	-	(31,000)	-	(613,290)	(644,290)
Total Expenditure	(16,692,886)	(37,785)	-	(2,887,336)	(19,618,008)
Share of profit/loss	(1,162,061)	-	-	-	(1,162,061)
Net Profit (loss) before tax	(17,832,587)	225,335	-	(2,866,684)	(20,473,936)
31 December 2025					
Additions to non-current assets	(21,688,470)	(31,522,975)	746,086	(6,309,881)	(58,775,240)
Assets	-	74,481,394	8,066,864	5,432,790	87,981,048
Liabilities	-	12,541	-	350,126	362,667

10 Events after the period end

The following events were noted after reporting date:

Formal Award of 2025 Fall North Slope leases

On 15 July 2026, the Company via its U.S. subsidiary Captivate Energy Alaska, Inc received formal award notice from the State of Alaska, Department of Natural Resources for the fourteen (14) leases covering approximately 34,301 gross acres. The Company holds a 100% working interest in the leases:

- Seven (7) leases covering 16,507 gross acres at South Prudhoe
- Seven (7) leases covering 17,794 gross acres at Kad River East

Payment of US$1,077,736 (inclusive of final bid bonus and first year lease rentals) for the awarded leases was made on 30th July 2026.

Other than as disclosed above, there were no significant events occurring after balance date requiring disclosure.

11 Commitments and contingencies

Exploration Commitment

During the period, the group entered a drilling contract with Nordic-Calista, LLC for the proposed Augusta-1 exploration well in Alaska. Under the contract the Group is committed to a minimum of 30 contracted rig days totalling US$1.2 million due by 1 December 2026 if the exploration well does not proceed and the contract is terminated. If Augusta-1 is funded, then those costs will fall due within 30 days of the operating activity.

At 30 June 2026, the Group's minimum unrecognised contractual commitments under the drilling contract were approximately US$1.2 million. This amount excludes commitments already recognised as liabilities in the financial statements.

Corporate Commitment

The group occupies corporate office premises at 516 Hay Street, Subiaco under a lease agreement that has been extended to 31 December 2027. As at reporting date the remaining contractual commitment relating to the renewal period not recognised as a lease liability in the financial statements amounted to $73,260.

Exploration Contingency

At 30 June 2026, the group has no new exploration contingencies.

Corporate Contingency

At 30 June 2026 the group has a banker's guarantee issued as security for the lease of office premises at 516 Hay Street, Subiaco to the amount of $29,380 (2024: $29,380.)

12 Related party transactions

The terms and conditions of transactions with Directors and Executives and their related entities were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-director related entities on an arm's length basis.

During the half year ending June 2026 performance rights were issued to Directors and Executives – refer to Note 13 Share Based Payments.

13 Share based payments

Performance Rights Plan

The Company has an approved Performance Rights Plan under which performance rights may be granted to Directors, Executives and Employees. Each performance right entitles the holder to receive one ordinary share in the Company subject to the satisfaction of specified vesting conditions assessed over a performance period.

At the Annual General Meeting on 26 May 2026 shareholders approved the issue of long-term incentive Performance Rights to Directors and Employees.

Performance Rights Granted during the Half-Year

During the six months to June 2026 the Company granted:

- 31,500,000 Performance Rights to Directors
- 29,750,000 Performance Rights to Employees

Resulting in a total of 61,250,000 Performance Rights being granted with a total fair value of $1,178,188.

An independent expert was used to determine the following values:

	Tranche 1 Performance Rights	Tranche 2 Performance Rights
Methodology	Monte Carlo	Black Scholes
Grant Date	26 May 2026	26 May 2026
End of Vesting Period	31 May 2029	31 May 2029
Expiry Date	27 May 2030	27 May 2030
Share price at Valuation	$0.022	$0.022
Allocation Price	$0.0307	nil
Risk-free Rate	4.450%	4.450%
Volatility	96.50%	96.50%
Fair Value	$0.0175	$0.0220
Number	37,625,000	23,625,000
Total value	$658,438	$519,750

Key Vesting Conditions of 2026 Performance Rights:

The Performance Rights have a performance period of 3 years from 1 June 2026 to 31 May 2029 and were issued under two vesting conditions:

1. **Absolute Share Price Growth (ASPG):**

50% of Performance Rights are tested on the Company's' absolute share price growth 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 post the Commencement date (being the date of announcement on the ASX).

Allocation Price = The allocation price used to determine the ASPG was determined based on the 60-day VWAP as at 27 May 2026, which was approximately A$0.0307 per share.

The ASPG portion of the LTI Performance Rights will be assessed for vesting on the following basis:

Absolute share price growth	Performance Rights Vesting
<50%	Nil
50%	33.33%
>50% and <75%	Between 33.33% and 66.67%, on a straight line basis
75%	66.67%
>75% and <100%	Between 66.67% and 100%, on a straight line basis
100%	100%

2. **Value Creation Target**

50% of Performance Rights will be tested against Value Creation Targets and assessed for vesting as per the below terms upon achievement and announcement by the Company to ASX of the following key strategic objectives, in each case, as verified where applicable by a suitably qualified independent expert during Vesting Period.

Achievement of any of the following independent milestones (Value Creation Events) will result in one-third (33.33%) vesting of the Performance Rights issued under the Value Creation Target Tranche;

i. each exploratory well drilled within a project lease that results in the declaring a of discovery through testing, sampling and/or logging that establishes the existence of potentially recoverable hydrocarbons;
ii. each material reporting of a maiden contingent resource (2C) of 25 MMbbls and a 1C resource of 15 MMbbls of oil or more (independently estimated) at a gross level within a project lease area;
iii. each material farmout agreement entered by Company;
iv. any other material transaction (including value-accretive acquisitions) or combination material transactions entered by the Company.

Share-Based Payment Expense

The Group recognised a share-based payment expense of $67,261 for the six months ended 30 June 2026 (30 June 2025: $222,922) in respect of equity-settled performance rights. The corresponding amount was recognised in the share-based payment reserve within equity. As the performance rights were granted on 26 May 2026 and vest over a four-year period only one month of the fair value was recognised during the current period. This expense includes the amortisation of performance rights granted during the current period together with continuing amortisation of performance rights issued in prior periods.

14 Options and Warrants

During the half year ended 30 June 2026 the Company agreed and shareholders approved, the following placements:

- 74,655,180 options to Australian placement participants,
- 24,885,059 options to Australian brokers in consideration for capital raising services,
- 12,146,105 warrants to UK placement participants,
- 4,048,702 warrants to UK brokers in consideration for capital raising.

The options and warrants have an exercise price of A$0.0435 per security (£0.02262 for UK warrants) and expire 27 May 2029.

The broker options and broker warrants were issued in consideration for services provided in connection with the March 2026 capital raising and were measured at fair value on the grant date. The fair value of $318,439 of these instruments has been recognised in equity as a cost of capital raising.

A summary of movements in Performance Rights, Options and Warrants for the Group at 30 June 2026 is as below:

	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	27-05-30[(i)]	-	5,884,000	61,250,000	-	-	67,134,000
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
Unlisted options	27-05-29	$0.0435	-	99,540,239	-	-	99,540,239
Warrants	27-05-29	$0.0435	-	16,194,807	-	-	16,194,807
Total			**44,217,288**	**176,985,046**	**-**	**(3,000,000)**	**218,202,334**

(i) Expiry of 27-05-30 refer to the new 2026 issue of Performance Rights

In accordance with a resolution of the directors of 88 Energy Limited, I state that:

In the opinion of the directors:

- The financial statements and notes of 88 Energy Limited for the half year ended 30 June 2026 are in accordance with the Corporations Act 2001, including:

- giving a true and fair view of the consolidated entity's financial position as at 30 June 2026 and of its performance for the half year ended on that date; and

- complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

- There are reasonable grounds to believe that the Company will be able to pay its debts as when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Ms Joanne Williams
Non-executive Chair

27th August 2026

BDO

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of 88 Energy Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of 88 Energy Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2026, 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 half-year ended on that date, material accounting policy information and other explanatory information, and the directors' declaration.

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

i. Giving a true and fair view of the Group's financial position as at 30 June 2026 and of its financial performance for the half-year ended on that date; and

ii. Complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review 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 the audit of the annual financial report 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 the same terms if given to the directors as at the time of this auditor's review report.

Material uncertainty relating to going concern

We draw attention to Note 2 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 conclusion is not modified in respect of this matter.

Responsibility of the directors for the financial report

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

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 30 June 2026 and its financial performance for the half-year ended on that date and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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

BDO Audit Pty Ltd

BDO

Ashleigh Woodley

Director

Perth, 27 August 2026