



**Beetaloo
Energy**
Australia

HALF – YEAR FINANCIAL REPORT 2026



Beetaloo Energy Australia Limited and its controlled entities

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30 June 2026

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Beetaloo Energy Australia Limited and its controlled entities
Corporate directory
30 June 2026

Directors	Peter Cleary (Chairman) Alexander Underwood (Managing Director) Prof John Warburton Karen Green
Company Secretary	Sally McDow Sally Greenwood
Registered office and principal place of business	Level 5, 6-10 O'Connell Street Sydney NSW 2000
Share Registry	Computershare Investors Services Pty Limited Level 4, 44 Martin Place Sydney NSW 2000
Auditor	Ernst & Young Level 34 200 George Street Sydney NSW 2000
Australian Solicitors	Baker McKenzie Level 46, Tower One International Towers Sydney 100 Barangaroo Avenue Barangaroo NSW 2000
	Ward Keller Level 7 Northern Territory House 22 Mitchell Street Darwin NT 0800
US Solicitors	Hodgson Russ LLP 140 Pearl Street, Suite 100 Buffalo, NY 14202
Bankers	Macquarie Bank Limited 1 Elizabeth Street Sydney NSW 2000
	Australia & New Zealand Banking Group Limited 1 Chifley Plaza Sydney NSW 200
	PNC Bank 249 Fifth Avenue One PNC Plaza Pittsburgh PA 15222
Stock exchange listing	Beetaloo Energy Australia Limited shares are listed on the Australian Securities Exchange (ASX code: BTL)
Website	www.beetalooenergy.com

Beetaloo Energy Australia Limited

Chair and Managing Director Letter to Shareholders

30 June 2026

Dear Shareholders,

The first half of 2026 has been a period of significant progress for Beetaloo Energy Australia Limited ("Beetaloo Energy" or "The Company") as we moved from planning and funding to construction of the Carpentaria Pilot Project, while continuing to advance the broader potential of our substantial Beetaloo Basin portfolio.

At the beginning of the year, our priorities were clear: safely and efficiently progress construction of the Carpentaria Gas Plant, further demonstrate the productivity of our resource, strengthen the Company's financial position and advance the Carpentaria Pilot Project towards first pilot gas sales.

We have made substantial progress against each of these objectives.

Advancing the Carpentaria Pilot Project

Following Final Investment Decision in December 2025, construction of the Carpentaria Pilot Project advanced materially during the half-year.

Refurbishment of key components of the Carpentaria Gas Plant was completed in Roma and the entire plant was transported to the Carpentaria site. By 30 June, structural and mechanical installation works were well advanced and clearing for the flowlines connecting the existing Carpentaria wells to the gas plant had been completed. Importantly, the project remained on schedule and within budget, with commissioning targeted for the fourth quarter of 2026.

The commencement of pilot production will represent a major milestone for Beetaloo Energy. Carpentaria-2H, Carpentaria-3H and Carpentaria-5H are planned to be connected to the gas plant, providing an opportunity to establish longer-term production performance and generate valuable reservoir data to inform potential future development of the resource while generating our first Beetaloo Basin cash flow.

Carpentaria-5H ("C-5H") further demonstrates resource quality

During June, we commenced IP30 flow testing of C-5H following the end of the Northern Territory wet season.

Subsequent to half-year end, testing was completed with encouraging results. C-5H achieved a peak flow rate of more than 14 TJ/day, an average flow rate of 6.9 TJ/day over the 30-day test period and an exit rate of 6.7 TJ/day. The low rate of decline observed during testing has increased our confidence in the quality of the resource and provides important production performance data as we progress the Carpentaria Pilot Project.

Strengthened financial position

The half-year also represented an important strengthening of the Company's financial position. In April, we received strong support from existing and new institutional and sophisticated investors for a \$66.3 million placement, which was complemented by the successful completion of a \$5.0 million Share Purchase Plan. This support from both institutional and existing shareholders provides a strong endorsement of the Company's strategy and the opportunity represented by our Beetaloo Basin assets.

The Company also increased its Macquarie Bank Midstream Infrastructure Facility from \$30 million to \$45 million. During the June quarter, all conditions precedent to the facility were satisfied and an initial \$2.5 million was drawn to support construction of the Carpentaria Pilot Project.

We also received \$15.4 million, including interest, under the Australian Government's Research and Development Tax Incentive in respect of eligible FY2024 activities.

At 30 June 2026, Beetaloo Energy had total available liquidity of approximately \$124.9 million, comprising \$63.3 million of cash and \$61.6 million of undrawn funding available under the Company's Macquarie facilities. This financial position provides the Company with substantial flexibility as we execute the Carpentaria Pilot Project and progress our broader portfolio.

Building the foundations for future growth

While the Carpentaria Pilot Project remains our immediate operational priority, we continued to advance opportunities across our broader acreage position during the half-year while maintaining strong financial discipline.

Acquisition of the 236-kilometre Birdum Creek 2D Seismic Survey commenced in June across the greater than 20 TCF resource area within EP167 and EP168 and was completed subsequent to half-year end. Processing and interpretation of the seismic data will support future horizontal well planning, improve reservoir characterisation and assist in identifying future drilling opportunities across our Western Beetaloo acreage.

We also continued to invest in the development of a local Beetaloo Basin supply chain. During the period, Beetaloo Energy and Territory Sands entered into a loan agreement to support development of the Forest Hill South frac sand project. Establishing an in-basin source of high-quality frac sand has the potential to substantially reduce logistics costs and improve security of supply while supporting local employment and economic activity in the Northern Territory.

Beetaloo Digital – an opportunity to leverage our Beetaloo gas resource

Subsequent to the end of the half-year, we announced the establishment of Beetaloo Digital, a wholly owned subsidiary created to progress a proposed integrated power and data centre development in the Northern Territory.

This initiative represents an exciting potential new pathway for the development and utilisation of our Beetaloo Basin gas resource and reflects the growing demand for reliable, dispatchable energy to support energy-intensive industries. The opportunity remains at an early stage and is subject to further studies, consortium formation and the necessary government and regulatory approvals.

The establishment of Beetaloo Digital does not change our immediate priority: successful commissioning of the Carpentaria Gas Plant and commencement of pilot gas sales. Rather, it demonstrates the range of longer-term opportunities that may emerge as the Beetaloo Basin progresses towards commercial development.

Outlook

The remainder of 2026 represents an important period for Beetaloo Energy.

Our immediate focus is on the safe, disciplined and on-schedule completion and commissioning of the Carpentaria Gas Plant and the commencement of first pilot gas sales, currently anticipated in the fourth quarter of 2026.

At the same time, we will continue to progress planning for future appraisal activity across our Beetaloo Basin acreage, advance our local supply chain initiatives and evaluate opportunities that can support the longer-term commercialisation of our substantial resource position.

Investment across the broader Beetaloo Basin continues to accelerate as operators progress appraisal and pilot development programs. This increasing investment and activity reinforce our confidence in the Basin's potential to emerge as an important new source of Australian gas supply.

Beetaloo Energy enters the second half of 2026 with a strong balance sheet, a fully funded pathway to first pilot gas production, encouraging reservoir performance and significant operational momentum.

We thank our shareholders and financiers for their continued support, our Traditional Owner partners and Northern Territory communities for their ongoing engagement, government stakeholders for their constructive collaboration, and our employees, contractors and service providers for their commitment and contribution during this important period for the Company. We also thank Louis Rozman, who retired from the Board during the half-year, for his contribution to Beetaloo Energy and wish him well for the future.

Yours sincerely,



Peter Cleary
Chairman

Beetaloo Energy Australia Limited



Alex Underwood
Managing Director

Beetaloo Energy Australia Limited

2026 HALF-YEAR OPERATIONS REVIEW

For the six months ended 30 June 2026



Carpentaria Gas Plant site installation

2026 HALF-YEAR OVERVIEW & HIGHLIGHTS

The first half of 2026 marked a significant transition for Beetaloo Energy as the Carpentaria Pilot Project ("CPP") moved from preparatory works into full site installation, Carpentaria-5H ("C-5H") in EP187 returned to extended flow testing and field activity commenced in the Western Beetaloo permits. The period also included material progress in local supply-chain development and funding of the Pilot Project through to first gas.

H1 2026 AT A GLANCE

- Carpentaria Gas Plant civil works and piling completed, with refurbishment in Roma completed and key plant components mobilised to the Carpentaria site.
- Structural and mechanical installation of the Carpentaria Gas Plant well advanced by 30 June 2026; gas gathering flowline clearing completed.
- C-5H extended production testing commenced on 11 June 2026, with an initial rate of >14 TJ/day and encouraging low decline observed through period end.
- First pilot gas sales remain targeted for Q4 2026 following commissioning of the Carpentaria Gas Plant.
- Birdum Creek 2D Seismic Survey commenced in June across EP167 and EP168 in the Western Beetaloo.
- Long-form documentation completed with Territory Sands to support development of an in-basin fracture stimulation sand mine near Larrimah.
- Carpentaria Pilot Project activities continued without reportable environmental, health or safety incidents during the period.
- \$66.3 million institutional placement completed in April 2026, strengthening the Company's funding position to advance the Carpentaria Pilot Project and broader Beetaloo work programs.
- \$15.4 million FY2024 R&D Tax Incentive refund received in April 2026, supporting execution of the Pilot Project and ongoing appraisal activities.

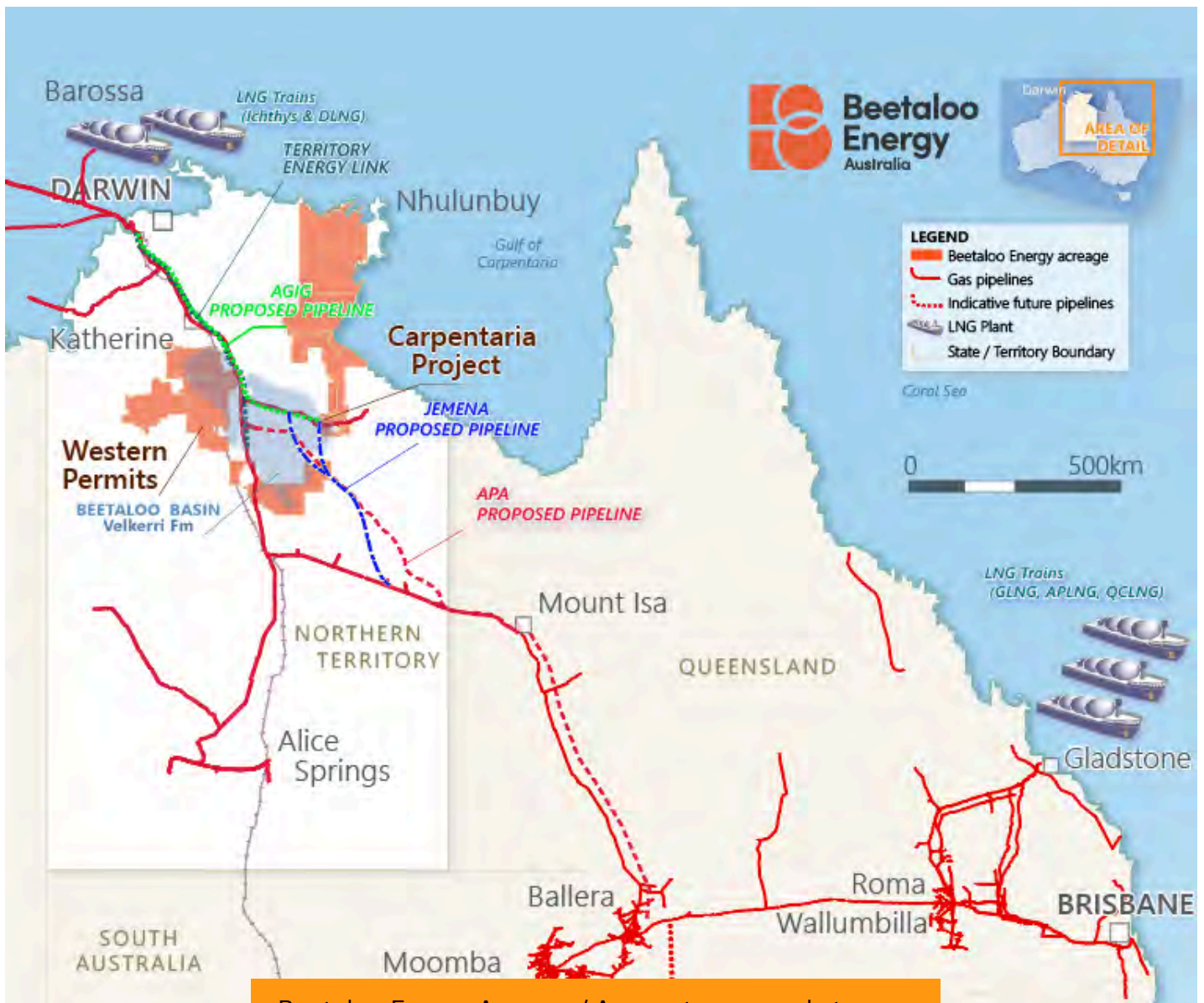


OVERVIEW

Beetaloo Energy is an Australian upstream petroleum company focused on the appraisal and development of large-scale unconventional shale gas resources in the Northern Territory. The Company holds a 100% working interest across its core Beetaloo Basin acreage, including the Carpentaria Project in EP187 and the Western Beetaloo permits EP167 and EP168.

During the six months ended 30 June 2026, the Company's principal operational focus was execution of the CPP and progression towards first pilot gas sales. Following Final Investment Decision in December 2025, activity advanced across gas plant construction, well testing and infield infrastructure, while appraisal activity commenced across the Western Beetaloo permits.

The CPP is designed to connect the existing Carpentaria-2H ("C-2H"), Carpentaria-3H ("C-3H") and C-5H wells to the 25 TJ/day CPP. In addition to supplying appraisal gas to the Northern Territory market, the project is intended to generate longer-term production and reservoir performance data to inform future development decisions.



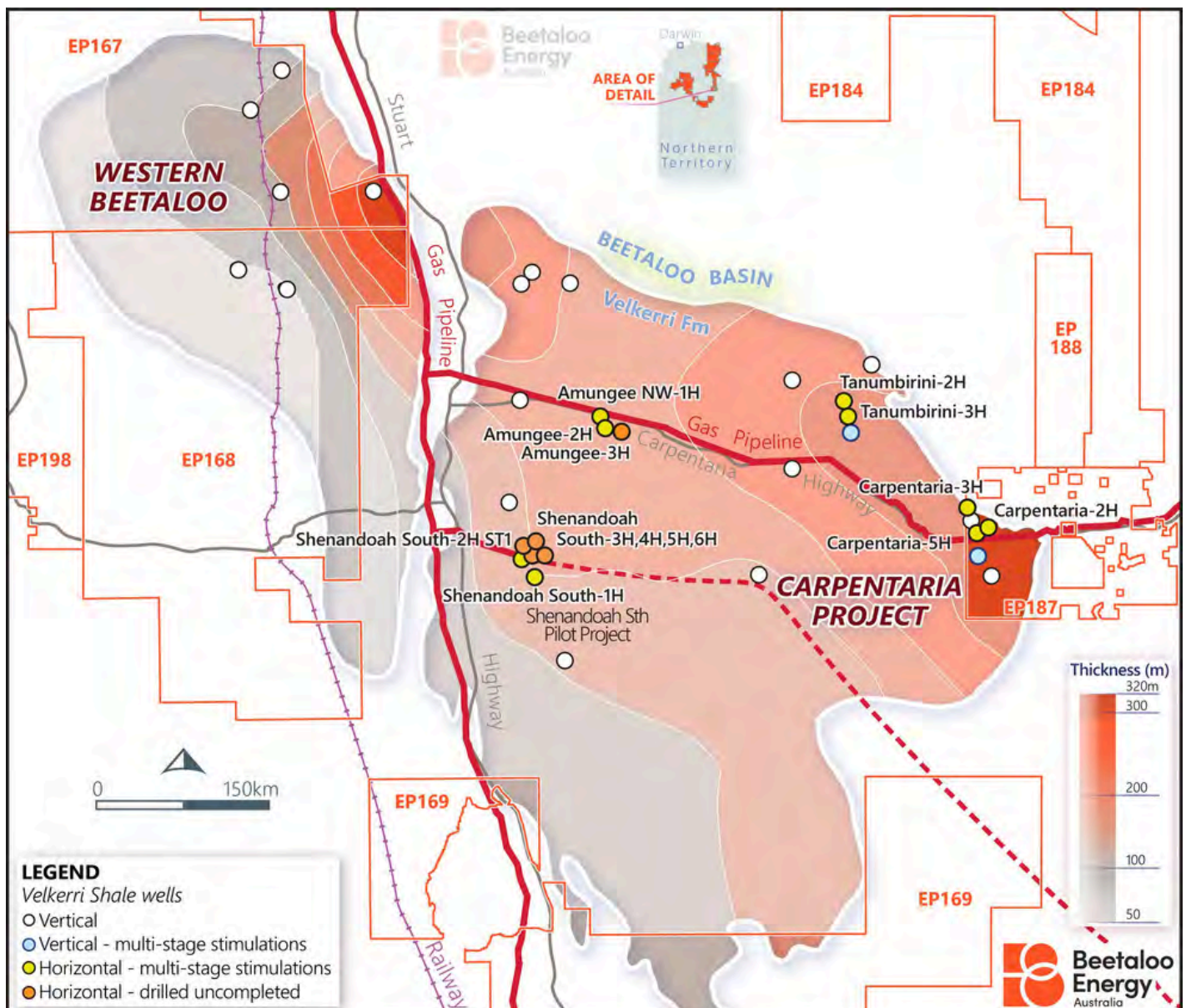
Beetaloo Energy Acreage / Access to gas markets map

BEETALOO ENERGY'S STRATEGIC ASSETS

Beetaloo Energy's portfolio comprises two core areas in the Beetaloo Basin: Carpentaria (EP187) and the Western Beetaloo (EP167 and EP168). Together, these assets provide a large and strategically positioned acreage base within one of Australia's most prospective emerging onshore gas basins.

The CPP remained the Company's primary operational focus during H1 2026. Work progressed across the gas plant, gas gathering infrastructure and C-5H extended production testing as the Company advanced towards pilot production.

In the Western Beetaloo, the Company commenced its first on-ground field program since acquiring EP167 and EP168 in 2021, with the Birdum Creek 2D Seismic Survey commencing in June 2026. The program is designed to improve reservoir characterisation and support selection of future horizontal drilling locations across the >20 TCF Gas Discovery Area.



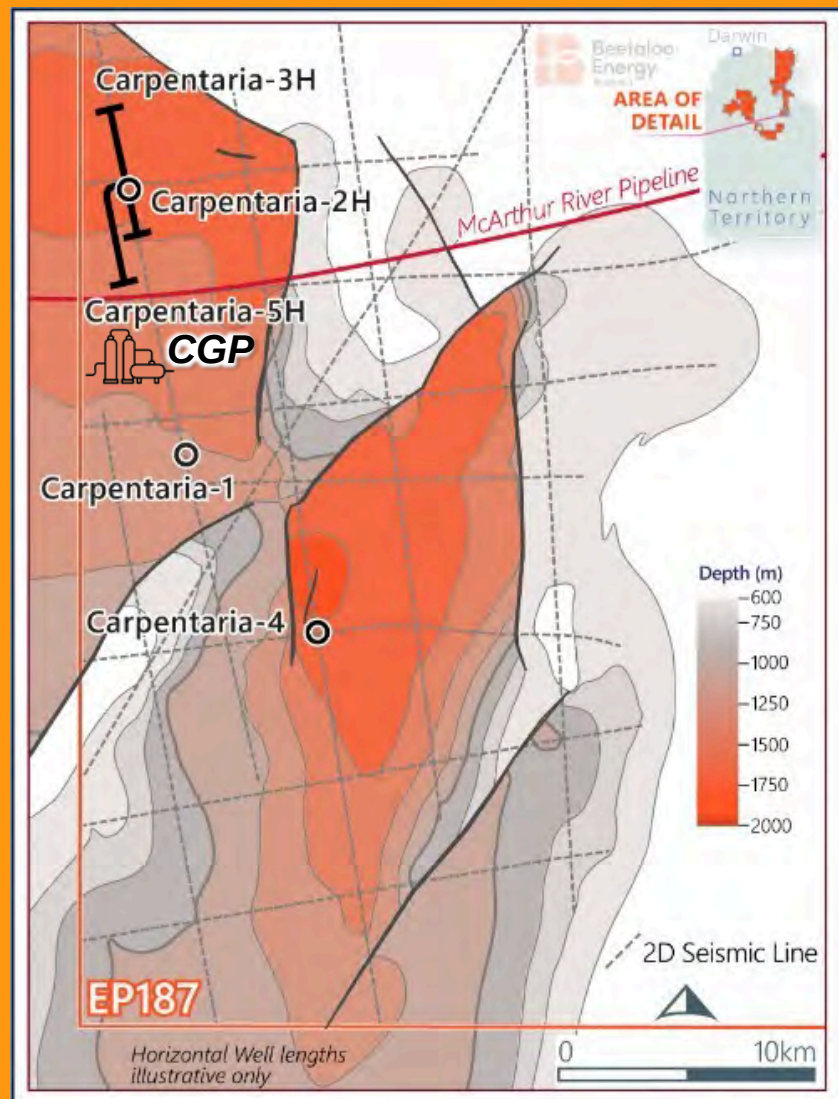
CARPENTARIA WORKS TO DATE

Since commencing on-ground activity in 2019, Beetaloo Energy has progressively appraised the stacked shales of the Velkerri Formation in EP187 through seismic acquisition, vertical and horizontal drilling, hydraulic stimulation and production testing.

The vertical Carpentaria-1 well established the presence and productivity of the Velkerri Formation shales. Subsequent appraisal wells, Carpentaria-2 and Carpentaria-4V demonstrated lateral continuity across the permit and generated technical knowledge regarding drilling and stimulation techniques applicable to the Basin.

Horizontal wells C-2H, C-3H and C-5H have further advanced understanding of reservoir performance and completion design. The record-scale C-5H stimulation program completed in July 2025 applied a 2,955 metre stimulation across 67 stages and approximately 11,000 tonnes of proppant, providing the foundation for the extended production testing undertaken in 2026.

The CPP represents the next phase of appraisal, with the three existing horizontal wells planned to be tied into the CGP to enable longer-term production, gas sales, and reservoir performance monitoring than is possible through short-duration flaring tests.



Carpentaria Gas Project - Velkerri B Shale Depth Map

CARPENTARIA-5H EXTENDED PRODUCTION TEST

Following the 2025 clean-up flow test and the Northern Territory wet season, C-5H was reopened on 11 June 2026 for extended production testing, with 30-day (IP30) results announced following the half-year end. The test was designed to continue well clean-up, obtain additional reservoir and production performance data and improve understanding of longer-term well behaviour.

C-5H was opened at an initial gas rate of >14 TJ/day and over the 30-day test period had an average flow rate of 6.9 TJ/day and an exit rate of 6.7 TJ/day.

The well exhibited a low gas decline rate during the testing, with water rates substantially declining as the well continued to clean up. Throughout the phases of testing, management remained confident in the previously disclosed recoverable gas estimate of approximately 10 PJ, with sub 1% CO₂, at the C-5H well location[1], whilst recognising that longer-term production data is required to assess connected reservoir volume and ultimate well productivity.

Following completion of testing, C-5H was shut in and is planned to be tied into the Carpentaria Gas Plant alongside C-2H and C-3H ahead of pilot gas sales.

[1] NSAI Contingent and Prospective Resources announcement dated 29 May 2023

INITIAL RATE



>14

TJ/DAY

Initial gas rate

IP30 AVERAGE RATE



6.9

TJ/DAY

30-day average flow rate

EXIT RATE



6.7

TJ/DAY

Exit rate



C-5H is estimated to contain approximately 10 PJ of recoverable gas with sub 1% CO₂ at the well location. Longer-term production data is required to assess connected reservoir volume and ultimate well productivity.



Following completion of testing, C-5H was shut in and is planned to be tied into the Carpentaria Gas Plant alongside C-2H and C-3H ahead of pilot gas sales.

CARPENTARIA PILOT PROJECT – INFRASTRUCTURE PROGRESS

Significant progress was made on the Carpentaria Pilot Project during H1 2026. Civil works for the Carpentaria Gas Plant were completed in January and piling of the structural foundations progressed before an unusually heavy Northern Territory wet season temporarily restricted heavy vehicle access to site.

Offsite refurbishment and planned modifications to the gas plant equipment in Roma were completed, with refurbishment works completed under budget. Following improvement in site access, transportation of the plant components to Carpentaria commenced in April 2026.

By 30 June 2026, the key components of the Carpentaria Gas Plant had been mobilised to site and structural and mechanical installation works were substantially progressed. Clearing for the gas gathering flowlines connecting C-2H, C-3H and C-5H to the plant had also been completed.

The project continued to be executed safely and professionally, with no reportable environmental, health or safety incidents, and remained on schedule and within budget. Commissioning and commencement of pilot gas sales remain targeted for Q4 2026.

WORKSTREAM			STATUS H1 2026
1		Civil Works	Complete
2		Piling	Complete
3		Plant Refurbishment	Complete
4		Plant Transport	Complete
5		Mechanical Installation	Advanced
6		Flowlines	Cleared
7		Commissioning	Upcoming
8		Gas Sales	Q4 2026

Construction works at
the Carpentaria Gas Plant



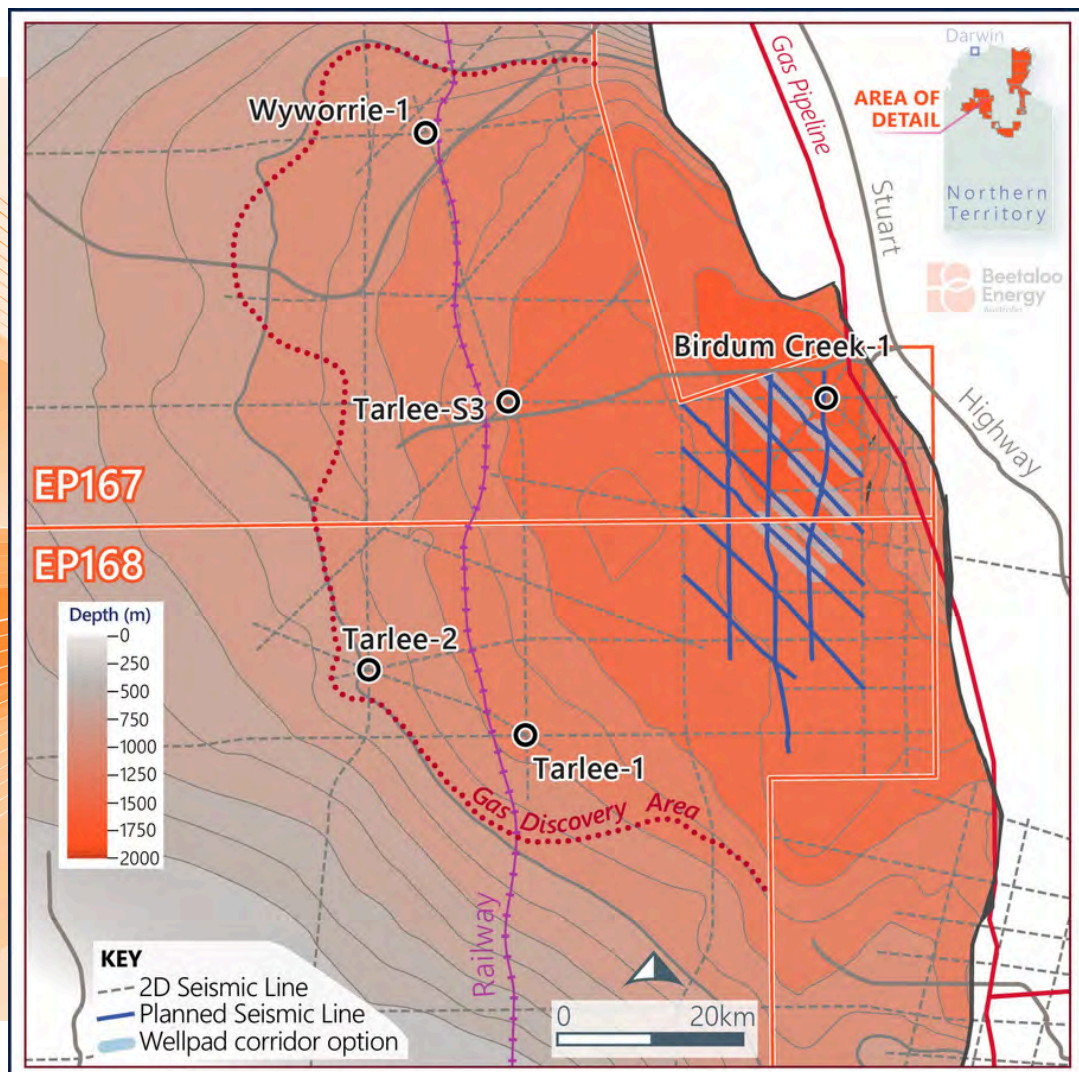
Construction works at the Carpentaria Gas Plant

WESTERN BEETALOO – EP167 AND EP168

Beetaloo Energy acquired the Western Beetaloo permits in 2021 and received Environment Management Plan approval for exploration and appraisal activities in 2024. The area contains a large gas resource and benefits from proximity to existing road, rail and gas pipeline infrastructure.

During H1 2026, the Company progressed planning and contracting for the Birdum Creek 2D Seismic Survey. Acquisition commenced in mid-June across the deeper eastern portion of the Gas Discovery Area in EP167 and EP168, representing the first on-ground field program since the permits were acquired.

The approximately 236-kilometre survey was designed to improve the existing seismic grid across the resource area, support future horizontal drilling, improve reservoir characterisation and maximise potential drilling locations. The program targets the same prospective Velkerri Formation intervals as the Carpentaria Project, including an area where the Velkerri B Shale is materially thicker. Acquisition of the Birdum Creek 2D Seismic Survey was completed after 30 June 2026. Processing and interpretation of the seismic data is underway, with interpretation scheduled during Q3 2026 to support planning of future appraisal drilling activities.



Western Beetaloo Map with Birdum Creek 2D seismic survey lines

TERRITORY SANDS – LOCAL SUPPLY CHAIN DEVELOPMENT

During the half-year, Beetaloo Energy progressed an agreement with Territory Sands to support development of an in-basin frac sand mining project near Larrimah in the Northern Territory.

Long-form loan documentation was completed under which Beetaloo Energy will provide \$10.4 million to fund construction and commissioning of the project. Under the agreement, Beetaloo Energy will have priority access to fracture stimulation sand supply from the mine at market competitive pricing.

A local source of suitable fracture stimulation sand has the potential to reduce transport distances and supply costs for future stimulation campaigns, improve security of supply and support development of a local Beetaloo Basin service and supply chain. The project also has the potential to support future activity by other operators across the Basin.



REDUCED TRANSPORT DISTANCE



SECURITY AND QUALITY OF SUPPLY



LOCAL ECONOMIC BENEFIT

RESEARCH & DEVELOPMENT

Beetaloo Energy's appraisal activities continue to involve applied R&D focused on adapting horizontal drilling, hydraulic stimulation, testing and analytical techniques to the ancient shales of the Beetaloo Basin.

In April 2026, the Company received a cash refund of \$15.4 million, including interest, under the Australian Government's Research and Development Tax Incentive for eligible activities undertaken during the year ended 31 December 2024. Eligible activities related primarily to horizontal drilling and hydraulic stimulation processes, new testing and analytical processes for ancient shales and technical work supporting the Carpentaria Pilot Project.

The refund strengthened the Company's funding position and supported continued execution of the Carpentaria Pilot Project, C-5H flow testing and progression towards pilot gas production.



Carpentaria Gas Plant

HEALTH, SAFETY AND ENVIRONMENT

Health, safety and environmental management remained a core focus throughout the first half of 2026. The CPP civil works, piling, gas plant transportation and installation activities, together with C-5H flow testing and commencement of the Western Beetaloo seismic program, were undertaken under approved Environment Management Plans and applicable regulatory requirements.

The Company managed one of the heaviest Top End wet seasons experienced in several decades by safely demobilising crews and restricting access when conditions were unsuitable for heavy vehicles. Activities recommenced progressively as access conditions improved.

CPP construction continued without reportable environmental, health or safety incidents during the period. The Company remains focused on maintaining strong safety and environmental performance as activity increases towards commissioning and pilot production.



Installation of foundation piles at Carpentaria Gas Plant

H1 2026 WRAP UP

The first half of 2026 represented a significant execution period for Beetaloo Energy as the Company progressed the CPP towards first pilot gas sales. Despite a prolonged and intense wet season, civil and piling works were completed, the CGP was refurbished and transported to site, installation advanced and the infrastructure required to connect the three pilot wells progressed.

C-5H returned to extended production testing in June and delivered encouraging low-decline performance, with the completed IP30 result announced shortly after half-year end. The test provides important additional reservoir and production data ahead of the well being tied into the Pilot Project.

At the same time, commencement of the Birdum Creek 2D Seismic Survey marked the start of a new phase of appraisal across the Western Beetaloo, while the Territory Sands agreement progressed development of a local supply chain capable of supporting future stimulation activity across the Basin.

The Company's near-term operational focus remains the safe and disciplined completion and commissioning of the Carpentaria Gas Plant and commencement of pilot gas sales in Q4 2026. Longer-term production data from the Pilot Project, together with interpretation of the Western Beetaloo seismic program, will inform future appraisal and development planning across the Company's substantial resource position.

CREDIT FACILITIES

The Group has a \$80 million credit facility with Macquarie Bank Limited ("Macquarie") to support its activities in the Northern Territory. The outstanding balance of the credit facility as at 30 June 2026 is \$18.4 million (made up of \$12.4 million of the R&D Facility, \$2.5 million of the Midstream Facility and \$3.5 million of the Performance Bond facility).

Key terms of this credit facility are set out below:

Principal amount	\$80 million comprising: - Facility A (R&D Facility, \$30.0 million) - Facility B (Performance Bond Facility, \$5 million) - Facility C (Midstream Infrastructure Facility, \$45 million)
Borrowers	Imperial Oil & Gas Pty Limited Imperial Oil & Gas A Pty Limited
Guarantor	Beetaloo Energy Australia Limited, Imperial Oil & Gas Pty Limited and Imperial Oil & Gas A Pty Limited
Security	- First ranking security over assets of each Borrower - First ranking security over the Guarantor's shares in each Borrowings and intercompany loans, plus featherweight security over the Guarantor's other assets
Fees	- Utilisation Fee (Facility A): 1.5% of utilisation - Commitment Fee (Facility A and B): 40% of margin - Margin (Facility A): (5.5% p.a.), Facility B (10% p.a.) - Tolling Fee (Facility C): $F \times 25 \text{ TJ/day} \times \text{CPI}$, where F steps from A\$0.70/GJ (total Utilisations $\leq$ A\$30 million) to A\$1.05/GJ (total Utilisations = A\$45 million); for drawdowns between A\$30 million and A\$45 million, $F = \text{A\\$0.70} + (0.35 \times (\text{total Utilisations} - \text{A\\$30 million}) \div \text{A\\$15 million}) \text{ per GJ}$.
Interest rate	Margin plus BBSW (Facility A)
Financial covenants	- Ratio of current assets to current liabilities of at least 1.00 to 1.00 - Minimum cash balance in the Borrowers and Guarantor of at least \$10 million (or its equivalent in any other currency or currencies)
Repayment date	30 December 2026 (Facility A + B) 31 December 2034 (Facility C)

Repayment arrangements

Facility A: on receipt of relevant annual R&D Tax Incentive payment
 Facility B: on maturity date
 Facility C: Beetaloo Energy may elect to prepay the Midstream Infrastructure Facility at any time by making payment of an amount representing a 15% IRR for the Midstream Infrastructure Facility cashflows up to the date of prepayment including all tolls paid up to the date of prepayment

Conditions precedent to first utilisation (Facility C)

- All regulatory and indigenous approvals in place to allow for sale of gas from the Carpentaria Pilot Project under the Beneficial Use of Test Gas provisions of the NT Petroleum Act
- C-5H to be drilled to a lateral length of at least 2,700 metres with at least 50 fracture stimulation stages placed
- Evidence of funding for the Carpentaria Gas Plant exceeding costs to complete
- Issue of the Options to Macquarie
- All conditions were satisfied by 30 June 2026

Options

- Beetaloo Energy issued 75 million options to Macquarie on 21 May 2026 in connection with the R&D Facility and Midstream Infrastructure Facility, comprising Tranche A Options with an exercise price of \$0.24, Tranche B with an exercise price of \$0.28 and Tranche C with an exercise price of \$0.35. The options expire on 31 December 2029.

BUSINESS RISK

The material business risks that could adversely affect the Group's financial performance and growth potential in future years and how the Group proposes to mitigate such risks were detailed in the Annual Report at 31 December 2025. Those risks have been assessed up to the reporting date with no significant changes noted since then.

Exploration risk – Beetaloo Energy and its subsidiaries have interests in assets at various stages of exploration, appraisal and development. Many leases have had very low levels of exploration undertaken to date and may not yield commercial quantities of hydrocarbons. Oil and gas exploration is inherently subject to numerous risks, including the risk that drilling will not result in commercially viable oil and gas production. Beetaloo Energy utilises well-established prospect evaluation and ranking methodology to manage exploration risks.

Application risk – Several of Beetaloo Energy's Northern Territory assets are in the application stage requiring native title and / or regulatory approvals to be granted as leases capable of being explored on. Such approvals may or may not be granted which could adversely impact the value of the Company.

Regulatory risk – Beetaloo Energy has operations in the Northern Territory, Australia, where exploration, appraisal, development and production activities are subject to regulatory approvals from the relevant authorities. The granting, retention and renewal of these approvals are determined by external regulators and are, ultimately, not within the Company's control. There is a risk that approvals currently in place may be amended, suspended or revoked, and that approvals required for future activities may not be granted, may be delayed, or may be subject to conditions that could impact project viability and, therefore, the financial performance of the Company.

Debt facility risk – Beetaloo Energy, through its subsidiaries, has a debt facility in place with Macquarie Bank Limited. Whilst Beetaloo Energy has financial flexibility and expects to repay its debts in full, there is a risk in the future that financial and other covenants under the debt facilities could be breached, which could result in Macquarie exercising its security rights under the facilities.

Commodity price risk – Beetaloo Energy, through its Australian subsidiary, explores for oil and gas in Australia and may be subject to domestic Australian gas price risk, LNG price risk and oil price risk. The gas sales agreement between Beetaloo Energy and the Northern Territory Government is a fixed price, 100% CPI, take-or-pay contract meaning that Beetaloo Energy is not exposed to commodity price risk for these volumes.

BUSINESS RISK

Reliance on Key Personnel — The Company’s success depends on retaining key executives, technical staff and operations personnel. Rapid organisational growth increases pressure on capability retention. Loss of key individuals could adversely impact performance and execution of the Company’s growth plans.

Furthermore, the industry in which Beetaloo Energy operates faces challenges in attracting and retaining personnel with specialised skills and expertise. The inability to attract and retain such individuals could potentially disrupt business continuity through the loss of critical capability. To address this risk, Beetaloo Energy has implemented employment arrangements that are specifically designed to secure and retain key personnel.

Economic risk — General economic conditions, movements in interest rates, inflation rates and foreign exchange rates, investor sentiment, demand for, and supply of capital and other general economic conditions may have a negative impact on Beetaloo Energy and its subsidiaries’ ability to carry out its exploration, appraisal, development and production plans.

Social Licence to Operate — Beetaloo Energy’s business performance is founded on maintaining a strong social licence to operate, which is dependent on full compliance with applicable laws and regulations, as well as upholding high standards of ethical conduct and social responsibility.

Failure to meet stakeholder expectations may result in community opposition and reduced support for our current growth initiatives. Material or ongoing non-compliance with national or local legislation, regulatory requirements or approvals, or the introduction of new or amended laws and regulations, may give rise to adverse social, cultural and reputational impacts. Such outcomes could constrain our ability to operate effectively or progress our growth strategy. Breaches of laws and regulations may also expose Beetaloo Energy to fines, sanctions, civil proceedings and reputational harm.

Beetaloo Energy proactively protects and strengthens its social licence to operate through the consistent application of our values, robust stakeholder engagement practices, and a comprehensive regulatory compliance framework. We maintain a strong governance structure designed to support compliance obligations and regularly review and enhance this framework to ensure its ongoing effectiveness. Open and transparent engagement with governments, regulators and stakeholders across the Northern Territory is a core element of our approach. Our governance framework is designed to prevent, detect and respond to unethical behaviour and is supported by policies, procedures and training to ensure all activities are conducted lawfully, responsibly and ethically.

Environmental risk — The upstream oil and gas industry is subject to a plethora of potential environmental risks, including the risk of oil and chemical spills, the risk of uncontrolled gas venting, and other material environmental risks that have the propensity to impact air quality, biodiversity, land and water resources and related ecosystems. A failure to manage these risks could adversely impact not just the environment, but our people, the communities in which we operate, our reputation, our social licence to operate and financial performance.

BUSINESS RISK

Consequently, environmental management is a key priority for Beetaloo Energy. We operate under approved project-specific Environment Management Plans and have a program of regular environmental inspections and audits in place to ensure compliance. We also continue to assess and develop our standards to prevent, monitor and limit the impact of our operations on the environment. We maintain insurance policies for environmental liability and well control to mitigate financial impacts should event occur.

Title risk – Interests in onshore tenements in Australia are governed by the respective state legislation and are evidenced by the granting of licences or leases. These licenses and leases are issued for defined terms and are subject to statutory conditions, including minimum work, expenditure and reporting requirements, the administration and enforcement of which rests with the relevant regulators. There is a risk that interests in tenements may be varied, suspended, or cancelled in circumstances where regulatory conditions are not satisfied or where external factors affect the ability to meet those requirements.

In addition, government land-use decisions may impact tenement activities. The Northern Territory Government has declared proposed Reserved Blocks over parts of Beetaloo Energy’s tenement holdings. The establishment or expansion of such Reserved Blocks, or other government-imposed access restrictions, may limit or prevent petroleum exploration and development activities in affected areas.

Native title and Aboriginal land – The Tenements extend over areas in which legitimate common law native title rights of Indigenous Australians exist. The ability of the Company to gain access to its Tenements and to conduct exploration, development and production operations remains subject to native title rights and Aboriginal land rights and the terms of registration of such title agreements.

Reserves risk – Reserves assessment is a subjective process that provides an estimate of the volume of recoverable hydrocarbons. Oil and gas estimates are not precise and are based on knowledge, experience, interpretation and industry practices. There is a risk that the Company’s reserves do not generate the actual revenues and cashflows that are currently being budgeted which could adversely impact the Company.

Services risk – Beetaloo Energy engages the services of third party service providers to carry out exploration, appraisal, development and operating activities. The cost of such services is subject to very high price volatility, particularly in remote areas. There is a risk that such services may not be able to be provided at a reasonable price, thereby preventing exploration, appraisal, development and operations activities from occurring.

Insurance risk – The Company intends to insure its operations in accordance with industry practice. However, in certain circumstances, the Company’s insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company. Insurance against all risks associated with exploration and production is not always available and where available the costs can be prohibitive.

BUSINESS RISK

Acquisitions – The Company may decide to pursue potential acquisitions in the future. This may give rise to various operational and financial risks, including, but not limited to, poor integration resulting in higher than expected integration costs, and financial underperformance of the acquired assets.

Funding risk – The Company may need capital in the future to progress the development of its acreage. There can be no guarantee that future capital, debt or equity, will be available or available on suitable terms. It could adversely impact the value of the Company.

Climate change risk – Beetaloo Energy acknowledges the science supporting climate change and that the world is transitioning to a lower carbon economy in which gas has a crucial role to play. The Company’s activities are primarily focused on the supply of natural gas, which is widely regarded as a transitional energy source and may experience increased demand in the medium term as part of the broader shift towards a clean energy future.

Notwithstanding this outlook, climate-related policies, regulatory frameworks and market expectations continue to evolve at both domestic and international levels. These developments may affect the long-term demand for hydrocarbons and have the potential to constrain the Company’s ability to generate and deliver value from the commercialisation of its assets.

The response to climate change may also result in increased regulation, stakeholder activism and compliance costs associated with emissions management and reporting. In addition, climate change may give rise to physical risks to operations, including changes in weather patterns such as altered wet seasons and an increased frequency or severity of extreme weather events. Events such as storms, flooding, droughts and bushfires could disrupt operations, damage infrastructure or impact customer facilities, which may adversely affect the Company’s operational performance, financial results and asset values.

Cyber Security risk – Failure to safeguard the confidentiality, integrity, availability and reliability of digital data and intellectual property. Beetaloo Energy’s information technology and operational technology systems may be exposed to intentional or inadvertent disruptions, including cyber security incidents, which could impair the Company’s ability to operate effectively or reliably supply customers.

Digital and cyber risks are identified, assessed and managed in accordance with the criticality of business systems. Where appropriate, systems may be segmented or isolated to reduce exposure. Access to sensitive information and critical data is regularly reviewed and controlled, and security measures are progressively consolidated, simplified and automated to enhance effectiveness.

The Board of Beetaloo Energy and its relevant committees receive regular updates on cyber security risks, reflecting the evolving nature of the threat landscape and the Company’s operational activities, and oversee the adequacy of governance and risk management arrangements.

General External Risks – Operational outcomes may be adversely affected by contractor insolvency, workforce disruption, changes in legislation or government policy, litigation, taxation changes, natural disasters, extreme weather events, geopolitical tensions, terrorism or war.

Beetaloo Energy Australia Limited and its controlled entities
Directors' report
30 June 2026

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group' or 'Beetaloo Group') consisting of Beetaloo Energy Australia Limited (referred to hereafter as the 'Company' or 'Parent entity' or 'Beetaloo Energy') and the entities it controlled at the end of, or during, the half-year ended 30 June 2026.

Directors

The following persons were Directors of the Company during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Peter Cleary	Non-Executive Director and Chairman
Alexander Underwood	Managing Director
Prof John Warburton	Non-Executive Director
Karen Green	Non-Executive Director
Louis Rozman	Non-Executive Director (resigned 14 April 2026)

Principal activities

During the financial half-year the principal continuing activities of the Group consisted of the progression of appraisal work programs in Beetaloo Energy's wholly owned and operated exploration tenements located in the highly prospective Northern Territory Beetaloo Sub-Basin.

Dividends

There were no dividends paid, recommended or declared during the current or previous financial half-year.

Business risks

Refer to the Operations review for details of the Group's business risks.

Review of operations

The loss for the Group after providing for income tax amounted to \$8,298,000 (30 June 2025: \$9,076,000).

For information on a review of the Beetaloo Group's operations refer to the Operations review prior to the Directors' report. Refer to note 3 to the consolidated financial statements for an assessment of the going concern of the Group.

Beetaloo Energy Australia Limited and its controlled entities
Directors' report
30 June 2026

Tenements

Interest in Petroleum and Mineral Tenements

The Group is a participant in the following petroleum permits and mineral tenements and properties:

Lease	Holder	Status	Percentage Interest held (%)	
			30 June 2026 %	31 December 2025 %
EP180	Imperial Oil & Gas	Application	100%	100%
EP181	Imperial Oil & Gas	Application	100%	100%
EP182	Imperial Oil & Gas	Application	100%	100%
EP183	Imperial Oil & Gas	Application	100%	100%
EP184	Imperial Oil & Gas	Granted	100%	100%
EP187	Imperial Oil & Gas	Granted	100%	100%
EP188	Imperial Oil & Gas	Application	100%	100%
EP319	Imperial Oil & Gas	Application	100%	100%
EP320	Imperial Oil & Gas	Application	100%	100%
EP321	Imperial Oil & Gas	Application	100%	100%
EP322	Imperial Oil & Gas	Application	100%	100%
EP323	Imperial Oil & Gas	Application	100%	100%
EP324	Imperial Oil & Gas	Application	100%	100%
EP325	Imperial Oil & Gas	Application	100%	100%
EP326	Imperial Oil & Gas	Application	100%	100%
EP327	Imperial Oil & Gas	Application	100%	100%
EP328	Imperial Oil & Gas	Application	100%	100%
EP329	Imperial Oil & Gas	Application	100%	100%
EP330	Imperial Oil & Gas	Application	100%	100%
EP331	Imperial Oil & Gas	Application	100%	100%
EP332	Imperial Oil & Gas	Application	100%	100%
EP333	Imperial Oil & Gas	Application	100%	100%
EP334	Imperial Oil & Gas	Application	100%	100%
EP335	Imperial Oil & Gas	Application	100%	100%
EP336	Imperial Oil & Gas	Application	100%	100%
EP337	Imperial Oil & Gas	Application	100%	100%
EP338	Imperial Oil & Gas	Application	100%	100%
EP339	Imperial Oil & Gas	Application	100%	100%
EP340	Imperial Oil & Gas	Application	100%	100%
EP341	Imperial Oil & Gas	Application	100%	100%
EP342	Imperial Oil & Gas	Application	100%	100%
EP167	Imperial Oil and Gas A	Granted	100%	100%
EP168	Imperial Oil and Gas A	Granted	100%	100%
EP169	Imperial Oil and Gas A	Granted	100%	100%
EP198	Imperial Oil and Gas A	Granted	100%	100%

Significant changes in the state of affairs

On 10 April 2026, Beetaloo Energy announced that it had received binding commitments to raise \$66.3 million (before costs) through a placement of 236,835,714 new fully paid ordinary shares to institutional and sophisticated investors at an issue price of \$0.28 per share.

On 10 April 2026, the Company also announced that it had executed an amendment to its existing financing arrangements with Macquarie Bank Limited, increasing the Midstream Infrastructure Facility from \$30 million to \$45 million. The facility is available to fund the refurbishment and construction of the Carpentaria Gas Plant and associated infrastructure. Together with existing cash and the proceeds from the Placement, the facility provides funding for the Carpentaria Pilot Project through to first pilot gas sales expected in Q4 2026.

Beetaloo Energy Australia Limited and its controlled entities
Directors' report
30 June 2026

On 27 April 2026, the Company opened a Share Purchase Plan ("SPP") to eligible shareholders to raise up to \$5 million at an issue price of \$0.28 per share. On 4 May 2026, the Company announced that the SPP had been fully underwritten by Blue Ocean Equities Pty Limited and Morgans Corporate Limited. On 27 May 2026, the Company announced the completion of the SPP, with a total of 17,857,143 new fully paid ordinary shares to be issued at \$0.28 per share, raising approximately \$5 million before transaction and underwriting costs.

There were no other significant changes in the state of affairs of the Group during the financial half-year ended 30 June 2026.

Matters subsequent to the end of the financial half-year

On 1 July 2026, the Company completed the first utilisation under its secured credit facility with Territory Sands Pty Ltd, advancing \$3.4 million to support development of the Forest Hill South frac sand project. The facility provides for total funding of up to \$10.4 million. In connection with the facility, Territory Sands issued the Company 20,809,267 call options, exercisable at \$0.50 per share and expiring five years from financial close.

On 13 July 2026, Beetaloo Energy announced the completion of the Carpentaria-5H ("C-5H") IP30 flow test. The well achieved a peak flow rate of more than 14 TJ/day, an average flow rate of 6.9 TJ/day over the 30-day test period (IP30) and an exit rate of 6.7 TJ/day. Following completion of the test, C-5H was shut in and is planned to be tied in for production alongside the Carpentaria-2H and Carpentaria-3H wells.

On 22 July 2026, the Company announced the launch of Beetaloo Digital, a wholly owned subsidiary established to progress a proposed integrated power and data centre development in the Northern Territory. The Northern Territory Government granted the Company exclusivity over 185 hectares of land at Weddell, south-east of Darwin, for the proposed development. The Company is progressing pre-FEED studies and discussions with potential consortium partners.

The proposed development remains subject to completion of concept studies, securing consortium partners and applicable government and regulatory approvals.

On 30 July 2026, Beetaloo Energy entered into a non-binding Memorandum of Understanding (MOU) with Halliburton to support the assessment and development of the upstream gas resource underpinning the Beetaloo Digital opportunity. Under the MOU, Halliburton is expected to provide strategic technical expertise and services in areas including upstream field development, drilling and project execution.

The proposed Beetaloo Digital project remains subject to concept studies, consortium formation, financing and applicable government and regulatory approvals.

On 24 August 2026, the Company announced that it had entered into a non-binding Memorandum of Understanding with Australian Gas Infrastructure Group (AGIG) to collaborate on the planning and development of gas transportation and associated infrastructure to support the proposed Beetaloo Digital development in the Northern Territory. Under the MOU, the parties will undertake preliminary assessments of infrastructure requirements, including the proposed approximately 750 kilometre gas pipeline from the Carpentaria Gas Project to future demand centres in the Darwin area. The MOU does not commit either party to proceed with any future transaction, with future development activities subject to technical studies, commercial agreements, regulatory approvals and relevant board approvals.

No other matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Likely developments and expected results of operations

Except for information disclosed on certain developments and the expected results of those developments included in this report under review of operations, further information on likely developments in the operations of the Group and the expected results of operations have not been included in this report because the Directors believe it would be likely to result in unreasonable prejudice to the Group.

Beetaloo Energy Australia Limited and its controlled entities
Directors' report
30 June 2026

Environmental regulation

There are environmental regulations surrounding oil and gas activities which have been conducted by the Beetaloo Energy Group. There has been no material breach of these regulations during the financial half-year or since the end of the financial half-year and up to the date of this report. However, the following disclosure standard will soon become effective.

AASB S2 'Climate-related Disclosures' sets out specific climate-related disclosure requirements. It applies to entities required to prepare and lodge a financial report with ASIC under Chapter 2M that meet the relevant sustainability reporting thresholds. Based on the Group's size and reporting profile, the Company will be required to apply the mandatory sustainability reporting requirements for the first time for the year ending 31 December 2027. The Group continues to monitor developments in the regulatory framework and is preparing for implementation of these requirements.

Rounding of amounts

The Company is of a kind referred to in Corporations Instrument 2026/183, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this Directors' report.

This report is made in accordance with a resolution of Directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the Directors



Alexander Underwood
Managing Director

11 September 2026
Sydney



**Shape the future
with confidence**

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Auditor's Independence Declaration to the Directors of Beetaloo Energy Australia Limited

As lead auditor for the review of the half-year financial report of Beetaloo Energy Australia Limited for the half-year ended 30 June 2026, I declare to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review;
- b. No contraventions of any applicable code of professional conduct in relation to the review; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

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

Ernst & Young

Siobhan Hughes
Partner
Sydney
11 September 2026

Beetaloo Energy Australia Limited and its controlled entities
Interim consolidated statement of profit or loss and other comprehensive income
For the half-year ended 30 June 2026

		Consolidated	
		Half-year	Half-year
		ended 30	ended 30
	Note	June 2026	June 2025
		\$'000	\$'000
Income			
Other income	5	24	-
Finance income	5	1,060	940
Expenses			
Exploration expenses		(2,016)	(3,391)
General and administration expenses	6	(5,533)	(5,312)
Depreciation, depletion and amortisation	6	(163)	(121)
Finance costs	6	(1,581)	(1,192)
Loss before income tax expense		(8,209)	(9,076)
Income tax expense		(89)	-
Loss after income tax expense for the half-year attributable to the owners of Beetaloo Energy Australia Limited		(8,298)	(9,076)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Translation of foreign operations		-	-
Other comprehensive income for the half-year, net of tax		-	-
Total comprehensive loss for the half-year attributable to the owners of Beetaloo Energy Australia Limited		<u>(8,298)</u>	<u>(9,076)</u>
		Cents	Cents
Basic earnings per share	7	(0.62)	(0.86)
Diluted earnings per share	7	(0.62)	(0.86)

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

Beetaloo Energy Australia Limited and its controlled entities
Interim consolidated statement of financial position
As at 30 June 2026

		Consolidated	
		30 June	31
	Note	2026	December
		\$'000	2025
			\$'000
Assets			
Current assets			
Cash and cash equivalents		63,059	17,763
Trade and other receivables	8	1,642	15,934
Other assets	9	9,411	1,461
Financial assets	10	146	895
Total current assets		<u>74,258</u>	<u>36,053</u>
Non-current assets			
Property, plant and equipment	11	28,826	10,379
Exploration and evaluation assets	12	148,220	144,814
Right-of-use assets		87	206
Other assets	9	4,508	-
Financial assets	10	1,313	1,472
Total non-current assets		<u>182,954</u>	<u>156,871</u>
Total assets		<u>257,212</u>	<u>192,924</u>
Liabilities			
Current liabilities			
Trade and other payables	13	12,848	9,912
Borrowings	14	14,946	25,445
Lease liabilities		87	209
Provisions	15	347	269
Total current liabilities		<u>28,228</u>	<u>35,835</u>
Non-current liabilities			
Lease liabilities		6	10
Provisions	15	6,044	4,208
Total non-current liabilities		<u>6,050</u>	<u>4,218</u>
Total liabilities		<u>34,278</u>	<u>40,053</u>
Net assets		<u>222,934</u>	<u>152,871</u>
Equity			
Issued capital	16	397,646	328,245
Reserves	17	12,660	3,700
Accumulated losses		<u>(187,372)</u>	<u>(179,074)</u>
Total equity		<u>222,934</u>	<u>152,871</u>

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

Beetaloo Energy Australia Limited and its controlled entities
Interim consolidated statement of changes in equity
For the half-year ended 30 June 2026

Consolidated	Issued capital \$'000	Reserves \$'000	Accumulated losses \$'000	Total equity \$'000
Balance at 1 January 2025	293,401	12,272	(169,229)	136,444
Loss after income tax expense for the half-year	-	-	(9,076)	(9,076)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive loss for the half-year	-	-	(9,076)	(9,076)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs	33,492	-	-	33,492
Share-based payments	-	386	-	386
Transfer to/from accumulated losses	-	(9,004)	9,004	-
Balance at 30 June 2025	<u>326,893</u>	<u>3,654</u>	<u>(169,301)</u>	<u>161,246</u>
Consolidated	Issued capital \$'000	Reserves \$'000	Accumulated losses \$'000	Total equity \$'000
Balance at 1 January 2026	328,245	3,700	(179,074)	152,871
Loss after income tax expense for the half-year	-	-	(8,298)	(8,298)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive loss for the half-year	-	-	(8,298)	(8,298)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs (note 16)	69,401	-	-	69,401
Share-based payments (note 17)	-	8,960	-	8,960
Balance at 30 June 2026	<u>397,646</u>	<u>12,660</u>	<u>(187,372)</u>	<u>222,934</u>

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

Beetaloo Energy Australia Limited and its controlled entities
Interim consolidated statement of cash flows
For the half-year ended 30 June 2026

	Consolidated	
	Half-year ended 30 June 2026 \$'000	Half-year ended 30 June 2025 \$'000
Note		
Cash flows from operating activities		
Receipts from other income (inclusive of GST)	1,663	851
Payments to suppliers and employees (inclusive of GST)	(4,300)	(9,731)
R&D tax incentive received	14,941	-
Interest received	1,060	940
Interest and other finance costs paid	(893)	(1,473)
Income taxes paid	(89)	-
	<u>12,382</u>	<u>(9,413)</u>
Net cash from/(used in) operating activities		
Cash flows from investing activities		
Payments for property, plant and equipment	(19,136)	(1,188)
Payments for exploration and evaluation assets	(1,618)	(22,675)
Proceeds from disposal of investments	910	151
	<u>(19,844)</u>	<u>(23,712)</u>
Net cash used in investing activities		
Cash flows from financing activities		
Proceeds from issue of shares	16 67,007	34,750
Share issue transaction costs	(3,607)	(1,258)
Proceeds from interest-bearing liabilities	2,500	15,378
Repayments of interest-bearing liabilities	(12,999)	(1,827)
Repayment of lease liabilities	(126)	(133)
	<u>52,775</u>	<u>46,910</u>
Net cash from financing activities		
Net increase in cash and cash equivalents	45,313	13,785
Cash and cash equivalents at the beginning of the financial half-year	17,763	25,438
Effects of exchange rate changes on cash and cash equivalents	(17)	(1)
	<u>63,059</u>	<u>39,222</u>
Cash and cash equivalents at the end of the financial half-year		

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

Beetaloo Energy Australia Limited and its controlled entities
Notes to the interim consolidated financial statements
30 June 2026

Note 1. General information

The financial statements cover Beetaloo Energy Australia Limited as a Group consisting of Beetaloo Energy Australia Limited and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is Beetaloo Energy Australia Limited's functional and presentation currency.

Beetaloo Energy Australia Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 5
6 - 10 O'Connell Street
Sydney NSW 2000

A description of the nature of the Group's operations and its principal activities are included in the Directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 11 September 2026. The Directors have the power to amend and reissue the financial statements.

Note 2. Material accounting policy information

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

The interim consolidated financial statements for six months ended 30 June 2026 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with IFRS Accounting Standard IAS 34 'Interim Financial Reporting'.

These interim financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 31 December 2025 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

Comparatives

Certain items of comparative financial information have been reclassified in the statement of financial position to provide more relevant presentation. The reclassification had no impact on the Group's net assets or net profit or loss.

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group during the financial half-year ended 30 June 2026 and are not expected to have a significant impact for the full financial year ending 31 December 2026.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Note 3. Going concern

The interim consolidated financial statements have been prepared on a going concern basis, which assumes the Group will continue its normal business activities and realise its assets and settle its liabilities in the ordinary course of business.

As at 30 June 2026, the Group held cash and cash equivalents of \$63.1 million and had undrawn borrowing facilities of approximately \$61.6 million, comprising approximately \$17.6 million under the R&D Facility, \$42.5 million under the Midstream Infrastructure Facility and \$1.5 million under the Performance Bond Facility. The Group had current assets of \$74.3 million and current liabilities of \$28.2 million, resulting in a net current asset position of approximately \$46.0 million.

During the half-year, the Group strengthened its liquidity position through the completion of a \$66.3 million institutional placement and \$5.0 million Share Purchase Plan, together with receipt of the FY2024 Research and Development Tax Incentive refund of \$15.4 million (including interest).

During the period, the Group also increased its Midstream Infrastructure Facility with Macquarie Bank Limited from \$30 million to \$45 million. All conditions precedent under the facility were satisfied during the half-year and the Group made an initial drawdown of \$2.5 million to support construction of the Carpentaria Pilot Project. At 30 June 2026, \$42.5 million remained available for drawdown under the facility.

The Group's financing arrangements with Macquarie Bank Limited are subject to customary covenant requirements, including minimum liquidity and financial ratio obligations. The Group has complied with all applicable covenant requirements as at 30 June 2026.

The Directors have prepared cash flow forecasts covering the period to 30 September 2027, which indicate that the Group expects to have sufficient liquidity to meet its obligations as they fall due. These forecasts take into account the Group's existing cash resources and available financing facilities, forecast expenditure associated with the Carpentaria Pilot Project and other planned activities, the expected receipt of the FY2025 Research and Development Tax Incentive in respect of eligible R&D expenditure, and the ability to reduce or defer discretionary expenditure if required.

The Carpentaria Pilot Project continues to progress towards commissioning of the Carpentaria Gas Plant and first pilot gas sales, currently anticipated in the fourth quarter of 2026.

After considering the Group's cash flow forecasts, existing cash resources, available financing facilities and other mitigating actions available to management, the Directors are satisfied that the Group will have access to sufficient liquidity to continue its operations for at least 12 months from the date of approval of the financial report. Accordingly, the financial statements have been prepared on a going concern basis.

Note 4. Operating segments

Identification of reportable operating segments

The Group is organised into two operating segments:

- (1) Northern Territory - includes all exploration and drilling activity of the Group in the Northern Territory, conducted through Imperial Oil & Gas Pty Limited and Imperial Oil & Gas A Pty Limited; and
- (2) Corporate - includes all centralised administration costs, minor other income and investments/loans in Imperial Oil & Gas Pty Limited and Imperial Oil & Gas A Pty Limited (eliminated on consolidation).

These operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

Intersegment revenue relates to Corporate overhead charges only. Included in Other income are gains disclosed separately of the face of the Statement of Profit or Loss and Other Comprehensive Income. Information reported to the CODM allows resources to be allocated and subsequent performance to be analysed. This is reviewed on a monthly basis.

Beetaloo Energy Australia Limited and its controlled entities
Notes to the interim consolidated financial statements
30 June 2026

Note 4. Operating segments (continued)

Other operating expenses represents the profit/(loss) earned by each segment without allocation of central administration costs and share-based payments, finance income and finance expense, gains or losses on disposal of associates and discontinued operations. This is the measure reported to the CODM for the purposes of resource allocation and assessment of segment performance.

Operating segment information

Consolidated - Half-year ended 30 June 2026	Northern Territory \$'000	Corporate \$'000	Elimination \$'000	Total \$'000
Revenue				
Intersegment charges	(3,024)	3,024	-	-
Intersegment interest	8,420	(8,420)	-	-
Total revenue	5,396	(5,396)	-	-
Other income	24	-	-	24
Interest income (external)	1	1,059	-	1,060
Depreciation, depletion and amortisation	(29)	(134)	-	(163)
Share-based payments expense	-	(1,060)	-	(1,060)
Finance costs	(1,579)	(2)	-	(1,581)
Other operating expenses	(2,920)	(3,569)	-	(6,489)
Profit/(loss) before income tax expense	893	(9,102)	-	(8,209)
Income tax expense				(89)
Loss after income tax expense				(8,298)
Assets				
Segment assets	188,118	64,586	4,508	257,212
Total assets				257,212
Liabilities				
Segment liabilities	31,293	(1,523)	4,508	34,278
Total liabilities				34,278

Beetaloo Energy Australia Limited and its controlled entities
Notes to the interim consolidated financial statements
30 June 2026

Note 4. Operating segments (continued)

	Northern Territory \$'000	Corporate \$'000	Total \$'000
Consolidated - Half-year ended 30 June 2025			
Revenue			
Intersegment charges	(2,581)	2,581	-
Intersegment interest	4,513	(4,513)	-
Total revenue	<u>1,932</u>	<u>(1,932)</u>	<u>-</u>
Interest income (external)	-	940	940
Depreciation, depletion and amortisation	(6)	(115)	(121)
Share-based payments expense	-	(387)	(387)
Finance costs	(1,186)	(6)	(1,192)
Other operating expenses	(4,473)	(3,843)	(8,316)
Loss before income tax expense	<u>(5,665)</u>	<u>(3,411)</u>	<u>(9,076)</u>
Income tax expense			-
Loss after income tax expense			<u>(9,076)</u>
Consolidated - 31 December 2025			
Assets			
Segment assets	176,093	16,831	192,924
Total assets			<u>192,924</u>
Liabilities			
Segment liabilities	36,150	3,903	40,053
Total liabilities			<u>40,053</u>

All the Group's exploration oil and gas tenements are in the Northern Territory, Australia.

Note 5. Finance and other income

Finance income

	Consolidated Half-year ended 30 June 2026 \$'000	Half-year ended 30 June 2025 \$'000
Interest from bank	998	304
Fair value movement on deferred consideration (note 10)	62	423
Unwind of discount of solar financial asset	-	213
	<u>1,060</u>	<u>940</u>

Other income

	Consolidated Half-year ended 30 June 2026	Half-year ended 30 June 2025
Grant income	<u>24</u>	<u>24</u>

Beetaloo Energy Australia Limited and its controlled entities
Notes to the interim consolidated financial statements
30 June 2026

Note 6. Expenses

	Consolidated	
	Half-year	Half-year
	ended 30	ended 30
	June 2026	June 2025
	\$'000	\$'000
Loss before income tax includes the following specific expenses:		
<i>Depreciation and depletion</i>		
Depreciation - property, plant and equipment	45	21
Depreciation - right-of-use assets	118	100
Total depreciation and depletion	163	121
<i>General and administration expenses</i>		
Salaries and wages - Australia	2,205	1,235
Other advisory fees	508	1,208
Other overhead	1,504	1,896
Insurance including NT work programs	256	586
Shared-based payments expense*	1,060	387
	5,533	5,312
<i>Finance costs</i>		
Interest and finance charges paid/payable on lease liabilities	2	6
Interest paid/payable on financial liabilities	1,355	591
Commitment fees (Facility - AU)	126	154
Establishment fees (Facility - AU)	-	224
Unwind on rehabilitation provision	98	217
Finance costs expensed	1,581	1,192
<i>Employee costs</i>		
Defined contribution superannuation expense	129	82
Salaries and wages	1,627	1,153
Total employee costs	1,756	1,235

* There were no changes to the Beetaloo Energy Australia Limited Rights Plan as compared to the prior period. During the period 2,249,176 Unvested Performance Rights, 1,243,180 Restricted Rights and nil Service Rights were granted to employees and independent directors.

Share-based payments expense includes \$740,646 recognised during the financial half-year in relation to the amortisation of deferred finance costs associated with the 75,000,000 options issued to Macquarie Bank Limited in connection with the Group's financing arrangements, as approved by shareholders at the 2026 Annual General Meeting.

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Note 7. Earnings per share

	Consolidated	
	Half-year	Half-year
	ended 30	ended 30
	June 2026	June 2025
	\$'000	\$'000
Loss after income tax attributable to the owners of Beetaloo Energy Australia Limited	<u>(8,298)</u>	<u>(9,076)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>1,343,141,904</u>	<u>1,059,013,292</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>1,343,141,904</u>	<u>1,059,013,292</u>
	Cents	Cents
Basic earnings per share	(0.62)	(0.86)
Diluted earnings per share	(0.62)	(0.86)

75,000,000 Options (30 June 2025: Nil), 17,941,980 Performance Rights (30 June 2025: 16,550,552), 5,573,748 Service Rights (30 June 2025: 4,732,972) and 374,926 Restricted Rights (30 June 2025: 8,510,830) have been excluded from the above calculation as their inclusion would be anti-dilutive.

Note 8. Trade and other receivables

	Consolidated	
	30 June	31
	2026	December
	\$'000	2025
	\$'000	\$'000
<i>Current assets</i>		
Trade receivables	3	3
GST receivable	1,639	990
Research and development (R&D) tax incentive receivable *	<u>-</u>	<u>14,941</u>
	<u>1,642</u>	<u>15,934</u>

* As at 31 December 2025, the Company recognised a refundable R&D tax incentive receivable of \$14.9 million relating to eligible R&D expenditure incurred during the year ended 31 December 2024. The R&D tax incentive was received on 2 April 2026.

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Note 9. Other assets

	Consolidated	
	30 June	31
	2026	December
	\$'000	2025
		\$'000
<i>Current assets</i>		
Deferred finance costs * & **	8,767	-
Prepayments	433	1,250
Security deposits	181	181
Term deposits	30	30
	<u>9,411</u>	<u>1,461</u>
<i>Non-current assets</i>		
Deferred finance costs **	4,508	-
	<u>13,919</u>	<u>1,461</u>

* Deferred finance costs represent the unapplied balance of a \$6,000,000 equity fee arrangement with Macquarie Bank Limited entered into in April 2026. Under this arrangement, the Company issued 21,428,572 ordinary shares to the Lender at \$0.28 per share, with the value of those shares to be applied against future interest, fees and toll fees payable under the Company's R&D and Midstream Infrastructure facility agreements as they fall due.

** Deferred finance costs of \$8,655,996 represent the unamortised balance of the fair value of 75,000,000 options issued to Macquarie Bank Limited in connection with the Group's financing arrangements, as approved by shareholders at the 2026 Annual General Meeting. These costs are being amortised over the term of the associated loan facilities.

Note 10. Financial assets

	Consolidated	
	30 June	31
	2026	December
	\$'000	2025
		\$'000
<i>Current assets</i>		
Deferred solar payments	-	708
Deferred consideration	146	187
	<u>146</u>	<u>895</u>
<i>Non-current assets</i>		
Deferred consideration	1,313	1,472
	<u>1,459</u>	<u>2,367</u>

Deferred solar payments represented the remaining US\$500,000 receivable due to Empire Energy Holdings LLC pursuant to the 2022 Mutual Use Agreement with ConnectGen Chautauqua County LLC in relation to the Ripley Solar Project. The outstanding amount at 31 December 2025 was received in full on 18 June 2026. Accordingly, there was no deferred solar payment receivable outstanding at 30 June 2026.

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Note 10. Financial assets (continued)

The deferred consideration is receivable under the following terms:

- The deferred consideration is received in monthly instalments, due on the first day of each month commencing 1 June 2024, until such amount is paid in full (i.e. the "Deferred Payment")
- The monthly Deferred Payment amount shall be based on the Henry Hub settlement price from the second preceding month. It shall constitute a single payment determined by the maximum amount, based on the following tiered payment amounts that depend on the gas price, as shown below:

Gas price (US dollar per million Btu)	Amount payable (US dollar)
3.50 - 3.99	25,000
4.00 - 4.49	50,000
4.50 - 4.99	75,000
5.00 - 5.49	100,000
5.50 - 5.99	125,000
6.00 and above	150,000

In determining the fair value of the deferred consideration on initial recognition, an expected cash flow profile has been determined based on the terms of the agreement which stipulate how much is receivable by the Group each month based on the Henry Hub gas price at that time. A Henry Hub forward curve at the date of sale has therefore been used to estimate the timing of cash flows which have then been discounted based on a 14.12% discount rate. This rate incorporates both the risk-free rate and counterparty credit risk.

Note 11. Property, plant and equipment

	Consolidated	
	30 June	31
	2026	December
	\$'000	2025
	\$'000	\$'000
<i>Non-current assets</i>		
Equipment - at cost	386	370
Less: Accumulated depreciation	(386)	(370)
	-	-
Motor vehicles - at cost	169	140
Less: Accumulated depreciation	(169)	(140)
	-	-
Construction in progress - at cost *	28,826	10,379
	<u>28,826</u>	<u>10,379</u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

	Equipment	Motor	Construction	Total
	\$'000	vehicles	in progress*	\$'000
	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2026	-	-	10,379	10,379
Additions	16	29	18,447	18,492
Depreciation expense	(16)	(29)	-	(45)
Balance at 30 June 2026	<u>-</u>	<u>-</u>	<u>28,826</u>	<u>28,826</u>

* Relates to the construction of the Carpentaria Gas Plant which is still in progress.

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Note 12. Exploration and evaluation assets

	Consolidated	
	30 June	31
	2026	December
	\$'000	2025
		\$'000
<i>Non-current assets</i>		
Capitalised exploration and evaluation assets	148,220	144,814

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

	Capitalised exploration and evaluation assets \$'000
Consolidated	
Balance at 1 January 2026	144,814
Additions	3,406
Balance at 30 June 2026	148,220

Note 13. Trade and other payables

	Consolidated	
	30 June	31
	2026	December
	\$'000	2025
		\$'000
<i>Current liabilities</i>		
Trade payables	5,275	4,560
Accruals	5,492	2,648
Other payables	2,081	2,704
	12,848	9,912

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Note 14. Borrowings

	Consolidated	
	30 June	31
	2026	December
	\$'000	2025
		\$'000
<i>Current liabilities</i>		
Bank loans - secured	14,946	25,445

Classification of borrowings

All borrowings have been classified as current liabilities on the basis that the Group does not have the right to defer payment for at least 12 months after the reporting date.

Borrowings are initially recognised at fair value, net of transaction costs directly attributable to the issuance of the financial liability, and are subsequently measured at amortised cost using the effective interest method. Costs associated with obtaining financing, including the fair value of options (refer to Note 9) issued as part of debt arrangements, are treated as transaction costs and amortised through profit or loss over the term of the respective facility using the effective interest rate.

The Group assessed whether contractual features within financing arrangements constitute embedded derivatives. The prepayment option contained within the Midstream Infrastructure Facility was determined to be closely related to the host debt contract and is therefore not accounted for separately.

Australian Operations

The Group has credit facilities with Macquarie Bank Limited ('Macquarie') to support its activities in the Northern Territory. The outstanding balance of the credit facilities at 30 June 2026 is \$14.9 million, comprising \$12.4 million under the R&D Facility and \$2.5 million under the Midstream Infrastructure Facility. Key terms of these credit facilities are set out below:

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Note 14. Borrowings (continued)

Principal amount	\$80 million comprising: - Facility A (R&D Facility, \$30.0 million). - Facility B (Performance Bond Facility, \$5 million). - Facility C (Midstream Infrastructure Facility, \$45 million).
Borrowers	Imperial Oil & Gas Pty Limited. Imperial Oil & Gas A Pty Limited.
Guarantor	Beetaloo Energy Australia Limited. Imperial Oil & Gas Pty Limited. Imperial Oil & Gas A Pty Limited.
Security	First ranking security over assets of each Borrower. First ranking security over the Guarantor's shares in each Borrowings, and intercompany loans, plus featherweight security over the Guarantor's other assets.
Fees	Utilisation Fee (Facility A): 1.5% of utilisation. Commitment Fee (Facility A and B): 40% of margin. Margin (Facility A): (5.5% p.a.), Facility B (10% p.a.). Tolling Fee (Facility C): $F \times 25 \text{ TJ/day} \times \text{CPI}$, where F steps from A\$0.70/GJ (total Utilisations $\leq$ A\$30 million) to A\$1.05/GJ (total Utilisations = A\$45 million); for drawdowns between A\$30 million and A\$45 million, $F = \text{A\\$0.70} + (0.35 \times (\text{total Utilisations} - \text{A\\$30 million}) \div \text{A\\$15 million})$ per GJ.
Interest rate	Margin plus BBSW (Facility A).
Financial covenants	- Ratio of current assets to current liabilities of at least 1.00 to 1.00. - Minimum cash balance in the Borrowers and Guarantor of at least \$10 million (or its equivalent in any other currency or currencies).
Repayment date	30 December 2026 (Facility A + B). 31 December 2034 (Facility C).
Repayment arrangements	Facility A: on receipt of relevant annual R&D Tax Incentive payment. Facility B: on maturity date. Facility C: Beetaloo Energy may elect to prepay the Midstream Infrastructure. Facility at any time by making payment of an amount representing a 15% IRR for the Midstream Infrastructure Facility cashflows up to the date of prepayment including all tolls paid up to the date of prepayment.
Conditions precedent to first utilisation (Facility C)	- All regulatory and indigenous approvals in place to allow for sale of gas from the Carpentaria Pilot Project under the Beneficial Use of Test Gas provisions of the NT Petroleum Act. - C-5H to be drilled to a lateral length of at least 2,700 metres with at least 50 fracture stimulation stages placed. - Evidence of funding for the Carpentaria Gas Plant exceeding costs to complete. - Issue of the Options to Macquarie. - All conditions were satisfied by 30 June 2026.

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Note 14. Borrowings (continued)

- Options
- Beetaloo Energy issued 75 million options to Macquarie on 21 May 2026 in connection with the R&D Facility and Midstream Infrastructure Facility, comprising Tranche A Options with an exercise price of \$0.24, Tranche B with an exercise price of \$0.28 and Tranche C with an exercise price of \$0.35. The options expire on 31 December 2029.
 - Options shall vest upon satisfaction of conditions precedent to first utilisation.
 - Shares were issued to Macquarie Bank Limited, the value of which is available to offset future interest and tolling fees payable under the Group's financing facilities.

Financing arrangements

Unrestricted access was available at the reporting date to the following lines of credit:

	Consolidated	
	30 June	31
	2026	December
	\$'000	2025
		\$'000
Total facilities		
Bank loan - Australia Operations - Facility A*	30,000	30,000
Bank loan - Australia Operations - Facility C**	45,000	30,000
	<u>75,000</u>	<u>60,000</u>
Used at the reporting date		
Bank loan - Australia Operations - Facility A*	12,446	25,445
Bank loan - Australia Operations - Facility C**	2,500	-
	<u>14,946</u>	<u>25,445</u>
Unused at the reporting date		
Bank loan - Australia Operations - Facility A*	17,554	4,555
Bank loan - Australia Operations - Facility C**	42,500	30,000
	<u>60,054</u>	<u>34,555</u>

* The Group has a \$35 million R&D Facility (Facility A) with Macquarie Bank which provides Beetaloo Energy with additional liquidity and will allow Beetaloo Energy to better manage its working capital requirements. Funds can be applied to Northern Territory exploration, appraisal and development activities including C-5H and construction of infield infrastructure.

** The Group has a \$45 million Midstream Infrastructure Facility (Facility C) with Macquarie Bank where proceeds can be applied to the refurbishment and construction of the Carpentaria Pilot Gas Plant. Repayment of the Midstream Infrastructure Facility will be via a tolling fee.

The Group has a \$5 million Performance Bond Facility (Facility B) with Macquarie Bank to meet Beetaloo Energy's Northern Territory environmental bonding obligations through Macquarie bank guarantees in favour of the Northern Territory Government on a non-cash-backed basis. At 30 June 2026, \$3.5 million of the facility had been utilised. As Facility B is a non-cash guarantee facility, amounts utilised are not recognised as borrowings. Refer to note 19.

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Note 15. Provisions

	Consolidated	
	30 June 2026	31 December 2025
	\$'000	\$'000
<i>Current liabilities</i>		
Employee benefits	347	269
<i>Non-current liabilities</i>		
Lease make good	44	44
Provision for rehabilitation (Northern Territory)	6,000	4,164
	6,044	4,208
	6,391	4,477

Provision for rehabilitation (NT)

A provision has been made for the present value of anticipated costs for future NT site restoration.

Rehabilitation obligations arise for future removal and environmental restoration costs of exploration, appraisal and development activities. The cost to abandon wells, remove facilities and rehabilitate affected areas is based on the extent of work required under current legal requirements. Provisions for the cost of each rehabilitation are recognised at the time that the environmental disturbance occurs and capitalised as part of the associated asset cost.

Movements in provisions

Movements in provision for rehabilitation and asset retirement obligations during the current financial half-year, are set out below:

	Lease make good	Provision for rehabilitation
		\$'000
Consolidated - 30 June 2026		
Carrying amount at the start of the half-year	44	4,164
Additional provisions recognised	-	1,788
Unwinding of discount	-	48
Carrying amount at the end of the half-year	44	6,000

Note 16. Issued capital

	Consolidated			
	30 June 2026	31 December 2025	30 June 2026	31 December 2025
	Shares	Shares	\$'000	\$'000
Ordinary shares - fully paid	1,506,691,465	1,244,076,668	397,646	328,245

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Note 16. Issued capital (continued)

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$'000
Balance	1 January 2026	1,244,076,668		328,245
Issue of shares on exercise of options	23 January 2026	6,250	\$0.240	2
Issue of shares on exercise of options	6 March 2026	9,012	\$0.240	2
Issue of shares on exercise of options	20 March 2026	2,187,501	\$0.240	525
Issue of shares on exercise of options	2 April 2026	1,098,359	\$0.240	264
Issue of shares on exercise of options	10 April 2026	650,005	\$0.240	156
Issue of shares on exercise of options	17 April 2026	320,000	\$0.240	77
Issue of shares *	20 April 2026	236,835,714	\$0.280	66,314
Issue of shares on exercise of options	24 April 2026	70,504	\$0.240	17
Issue of shares on exercise of options	8 May 2026	62,494	\$0.240	15
Issue of shares on exercise of restricted rights	8 May 2026	883,069	\$0.000	-
Issue of shares on exercise of options	15 May 2026	777,297	\$0.240	187
Issue of shares on exercise of options	22 May 2026	24,311	\$0.240	6
Issue of shares on exercise of options	29 May 2026	2,725	\$0.240	1
Issue of shares	3 June 2026	16,272,337	\$0.280	4,556
Issue of shares	4 June 2026	1,584,806	\$0.280	444
Issue of shares	5 June 2026	1,535,714	\$0.280	430
Issue of shares on exercise of restricted rights	5 June 2026	238,731	\$0.000	-
Issue of shares on exercise of options	19 June 2026	55,968	\$0.240	12
Share issue transaction costs, net of tax				(3,607)
Balance	30 June 2026	<u>1,506,691,465</u>		<u>397,646</u>

* Included in shares issued during the period were shares with a value of \$6.0 million issued to Macquarie Bank Limited under the equity fee arrangement. The shares were issued on a non-cash basis, with no cash proceeds received by the Group. Refer to note 9 for further details of the arrangement.

Ordinary shares

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Share buy-back

There is no current on-market share buy-back.

Note 17. Reserves

	Consolidated	
	30 June 2026	31 December 2025
	\$'000	\$'000
Foreign currency translation reserve	(35)	(35)
Share-based payment reserve	12,695	3,735
	<u>12,660</u>	<u>3,700</u>

Foreign currency translation reserve

The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars. It is also used to recognise gains and losses on hedges of the net investments in foreign operations.

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Note 17. Reserves (continued)

Share-based payment reserve

The reserve is used to recognise the value of equity benefits provided to employees and Directors as part of their remuneration, and other parties as part of their compensation for services.

Movements in reserves

Movements in each class of reserve during the current financial half-year are set out below:

Consolidated	Foreign currency translation \$'000	Share- based payment reserve \$'000	Total \$'000
Balance at 1 January 2026	(35)	3,735	3,700
Share-based payments *	-	8,960	8,960
Balance at 30 June 2026	(35)	12,695	12,660

* The share-based payment reserve movement for the period includes \$8,656 million relating to options issued to Macquarie Bank Limited in connection with the Group's financing arrangements (refer to note 14). The remaining movement relates to the amortisation of the fair value of Employee and Director Rights issued under the Company's Rights Plan (refer to note 21).

Note 18. Dividends

There were no dividends paid, recommended or declared during the current or previous financial half-year.

Note 19. Contingent liabilities

The Beetaloo Group is subject to various federal, state, territory and local laws and regulations relating to the protection of the environment. The Beetaloo Group has established procedures for the ongoing evaluation of its operations, to identify potential environmental exposures and to comply with regulatory policies and procedures.

Beetaloo Energy Australia Limited together with its subsidiaries Imperial Oil & Gas Pty Limited and Imperial Oil & Gas A Pty Limited have granted Macquarie Bank Limited security over their assets as guarantors of the Australian credit facility.

Environmental expenditures that relate to current operations are expensed or capitalised as appropriate. Expenditures that relate to an existing condition caused by past operations, and do not contribute to current or future revenue generation, are expensed. Liabilities are recorded when environmental assessment and or clean-up is probable, and the costs can be reasonably estimated. The Beetaloo Group maintains insurance that may cover in whole or in part certain environmental expenditures. At 30 June 2026, the Beetaloo Group had bank guarantees from Macquarie Bank issued under the Performance Bond Facility (Facility B) for the total amount of \$3,529,000 (31 December 2025: \$2,749,000) under Facility B (refer to note 14).

There have been no other changes in contingent liabilities since the last reporting period.

Note 20. Commitments

Exploration and petroleum tenement leases

In order to maintain current rights of tenure to exploration and mining tenements, the Company and the companies in the Group are required to outlay lease rentals to meet the minimum expenditure requirements of the various Government Authorities. These obligations are subject to re-negotiation upon expiry of the relevant leases or when application for a mining licence is made. No expenditure commitment exists at 30 June 2026 (31 December 2025: nil).

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Note 21. Share-based payments

Share-based payments are issued to:

- enable the Company to provide variable remuneration including both an at-risk component and an incentive component, that is performance focused and linked to long-term value creation for shareholders;
- enable the Company to compete effectively for the calibre of talent required for it to be successful;
- ensure that Participants have commonly shared goals; and
- assist Participants to become Shareholders.

Performance Rights

During the financial half-year ended 30 June 2026, the Company issued 2,249,176 Performance Rights to the Managing Director under the terms of the Company's Rights Plan and was approved by Shareholders on 29 May 2026.

During the financial half-year ended 30 June 2026, the 2023 Performance Rights were tested against their applicable performance conditions, detailed below. As a result, 1,253,004 Performance Rights vested and 1,417,003 Performance Rights were either vested or cancelled.

Vesting conditions

The Performance Rights granted during the financial half-year are subject to performance conditions comprising two tranches:

- Tranche 1: is subject to the Company's Absolute Total Shareholder Return (ATSR) over the three-year measurement period, with vesting ranging from nil to 100% depending on the ATSR achieved.
- Tranche 2: a determination by the Board at the end of the 2026 financial year that, during the three-year measurement period, material value has been added to the Company's assets through delivering on the Company's strategy, including Carpentaria Pilot Project development and production, exploration results and increasing resources.

For Tranche 1, 25% vests at the threshold ATSR of 10% per annum, 50% vests at the target ATSR of 15% per annum and 100% vests at the stretch ATSR of 30% per annum, with pro-rata vesting between these levels. No Tranche 1 Performance Rights vest where ATSR is below 10% per annum.

Set out below are summaries of the unvested and vested Performance Rights granted under the plan:

	Number of rights Half-year ended 30 June 2026	Weighted average exercise price Half-year ended 30 June 2026	Number of rights Half-year ended 30 June 2025	Weighted average exercise price Half-year ended 30 June 2025
Unvested Rights at the beginning of the financial half-year	14,352,609	\$0.000	11,265,810	\$0.000
Granted	2,249,176	\$0.000	2,200,120	\$0.000
Vested	(1,253,004)	\$0.000	-	\$0.000
Cancelled	(1,417,003)	\$0.000	-	\$0.000
Unvested Rights at the end of the financial half-year	<u>13,931,778</u>	\$0.000	<u>13,465,930</u>	\$0.000
Vested Rights at the end of the financial half-year	<u>4,010,212</u>	\$0.000	<u>3,084,623</u>	\$0.000

The weighted average remaining contractual life of Performance Rights outstanding at the end of the financial half-year was 2.5 years (2025: 2 years).

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Note 21. Share-based payments (continued)

For the Performance Rights granted during the current financial half-year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
29/05/2026	31/12/2041	\$0.285	\$0.000	54.22%	-	4.54%	\$202,031
29/05/2026	31/12/2041	\$0.285	\$0.000	54.22%	-	4.54%	\$320,508

Restricted Rights

During the financial half-year ended 30 June 2026, the Company issued 749,164 Restricted Rights to the Non-Executive Chair and Directors in lieu of cash Director fees. The Company also issued 494,016 Restricted Rights to the Managing Director in lieu of the cash component of his 2025 short-term incentive (STI). The issue of these Restricted Rights was approved by Shareholders on 29 May 2026 and made in accordance with the terms of the Company's Rights Plan.

During the financial half-year ended 30 June 2026, 1,121,800 Restricted Rights held by former Non-Executive Director Louis Rozman were exercised and converted into ordinary shares following his retirement from the Board.

The Restricted Rights issued to the Non-Executive Directors have no vesting period and are exercisable following their issue, subject to the terms of the Company's Rights Plan. The Restricted Rights issued to the Managing Director vest 90 days from the date of grant, subject to the terms of the Company's Rights Plan and cessation of employment provisions.

Set out below are summaries of the vested Restricted Rights granted under the plan:

	Number of rights Half-year ended 30 June 2026	Weighted average exercise price Half-year ended 30 June 2026	Number of rights Half-year ended 30 June 2025	Weighted average exercise price Half-year ended 30 June 2025
Vested Rights at the beginning of the financial half-year	7,253,546	\$0.000	7,621,250	\$0.000
Granted	1,243,180	\$0.000	889,580	\$0.000
Exercised	(1,121,800)	\$0.000	-	\$0.000
Vested Rights at the end of the financial half-year	<u>7,374,926</u>	\$0.000	<u>8,510,830</u>	\$0.000

The weighted average remaining contractual life of Restricted Rights outstanding at the end of the financial half-year was 0 years (2025: 0.5 years).

For the Restricted Rights granted during the current financial half-year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
29/05/2026	31/12/2041	\$0.285	\$0.000	-	-	-	\$354,396

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Note 21. Share-based payments (continued)

Service Rights

During the financial half-year ended 30 June 2026, no Service Rights were issued. During the period, 1,131,822 Service Rights vested to employees of the Company in accordance with the terms of the Company's Rights Plan.

Set out below are summaries of the unvested and vested Service Rights granted under the plan:

	Number of service rights Half-year ended 30 June 2026	Weighted average exercise price Half-year ended 30 June 2026	Number of service rights Half-year ended 30 June 2025	Weighted average exercise price Half-year ended 30 June 2025
Unvested Rights at the beginning of the financial half-year	3,135,190	\$0.000	2,158,889	\$0.000
Forfeited/Expired/Other	(1,131,822)	\$0.000	-	\$0.000
Unvested Rights at the end of the financial half-year	<u>2,003,368</u>	\$0.000	<u>2,158,889</u>	\$0.000
Vested Rights at the end of the financial half-year	<u>3,570,380</u>	\$0.000	<u>2,834,447</u>	\$0.000

The weighted average remaining contractual life of Service Rights outstanding at the end of the financial half-year was 1.5 years (2025: 0.5 years).

Note 22. Events after the reporting period

On 1 July 2026, the Company completed the first utilisation under its secured credit facility with Territory Sands Pty Ltd, advancing \$3.4 million to support development of the Forest Hill South frac sand project. The facility provides for total funding of up to \$10.4 million. In connection with the facility, Territory Sands issued the Company 20,809,267 call options, exercisable at \$0.50 per share and expiring five years from financial close.

On 13 July 2026, Beetaloo Energy announced the completion of the Carpentaria-5H ("C-5H") IP30 flow test. The well achieved a peak flow rate of more than 14 TJ/day, an average flow rate of 6.9 TJ/day over the 30-day test period (IP30) and an exit rate of 6.7 TJ/day. Following completion of the test, C-5H was shut in and is planned to be tied in for production alongside the Carpentaria-2H and Carpentaria-3H wells.

On 22 July 2026, the Company announced the launch of Beetaloo Digital, a wholly owned subsidiary established to progress a proposed integrated power and data centre development in the Northern Territory. The Northern Territory Government granted the Company exclusivity over 185 hectares of land at Weddell, south-east of Darwin, for the proposed development. The Company is progressing pre-FEED studies and discussions with potential consortium partners.

The proposed development remains subject to completion of concept studies, securing consortium partners and applicable government and regulatory approvals.

On 30 July 2026, Beetaloo Energy entered into a non-binding Memorandum of Understanding (MOU) with Halliburton to support the assessment and development of the upstream gas resource underpinning the Beetaloo Digital opportunity. Under the MOU, Halliburton is expected to provide strategic technical expertise and services in areas including upstream field development, drilling and project execution.

The proposed Beetaloo Digital project remains subject to concept studies, consortium formation, financing and applicable government and regulatory approvals.

Note 22. Events after the reporting period (continued)

On 24 August 2026, the Company announced that it had entered into a non-binding Memorandum of Understanding with Australian Gas Infrastructure Group (AGIG) to collaborate on the planning and development of gas transportation and associated infrastructure to support the proposed Beetaloo Digital development in the Northern Territory. Under the MOU, the parties will undertake preliminary assessments of infrastructure requirements, including the proposed approximately 750 kilometre gas pipeline from the Carpentaria Gas Project to future demand centres in the Darwin area. The MOU does not commit either party to proceed with any future transaction, with future development activities subject to technical studies, commercial agreements, regulatory approvals and relevant board approvals.

No other matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Beetaloo Energy Australia Limited and its controlled entities
Directors' declaration
30 June 2026

In accordance with a resolution of the Directors of Beetaloo Energy Australia Limited (the "Company"), made pursuant to section 303(5)(a) of the Corporations Act 2001, I state that:

In the opinion of the Directors:

- a. the interim financial statements and notes of the Company and its subsidiaries (collectively the Group) are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Group's financial position as at 30 June 2026 and of its performance for the half-year ended on that date; and
 - (ii) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and
- b. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Directors



Alexander Underwood
Managing Director

11 September 2026
Sydney



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with confidence**

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Independent auditor's review report to the members of Beetaloo Energy Australia Limited

Conclusion

We have reviewed the accompanying half-year financial report of Beetaloo Energy Australia Limited (the Company) and its subsidiaries (collectively the Group), which comprises the statement of financial position as at 30 June 2026, the statement of profit and loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, explanatory notes and the directors' declaration.

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

- a. Giving a true and fair view of the consolidated financial position of the Group as at 30 June 2026 and of its consolidated financial performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to reviews of the half-year financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

Directors' responsibilities for the half-year financial report

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

Auditor's responsibilities for the review of the half-year financial report

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

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



Ernst & Young



Siobhan Hughes
Partner
Sydney
11 September 2026