Eastern Gas Signs Indicative Term Sheet for Proposed A$10 Million R&D Loan Facility

- **Term sheet signed with RiverFort Global Capital Ltd for a proposed R&D loan facility of up to A$10 million**
- **Proposed three-year availability period, with an initial drawdown of up to A$1.5 million, subject to review of the Company’s R&D tax incentive position and approvals**
- **Each drawdown to have a 12-month term, with repayment linked to receipt of the relevant R&D rebate and due at maturity**
- **Fixed interest rate of 9%, plus fees and unlisted options, with first-ranking security over R&D rebate receivables**
- **Term sheet is non-binding; the facility remains subject to definitive documentation and mutual agreement on drawdowns**

Sydney, 25 September 2026: Australian gas developer and exporer Eastern Gas Corporation Limited (ASX: EGA) (the Company) is pleased to announce that it has signed an indicative term sheet with RiverFort Global Capital Ltd (RiverFort), which manages the investor(s) proposing to provide the funding (the Investor), in relation to a proposed research and development (R&D) loan facility of up to A$10 million (Facility).

The proposed Facility would provide the Company with access to funding ahead of receiving R&D tax incentive refunds, supporting its working capital requirements.

The term sheet contemplates a three-year availability period from execution, with each drawdown repayable within five working days of receipt of the relevant R&D tax incentive refund and, in any event, no later than 12 months from the relevant drawdown.

The term sheet is non-binding, except for specified provisions relating to due diligence, law and jurisdiction, confidentiality, no shopping and legal status.

Proposed Facility Terms

An initial drawdown of up to A$1.5 million is proposed at the commencement of the Facility, subject to a review of the Company's R&D tax incentive position.

Further drawdowns may be made up to an aggregate Facility limit of A$10 million, subject to mutual agreement between the Company and the Investor.

Each drawdown would have a term of 12 months (Maturity Date). Repayment is intended to be made from the proceeds of the relevant R&D tax incentive refund within five working days of receipt. However, each drawdown would be repayable in full by its Maturity Datits

R&D Tax Incentive

The Company intends to claim R&D tax incentive refunds in respect of its eligible activities and has received advice in relation to its eligibility.

Any entitlement to an R&D tax incentive refund remains subject to the Company satisfying the applicable eligibility requirements, registering its R&D activities and assessment by the relevant authorities. The timing and amount of any R&D tax incentive refund is uncertain, but generally it is paid within 6 weeks of lodgment of the Company’s tax return.

Interest, Fees and Security

The proposed Facility includes the following commercial terms:

- Interest: Fixed interest of 9%.
- Implementation fee: 5% of each drawdown, deducted from the relevant drawdown proceeds. The Company would also pay non-refundable due diligence and legal fees of A$10,000 and A$12,500 respectively (each excluding VAT) following signing of the term sheet and an introducer fee of 2% of each drawdown payable in cash to Spark Plus. The proposed security arrangements would comprise a first-ranking security interest over the Company's R&D rebate receivables.

Options and other terms

In connection with each drawdown, the Company would issue unlisted options to the Investor (in the Investor’s standard form). The number of options would be 30% of the relevant drawdown amount divided by the Reference Price, being the average of the five daily volume-weighted average prices of the Company’s shares preceding the relevant drawdown, so it cannot presently be determined.

The options would be exercisable at a 40% premium to the relevant Reference Price and would expire on 30 September 2029, and the first tranche is targeted to be issued on or around 15 December 2026 if the Facility proceeds. On exercise, the exercise price may provide cash to the Company or be set off against outstanding loan principal; the term sheet does not specify which party may elect set-off, which would be addressed in the definitive documentation.

No options have been issued at the date of this announcement. The Company intends to issue the options within its available placement capacity under Listing Rule 7.1. If sufficient capacity is not available at the relevant time, the issue would require shareholder approval.

The term sheet contemplates that the Investor would have a right of first refusal to propose terms on any structured finance, bridge lending, R&D and equity-linked debt or prepayment transactions for six months ending on the later of the date of the definitive agreement and the date all amounts outstanding under it are repaid. This would not prevent the Company from conducting straight equity placements. The definitive documentation is expected to include customary covenants.

Managing Director Commentary

Managing Director David Spring said:

"Signing this indicative term sheet represents a step towards establishing an additional funding source secured against the Company's R&D tax incentive receivables.

"If finalised, the proposed Facility would provide us with greater flexibility to access funding ahead of receiving the relevant R&D tax incentive refunds, with security provided over those receivables.

"The proposed Facility and initial drawdown remain subject to the negotiation and execution of definitive documentation. Each drawdown would be repayable by its applicable maturity date, irrespective of the timing of any R&D tax incentive refund."

The Company will make a further disclosure at such time as definitive documentation is entered into.

For further information, please contact:

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Managing Director
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About Eastern Gas Corporation Limited

Eastern Gas Corporation Limited (ASX: EGA) is an Australian natural gas exploration and development company focused on supplying reliable energy to east coast domestic markets.

The Company's east coast natural gas portfolio features two highly prospective tenements in Queensland's prolific Surat Basin (Walloon CSG fairway) and Cooper Basin.

With a natural gas shortage and energy crisis around the world, we believe LNG will play a critical role in fuelling the transition to a carbon-free economy in the long term. Eastern Gas is focused on progressing its gas resources toward commercialisation to support Australia's energy security.

Website: www.easterngas.com.au

Forward-looking statements

This announcement contains forward-looking statements. Forward-looking statements are not historical facts and may be identified by terminology such as ‘may’, ‘will’, ‘expect’, ‘intend’, ‘plan’, ‘estimate’, ‘anticipate’, ‘continue’, ‘outlook’, ‘guidance’, ‘proposed’, ‘potential’ and similar expressions. Forward-looking statements are based on Eastern Gas’s current expectations, estimates and assumptions and are subject to known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to differ materially from those expressed or implied. These risks include the outcome of negotiations with RiverFort and the Investor, the terms of any definitive documentation and whether it is executed, satisfaction of any conditions to drawdown, the eligibility, registration and assessment of the Company’s R&D activities under the R&D tax incentive and the amount and timing of any refund, the Company’s ability to repay any drawdown by its maturity date, the availability of placement capacity or shareholder approval for any issue of options, commodity price fluctuations, demand variability, currency movements, drilling and production outcomes, resource and reserve estimation risk, competition, environmental and operational risks, legislative, fiscal and regulatory changes, economic and financial market conditions, project timing variations, approvals and cost variations.

No assurance can be given that forward-looking statements will prove correct. Readers should not place undue reliance on forward-looking statements.

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