16th September 2026

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Announcement to ASX		Electronic lodgment

Diona-1 update

Highlights

- **Static Gradient Survey (SGS) completed at Diona-1**
- **Fluid level receded by more than 1,800m to approximately 2325m TVD**
- **Fluid level interpreted to be below the top of the Black Alley/Bandanna perforated intervals**
- **Maximum measured downhole pressure of 4139psi at 2,411m TVD**

The Board of Xstate Resources Limited (**ASX:XST**) (**Xstate** or **the Company**) provides the following update on a Static Gradient Survey conducted in the Diona-1 vertical exploration well in the Diona sub-block of ATP2077, Surat-Bowen Basin, Southwest Queensland Xstate holds a 51% working interest[1].

Operations Update

A Static Gradient Survey (**SGS**) was conducted in Diona-1 to measure pressure and fluid level under static well conditions. The SGS provided updated measurements that will assist us in future planning for the flowback and production testing.

The SGS measured the fluid level at approximately 2,325m TVD, more than 1,800m below the level recorded during the previous flowback operations[2], with the wellbore above this depth being gas filled. The measured liquid level is interpreted to be below the top of the Black Alley/Bandanna perforated interval.

The SGS measured also measured wellhead pressure of approximately 3,235 psi compared with approximately 1,600psi when the well was shut in and a maximum downhole pressure of 4,139 psi at 2,411m TVD. The measured gradient through most of the wellbore was consistent with a gas-filled column. XState's technical advisors interpret the downhole pressure as consistent with an overpressured reservoir, the measured pressure equating to an average gradient of approximately 0.52psi/ft over 2,411 m TVD.

These static measurements indicate that pressure remains in the wellbore and are consistent with earlier observations of gas breakthrough and tubing-head pressure recharge during flowback while completion fluid remained in the wellbore.

Managing Director, Andrew Bald commented:

> *"The SGS provides updated fluid-level and pressure measurements following the earlier flowback program. The lower liquid level and gas-filled upper wellbore will be relevant to planning the next phase of testing. The purpose of the SGS was not to test a sustainable flow rate nor commercial deliverability. Those matters will be assessed by the proposed controlled flowback and production test."*

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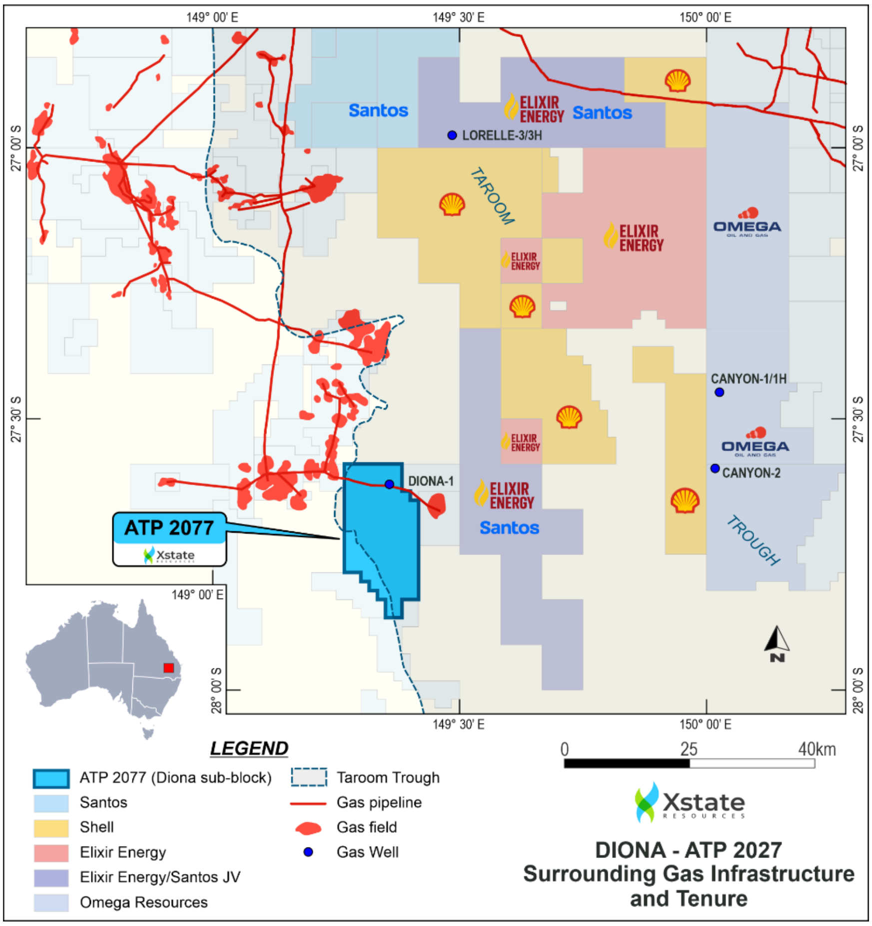
1 Elixir Energy Limited (ASX:EXR) holds the remaining 49% and is the Operator
2 See ASX release dated 31 July 2026 re 1,900m column of stimulation fluids



Location Map of Diona-1

This announcement has been authorised for release by the Board of Directors.

Andrew Bald
Managing Director

About Xstate Resources Limited:

Xstate Resources (ASX Code: XST) is an ASX listed company focused on the oil and gas sector focusing on its Diona project located in Queensland, Australia. Xstate owns 51% of the Diona block within ATP 2077. The Company spudded its first well in the Diona block, Diona-1, on 27 September 2025. Elixir Energy Limited (ASX Code EXR) retains a 100% beneficial ownership in Blocks A and B.