10 SEPTEMBER 2026

ASX Announcement

DOMESTIC PRODUCTION MOMENTUM AND INTERNATIONAL EXPLORATION OPPORTUNITIES ADVANCE

KEY HIGHLIGHTS

- Emu Apple-1 has been producing in the range of 10–20 barrels of oil per day at the pump rate range as before to optimise post-intervention clean-up, with no water cut observed to date and fluid levels in line with previous measurements.
- The absence of water cut is considered highly encouraging for produced fluids management, evaporation pond capacity and the potential to increase Emu Apple-1 production once the well has been adequately cleaned up.
- The next lifting of Emu Apple crude is anticipated in the next fortnight, aligned with the recent strengthening in oil prices.
- With Brent oil prices approaching US$100 per barrel, the Company is assessing the recommencement of Emu Apple-2 and Emu Apple-3, together with Riverslea-1 and Riverslea-3.
- Additional lightweight hydraulic pumping units have been sourced for potential deployment across Emu Apple and Riverslea, offering mobility and installation advantages without concrete foundations.
- Prospective resource work on PL 30, containing the Riverslea and Yapunyah fields, has been prioritised due to higher oil prices and the proximity of preliminary mapped prospects to existing Riverslea infrastructure.
- Final assays for Riverslea crude are being undertaken to support incorporation into offtake arrangements and the restart of Riverslea-1 and Riverslea-3.
- Reclamation Board-7 and Reclamation Board-8 have been reinstated to production following further maintenance works and are flowing at a combined rate of approximately 350 Mcf/day, with planned routing through the PEOCO-owned compressor expected to lift combined rates towards approximately 500 Mcf/day.
- The Company is progressing a raw gas sale agreement to treat produced gas from Major-4, with final commercial and operational matters relating to metering, shutdown valves and communications being negotiated for offtake.
- Californian gas prices continued to strengthen and were consistently above US$3.70 at Citygate during the last week of August.
- The Company has been proactively negotiating with regulators in two separate jurisdictions in relation to international exploration concessions.

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Commenting on these developments, Kane Marshall, Managing Director of Australian Oil Co said:

> "The continued clean-up and production response from Emu Apple-1 is highly encouraging, particularly with no water cut observed to date. With oil prices strengthening, we are focused on disciplined, low-cost production growth across Emu Apple and Riverslea, while also advancing gas commercialisation opportunities at Major and in California. In parallel, we have been proactively engaging with regulators in two separate international jurisdictions regarding exploration concessions, reflecting our broader strategy to build a balanced portfolio of domestic production and international exploration opportunities. The Company is prioritising activities that can make best use of existing infrastructure, improve cash generation and position Australian Oil Company for a stronger production and growth base."

Production – Emu Apple Oil Field (PL 264)

Australian Oil Company Limited (ASX:AOK) is pleased to provide an operational update across its oil and gas portfolio, with production momentum building at the Emu Apple Oil Field in PL 264, located in the Surat Basin, Queensland. Following the recent well intervention at Emu Apple-1, the well has been producing in the range of 10–20 barrels of oil per day while being operated at the the same pump rate post clesan-up This approach has been adopted to optimise the clean-up of the well post-intervention and to preserve flexibility for future production increases once well conditions have stabilised. Fluid levels are still significantly higher than pump intake confirming good communication between the well and reservoir and scope to increase production over the coming weeks.

Importantly, no water cut has been observed from Emu Apple-1 to date following the intervention. This is an extremely encouraging outcome for the Company, both operationally and commercially. A dry oil production profile supports more efficient handling of produced fluids, reduces pressure on evaporation pond capacity and provides greater scope to increase production from Emu Apple-1 once the well has been adequately cleaned up and operating parameters are further optimised.

The Company is monitoring well performance closely, including pump rate, produced fluids and tank levels. On the basis of current production and storage, the next lifting of Emu Apple crude is anticipated in the next fortnight. This timing is expected to align with higher oil prices, with Brent oil having recently approached US$100 per barrel, providing an improved pricing environment for crude sales and reinforcing the Company's focus on near-term production optimisation.

In response to the stronger oil price environment, the Company is currently assessing the recommencement of additional oil production from Emu Apple-2 and Emu Apple-3, in addition to the planned restart work across Riverslea-1 and Riverslea-3. Other hydraulic pumping units have been inspected and identified for deployment into both fields. These units are considered attractive due to their lightweight nature, ease of mobilisation and ability to be installed without concrete foundations, which may reduce implementation time and capital intensity.

Figure 1 Emu Apple-1 operations have provided scope to utilise the existing evaporation ponds to bring on other wells. Exploration and Development Manager Len Diekman inspecting the additional hydraulic units planned to be deployed into Emu Apple and Riverslea fields.

Figure 2 Storage tank levels being dipped to assess timing of next oil lifting

Exploration – Emu Apple Oil Field (PL 264)

The Company continues to evaluate exploration and appraisal potential across PL 264, with the Emu Apple Oil Field remaining an active production and growth asset. Previous work across the permit has identified exploration potential beyond the currently producing area, and the Company will continue to integrate field performance, well data and subsurface interpretation to refine future opportunities.

The current operational focus remains on maximising the value of the existing Emu Apple well stock and infrastructure. The observed production behaviour from Emu Apple-1, particularly the absence of water cut during the post-intervention clean-up phase, provides useful technical information for assessing further field activity, including potential interventions and artificial lift strategies for Emu Apple-2 and Emu Apple-3.

Development– PL 30 (Riverslea and Yapunyah)

Development activity at PL 30, which contains the Riverslea and Yapunyah fields, is being accelerated in response to the stronger oil price environment and the opportunity to leverage existing field infrastructure. The Company is assessing the restart of Riverslea-1 and Riverslea-3 as part of a broader objective to increase near-term oil production from its Surat Basin portfolio.

Final assays for Riverslea crude are currently being undertaken. These assays are expected to be incorporated into offtake arrangements and will support planning for the restart of Riverslea-1 and Riverslea-3. The Company considers completion of these assays an important step in establishing the operational and commercial pathway for recommencing production from the Riverslea field.

The Company has also identified additional new hydraulic pumping units suitable for deployment at Riverslea. The lightweight and mobile nature of these units provides a practical development pathway, particularly where rapid installation and reduced civil works are desirable. Their ability to be installed without concrete foundations is expected to support a more flexible and cost-conscious restart approach. Spare load out and pump infrastructure at Emu Apple will be mobilised to Riverslea once clean-up operations at Emu Apple-1 conclude and the next lifting occurs.

Figure 3 Load out pump on trailer at Emu Apple in readiness to be mobilised to the Riverslea Field

Figure 4 Looking from Riverslea-3 to the tank farm

AUSTRALIAN OIL CO.

Exploration– PL 30 (Greater Riverslea)

Prospective resource work on PL 30 has been given priority due to the escalation in oil prices and the close proximity of a number of preliminary mapped prospects to existing Riverslea infrastructure. The Company believes this proximity may provide a strategic advantage, subject to further technical work, as future exploration and appraisal success could potentially be tied into existing field systems.

The Greater Riverslea area remains an important component of the Company's Surat Basin growth strategy. Work is focused on progressing mapped prospects and leads to a more mature technical status, including integration of available geological, geophysical and production data. This work is intended to support future investment decisions and identify opportunities capable of complementing the planned restart of existing Riverslea production wells.

Development– PL 512 (Major Gas Field)

The Company continues to progress development planning for the Major Gas Field in PL 512. A raw gas sale agreement is being advanced to allow produced gas from Major-4 to be treated, with the final details relating to metering, installation of shutdown valves and communications being negotiated for offtake. Scope for refurbishing de-foamers at the wellhead and installation of shut-down valves is in progress with wellhead pressures of 1,000 psi consistent with Boxley producing wells in the area.

The Major-4 opportunity is being pursued as part of the Company's broader strategy to reinstate production from existing infrastructure where commercial and operational conditions support development. The ability to progress gas offtake arrangements, including metering and safety systems, is a key step towards enabling production and supporting future gas revenue from the asset.

Figure 5 Communications tower at one of the Boxley wells adjacent to the connection to PPL 22 connecting Majo to the line to Silver Springs Plant

Figure 6 Managing Director scoping out wellhead works ahead of tie into Silver Springs with wellhead pressure reading of 1,000 psi

Greater Surat Strategy

Australian Oil Company's Greater Surat strategy remains focused on increasing production from existing and near-term reinstatement assets, prioritising projects with access to infrastructure and exposure to favourable commodity pricing. The current oil price environment has strengthened the case for accelerating activity across Emu Apple, Riverslea and Greater Riverslea, while gas commercialisation work at Major continues in parallel.

Californian Gas Operations

In addition to Surat Basin activity, the Company has also recorded encouraging progress across its Californian gas operations. Following further maintenance works, the Reclamation Board-7 and Reclamation Board-8 production wells have been reinstated and are flowing at a combined rate of approximately 350 Mcf/day. These wells are expected to be routed shortly through the PEOCO-owned compressor, with the objective of increasing combined rates towards approximately 500 Mcf/day.

Californian gas prices have continued to improve, with prices consistently above US$3.70 during the last week of August. This strengthening price environment supports the Company's continued focus on low-cost production optimisation, infrastructure utilisation and disciplined commercial arrangements across its gas portfolio.

New Ventures

The Company has also been proactively negotiating with regulators in two separate jurisdictions in relation to international exploration concessions. These discussions are consistent with Australian Oil Company's strategy of assessing growth opportunities beyond its existing core regions while maintaining a disciplined focus on projects with the potential to enhance the Company's exploration and development pipeline.

Investor Portal

Australian Oil Co shareholders and investors are encouraged to register on the updated Investor Portal via the Company website for direct access to ASX releases, project updates and other important communications.

[Australian Oil Company Limited | ASX:AOK - Investor Centre]

– ENDS –

This announcement has been authorised by the Board of Directors of the Australian Oil Company Ltd.

About Australian Oil Co

Australian Oil is an Australian-based energy company focused on under-explored, high-quality oil and gas opportunities near under-supplied markets.

The Company is currently focused on conventional oil and gas exploration and production opportunities in the Surat Basin in Australia. Australian Oil also has a portfolio of natural gas and oil producing wells, in California.

Australian Oil is currently evaluating the acquisition of additional global producing and exploration assets aligned with its strategic objectives and commitment to delivering shareholder value.

Australian Oil Company Limited

ACN: 114 061 433

Shares on Issue

2,327,610,801

Unlisted Options

10,000,000 ex $0.025 on or before 30-Apr-2029
10,000,000 ex $0.035 on or before 30-Apr-2029
10,000,000 ex $0.045 on or before 30-Apr-2029
296,439,770 ex $0.004 on or before 22-Dec-2027
486,724,095 ex $0.006 on or before 30-Jun-2028

Performance Rights

207,550,000 Performance rights

Forward-looking Statement

This announcement may contain forward-looking statements regarding future events or performance, including but not limited to projections of financial results, anticipated growth, and business strategies. These forward-looking statements are based on current expectations, assumptions, and projections that involve inherent risks and uncertainties. Actual results may differ materially from those anticipated due to various factors, including market conditions, regulatory changes, technological advancements, and economic conditions.

Investors are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date of this announcement. The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise, except as required by applicable securities laws.

Investors should carefully consider the risks and uncertainties disclosed in the Company's periodic reports filed with the Australian Securities Exchange (ASX) and other regulatory authorities. Forward-looking statements are provided as of the date of this announcement, and the Company disclaims any obligation to update them, except as required by law.