Appendix 4E - preliminary final report

For the year ended 30 June 2026 as required by ASX listing rule 4.3A

RESULTS FOR ANNOUNCEMENT TO THE MARKET

All comparisons to the year ended 30 June 2025

AUD$m	2026		Movement %
Revenue from ordinary activities - continuing	**63.4**	up	5%
Net profit after tax (NPAT) for the year to shareholders of the Group	**24.4**	up	657%
NPAT for the year	**28.2**	up	341%
NPAT from ordinary activities attributable to shareholders - continuing	**8.6**	up	11705%
NPAT from discontinued operations			
- NPAT from discontinued operating activities	**7.4**	up	17%
- Gain on sale of Cue Energy Resources Limited	**12.1**	up	n/a

Revenue

Revenue from continuing operations increased 5% to A$63.4 million, driven by stronger gas revenue from the Group's Amadeus Basin assets. Higher realised gas prices more than offset slightly lower gas production, while oil revenue was lower due to liquids handling and offtake arrangements.

Net profit after tax for the year to shareholders of the Group

Net profit after tax for the year to shareholders increased to A$24.4 million, compared with A$3.2 million in the prior year.

Net profit after tax

Net profit after tax increased to A$28.2 million, compared with A$6.4 million in the prior year. The result reflects improved earnings from continuing operations together with A$19.5 million of profit from discontinued operations relating to Cue Energy Resources Limited comprising A$7.4 million from operations prior to disposal and an A$12.1 million gain on sale. The prior year included exploration expenditure and impairment charges within continuing operations.

NPAT from ordinary activities attributable to shareholders - continuing

NPAT from continuing operations increased to A$8.6 million, compared to A$0.1 million in the prior year. The improvement was supported by higher revenue, lower operating costs, lower exploration expenditure, no impairment expense and lower net finance costs following substantial debt repayments during the year.

NPAT from discontinued operations

Profit from discontinued operations was A$19.5 million, comprising A$7.4 million from Cue's operating activities up to the sale date and an A$12.1 million gain on sale. The Horizon Oil takeover offer became unconditional on 17 June 2026, when the Group ceased to control Cue, which was then deconsolidated.

Financial Position

Net assets were A$146.6 million at 30 June 2026, compared with A$156.5 million at 30 June 2025. The year-end balance sheet reflects the sale and deconsolidation of Cue, including the derecognition of Cue's assets, liabilities and non-controlling interests.

The Group ended the year with cash of A$25.0 million after voluntarily repaying A$37.0 million of debt reducing long-term borrowings to A$9.7 million. Operating cash flow remained strong at A$49.9 million. In July 2026, a further A$25.2 million of consideration from the Cue disposal was received; at 30 June 2026 this was shown as a receivable, comprising cash (A$1.7 million) and Horizon Oil shares (A$23.5 million).

NET TANGIBLE ASSET BACKING

AUD$	2026	2025
Net tangible assets per security (cents)	**61.4**	65.5

DIVIDENDS

The Board has elected not to declare a final dividend for FY26.

On 31 March 2026, Echelon paid an interim dividend of AUD 0.40 cents per fully paid ordinary share. This returned A$0.9 million to shareholders. The dividend was not imputed or franked.

Additional information supporting the Appendix 4E disclosure requirements can be found in the 30 June 2026 audited financial statements and accompanying notes.

Echelon

Financial Report

For the year ended 30 June 2026

Echelon Resources Limited - Financial Report

For the year ended 30 June 2026

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Consolidated Statement of Cash Flows

For the year ended 30 June 2026

AUD$000	Notes	2026	2025
Cash flows from operating activities			
Customer receipts		113,309	112,357
Production and marketing payments		(39,222)	(35,550)
Supplier and employee payments (inclusive of GST)		(14,901)	(14,295)
Interest received		916	1,206
Income tax paid		(3,592)	(4,151)
Royalties paid		(8,409)	(8,606)
Other		1,758	3,127
Net cash inflow from operating activities		**49,859**	54,088
Cash flows from investing activities			
Exploration and evaluation expenditure		(610)	(7,832)
Oil and gas asset expenditure		(16,002)	(29,012)
Security deposits and bonds		(65)	(53)
Proceeds from sale of assets		-	2,000
Property, plant and equipment expenditure		(8)	(48)
Cash consideration received for the sale of Cue	22	15,737	-
Cash and cash equivalents disposed with Cue	22	(15,712)	-
Other		900	(12)
Net cash outflow from investing activities		**(15,760)**	(34,957)
Cash flows from financing activities			
Repayment of loans and borrowings		(37,000)	(2,000)
Proceeds from issue of shares to non-controlling interests (NCI)		106	-
Interest paid		(3,021)	(5,305)
Dividends paid		(5,248)	(13,707)
Lease liabilities principal element payments		(227)	(278)
Net cash outflow from financing activities		**(45,390)**	(21,290)
Net decrease in cash and cash equivalents		(11,291)	(2,159)
Cash and cash equivalents at the beginning of the year		36,801	38,621
Exchange rate effects on cash and cash equivalents		(542)	339
Cash and cash equivalents at the end of the year	11	**24,968**	36,801

Reconciliation of profit for the year to net cash inflow from operating activities

AUD$000	Notes	2026	2025
Profit for the year		**28,164**	6,390
Depreciation and amortisation		21,366	21,455
Asset impairment in Cue		4,256	5,290
Deferred tax benefit		5,508	7,557
Exploration and evaluation expenditure		1,278	8,493
Emissions costs settled by units		-	167
Net foreign exchange differences		(861)	2,600
Unwind of discount on rehabilitation provision		1,806	2,053
Share-based payments		595	421
Interest accrued on borrowings		836	-
Lease payments in financing		43	258
Gain on sale of asset		(36)	(1,969)
Gain on disposal of Cue excluding profit during the period	22	(12,145)	-
Other		(14)	23
Change in operating assets and liabilities			
Movement in receivables		836	(4,718)
Movement in contract liabilities		(1,179)	-
Movement in inventories		(923)	1,400
Movement in payables		178	3,966
Movement in tax payable		151	702
Net cash inflow from operating activities		**49,859**	54,088

The notes to the financial statements are an integral part of these financial statements.

Consolidated Statement of Comprehensive Income

For the year ended 30 June 2026

AUD$000	Notes	2026	2025[1]
Revenue	4	63,358	60,498
Operating costs	6	(19,918)	(21,728)
Exploration and evaluation expenditure		(1,148)	(7,427)
Other income	5	4,915	9,263
Other expenses	7	(10,216)	(10,161)
Profit from operating activities excluding amortisation, impairment and net finance costs		**36,991**	30,445
Amortisation of production assets	16	(11,373)	(12,275)
Impairment	8	-	(5,290)
Net finance costs	9	(3,474)	(8,597)
Profit before income tax and royalties		**22,144**	4,283
Income tax expense	10	(8,560)	452
Royalties expense	10	(4,966)	(4,662)
Profit after tax from continuing operations		**8,618**	73
Discontinued operations			
Profit from discontinued operations	22	19,546	6,317
Total profit for the year		**28,164**	6,390
Profit for the year attributable to:			
Shareholders of the Group		24,442	3,230
Non-controlling interest		3,722	3,160
Profit for the year		**28,164**	6,390
Other comprehensive income:			
Items that may be classified to profit or loss			
Foreign currency translation reserve (FCTR) differences	24	(1,692)	3,179
Items that will not be reclassified to profit or loss			
Asset revaluation reserve	24	(209)	84
FVOCI fair value movement	24	(1,158)	-
Total other comprehensive income for the year		**(3,059)**	3,263
Total comprehensive income for the year		**25,105**	9,653
Total profit and total comprehensive income attributable to:			
Shareholders of the Group		21,383	6,161
Non-controlling interest		3,722	3,492
Total comprehensive income for the year		**25,105**	9,653
Earnings per share for profit from the continuing operations attributable to shareholders of the Group			
Basic earnings per share attributable to shareholders (cents)	26	**3.8**	0.03
Diluted earnings per share attributable to shareholders (cents)	26	**3.8**	0.03
Earnings per share attributable to shareholders of the Group			
Basic earnings per share attributable to shareholders (cents)	26	**10.8**	1.4
Diluted earnings per share attributable to shareholders (cents)	26	**10.8**	1.4

[1] Comparative amounts in the Consolidated Statement of Comprehensive Income and related notes have been re-presented to reflect Cue Energy Resources Limited ('Cue') as a discontinued operation in accordance with NZ IFRS 5 Non-current Assets Held for Sale and Discontinued Operations. Refer to Note 22 for further details.

The notes to the financial statements are an integral part of these financial statements.

Authorised for issue by Echelon's Board on 27 August 2026:

Samuel Kellner
Director

Rosalind Archer
Director

Consolidated Statement of Financial Position

As at 30 June 2026

AUD$000	Notes	2026	2025
Assets			
Current assets			
Cash and cash equivalents	11	24,968	36,801
Receivables and prepayments	12	34,834	21,867
Inventories		2,819	3,951
Total current assets		**62,621**	62,619
Non-current assets			
Exploration and evaluation assets	15	400	400
Oil and gas assets	16	145,298	221,035
Property, plant and equipment		512	177
Right of use assets		883	1,328
Other intangible assets		1,036	1,451
Deferred tax assets	10	5,609	5,827
Other financial assets	17	1,091	7,833
Total non-current assets		**154,829**	238,051
Total assets		**217,450**	300,670
Liabilities			
Current liabilities			
Payables	18	11,624	17,772
Lease liabilities		145	266
Rehabilitation provisions	20	-	908
Borrowings	21	3,285	-
Current tax liabilities	10	-	3,742
Total current liabilities		**15,054**	22,688
Non-current liabilities			
Contract liabilities	19	7,691	12,166
Rehabilitation provisions	20	37,599	61,696
Borrowings	21	9,715	46,553
Lease liabilities		831	1,072
Total non-current liabilities		**55,836**	121,487
Total liabilities		**70,890**	144,175
Net assets		**146,560**	156,495
Equity			
Share capital	23	178,355	178,355
Reserves	24	20,600	33,582
Retained losses		(52,395)	(77,482)
Attributable to shareholders of the Group		**146,560**	134,455
Non-controlling interest in subsidiaries		-	22,040
Total equity		**146,560**	156,495
Net asset backing per share (cents)	25	**64.5**	68.8
Net tangible asset backing per share (cents)	25	**61.4**	65.5

The notes to the financial statements are an integral part of these financial statements.

Consolidated Statement of Changes in Equity

For the year ended 30 June 2026

AUD$000	Share capital	Reserves	Retained earnings/ (losses)	Total	Non-controlling interest	Total equity
Balance as at 30 June 2024	178,355	30,302	(74,387)	134,270	25,423	159,693
Profit for the year	-	-	3,230	3,230	3,160	6,390
Asset revaluation reserve	-	185	-	185	-	185
Asset revaluation reserve prior year	-	(101)	101	-	-	-
Share-based payment (SBP) expense	-	351	-	351	70	421
Forfeited and expired share options	-	(290)	290	-	-	-
Issue of shares to NCI	-	-	-	-	87	87
Exercise of share options	-	(44)	-	(44)	(44)	(88)
Foreign currency translation differences	-	3,179	3	3,182	332	3,514
Dividends paid	-	-	(6,719)	(6,719)	(6,988)	(13,707)
Balance as at 30 June 2025	**178,355**	**33,582**	**(77,482)**	**134,455**	**22,040**	**156,495**
Profit for the year	-	-	24,442	**24,442**	3,722	**28,164**
Asset revaluation reserve	-	(120)	-	**(120)**	-	**(120)**
Asset revaluation reserve prior year	-	(89)	89	**-**	-	**-**
Net change in fair value of financial assets at FVOCI	-	(1,158)	-	**(1,158)**	-	**(1,158)**
SBP expense	-	411	-	**411**	186	**597**
Forfeited and expired share options	-	(466)	466	**-**	-	**-**
Issue of shares to NCI	-	-	-	**-**	(167)	**(167)**
Exercise of share options	-	(180)	-	**(180)**	(182)	**(362)**
Foreign currency translation differences	-	(1,692)	-	**(1,692)**	-	**(1,692)**
Intercompany foreign currency transfer	-	(2,466)	2,466	**-**	-	**-**
Dividends paid	-	-	(2,580)	**(2,580)**	(2,668)	**(5,248)**
Derecognition on disposal						
FCTR reclassified to profit or loss	-	(7,018)	-	**(7,018)**	-	**(7,018)**
Derecognition of NCI	-	-	-	**-**	(22,931)	**(22,931)**
Transfer of SBP reserve	-	(204)	204	**-**	-	**-**
Balance as at 30 June 2026	**178,355**	**20,600**	**(52,395)**	**146,560**	**-**	**146,560**

The movements in equity during the year primarily reflect the disposal of Cue on 17 June 2026. As part of the deconsolidation, the Group derecognised the non-controlling interests associated with Cue and recycled the cumulative foreign currency translation reserve relating to Cue from equity to the gain on disposal in accordance with NZ IAS 21 *The Effects of Changes in Foreign Exchange Rates*. Further details of the disposal are provided in Note 22.

The notes to the financial statements are an integral part of these financial statements.

Notes to the financial statements

For the year ended 30 June 2026

1 Basis of accounting

Reporting entity

Echelon Resources Limited (Echelon) is a company domiciled in New Zealand (NZ), registered under the New Zealand Companies Act 1993 and listed on the Australian Securities Exchange (ASX) using the ticker symbol ECH. The Group is required to be treated as a Financial Markets Conduct (FMC) reporting entity for the purposes of the FMC Act and the Financial Reporting Act 2013.

The financial statements presented are for Echelon, its subsidiaries and the interests in associates and jointly controlled operations (together referred to as the "Group").

The immediate parent company is O.G. Oil & Gas (Singapore) Pte. Limited ("OGOG"), a company incorporated in Singapore and a subsidiary of the ultimate parent company, O.G. Energy Holdings Ltd. ("OGE").

Basis of preparation

The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP") and the Financial Reporting Act 2013. They comply with the NZ equivalents to International Financial Reporting Standards ("NZ IFRS") as appropriate for profit-oriented entities, and with International Financial Reporting Standards ("IFRS").

The presentation currency used in the preparation of the financial statements is Australian dollars (AUD or $) rounded to the nearest thousand unless otherwise stated. The financial statements are prepared on a goods and services tax (GST) exclusive basis except billed receivables and payables which include GST.

These financial statements are prepared on the basis of historical cost except where otherwise stated in specific accounting policies contained in the accompanying notes.

The core business of the Group and activities carried out by each of the segments is disclosed in note 3.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that control ceases. Consistent accounting policies are employed in the preparation and presentation of the Group financial statements. Intra-group balances, transactions, unrealised income or expenses arising from intra-group transactions and dividends are eliminated in preparing the Group financial statements.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies, are recognised in the income statement, except when deferred in the statement of comprehensive income and held in equity reserves as qualifying cash flow hedges and qualifying net investment hedges. Translation differences on non-monetary items, such as equities classified as fair value through other comprehensive income, are included in the statement of comprehensive income and held in the fair value reserves in equity.

New accounting standards issued but not yet effective

The following new standards, amendments to standards and interpretations are issued but not yet effective and have not been applied in preparation of these consolidated financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements

The International Accounting Standards Board (IASB) has issued IFRS 18, which becomes effective for annual reporting periods beginning on or after 1 January 2027. Echelon will adopt IFRS 18 in accordance with its effective date.

IFRS 18 introduces significant changes to the presentation and disclosure requirements in financial statements, replacing key aspects of IAS 1. The standard aims to enhance consistency and comparability across entities by:

- Introducing defined categories in the statement of profit or loss for operating, investing, and financing activities;
- Requiring disclosure and reconciliation of management-defined performance measures to IFRS-defined subtotals; and
- Strengthening principles for disaggregation to improve clarity and usefulness of financial information.

Echelon is currently assessing the impact of IFRS 18 on its financial reporting and disclosures. The Group anticipates that the new standard will improve transparency and provide users of the financial statements with more structured and comparable information.

Annual Improvements to IFRS Accounting Standards — Volume 11

The Annual Improvements, effective for annual reporting periods beginning on or after 1 January 2026 (first applying to the Group for the year ending 30 June 2027), make narrow-scope clarifications and minor amendments to several standards. These changes are not expected to have a material impact on the consolidated financial statements.

2 Critical accounting estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

The estimates and assumptions that have the most significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year relate to:

Recoverability of deferred tax assets, assessment of the ability of entities in the Group to generate future taxable income (refer to note 10).

Recoverability of exploration and evaluation assets and oil and gas assets, assessment includes future commodity prices, future cash flows, estimated discount rates and estimates of reserves. Management performs an assessment of the carrying value of investments at each reporting date and considers objective evidence for impairment on each investment, taking into account observable data on the investment, the fair value, the status or context of capital markets, its own view of investment value and its long-term intentions (refer to notes 15 and 16).

Provision for rehabilitation obligations includes estimates of future costs, timing of required rehabilitation and an estimated discount rate (refer to note 20).

Disposal of Cue Energy Resources Limited. The assessment of the date on which control was lost includes consideration of the legal form and commercial substance of the takeover process and the rights retained and transferred at each stage. Management concluded that control was lost on 17 June 2026, being the date the takeover offer became unconditional. Measurement of the net assets derecognised includes the use of Cue's 30 June 2026 financial information, adjusted for material movements in the intervening period, as an approximation of its position at that date. The date determined and the approximation used affect the period over which Cue's results are consolidated, the carrying amount of the net assets derecognised and the resulting gain on disposal (refer to note 22).

Continued geopolitical instability in Eastern Europe and the Middle East has sustained volatility across domestic and international markets, with the scale and duration of any disruption remaining difficult to predict. This has contributed to movement in commodity prices and demand, and to upward pressure on exploration and development costs.

3 Segment information

Operating segments' operating results are reviewed regularly by the Group's chief executive officer (CEO), the entity's chief decision maker, and have discrete financial information available. Segment results that are reported to the CEO include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Intercompany loans between segments are excluded from segment assets and liabilities, as these balances are eliminated on consolidation. While such balances may be considered by management for internal performance monitoring, they are not presented in the segment disclosures in accordance with NZ IFRS 8 Operating Segments.

The following summaries describe the activities within each of the reportable operating segments from continuing operations:

Exploration (previously Perth Basin): Includes exploration interests in the Amadeus Basin for Exploration Permit EP145. The Group has withdrawn from Production licence L7 and Exploration Permit EP437 with effect from 31 July 2025. Refer to notes 14 and 15.

Kupe oil & gas field (Kupe): Development, production, and sale of natural gas, liquified petroleum gas (LPG) and condensate (light oil), located in the offshore Taranaki Basin, New Zealand.

Amadeus Basin oil & gas fields: Comprising Echelon's interests in the Mereenie oil and gas field, Palm Valley gas field and Dingo gas field, all located in the Amadeus Basin in Australia.

Other & unallocated: Unallocated items comprise corporate assets, overheads, income tax assets and liabilities.

Cue Energy Resources Limited: The Group acquired a controlling interest in Cue during the 2015 financial year and from 1 October 2021 this included Cue's participating interest in the Amadeus Basin oil and gas fields and various other interests. At the end of the year, the Group disposed of its interest in Cue and accordingly no segment data has been reported for Cue.

For the year ended 30 June 2026 AUD$000	Exploration	Kupe oil & gas field	Amadeus Basin oil & gas fields	Other & unallocated	Total for continuing operations
Sales to external customers:					
New Zealand	-	5,728	-	-	**5,728**
Australia	-	-	56,240	-	**56,240**
Other countries	-	1,390	-	-	**1,390**
Total sales revenue	**-**	**7,118**	**56,240**	**-**	**63,358**
Other income	-	-	2,005	2,910	**4,915**
Total sales revenue and other income	**-**	**7,118**	**58,245**	**2,910**	**68,273**
Operating costs	-	(1,928)	(17,990)	-	**(19,918)**
Exploration and evaluation	(779)	(36)	(333)	-	**(1,148)**
Other expenses	(338)	(183)	(800)	(8,895)	**(10,216)**
Amortisation	-	(1,664)	(9,709)	-	**(11,373)**
Earnings before income tax	**(1,117)**	**3,307**	**29,413**	**(5,985)**	**25,618**
Other net finance expense					**(3,474)**
Profit before income tax and royalties					**22,144**
Income tax and royalties expense					**(13,526)**
Profit from continuing operations					**8,618**
Current assets	-	3,436	23,119	36,066	62,621
Non-current assets	400	12,013	136,254	6,162	154,829
Segment assets	**400**	**15,449**	**159,373**	**42,228**	**217,450**
Current liabilities	75	1,413	7,410	6,156	15,054
Non-current liabilities	-	11,112	44,724	-	55,836
Segment liabilities	**75**	**12,525**	**52,134**	**6,156**	**70,890**

Echelon cash flows are centrally managed, therefore net cash flows by activity are not presented by segment.

3 Segment information (continued)

For the year ended 30 June 2025 AUD$000	Exploration	Kupe oil & gas field	Amadeus Basin oil & gas fields	Other & unallocated	Total for continuing operations
Sales to external customers:					
New Zealand	-	7,255	-	-	**7,255**
Australia	-	-	51,902	-	**51,902**
Other countries	-	1,341	-	-	**1,341**
Total sales revenue	**-**	**8,596**	**51,902**	**-**	**60,498**
Other income	-	-	6,181	3,082	**9,263**
Total sales revenue and other income	**-**	**8,596**	**58,083**	**3,082**	**69,761**
Operating costs	(68)	(2,236)	(19,424)	-	**(21,728)**
Exploration and evaluation	(6,887)	(40)	(500)	-	**(7,427)**
Other expenses	(371)	(108)	(2,216)	(7,466)	**(10,161)**
Amortisation	-	(2,419)	(9,856)	-	**(12,275)**
Impairment	(2,046)	(3,244)	-	-	**(5,290)**
Earnings before income tax	**(9,372)**	**549**	**26,087**	**(4,384)**	**12,880**
Other net finance expense					**(8,597)**
Profit before income tax and royalties					**4,283**
Income tax and royalties expense					**(4,210)**
Profit from continuing operations					**73**
Current assets	37	3,132	22,599	12,928	38,696
Non-current assets	3,671	13,742	134,808	11,140	163,361
Segment assets	**3,708**	**16,874**	**157,407**	**24,068**	**202,057**
Current liabilities	-	2,349	7,039	3,020	12,408
Non-current liabilities	-	11,235	76,925	-	88,160
Segment liabilities	**-**	**13,584**	**83,964**	**3,020**	**100,568**

Reconciliation of Segment Profit to Group Profit

AUD$000	Notes	2026	2025
Profit from continuing operations for Reportable Segments		8,618	73
Profit from the discontinued operations	22	19,546	6,317
Total profit for the year		**28,164**	6,390

In accordance with NZ IFRS 5, the comparative segment result has been re-presented to reflect continuing operations only. As NZ IFRS 5 does not require re-presentation of the comparative statement of financial position, segment assets and liabilities as at 30 June 2025 continue to include the assets and liabilities of Cue.

Echelon cash flows are centrally managed, therefore net cash flows by activity are not presented by segment.

4 Revenue

Sales comprise revenue earned from the sale of petroleum products, when control of ownership of the petroleum products has been transferred to the buyer, which will vary depending on the contract (e.g. at the plant or at the port). Revenue is recognised at the amount of the transaction price that is allocated to that performance obligation.

(a) Revenue from contracts with customers

AUD$000	2026	2025
Crude oil and condensate	3,882	7,228
Natural gas and LPG	59,476	53,270
Total revenue from contracts with customers	**63,358**	60,498

(b) Tariffs included in revenue

Natural gas revenue includes charges for transportation costs incurred when the gas delivery point is not at the plant. The cost of the transportation for the period ending 30 June 2026 was A$0.6 million (30 June 2025: A$1.3 million).

(c) Major Customers

Customers with revenue exceeding 10% of the Group's total hydrocarbon sales revenue are shown below.

AUD$000	Segment	2026	% of sales revenue 2026	2025	% of sales revenue 2025
First largest	Amadeus Basin oil & gas fields	38,323	60.5%	31,014	51.3%
Second largest	Amadeus Basin oil & gas fields	13,362	21.1%	10,368	17.1%
Total revenue from major customers		**51,685**	**81.6%**	41,382	68.4%

5 Other income

AUD$000	2026	2025
Derecognition of liability relating to deferred consideration	-	4,000
Gain on sale of asset	-	1,969
Other	4,915	3,294
Total other income	**4,915**	9,263

Included in 'Other' is A$1.9 million (2025: A$1.7 million) of income derived from providing technical services and related activities to subsidiaries of the ultimate parent company (see Note 28 Related party transactions).

It also comprises A$1.1 million (2025: nil) in adjustments from Joint Venture audits in respect of overcharged overhead recoveries, together with A$0.8 million (2025: nil) of settlement income relating to the purchase of long lead items in the Northern Territory.

6 Operating costs

AUD$000	2026	2025
Production and marketing costs	17,499	19,276
Carbon emissions expenditure	127	167
Insurance expenditure	326	544
Movement in inventory	70	46
Royalties (i)	1,896	1,695
Total operating costs	**19,918**	21,728

(i) Royalties include private royalties with respect to the Amadeus Basin assets which are based on a gross revenue method of calculation.

7 Other expenses

AUD$000	2026	2025
Classification of other expenses by nature:		
Audit fees paid to the Group auditor - KPMG	262	291
Directors' fees	150	155
Legal fees	838	165
Consultants' fees	425	231
Employee expenses	5,656	6,098
Depreciation	242	246
Share-based payment expense	226	281
IT and software expenses	1,263	1,350
Registry and stock exchange fees	323	280
Other	831	1,064
Total other expenses	**10,216**	10,161

Other expenses include costs incurred in relation to the provision of managed services to subsidiaries of the ultimate parent company during the year. While the Group received income of A$1.9 million (June 2025: A$1.7 million) for these services, the corresponding expenses have not been reduced or netted against that income. Instead, the related income is presented separately under Other Income. Refer to note 5.

AUD$000	2026	2025
Fees paid to the Group auditor:		
Audit and review of financial statements	262	291
Tax compliance services	108	56
Tax advisory services	71	122
Total fees paid to Group auditor	**441**	469

No other services were provided by the auditor during the year, other than those set out above.

Fees relating to Cue Energy Resources Limited comprised $337,501 for audit and assurance services and $48,033 for non-audit services during the year and are included within discontinued operations.

8 Impairment expense

AUD$000	2026	2025
Kupe - Oil and gas asset	-	3,244
Perth Basin - Exploration asset	-	2,046
Total impairment	**-**	5,290

During the year ended 30 June 2026, the Group assessed each asset to determine whether an indicator of impairment existed. Indicators of impairment include changes in future selling prices, future costs, and reserves. No impairment was recognised during the year (2025: A$5.3 million, comprising A$3.2 million for the Kupe oil and gas asset and A$2.0 million for the Perth Basin exploration asset). Refer to notes 15 and 16 for detailed information.

An impairment of A$4.3 million in respect of Cue's assets is included within the result from discontinued operations (note 22).

9 Finance income and costs

Interest income or expense is recognised using the effective interest method. The ‘effective interest rate’ is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset or the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the financial liability.

AUD$000	2026	2025
Interest expense	(3,845)	(5,063)
Bank fees	(180)	(180)
Net exchange losses on foreign currency balances	-	(2,615)
Unwind of discount	(1,583)	(1,564)
Total finance costs	**(5,609)**	(9,422)
Net exchange income on foreign currency balances	1,368	-
Interest income	767	825
Total finance income	**2,135**	825
Net finance (costs)/income	**(3,474)**	(8,597)

Notes to the financial statements

For the year ended 30 June 2026

10 Tax

Current and deferred tax is calculated on the basis of the laws enacted or substantively enacted at balance date.
Current tax is the expected tax payable on the taxable income for the year and any adjustment to tax payable in respect of previous years.
Current and deferred tax are recognised in profit or loss except when the tax relates to items recognised in other comprehensive income, in which case the tax is also recognised in other comprehensive income.

AUD$000	2026	2025
Continuing operations		
Current tax	(3,880)	(70)
Deferred tax	(4,680)	522
(a.i) Total income tax (expense)/credit - continuing operations	**(8,560)**	452
Discontinued operations		
Current tax	(2,522)	(4,364)
Deferred tax	(828)	(8,079)
(a.ii) Total income tax (expense) - discontinued operations	**(3,350)**	(12,443)
Income tax benefit calculation - continuing operations		
Profit before income tax and royalties	22,144	4,283
Less: royalties expense	(4,966)	(4,662)
Profit / (loss) before income tax - continuing operations	**17,178**	(379)
Tax at the New Zealand tax rate of 28%	4,810	(106)
Tax effect of amounts which are taxable/(not deductible):		
Difference in overseas tax rate	198	110
Non-deductible income/(expenses)	4,245	(498)
Foreign exchange adjustments	(73)	(40)
Unrealised timing differences	763	854
Recognition of deferred tax assets	2,716	(1,120)
Prior year tax losses (not recognised)/recognised	(5,517)	(35)
Other	(871)	384
Total tax effect of amounts which are taxable:	**6,271**	(452)
Adjustment recognised for current tax in prior years	2,289	-
Total income tax expense/(credit) - continuing operations	**8,560**	(452)
Tax within the discontinued operations		
Profit before tax - Cue ordinary result	10,751	18,760
Gain on disposal	12,145	-
Profit before income tax - discontinued operation	**22,896**	18,760
Tax at the New Zealand tax rate of 28%	6,411	5,253
Tax effect of amounts which are taxable/(not deductible):		
Difference in overseas tax rate	(485)	2,843
Gain on disposal (non-assessable)	(3,401)	-
Recognition of deferred tax assets	(496)	2,822
Unrealised timing differences	1,321	1,525
Total income tax expense - discontinued operations	**3,350**	**12,443**

Government royalty expenses incurred by the Group relate to petroleum royalty payments to the New Zealand and Australian Governments in respect of the Kupe and Amadeus oil and gas fields, and are recognised on an accrual basis.

At 30 June 2026, no imputation credits were held for subsequent years (2025: nil).

	2026		
Component of other comprehensive income (OCI)	**Before Tax**	**Tax (Expense)/ Benefit**	**Net of Tax**
Asset revaluation reserve	(209)	-	(209)
Foreign currency translation differences	(1,692)	-	(1,692)
FVOCI fair value gain	(1,158)	-	(1,158)
Share-based payments recognised in OCI	411	-	411
Total OCI	**(2,648)**	**-**	**(2,648)**

10 Tax (continued)

Component of other comprehensive income (OCI)	Before Tax	2025 Tax (Expense)/ Benefit	Net of Tax
Asset revaluation reserve	84	-	84
Foreign currency translation differences	3,179	-	3,179
Share-based payments recognised in OCI	351	-	351
Total OCI	**3,614**	**-**	**3,614**

(b) Current tax liabilities

AUD$000	2026	2025
Current tax liabilities	**-**	3,742

At 30 June 2026, the current income tax liability of A$3.8 million has been offset against tax amounts available under a tax pooling arrangement. Tax pooling amounts in excess of the current tax liability are included within other receivables. Refer to Note 21 for information regarding the associated tax pooling financing arrangement.

In the prior year, the Group recognised a liability in respect of an Indonesian tax matter relating to Cue Kalimantan Pte Ltd, together with a corresponding indemnity receivable from SPC E&P Pte Ltd. Following the disposal of Cue during the current year, these balances were derecognised as part of the disposal.

(c) Deferred tax

Deferred taxation is recognised in respect of temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets and future tax benefits are recognised where realisation of the asset is probable. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they probably will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse.

During the year ended 30 June 2026, the Group utilised A$5.5 million (30 June 2025: A$2.1 million) in previously recognised deferred tax assets, on carried forward losses, offsetting against taxable profits generated. The Consolidated Entity recognised a deferred tax asset of A$3.7 million (30 June 2025: A$6.1 million) in respect of unutilised carried forward tax losses not previously recognised.

Deferred tax assets and liabilities are disclosed on a net basis in respect of their tax jurisdictions.

AUD$000	2026	2025
The balance comprises temporary differences attributable to:		
Deferred tax assets		
Non-deductible provisions	10,276	23,091
Carried forward tax losses	3,670	16,529
Other	1,692	580
Total deferred tax assets	**15,638**	40,200
Deferred tax liabilities		
Oil & gas assets	(10,056)	(34,354)
Other items (including lease assets)	27	(19)
Total deferred tax (liabilities)	**(10,029)**	(34,373)
Net deferred tax assets	**5,609**	5,827
Movements:		
Opening balance at the beginning of the year	**5,827**	12,925
Recognised in profit or loss	(4,680)	7,557
Recognised in other comprehensive income	(266)	(14,655)
Discontinued operations	4,728	-
Closing balance at the end of year	**5,609**	5,827

11 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash at bank, short-term deposits and deposits on call with an original maturity of three months or less.

AUD$000	2026	2025
Cash at bank and in hand	18,884	27,298
Deposits at call	-	1,735
Short term deposits	5,000	5,103
Share of oil and gas interests' cash	1,084	2,665
Total cash and cash equivalents at end of year	**24,968**	36,801

By currency:	2026 Base Currency	2026 AUD Equivalent	2025 Base Currency	2025 AUD Equivalent
Australian dollar	21,146	21,146	26,754	26,754
New Zealand dollar	2,667	2,191	2,963	2,749
United States dollar	1,125	1,631	4,738	7,233
Indonesian rupiah	-	-	635,206	65
Total cash and cash equivalents at end of year		**24,968**		36,801

12 Receivables and prepayments

AUD$000	2026	2025
Trade receivables	8,497	10,613
Consideration receivable from sale of Cue	25,243	-
Share of oil and gas interests' receivables	20	9,362
Prepayments	446	750
Other	628	1,142
Total receivables and prepayments at end of year	**34,834**	21,867

Included within receivables is A$25.2 million relating to the remaining consideration receivable from Horizon Oil Limited following the disposal of the Group's interest in Cue. The balance comprises A$1.7 million of cash consideration and A$23.5 million relating to the scrip consideration. The Group had an unconditional right to receive this consideration at 30 June 2026 and, accordingly, the receivable was recognised at the reporting date.

The scrip consideration was initially recognised at fair value on 17 June 2026, being the date control of Cue was lost, and was subsequently remeasured to fair value at 30 June 2026. The Group made an irrevocable election to present subsequent changes in the fair value of the scrip consideration in other comprehensive income. The fair value of the scrip consideration at 30 June 2026 was A$23.5 million. The resulting A$1.2 million decrease in fair value was recognised in other comprehensive income within the FVOCI reserve. No dividends were recognised in respect of the scrip consideration during the period and there were no transfers of cumulative gains or losses within equity. The consideration was settled subsequent to year end.

By currency:	2026 Base Currency	2026 AUD Equivalent	2025 Base Currency	2025 AUD Equivalent
Australian dollar	32,071	32,071	7,693	7,693
New Zealand dollar	2,861	2,349	4,045	3,751
United States dollar	285	414	6,825	10,418
Indonesian rupiah	-	-	48,000	5
Total receivables and prepayments at end of year		**34,834**		21,867

13 Investments in subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it has power over the entity, has exposure or rights to variable returns from this involvement and when it has the ability to use its power to affect the amount of the returns.

On 17 June 2026, the Group disposed of its 49.71% interest in Cue (30 June 2025: 49.97%).

During the year, some of Cue's share options were exercised, resulting in a decrease in Echelon's interest in Cue (refer to note 29).

Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of Comprehensive Income and Consolidated Statement of Financial Position respectively.

The financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The functional currencies of the each subsidiary within the Group are shown below.

The consolidated financial statements incorporate the assets, liabilities and results of the following entities:

Name of entity	Principal place of business	Equity Holding 2026	2025	Functional Currency
Echelon Resources Limited				
Echelon Petroleum Limited*	New Zealand	**100%**	100%	NZD
Echelon Onshore Limited*	New Zealand	**100%**	100%	NZD
Echelon Canterbury Limited	New Zealand	**100%**	100%	NZD
Echelon 2013 O Limited*	New Zealand	**100%**	100%	NZD
Echelon Bohorok Pty Limited ***	Australia	**100%**	100%	USD
Echelon Devon Limited*	New Zealand	**100%**	100%	NZD
Echelon GNA Trustee Limited	New Zealand	**100%**	100%	NZD
Echelon 2013 T Limited	New Zealand	**100%**	100%	NZD
Echelon Energy Limited	New Zealand	**100%**	100%	NZD
Echelon Offshore Limited	New Zealand	**100%**	100%	NZD
Echelon Pacific Holdings Pty Limited	Australia	**100%**	100%	AUD
Echelon Pacific Limited	New Zealand	**100%**	100%	NZD
Echelon Services Limited	New Zealand	**100%**	100%	NZD
Echelon Taranaki Limited	New Zealand	**100%**	100%	NZD
Echelon Petroleum Resources Limited*	New Zealand	**100%**	100%	NZD
NZOG MNK Bohorok Pty Limited*	Australia	**100%**	100%	USD
Echelon (Ironbark) Pty Limited	Australia	**100%**	100%	AUD
Echelon Mereenie Pty Limited	Australia	**100%**	100%	AUD
Echelon Palm Valley Pty Limited	Australia	**100%**	100%	AUD
Echelon Dingo Pty Limited	Australia	**100%**	100%	AUD
Echelon Goanna Pty Limited	Australia	**100%**	100%	AUD
Echelon Acacia Pty Limited	Australia	**100%**	100%	AUD
Echelon Compass Pty Limited	Australia	**100%**	100%	AUD
Echelon Pacific Funding Pty Limited	Australia	**100%**	0%	AUD
Cue Energy Resources**				
Cue Energy Resources Limited	Australia	**0%**	49.97%	AUD
Cue Mahakam Hilir Pty Ltd	Australia	**0%**	49.97%	AUD
Cue (Ashmore Cartier) Pty Ltd	Australia	**0%**	49.97%	AUD
Cue Sampang Pty Ltd	Australia	**0%**	49.97%	USD
Cue Taranaki Pty Ltd	Australia	**0%**	49.97%	USD
Cue Kalimantan Pte Ltd	Singapore	**0%**	49.97%	USD
Cue Mahato Pty Ltd	Australia	**0%**	49.97%	USD
Cue Exploration Pty Ltd	Australia	**0%**	49.97%	AUD
Cue Palm Valley Pty Ltd	Australia	**0%**	49.97%	AUD
Cue Mereenie Pty Ltd	Australia	**0%**	49.97%	AUD
Cue Dingo Pty Ltd	Australia	**0%**	49.97%	AUD

* Voluntary deregistration initiated during the year and not yet completed at balance date.

** During the year the Group sold its interest held in Cue.

*** During the year NZOG Bohorok Pty Limited was renamed to Echelon Bohorok Pty Limited.

14 Oil and gas interests

The Group has interests in a number of joint arrangements which are classified as joint operations. The Group financial statements include a proportionate share of the oil and gas interests' assets, liabilities, revenue, and expenses with items of a similar nature on a line by line basis, from the date that joint control commences until the date that joint control ceases.

The Group held the following oil and gas production, exploration and evaluation, and appraisal interests at the end of the year:

Name	Entity	Country of permit	Interest 2026	Interest 2025
Echelon Resources Limited				
PML 38146 – Kupe	Echelon Taranaki Ltd	New Zealand	4%	4%
OL4 and OL5 - Mereenie	Echelon Mereenie Pty Ltd	Australia	42.5%	42.5%
OL3 - Palm Valley	Echelon Palm Valley Pty Ltd	Australia	35%	35%
L7 - Dingo	Echelon Dingo Pty Ltd	Australia	35%	35%
EP145	Echelon Goanna Pty Ltd	Australia	100%	100%
L7 Production licence**	Echelon Acacia Pty Ltd	Australia	0%	25%
EP437 Exploration Permit**	Echelon Compass Pty Ltd	Australia	0%	25%

**On 20 June 2025, Echelon withdrew from its interests in L7 and EP437 permits in the Perth Basin, with effect from 31 July 2025.

Name	Entity	Country of permit	Interest 2026	Interest 2025
Cue Energy Resources *				
Mahato PSC	Cue Mahato Pty Ltd	Indonesia	11.25%	11.25%
PMP 38160 – Maari	Cue Taranaki Pty Ltd	New Zealand	5%	5%
Sampang PSC	Cue Sampang Pty Ltd	Indonesia	15%	15%
OL4 and OL5 - Mereenie	Cue Mereenie Pty Ltd	Australia	7.5%	7.5%
OL3 - Palm Valley	Cue Palm Valley Pty Ltd	Australia	15%	15%
L7 - Dingo	Cue Dingo Pty Ltd	Australia	15%	15%

* represents the percentage interest held by Cue at the disposal date. During the year, the Group sold its interest in Cue (June 2025 49.97%).

15 Exploration and evaluation assets

The Group uses the successful efforts method of accounting for oil and gas exploration costs. All general exploration and evaluation costs are expensed as incurred except the direct costs of acquiring the rights to explore, drilling exploratory wells, and evaluating the results of drilling. These direct costs are capitalised as exploration and evaluation assets pending the determination of the success of the well. If a well does not result in a successful discovery, the previously capitalised costs are immediately expensed.

Key judgement: recoverability of exploration and evaluation assets

Assessment of the recoverability of capitalised exploration and evaluation expenditure requires certain estimates and assumptions to be made for future events and circumstances, particularly in relation to whether economic quantities of reserves have been discovered. Therefore, such estimates and assumptions may change as new information becomes available. If it is concluded that the carrying value of an exploration and evaluation asset is unlikely to be recovered by future development or sale, the relevant amount is then expensed in profit or loss.

Capitalised exploration and evaluation assets, including expenditure to acquire mineral interests in oil and gas properties, related to wells that find proven reserves are classified as development assets within oil and gas assets at the time of sanctioning the development project.

AUD$000	2026	2025
Opening balance	400	3,669
Expenditure capitalised during the year	-	5,584
Exploration expensed to profit or loss	-	(6,809)
Exploration asset impairment	-	(2,046)
Revaluation of foreign currency exploration and evaluation assets	-	2
Total exploration and evaluation assets at end of year	**400**	400

During the year ended 30 June 2026, the Group did not undertake any exploration activities that required an asset capitalisation.

16 Oil and gas assets

Development

Development assets include construction, installation and completion of infrastructure facilities such as pipelines and development wells. No amortisation is provided in respect of development assets until they are reclassified as production assets.

Production assets

Production assets capitalised represent the accumulation of all development expenditure incurred by the Group in relation to areas of interest in which petroleum production has commenced. Expenditure on production areas of interest and any future estimated expenditure necessary to develop proven and probable reserves are amortised using the units of production method on a basis consistent with the recognition of revenue. Where it is possible to separately identify tangible assets, they are depreciated on a straight line basis in line with their economic life.

Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the asset will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are expensed in the Consolidated Statement of Comprehensive Income during the financial year in which they are incurred.

Impairment

The carrying value is assessed for impairment each reporting date. An impairment loss is recognised if the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. A cash generating unit is the smallest identifiable asset group that generates cash flows that are largely independent from other assets and groups. Impairment losses are recognised in profit or loss, and in respect of cash generating units, are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

The recoverable amount of an asset or cash generating unit is the greater of its value in use and its fair value less costs to sell. In assessing recoverable amount, the estimated future cash flows are discounted to their present value using a post-tax discount rate, that reflects current market assessments of the time value of money, and the risks specific to the asset.

Impairment losses recognised in prior years are reassessed at each reporting date and the loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised previously.

The gross carrying value of oil and gas assets at 30 June 2026 is A$213.1 million (30 June 2025: A$442.6 million), and the carrying value after accumulated amortisation and impairment is A$145.3 million (30 June 2025: A$221.5 million). Carrying value and accumulated amortisation at 30 June 2026 excludes the assets of Cue Energy Resources Limited following the disposal.

The carrying value of oil and gas assets is presented net of total accumulated amortisation and impairment.

16 Oil and gas assets (continued)

AUD$000	2026	2025
Opening balance	221,035	215,570
Make up gas forfeited/(utilised)	(866)	(1,226)
Expenditure capitalised	7,970	30,712
Impairment of Kupe asset	-	(3,244)
Sale of Brewer Estate Oil Terminal	-	(825)
Amortisation for the year	(11,373)	(21,128)
Rehabilitation provision movement (refer to note 20)	5,456	1,402
Discontinued operations	(75,618)	-
Revaluation of foreign currency oil and gas assets	(1,306)	(226)
Total oil and gas assets at end of the year	**145,298**	221,035

Hydrocarbon reserves are estimates of the amount of hydrocarbons that can be economically extracted from the Group's oil and gas permits. The Group estimates its reserves based on all available production data, the results of well intervention campaigns, seismic data, analytical and numerical analysis methods, sets of deterministic reservoir simulation models provided by the field operators and analytical and numerical analyses. Forecasts are based on deterministic methods. Reserves are reported in line with the principles contained in the Society of Petroleum Engineers Petroleum Resources Management Reporting System. As the economic assumptions used may change and as additional geological information is obtained during the operation of the field, estimates of recoverable resources may change impacting the Group's financial results.

Climate-related risks have been considered with respect to the evaluation of the estimated recoverable amounts associated with oil and gas assets.

At 30 June 2026 the Group assessed each oil and gas asset to determine whether an indicator of impairment existed. Indicators of impairment include changes in future selling prices, future costs and reserves. There were no indicators of impairment relating to any oil and gas assets during the year.

Kupe impairment
At 30 June 2026, the Group assessed the Kupe cash-generating unit for impairment and for indicators that impairment losses recognised in prior periods may have decreased. The assessment indicated that the recoverable amount exceeded the carrying amount. Accordingly, no impairment loss was recognised during the year (2025: A$3.2 million).

No reversal of impairment losses recognised in prior periods was recorded at 30 June 2026.

17 Other financial assets

Other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets which are measured at fair value through profit or loss. Such assets are subsequently measured at amortised cost.

Financial assets are derecognised when the rights to receive cash flows have elapsed or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

AUD$000	2026	2025
By financial asset:		
Security deposits	1,091	1,444
Abandonment and Site Restoration Fund (ASR) - Cue Sampang rehabilitation	-	6,389
Total other financial assets at end of year	**1,091**	7,833
Movement		
Opening balance	7,833	7,419
Security deposits	(353)	286
Abandonment and Site Restoration Fund (ASR) - Cue Sampang rehabilitation	-	82
Discontinued operations	(6,389)	-
Revaluation of foreign currency financial assets	-	46
Total other financial assets at end of year	**1,091**	7,833

In accordance with legislative obligations in the respective jurisdictions in which the Group operates, contributions are made to funds established for the purpose of financing future rehabilitation and restoration of sites. The Abandonment and Site Restoration Fund recognised in the prior year related to Cue's Sampang assets and was derecognised following the disposal of Cue during the year.

Notes to the financial statements
For the year ended 30 June 2026

18 Payables

AUD$000	**2026**	2025
Trade payables	3,571	7,859
Royalties payable	308	414
Share of oil and gas interests' payable	5,071	6,441
Other payables*	2,674	3,058
Total payables at end of the year	**11,624**	17,772

* Other Payables include a grossed up carbon emission liability of A$1.4 million (June 2025: A$1.2 million) related to the New Zealand Emissions Trading Scheme (ETS). This liability is partially offset by a carbon emission receivable associated with sales contracts held with our customers (refer to note 12).

By currency:	**2026 Base Currency**	**2026 AUD Equivalent**	2025 Base Currency	2025 AUD Equivalent
Australian dollar	7,831	7,831	9,810	9,810
New Zealand dollar	4,449	3,654	6,011	5,575
United States dollar	96	139	1,562	2,385
Indonesian rupiah	-	-	20,132	2
Total payables at end of year		**11,624**		17,772

19 Contract liabilities

A contract liability is recorded for obligations under sales contracts to deliver natural gas in future periods for which payment has already been received.

AUD$000	**2026**	2025
Non-current	7,691	12,166
Total contract liabilities at the end of the period	**7,691**	12,166

As part of the acquisition of the Amadeus Basin assets in May 2021, the Group assumed performance obligations for the delivery of 'gas not taken' by its sole customer in the Dingo asset. Under the take or pay arrangement, the Group has the obligation to provide make up gas (MUG) within the contractually defined volumes, which were not previously taken by the customer. The customer must take the future delivery of gas by 2035.

20 Rehabilitation provisions

Provisions for rehabilitation have been recognised where the Group has an obligation, due to its operating activities, to restore sites to their original condition. Although the timing and amount of future expenditure are uncertain, it is expected to occur between 1 July 2026 and 2055 based on the estimated end of field life or progressive rehabilitation requirements. The provision is measured at the present value of expected costs. The initial provision and subsequent re-measurements are included in the cost of the related asset. The unwind of the discount is recognised in finance costs in profit or loss. The current portion of the rehabilitation provision for the year is nil (30 June 2025: A$0.9 million).

AUD$000	**2026**	2025
Opening balance	62,604	60,111
Change in provision recognised	4,846	896
Derecognition of provision - Brewer Estate Oil Terminal	-	(794)
Payments made	(136)	(324)
Unwind of discount on provision	1,421	2,209
Discontinued operations	(30,403)	-
Revaluation of foreign currency provision	(733)	506
Total rehabilitation provision at end of the year	**37,599**	62,604

The discount rate used is the risk-free interest rate obtained from the country related to the currency of the expected expenditure. The discount rates used to determine the provision ranged from 1.82% to 6.16% (30 June 2025: 1.48% to 4.79%).

During the year, revised rehabilitation cost estimates were obtained from the Operator for certain assets. This resulted in an increase in the rehabilitation provision.

20 Rehabilitation provisions (continued)

The carrying amounts and maturity profile of rehabilitation provisions are as follows:

AUD$000	**2026**
≤1 year	-
1–5 years	6,461
6–10 years	16,370
11–20 years	-
21–30 years	14,768
>30 years	-
Total rehabilitation provision at end of the year	**37,599**

In anticipation of proposed amendments to NZ IAS 37, the Group has enhanced its rehabilitation disclosures to include the expected timing of outflows. As these amendments have not yet become effective, comparative information has not been presented.

21 Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of any directly attributable transaction costs. They are subsequently measured at amortised cost using the effective interest method. The effective interest rate amortisation is included in finance costs in profit or loss.

On 11 June 2024, the Group executed an A$63.0 million loan facility to 30 June 2031, specifically to facilitate the acquisition of a 25% interest in the Mereenie gas field, Amadeus Basin and additional development as required. In accordance with the facility repayment schedule, the maximum amount available under the facility reduced to A$58.5 million on 11 June 2026. As the Group's outstanding borrowings were below this amount, the reduction in the maximum permitted balance did not require any principal repayment. As at 30 June 2026, the Group has external bank loan borrowings of A$10.5 million (30 June 2025: A$47.5 million). This is carried at amortised cost of A$9.7 million (2025: A$46.6 million), being net of unamortised capitalised transaction costs of A$0.8 million (2025: A$0.9 million).

The loan facility is secured by the assets of Echelon Mereenie Pty Ltd, Echelon Palm Valley Pty Ltd and Echelon Dingo Pty Ltd. These three companies hold the Amadeus Basin assets on behalf of the Group. All remaining unused amounts are unrestricted as at the reporting date. An unsecured guarantee is provided by Echelon over the external loan borrowing as parent entity of the Group, and a featherweight guarantee provided by Echelon Pacific Limited, a New Zealand registered entity. Refer to note 27 for further information on financial instruments.

The loan is repayable in tranches within seven years of first utilisation. No principal repayments were contractually required during the first 24 months following first utilisation. The Group has elected to make voluntary principal repayments during the current financial year ahead of the contractual schedule, with cumulative repayments of A$37 million in this financial year.

At 30 June 2026, the Group has outstanding letters of credit totalling A$0.8 million (2025: A$0.8 million), which remain contingent liabilities and are not recognised as borrowings.

Certain subsidiaries of the Group are subject to fulfilment of covenants relating to certain subsidiaries' balance sheet ratios on an ongoing basis in connection with their banking facilities undertaken. The Group regularly monitors its compliance with these covenants. The Group has complied with these covenants throughout the period and expects to comply with them for at least twelve months after the reporting date. Accordingly, the loan facility is classified as a non-current liability as at 30 June 2026. Any failure to comply with these covenants may result in loans becoming payable on demand.

At 30 June 2026, the Group is compliant with loan covenants.

During the year, the Group entered into a tax pooling financing arrangement with Tax Management New Zealand Limited (TMNZ), under which A$3.3 million of tax was financed on behalf of the Group. At 30 June 2026, the A$3.3 million amount payable under the arrangement has been recognised as a current borrowing and is due for settlement within 12 months of the reporting date.

The Group's total borrowings at 30 June 2026 comprise the A$9.7 million carrying amount of the external bank loan and the A$3.3 million current tax pooling financing liability.

22 Sale of Cue Energy Resources Limited

On 2 March 2026, the Group announced that it had entered into a pre-bid agreement with Horizon Oil Limited to sell 139,885,879 shares in Cue and on 15 April 2026, the Group accepted the takeover offer for its remaining 209,482,924 Cue shares. The takeover offer became unconditional on 17 June 2026, which the Group determined to be the date on which it ceased to control Cue. The disposal comprised a total of 349,368,803 Cue shares. In accordance with NZ IFRS 5, Cue met the criteria for classification as a discontinued operation.

As the disposal occurred during the current financial year, the results of Cue have been presented as a single amount, "Profit from discontinued operations", on the face of the Consolidated Statement of Comprehensive Income. To ensure comparability, the prior period Consolidated Statement of Comprehensive Income and related notes have been re-presented as if Cue had been classified as a discontinued operation from the beginning of the comparative period.

Following completion of the disposal, Cue was deconsolidated and its assets, liabilities and non-controlling interests were derecognised. Significant judgement was required in determining the date on which the Group lost control of Cue. In assessing the date control was lost, management considered the legal form and commercial substance of the transaction, including the rights retained and transferred throughout the disposal process. Management concluded that control was lost on 17 June 2026, being the date the takeover offer became unconditional, and Cue was deconsolidated from that date. In determining the gain on disposal and the carrying amount of the net assets disposed of, the Group used Cue's financial information as at 30 June 2026, which management considers to be a reasonable approximation of the financial position at the disposal date of 17 June 2026. Adjustments have been made for the material changes in the intervening period. The gain on disposal, including the recycling of the related foreign currency translation reserve and the derecognition of the 50.29% non-controlling interest, has been recognised within the result from discontinued operations. Accordingly, the Consolidated Statement of Financial Position at 30 June 2026 no longer includes Cue's assets and liabilities. In accordance with NZ IFRS 5, comparative Consolidated Statements of Financial Position have not been restated.

(a) Profit from discontinued operations

AUD$000	**2026**	2025
Revenue and other income	49,667	54,342
Operating costs	(18,055)	(21,890)
Exploration and evaluation expenditure	(130)	(1,066)
Other expenses	(4,895)	(2,887)
Profit from operating activities excluding amortisation, impairment and net finance costs	**26,587**	28,499
Amortisation of production assets	(9,670)	(8,852)
Impairment	(4,256)	-
Net finance costs	(441)	12
Profit before income tax and royalties	**12,220**	19,659
Income tax expense	(3,350)	(12,443)
Royalties expense	(1,469)	(899)
Profit after tax from operating activities	**7,401**	6,317
Gain on disposal	**12,145**	-
Income tax expense on gain on disposal	**-**	-
Profit for the year from discontinued operations	**19,546**	6,317

No income tax arose on the gain on disposal. The interest in Cue was held on capital account by Echelon Offshore Limited, a New Zealand tax-resident subsidiary, and gains of a capital nature are not subject to New Zealand income tax.

Basic earnings per share from discontinued operations (cents)	**8.60**	2.78
Diluted earnings per share from discontinued operations (cents)	**8.60**	2.78

Basic and diluted earnings per share from discontinued operations have been calculated using the total profit for the year from discontinued operations of A$19.5 million (2025: A$6.3 million). This total comprises the profit from Cue's operations of A$7.4 million and the gain on disposal of A$12.1 million. Earnings per share has not been presented separately for the operating result and the gain on disposal.

(b) Cash flows from discontinued operations

AUD$000	**2026**	2025
Net cash from operating activities	19,833	23,834
Net cash used in investing activities	(9,458)	(15,396)
Net cash used in financing activities	(5,219)	(14,051)
Net cash inflows/(outflows) from discontinued operation before disposal	**5,156**	(5,613)

Net cash flows above exclude the disposal proceeds themselves, which are presented separately within investing activities in the consolidated statement of cash flows.

22 Sale of Cue Energy Resources Limited (continued)

(c) Net cash flow arising from disposal

AUD$000	**2026**
Cash consideration received during the year	15,737
Less: cash and cash equivalents disposed with Cue	(15,712)
Disposal of subsidiary, net of cash receipts	**25**

(d) Analysis of consideration received and receivable

AUD$000	**2026**
Cash consideration received	15,737
Cash proceeds receivable at year end	1,656
Scrip consideration receivable at disposal date (fair value of Horizon shares)	24,745
Total consideration received and receivable	**42,138**

Cash proceeds receivable of A$1.7 million and scrip consideration receivable of A$23.5 million at the reporting date were subsequently received in July 2026. The scrip consideration was initially recognised at its fair value of A$24.7 million at the disposal date. Subsequent changes in the fair value of the scrip receivable up to 30 June 2026 were recognised in other comprehensive income within the FVOCI reserve, resulting in a carrying amount of A$23.5 million at the reporting date.

(e) Analysis of assets and liabilities over which control was lost

AUD$000	**2026**
Total assets	112,544
Total liabilities	(52,803)
Net assets disposed of	**59,741**

(f) Gain on disposal

AUD$000	**2026**
Total consideration received and receivable	42,138
Add: carrying amount of non-controlling interests derecognised	22,931
Less: carrying amount of net assets disposed	(59,741)
Add: cumulative foreign currency translation reserve reclassified from OCI to profit or loss	7,018
Less: costs directly attributable to the disposal	(201)
Gain on disposal	**12,145**

23 Share capital

	AUD$000	**Number of shares 000s**
Balance at 30 June 2025	178,355	227,369
Share capital issued	-	-
Balance at 30 June 2026	**178,355**	227,369
Comprised of:		
Fully paid shares	178,345	223,951
Partly paid shares	10	3,418
Total shares on issue	**178,355**	**227,369**

The Group retains 3.4 million (2025: 3.4 million) of unallocated partly paid shares that have not yet been cancelled. All fully paid shares have equal voting rights and share equally in dividends and equity.

Prior to the disposal of Cue Energy Resources Limited on 17 June 2026, Cue declared and paid dividends totalling A$5.3 million, comprising a final dividend of AUD 0.50 cents per fully paid ordinary share paid on 25 September 2025 and an interim dividend of AUD 0.25 cents per fully paid ordinary share paid on 26 March 2026. The scrip consideration under Horizon Oil's takeover offer was adjusted to reflect the interim dividend. Both dividends were declared as unfranked dividends wholly designated as Conduit Foreign Income (CFI).

During the year, Echelon paid dividends totalling A$2.6 million to its shareholders, comprising a final dividend of AUD 0.75 cents per fully paid ordinary share paid on 4 October 2025 and an interim dividend of AUD 0.40 cents per fully paid ordinary share paid on 31 March 2026. Neither dividend was imputed or franked.

24 Reserves

(a) Reserves

AUD$000	2026	2025
Asset revaluation reserve	801	1,010
Share-based payments reserve	1,093	1,532
FVOCI reserve	(1,158)	-
Foreign currency translation reserve	19,864	31,040
Total reserves at end of year	**20,600**	33,582
Movements:		
(i) Asset revaluation reserve		
Opening balance	1,010	926
Asset revaluation reserve revaluation	(120)	185
Asset revaluation reserve prior year	(89)	(101)
Closing balance at end of year	**801**	1,010
(ii) Share-based payments reserve		
Opening balance	1,532	1,515
Share-based payment expense	411	351
Forfeited and expired share options	(466)	(290)
Share options exercised by Cue	(180)	(44)
Transfer of share-based payment reserve	(204)	-
Closing balance at end of year	**1,093**	1,532
(iii) FVOCI reserve		
Opening balance	-	-
Net change in fair value of financial assets at FVOCI	(1,158)	-
Closing balance at end of year	**(1,158)**	-
(iv) Foreign currency translation reserve		
Opening balance	31,040	27,861
Foreign currency translation differences for the year	(1,692)	3,179
Intercompany foreign currency transfer	(2,466)	-
FCTR reclassified to profit or loss	(7,018)	-
Closing balance at end of year	**19,864**	31,040

(b) Nature and purpose of reserves

Asset revaluation reserve
Revaluation gains and losses on ETS units are transferred to the asset revaluation reserve.

Share-based payments reserve
The reserve is used to recognise the value of equity benefits provided to employees under the Share Option Scheme.

FVOCI reserve
This reserve comprises the cumulative net change in the fair value of financial assets that the Group has irrevocably elected, on initial recognition, to measure at fair value through other comprehensive income. It relates to the Group's interest in shares in Horizon Oil Limited. Fair value gains and losses on these assets are recognised in other comprehensive income and are not subsequently reclassified to profit or loss. On derecognition, the cumulative gain or loss is transferred within equity to retained earnings.

Foreign currency translation reserve
Exchange differences arising on translation of companies within the Group with a different functional currency to the Group are taken to the foreign currency translation reserve. The reserve is recognised in other comprehensive income when the net investment is disposed of.

25 Net asset backing per share

Net asset backing per share is a non-GAAP measure that shows the Group's net assets attributable to each ordinary share. It is provided as it may assist investors in assessing the per-share value of the Group's net assets.

Management monitors this measure as part of its regular financial review processes.

	2026	2025
Number of shares on issue (000s)	227,369	227,369
Net assets ($000s)	146,560	156,495
Net tangible assets ($000s)	139,619	148,828
Net asset backing per share (cents)	**64.5**	68.8
Net tangible asset backing per share (cents)	**61.4**	65.5

The basis for the calculation of the net asset backing per share is the carrying value of the net assets held on the Statement of Financial Position divided by the number of shares on issue at balance date.

26 Earnings per share

	2026	2025
Profit from continuing operations attributable to shareholders of Echelon ($000s)	8,618	73
Profit after tax attributable to the shareholders of Echelon ($000s)	24,442	3,230
Weighted average number of ordinary shares (000s)	227,369	227,369
Weighted average number of ordinary shares including share options (000s)	227,369	227,369
Earnings per share for profit from the continuing operations attributable to shareholders of the Group		
Basic earnings per share attributable to shareholders of the Group (cents)	**3.79**	0.03
Diluted earnings per share attributable to shareholders of the Group (cents)	**3.79**	0.03
Earnings per share attributable to shareholders of the Group		
Basic earnings per share attributable to shareholders of the Group (cents)	**10.75**	1.40
Diluted earnings per share attributable to shareholders of the Group (cents)	**10.75**	1.40

The potentially dilutive effects of employee share options have not been considered in the diluted profit per share calculation for the year ended 30 June 2026. In the current reporting period, the exercise prices of the employee share options are higher than the average market price, therefore are anti-dilutive.

27 Financial risk management

The Group’s risk management policies are designed to identify and assess risks, set appropriate limits and controls, and monitor compliance. These policies are reviewed regularly to reflect changes in the business and market environment.

Risk exposure to market, credit, liquidity, capital management, sensitivity, financial instruments arises in the normal course of the Group’s business.

(a) Market risk

(i) Foreign exchange risk

The Group is exposed to foreign currency risk on cash and cash equivalents, oil sales, recoverable value of oil and gas assets and capital commitments that are denominated in foreign currencies. The Group manages its foreign currency risk by monitoring its foreign currency cash balances and future foreign currency cash requirements. The Group may enter into foreign currency hedge transactions in circumstances where the risk-adjusted returns to shareholders are enhanced as a consequence.

(ii) Commodity price risk

Commodity price risk is the risk that the Group’s sales revenue and recoverable value of oil and gas assets will be impacted by fluctuations in world commodity prices. The Group is exposed to commodity prices through its petroleum interests. The Group may enter into oil price hedge transactions in circumstances where the risk-adjusted returns to shareholders are enhanced as a consequence. The Group had no call option contracts at 30 June 2026 (2025: nil).

(iii) Concentrations of interest rate exposure

The Group's main interest rate risk arises from long-term borrowings. The Group’s long-term borrowings are obtained at variable rates and expose the Group to interest rate risk with the variable element being the BBSW (Bank Bill Swap Rates) as at utilisation of each loan tranche drawn down. The margin on each loan borrowing utilised is fixed at 5% in accordance with the terms of the debt facility.

The minimum contractual principal repayments due within the next 12 months are nil (2025: nil). During the year, the Group made significant voluntary repayments of the facility, substantially reducing the outstanding loan balance. As at 30 June 2026, the remaining loan balance is below the contractual repayment threshold, and accordingly no mandatory principal repayments are required during the next financial year.

(b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate as a means of minimising the risk of financial defaults. Financial instruments which potentially subject the Group to credit risk consist primarily of securities and short-term cash deposits, trade receivables and short-term funding arrangements. The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings, with funds required to be invested with a range of separate counterparties. The Group’s maximum exposure to credit risk for trade and other receivables is its carrying value.

The Group may be exposed to financial risk if one or more of its joint venture (JV) partners are unable to meet their obligation in relation to the rehabilitation costs for jointly owned oil and gas assets. Under the joint venture operating agreement if one or more partners fails to meet their financial obligation, the other partners may become proportionately liable for their share of the financial obligations but would have contractual rights of recovery against the defaulting party.

As at 30 June 2026 the exposure to credit risk for trade receivables and other assets by type was as follows:

AUD$000	**2026**	2025
Trade receivables	8,497	10,613
Consideration receivable from sale of Cue	25,243	-
Share of oil and gas interests’ receivables	20	9,362
Other	628	1,142
Total credit risk exposure to receivables at end of year	**34,388**	21,117

Expected credit losses

The Group applies the expected credit loss requirements of NZ IFRS 9 to its financial assets measured at amortised cost. For trade and other receivables, the Group assesses expected credit losses having regard to historical credit losses, the financial position of counterparties, the ageing of outstanding balances and relevant forward-looking information.

At 30 June 2026, the Group assessed the expected credit losses on trade and other receivables to be immaterial and, accordingly, no material loss allowance has been recognised or disclosed. The consideration receivable from the sale of Cue of A$25.2 million was settled in full subsequent to year end, providing further evidence of the recoverability of this balance.

27 Financial risk management (continued)

(c) Liquidity risk

Liquidity risk represents the Group's ability to meet its contractual obligations. The Group evaluates its liquidity requirements on an ongoing basis. In general, the Group generates sufficient cash flows from its operating activities to meet its obligations arising from its financial liabilities and has liquid funds to cover potential shortfalls, utilising available borrowing facilities to be able to pay debts as and when they become due and payable.

The unused borrowings at the reporting date were:

AUD$000	2026	2025
Bank loans - unused borrowings	47,313	16,447

The loan utilisations may be drawn at any time, with the loan facility maturing 7 years from the initial first utilised loan draw down date of 11 June 2024.

The following table sets out the undiscounted contractual cash flows for all non-derivative financial liabilities and for derivatives that are settled on a gross cash flow basis:

30 June 2026 AUD$000	**6 months or less**	**6-12 months**	**1-2 years**	**2-5 years**	**More than 5 years**	**Contractual cash flows**
Non-interest bearing						
Payables	**11,624**	-	-	-	-	**11,624**
Tax pooling financing	**-**	**3,285**	-	-	-	**3,285**
Interest-bearing - variable rate						
Bank loans	**972**	**913**	**1,713**	**14,463**	**-**	**18,061**
Total non-derivative liabilities	**12,596**	**4,198**	**1,713**	**14,463**	**-**	**32,970**

The weighted average interest rate was 8.03%.

30 June 2025 AUD$000	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years	Contractual cash flows
Non-interest bearing						
Payables	17,772	-	-	-	-	17,772
Interest-bearing - variable rate						
Bank loans	2,395	2,349	4,604	34,984	25,140	69,472
Total non-derivative liabilities	20,167	2,349	4,604	34,984	25,140	87,244

The weighted average interest rate was 9.38%.

At 30 June 2026 the Group had no derivatives to settle (2025: nil).

27 Financial risk management (continued)

The Group's secured external debt facility contains loan covenants. A future breach of covenant may require the Group to repay the loan earlier than indicated in the above table.

The interest payments on the variable interest rate loan component in the table above reflect market forward interest rates at the reporting date and these amounts may change as market interest rates change.

The interest expense cost recognised in the period to 30 June 2026 was A$3.8 million (2025: A$5.1 million). The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above. It is noted that in measuring the fair value, the loan is assessed as Level 2 in the fair value hierarchy, with the input for the loan interest based on observable inputs.

Fair value of financial instruments
Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

(d) Capital management

The Group manages its capital through the use of cash flow and corporate forecasting models to determine its future capital requirements and maintains a flexible capital structure which allows access to debt and equity markets to draw upon and repay capital as required. The Group has an adequate capital base and significant cash reserves.

(e) Sensitivity analysis

The Group's reporting result at the end of each year is sensitive to financial risks from fluctuations in interest rates, commodity prices and foreign currency exchange rates. The sensitivity table below shows the impact of exchange rate changes on current assets and liabilities and the impact of interest rate changes on current cash balances.

The 200 basis point (BPS) change is based on the expected volatility of interest rates using market data and analysts' forecasts.

AUD$m	Risk area	Sensitivity	**2026**	2025
Impact on Group profit before tax	Exchange rate	+5%	(3.8)	0.5
		-5%	3.8	(0.5)
Impact on foreign currency translation reserves in equity	Exchange rate	+5%	(0.4)	(0.7)
		-5%	0.4	0.7
Impact on interest income	Interest rate	+200 BPS	0.5	0.7
		-200 BPS	(0.5)	(0.7)
Impact on interest expense	Interest rate	+200 BPS	(0.3)	(0.9)
		-200 BPS	0.3	0.9

(f) Financial instruments by category

AUD$000	**2026** **Carrying value**	2025 Carrying value
Assets		
Cash and cash equivalents	24,968	36,801
Financial assets at FVOCI – scrip consideration receivable	23,587	-
Trade and other receivables	10,801	21,117
Total assets	**59,356**	57,918
Liabilities		
Payables	11,624	17,772
Borrowings	13,000	46,553
Total Liabilities	**24,624**	64,325

The fair value and amortised cost of financial instruments is equivalent to their carrying value.

28 Related party transactions

All transactions and outstanding balances with related parties are in the ordinary course of business on normal trading terms. Any transactions within the Group are eliminated on consolidation.

During the year certain activities were undertaken between the Group and OGE. The inter-group services agreement, which was entered into on 21 June 2019, allows the Group to provide technical services and related activities to OGE. Income of A$1.9 million has been included in 'Other income' in profit or loss (30 June 2025: A$1.7 million). During the year the inter-group services agreement was amended to allow OGE to invoice the Group for technical services provided by joint employees whose costs are paid for by OGE. Expenses of A$0.1 million have been included in Other Expenses in profit or loss (30 June 2025: nil).

Cue Directors
The following persons were Cue Directors during the period of Group control:
Alastair McGregor (Non-executive Chairman)* - resigned 2 July 2026
Andrew Jefferies (Non-Executive Director)* - resigned 2 July 2026
Marco Argentieri (Non-Executive Director)* - resigned 2 July 2026
Samuel Kellner (Non-Executive Director)* - resigned 2 July 2026
Rod Ritchie (Non-Executive Director)* - resigned 2 July 2026
Peter Hood AO (Non-Executive Director)
Richard Malcolm (Non-Executive Director)
Greg Bishop (Non-Executive Director)

* Commencing 1 July 2023, Directors' fees were invoiced by Echelon and paid on a quarterly basis. The Directors' fees are retained by Echelon and not personally received by the Directors. During the year, Directors' fees of A$0.3 million (2025: A$0.3 million) were paid by Cue to Echelon in relation to these Directors.

Echelon Directors
The following persons were directors of Echelon during the financial year:
Samuel Kellner (Non-Executive Chairman)*
Alastair McGregor (Non-executive Director)*
Andrew Jefferies (Managing Director and CEO)**
Marco Argentieri (Non-Executive Director)*
Rod Ritchie (Non-Executive Director)
Rosalind Archer (Non-Executive Director)

* As in previous years these Directors declined to receive compensation for the provision of directorial services from Echelon, nor was any compensation paid to any related parties on their behalf. The deemed compensation for the year ending 30 June 2026 was A$0.3 million (2025: A$0.3 million) and reflects the estimated compensation for the services provided and is disclosed for financial reporting purposes only.

** The directorial services provided by Andrew Jefferies are included in remuneration received as Chief Executive of Echelon.

The Group's related parties also include key management personnel (KMP), which have been defined as the Directors, the Chief Executive Officer and the Executive team for the Group. Key Cue management personnel are included.

AUD$000	2026	2025
Short term employee benefits	4,360	4,206
Share-based payments	250	213
Post employment benefits	129	132
Key management personnel related costs	**4,739**	4,551
Deemed Directors' compensation for related party Directors	253	260
Total key management personnel related costs	**4,992**	4,811

During the year, Cue KMP received additional remuneration associated with the Horizon Oil takeover process, including A$0.4 million paid to Cue's CEO comprising retention and special exertion payments, and a 50% increase in Cue's Independent Board Committee (IBC) Directors' fees during the takeover period. These payments were approved by Cue's IBC and are included in KMP compensation above.

29 Share-based payments

The Group provides share-based payments to employees through equity-settled option schemes. The fair value of options is measured at grant date using the Black-Scholes option pricing model and is expensed over the vesting period, with a corresponding credit to the share-based payment reserve. The expense recognised reflects the fair value of options expected to vest, taking into account service and non-market performance conditions. Market conditions are incorporated in the fair value at grant date and are not subsequently adjusted.

Equity transactions are recognised as an expense with the corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period.

If the non-vesting condition is within the control of the consolidated Group or the employee, the failure to satisfy the condition is considered a cancellation. If the condition is not within the control of the consolidated Group or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited. Cancellations are accounted for on the date of cancellation, as if it had vested.

In accordance with NZ IAS 1 Presentation of Financial Statements, certain disclosures have been reduced or omitted due to the low level of materiality.

Echelon Share Option Scheme (established March 2020).

On 23 December 2025, 3,830,126 unlisted options were granted to employees at an exercise price of A$0.432, a vesting date of 1 July 2028 and expiration date of 1 July 2031.

Cue Energy Share Option Scheme (established July 2019).

Following the disposal of Cue Energy Resources Limited on 17 June 2026, the Group no longer recognises Cue's share-based payment arrangements. Share-based payment expense of A$0.2 million recognised during the year in respect of these arrangements has been included within the result from discontinued operations.

Share-based payment expense recognised in profit or loss:

AUD$000	**2026**	2025
Share-based payment expense	226	281

2026	**Weighted average exercise price**	**Opening balance**	**Granted**	**Exercised**	**Forfeited/ expired**	**Discontinued operation**	**Closing balance**
Echelon Scheme	$ 0.449	13,308,124	3,830,126	-	(2,657,214)	-	14,481,036
Cue Energy Scheme	n/a	16,213,493	3,149,921	(9,680,324)	(3,204,237)	(6,478,853)	-

2025	Weighted average exercise price	Opening balance	Granted	Exercised	Forfeited/ expired	Discontinued operation	Closing balance
Echelon Scheme	0.476	11,823,061	4,354,827	-	(2,869,764)	-	13,308,124
Cue Energy Scheme	0.100	16,819,854	3,411,549	(2,647,549)	(1,370,361)	-	16,213,493

30 Commitments and contingent assets and liabilities

(a) Development and exploration expenditure

To maintain the various permits in which the Group is involved the Group has ongoing expenditure as part of its normal operations. The actual costs will be dependent on a number of factors such as JV decisions including final scope and timing of operations. The Group participates in a number of development projects that were in progress at the end of the period. These projects require the Group, either directly or through joint operation arrangements, to enter into contractual commitments for future expenditures.

The Group's share of capital commitments associated with the Amadeus Basin permits for production and development expenditure was A$10.4 million at 30 June 2026 (2025: nil). The capital commitment is primarily associated with the Group's share of the PV-14 and PV-15 appraisal wells drilling programme at Palm Valley and related field development activities.

(b) Contingent liabilities

On 11 December 2025, the Group received a Writ of Summons from Triangle Energy (Global) Limited in the Supreme Court of Western Australia alleging breaches of the L7 / EP437 Farmout Agreement in connection with the Group's withdrawal from those permits. The endorsed claim accompanying the Writ referred to an asserted exposure of approximately A$3.8 million. Triangle subsequently filed a Statement of Claim no longer seeking damages, instead seeking orders for specific performance of certain alleged contractual obligations under the Farmout Agreement. The Group disputes the allegations and intends to defend the proceedings. The proceedings remain ongoing and the outcome is uncertain.

Having considered the nature of the claims, the current stage of the proceedings, and the information available at the reporting date, the Directors have concluded that it is not probable that an outflow of economic benefits will be required to settle the matter. Accordingly, no provision has been recognised in these financial statements and the matter has been disclosed as a contingent liability.

Subsequent to the reporting date on 21 July 2026, Triangle Energy (Global) Ltd entered voluntary administration. The Directors have considered this development and concluded that it does not affect the accounting assessment of the proceedings as at 30 June 2026.

(c) Contingent assets

During the year, the Group participated in a number of JV audits relating to JV costs and expenditure. Certain adjustments arising from these audits have been recognised in the financial statements, while other matters, including those relating to prior periods, remain under review and discussion between the relevant JV participants.

As at 30 June 2026, the amount and timing of any further adjustments remain uncertain and, accordingly, no asset has been recognised in respect of these amounts.

The Directors are not aware of any further contingent assets or liabilities at 30 June 2026.

31 Events occurring after balance date

On 2 July 2026, settlement was completed in respect of the Group's acceptance of Horizon Oil Limited's takeover offer for its remaining 209,482,924 shares in Cue Energy Resources Limited. Following settlement, the Group received the remaining cash consideration of A$1.7 million and 117,824,145 Horizon Oil Limited shares, representing a 6.64% interest in Horizon Oil Limited. The Group's entitlement to this consideration was recognised at 30 June 2026 and, accordingly, the subsequent receipt of the cash and transfer of the shares did not result in an adjustment to the gain on disposal or the amounts recognised at the reporting date.

On 25 July 2026, drilling commenced on the PV-14 appraisal well, the first well in the Palm Valley two-well drilling programme. The programme is expected to take approximately four and a half months to complete, with first gas targeted for October 2026.

Other than the matters described above, there have been no events subsequent to 30 June 2026 that have had, or may have, a material effect on the Group's financial position, results of operations or cash flows.

Independent Auditor's Report

To the shareholders of Echelon Resources Limited

Report on the audit of the consolidated financial statements

Opinion

We have audited the accompanying consolidated financial statements which comprise:

- the consolidated statement of financial position as at 30 June 2026;
- the consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended; and
- notes, including material accounting policy information and other explanatory information.

In our opinion, the accompanying consolidated financial statements of Echelon Resources Limited (the **Company**) and its subsidiaries (the **Group**) on pages 4 to 33 present fairly in all material respects:

- the Group'sfinancial position as at 30 June 2026 and its financial performance and cash flows for the year ended on that date;
- In accordance with New Zealand Equivalents to International Financial Reporting Standards (**NZ IFRS**) issued by the New Zealand Accounting Standards Board and the International Financial Reporting Standards issued by the International Accounting Standards Board.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (**ISAs (NZ)**). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of Echelon Resources Limited in accordance with Professional and Ethical Standard 1 International Code of Ethics for Assurance Practitioners (Including International Independence Standards) (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (**IESBA Code**), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with Professional and Ethical Standard 1 and the IESBA Code.

Our responsibilities under ISAs (NZ) are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

Our firm has provided other services to the Group in relation to tax compliance and advisory. Subject to certain restrictions, partners and employees of our firm may also deal with the Group on normal terms within the ordinary course of trading activities of the business of the Group. These matters have not impaired our independence as auditor of the Group. The firm has no other relationship with, or interest in, the Group.

Materiality

The scope of our audit was influenced by our application of materiality. Materiality helped us to determine the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and on the consolidated financial statements as a whole. The materiality for the consolidated financial statements as a whole was set at A$1.6 million determined with reference to a benchmark of the Group's total assets. We chose the benchmark because, in our view, this is a key measure of the Group's performance.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements in the current period. We summarise below those matters and our key audit procedures to address those matters in order that the shareholders as a body may better understand the process by which we arrived at our audit opinion.

Our procedures were undertaken in the context of and solely for the purpose of our audit opinion on the consolidated financial statements as a whole and we do not express discrete opinions on separate elements of the consolidated financial statements.

<table>
<tr><th>The key audit matter</th><th>How the matter was addressed in our audit</th></tr>
<tr><td colspan="2">Sale of Cue Energy Resources Limited</td></tr>
<tr><td>As disclosed in Note 22, during the year the Group completed the disposal of its investment in Cue Energy Resources Limited ("Cue").

The transaction involved multiple interconnected arrangements, including a pre-bid agreement and participation in a takeover offer by Horizon Oil Limited. Determining the date on which control of Cue was lost required significant judgement, as various rights transferred at different stages of the transaction and legal settlement occurred after the date on which the takeover offer became unconditional.

The determination of the disposal date was significant because it directly affected the timing of deconsolidation of Cue and the recognition and measurement of the gain on disposal.

Given the size of the transaction and the level of judgement involved in determining the appropriate accounting treatment, we considered this to be a key audit matter.</td><td>Our audit procedures included:

– Reading the pre-bid agreement, takeover offer documentation and other relevant contractual arrangements.

– Assessing management's determination of the date on which control of Cue was lost, including evaluating the rights retained and transferred throughout the disposal process.

– In conjunction with our accounting specialist, assessing management's application of the requirements of NZ IFRS 10 in determining the date of deconsolidation.

– Testing the consideration received and receivable, including agreeing cash proceeds to supporting documentation and independently assessing the valuation of Horizon shares receivable as at the disposal date.

– Assessing the appropriateness of the net assets derecognised on disposal.

– Evaluating the accounting treatment of non-controlling interests and foreign currency translation reserves recycled on disposal.

– Assessing the appropriateness of the Group's disclosures relating to the disposal, including the presentation as a discontinued operation.</td></tr>
<tr><td colspan="2">Rehabilitation provisions</td></tr>
<tr><td>Refer to Note 20 within the financial statements.

We identified the rehabilitation provision for the Amadeus Basin oil and gas fields as a key audit matter due to the estimation uncertainty involved in forecasting future rehabilitation cash flows, the significance of the provision relative to the Group's total rehabilitation provisions, and the current-year update to estimated rehabilitation costs.</td><td>Our audit procedures included:

– evaluating the work of the Group's external independent specialist engaged to update the estimated rehabilitation costs, including considering the specialist's competence, capabilities and objectivity;

– challenging the reasonableness of the estimated rehabilitation costs and associated timing using our knowledge of the Group, industry experience and understanding of applicable regulatory requirements;</td></tr>
</table>

The key audit matter	How the matter was addressed in our audit
Estimating the provision requires judgement in relation to; – the expected cost and timing of future rehabilitation activities, including the useful lives of the fields and related assets; – legislative and regulatory requirements; and – the discount, inflation and foreign exchange rates applied in determining the net present value of forecast rehabilitation cash flows.	– assessing the consistency of timing between planned rehabilitation activities and the Group's reserves estimates and expected production profile; – evaluating discount, forecast inflation and fx rates applied by the Group to determine the net present value of the rehabilitation provision against publicly available data, including risk free rates; and – assessing the integrity of the provision calculation, including the accuracy of the underlying calculation formulas.

Other information

The directors, on behalf of the Group, are responsible for the other information. The other information comprises the information included in the Annual Report but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover any other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors and use our professional judgement to determine the appropriate action to take.

Use of this independent auditor's report

This independent auditor's report is made solely to the shareholders. Our audit work has been undertaken so that we might state to the shareholders those matters we are required to state to them in the independent auditor's report and for no other purpose. To the fullest extent permitted by law, none of KPMG, any entities directly or indirectly controlled by KPMG, or any of their respective members or employees, accept or assume any responsibility and deny all liability to anyone other than the shareholders for our audit work, this independent auditor's report, or any of the opinions we have formed.

Responsibilities of directors for the consolidated financial statements

The directors, on behalf of the Group, are responsible for:

— the preparation and fair presentation of the consolidated financial statements in accordance with NZ IFRS issued by the New Zealand Accounting Standards Board and the International Financial Reporting Standards issued by the International Accounting Standards Board;
— implementing the necessary internal control to enable the preparation of a consolidated set of financial statements that is free from material misstatement, whether due to fraud or error; and
— assessing the ability of the Group to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate or to cease operations or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objective is:

— to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error; and
— to issue an independent auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but it is not a guarantee that an audit conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is located at the External Reporting Board (XRB) website at:

https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-1-1/

This description forms part of our independent auditor's report.

The engagement partner on the audit resulting in this independent auditor's report is Gavin Silva.

For and on behalf of:

KPMG

KPMG
Wellington
27 August 2026