



HELIOS ENERGY LIMITED

ACN 143 932 110

Annual Report

30 June 2026

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Company Secretary	Henko Vos
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Auditor	BDO Audit Pty Ltd Level 9, Mia Yellagonga Tower 2 5 Spring Street Perth WA 6000, Australia T: +61 8 6382 4600 F: +61 8 6382 4601
Securities exchange listing	Helios Energy Ltd shares are listed on the Australian Securities Exchange (ASX:HE8)
Website	www.heliosenergy ltd.com

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The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of Helios Energy Ltd (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2026.

Directors

The following persons were directors of Helios Energy Ltd during the whole of the financial year and up to the date of this report, unless otherwise stated:

Mark Lochtenberg – appointed on 30 August 2023 and retired on 28 August 2026

John Kenny – appointed on 26 October 2023

Henko Vos – appointed on 8 August 2024

Philipp Kin – appointed on 15 November 2024 and resigned 3 July 2026

John Cathcart – appointed on 5 February 2025

Principal activities

The Company is an onshore oil and gas exploration company whose principal activity is the Presidio Oil and Gas Project located in Presidio County, Texas, USA.

Dividends

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

Review of Operations

Presidio Oil & Gas Project – Presidio County, Texas, USA

The Company has a 70% working interest (**WI**) in 5,120 leased acres (Held By Production) and a further 100% WI in 2,118 leased acres, all located in Presidio County, Texas, USA. Helios also has a 70% WI in the 4 wells drilled by Helios in the Presidio Oil & Gas Project, namely, Presidio 52#1, Presidio 141#2, Quinn Creek 141#1 and Quinn Mesa 113. All 7,238 leased acres, the subject of the Presidio Oil and Gas Project, are located in the north-west portion of Presidio County, Texas, USA and are the subject of oil and gas lease agreements entered into with private oil and gas mineral rights owners, along with the State of Texas.

Presidio Oil and Gas Project – Conventional Plays

During the year ending on 30 June 2026 a technical review of the Presidio Oil and Gas Project located in Presidio County, Texas, USA, was done for the Company by petroleum consultants, W.D. Von Gonten Engineering LLC. This technical review delineated 5 new well locations within the Presidio Oil and Gas Project area, with each well targeting 5 conventional oil and gas plays.

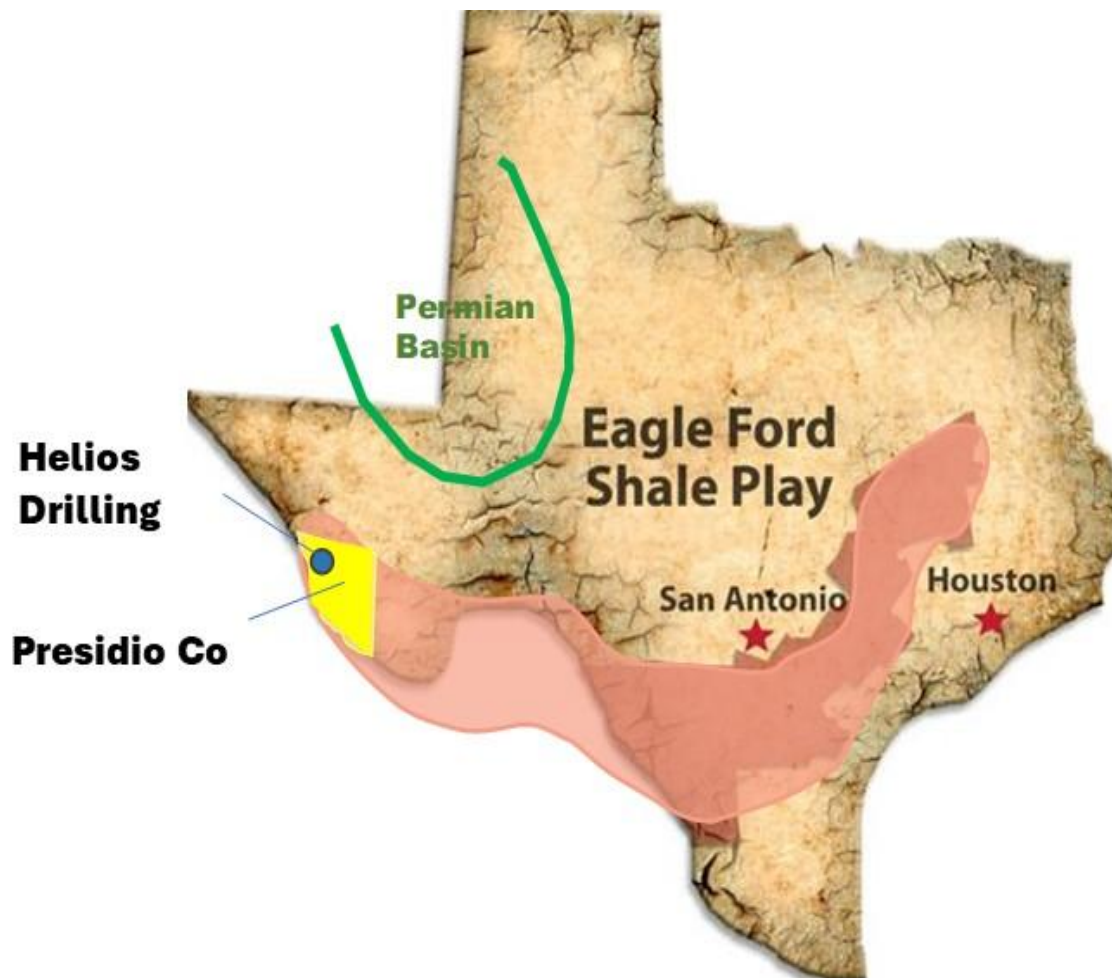
These 5 conventional oil and gas plays are:

1. the San Carlos Sands,
2. the Buda Limestone,
3. the Georgetown Limestone,
4. the Edwards Limestone, and
5. the Hosston Sandstone.

In particular, the two highest ranked prospects are Proposed Location (**PL**) Marshall and Proposed Location Croft. One option for the Company is to seek a farm-in joint venture partner to drill a conventional vertical well into PL Marshall and a second conventional vertical well into PL Croft.

This sales process commenced during the last quarter of the year ending on 30 June 2026 and cost budgets for each of these 2 conventional vertical wells were finalised during the last quarter of the year ending on 30 June 2026.

Presidio Oil & Gas Project – Presidio County, Texas, USA



Map above shows the location of Presidio County in Texas, USA, the general trend of the Eagle Ford Shale Formation in Texas and the location of Helios' drilling in the Presidio Oil & Gas Project.

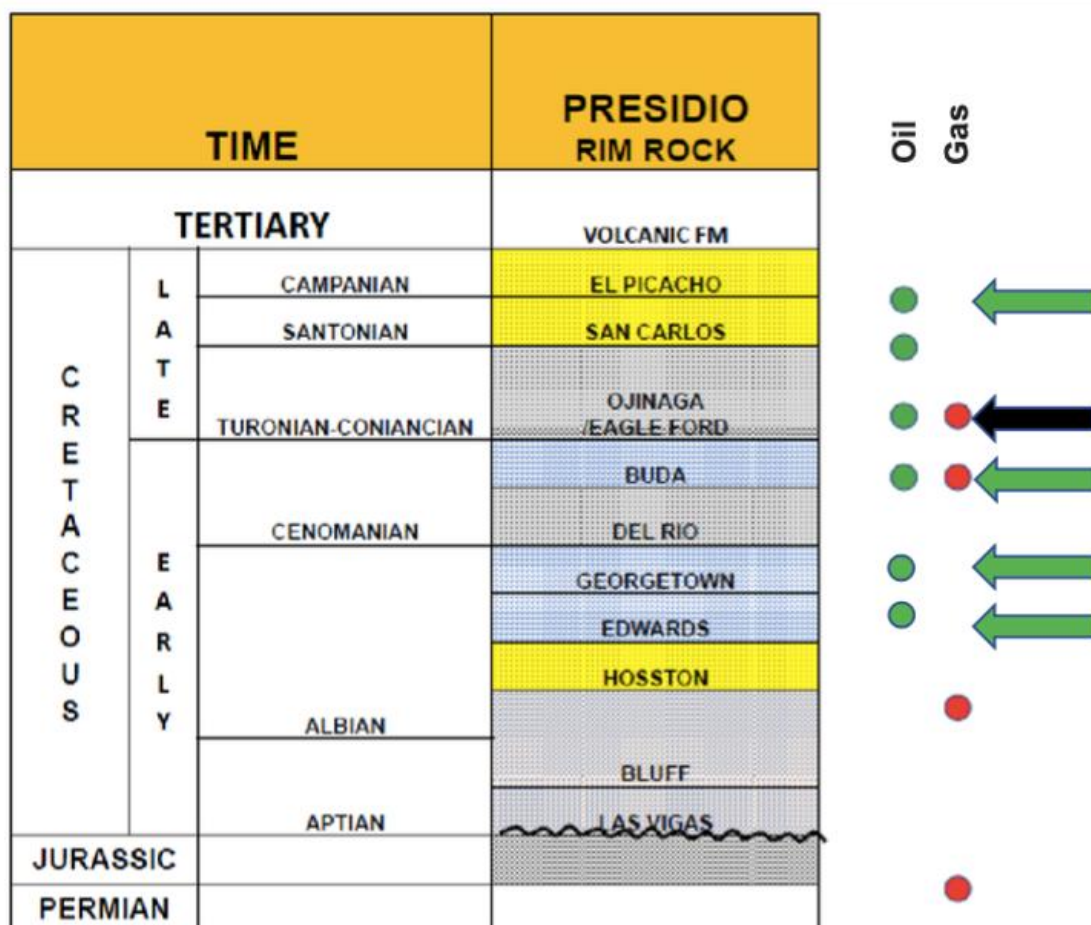
Corporate

During the last quarter of the financial year ending on 30 June 2026, the Company raised \$1,506,902 via a placement of 502,300,680 fully paid ordinary shares in Helios at an issue price of \$0.003 per share (**Placement**). The Placement raised \$1,506,902 for Helios for working capital purposes. In addition, during the last 3 months of the financial year the Company extinguished \$100,000 of debt owed by the Company to two holders of convertible notes in exchange for the issue to them of 33,333,334 fully paid ordinary shares in Helios at the issue price of \$0.003 per share. No additional capital was raised by the Company as a result of these agreements with these two noteholders.

On 3 July 2026, following the cessation of Mr Philipp Kin's engagement as Managing Director of the Company, Mr Kin also resigned as a Director of Helios.

As at 30 June 2026, Helios had A\$1,729,000 cash in bank.

Stratigraphy of the Presidio Oil & Gas Project located in Presidio County, Texas, USA



Map above shows that the San Carlos Sands is an oil target as is the Georgetown Limestone and the Edwards Limestone.

Presidio Oil and Gas Project – Unconventional Plays

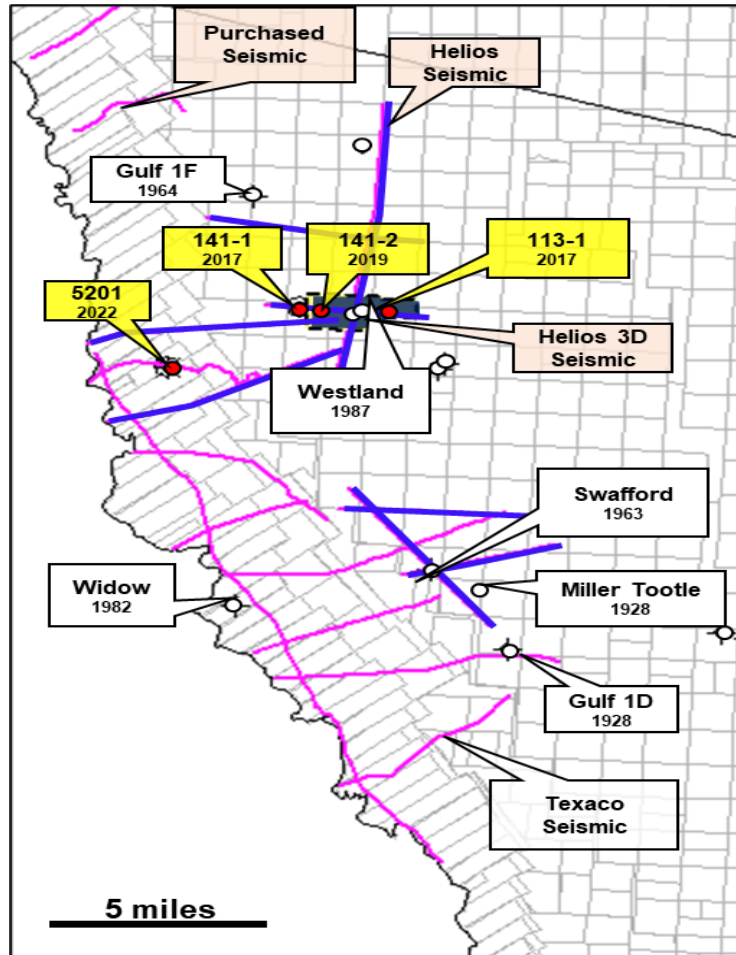
During the year ending on 30 June 2026, the Company completed a technical review of the Presidio Oil and Gas Project in Presidio County, Texas, USA with the assistance of petroleum consultants W.D. Von Gonten Engineering LLC. The conclusions of this technical review defined a 15,500 acre unconventional “sweet spot” of Ojinaga Formation and Eagle Ford Shale, both unconventional plays, within the approximately 100,000 acre play area.

One option for the Company is to seek a farm-in joint venture partner to drill a horizontal well into the Presidio Oil and Gas Project within this 15,500 acre unconventional “sweet spot” area, to validate recoverability and productivity. This sales process commenced during the last quarter of the year ending on 30 June 2026.

The unconventional plays of the Presidio Oil & Gas Project are comprised of a large wet gas resource and from the gas isotope analysis, it shows the wetness ratios are between 24-30% which correspond to oil associated gas in the genetic gas classification. The Ojinaga Formation (Upper, Middle and Lower) and the Eagle Ford Shale Formation (Upper and Lower) show up clearly on both 2D and 3D seismic and are easily mapped. Both the Ojinaga Formation and the Eagle Ford Shale Formation blanket the Presidio Oil & Gas Project. Total play area of the Ojinaga Formation and the Eagle Ford Shale Formation is greater than 100,000 acres in the vicinity of the Presidio Oil & Gas Project.

2D and 3D Seismic

Helios has undertaken 42 miles of 2D seismic as well as 2 square miles of 3D seismic. In addition, it has licensed and interpreted 70 miles of Texaco 2D seismic (which is now Chevron).



Map above shows in dark purple the lines of Helios' 2D seismic. The pink lines shown above are the 2D seismic lines licensed from Chevron.

Presidio 52#1 Well

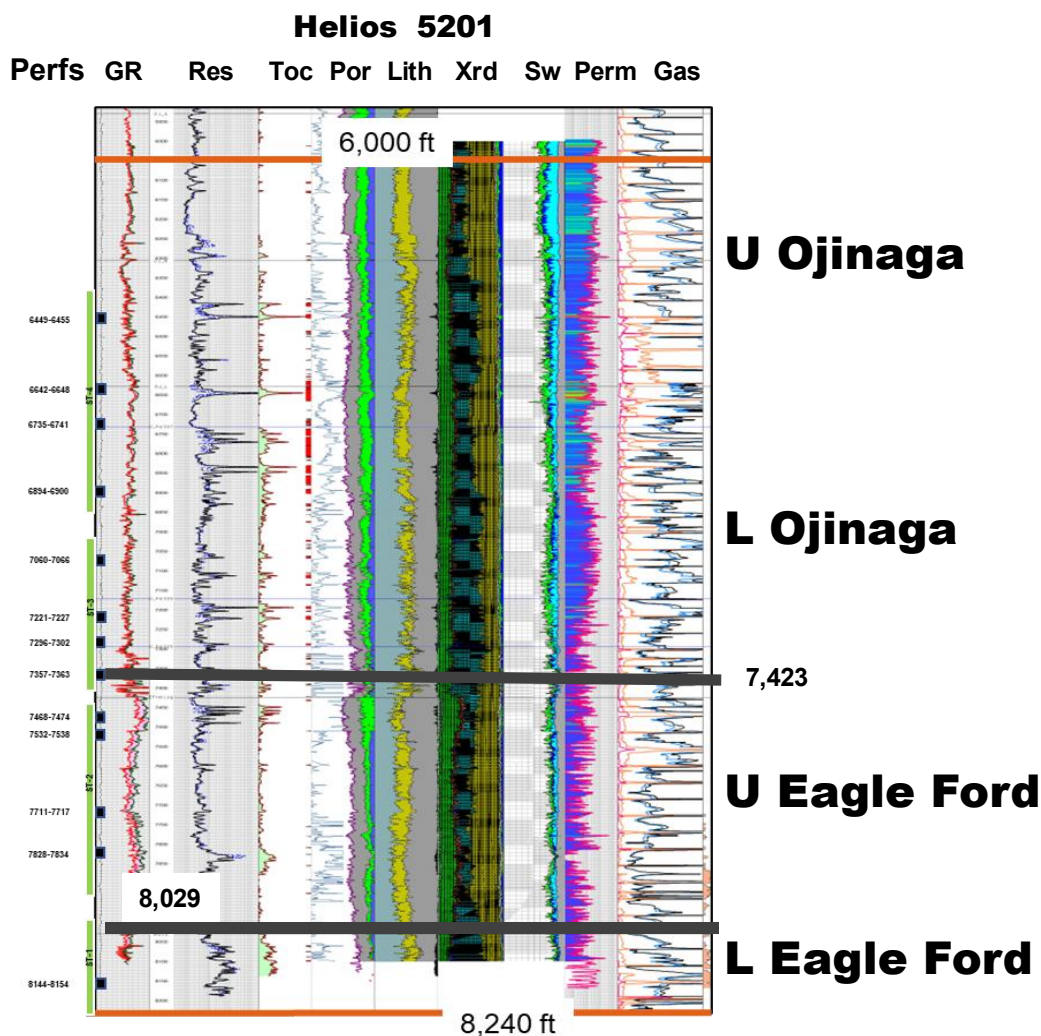
The Presidio 52#1 well was successfully drilled to a total depth (TD) of 8,806 feet. During drilling, the Presidio 52#1 well encountered the lower bench of the Ojinaga Formation (primary target) and the Eagle Ford Shale Formation (secondary target) as well as two older (deeper) Cretaceous units, being the Buda and Georgetown Formations (both secondary targets). The lower bench of the Ojinaga Formation was encountered at the depth of 6,632 feet and is 793 feet thick. Helios has successfully tested and produced oil from all 4 wells it has drilled which have penetrated the Ojinaga Formation. The oil analysis shows that the oil in the Ojinaga Formation is sourced from the Eagle Ford Shale Formation. The Eagle Ford Shale was encountered at a depth of 7,425 feet and is 836 feet thick with the deepest 235 feet also referred to as the Boquillas Formation (which is equivalent to the lower Eagle Ford Formation in Karnes County, Texas, USA).

Very good to excellent oil and gas shows in the Presidio 52#1 Well

Very good to excellent oil and gas shows were observed throughout the drilling of the entire lower bench of the Ojinaga Formation and throughout the drilling of the entire Eagle Ford Formation (which includes the 235 feet of the Boquillas Formation). Gas measurements were consistently high throughout the drilling through the entire lower bench of the Ojinaga Formation and throughout the drilling of the entire Eagle Ford Formation. From the gas isotope analysis, it shows the wetness ratios are between 24-30% which corresponds to oil associated gas in the genetic gas classification.

2,000 Foot Proven Oil and Gas Column Across Presidio Oil & Gas Project

Helios has successfully tested and produced oil from all 4 wells it has drilled. The oil and gas produced from the 4 wells drilled by Helios in the Presidio Oil & Gas Project, namely, Presidio 52#1, Presidio 141#2, Quinn Creek 141#1 and Quinn Mesa 113 along with the interpretation of the 2D and 3D seismic evidences an oil and gas column over the Presidio Oil & Gas Project which averages about 2,000 feet in thickness and has recovery potential of 5,000 to 10,000 barrels of oil equivalent (boe) per acre.



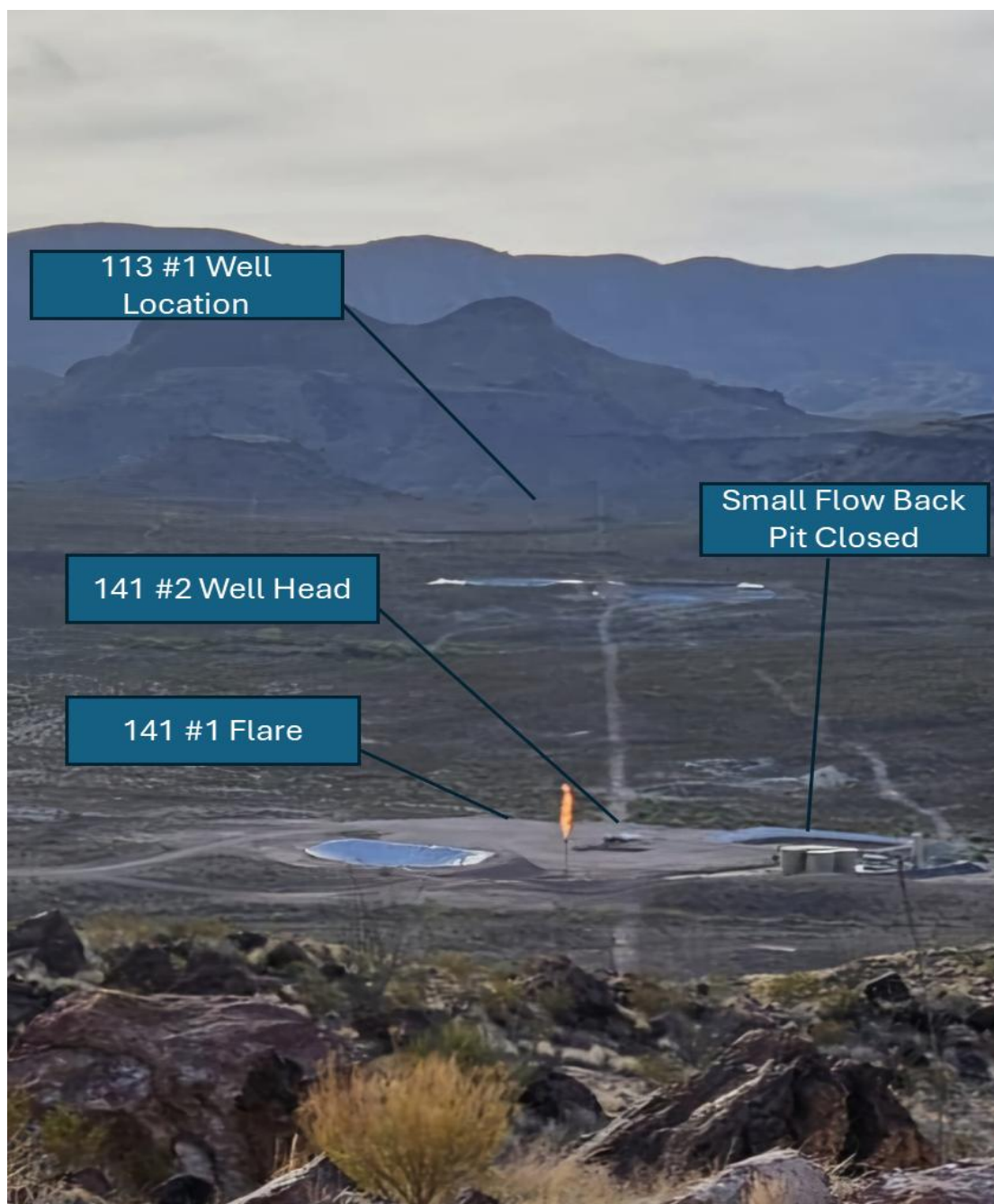
Above is a log of the Presidio 52#1 well. The oil and gas column in the Presidio 52#1 well from the commencement of the Ojinaga Formation (which is the Austin Chalk age equivalent formation overlying the Eagle Ford Shale) to the bottom (deepest) part of the Eagle Ford Shale Formation is 2,240 feet in thickness.

Presidio Oil & Gas Project – Infrastructure

Access to the 4 wells that constitute the Presidio Oil & Gas Project (Presidio 52#1, Presidio 141#2, Quinn Creek 141#1 and Quinn Mesa 113) is provided by a 25 mile unsealed, formed road constructed by Helios that branches off the sealed US-90 highway which carries heavy truck and passenger vehicle traffic. The 4 oil wells have access to ample supplies of fresh water provided by local water wells drilled into shallow water aquifers. The El Paso Oil Refinery located in El Paso, Texas has a processing capacity of 135,000 barrels of oil per day and is located 170 miles from the Presidio Oil & Gas Project. Crude oil is sold there by truck delivery.

The Presidio Oil & Gas Project is located 250 miles (or 5 hours by truck) from Midland, Texas which is the epicenter of the Permian Basin oil industry. All rigs, supplies and services required for the Presidio Oil & Gas Project are sourced from Permian Region. Oil production in the Permian Region in May 2026 reached approximately 6,600,000 bopd.

Location of Presidio 141#2, Quinn Creek 141#1 and Quinn Mesa 113 wells



Production Facilities Installed

Permanent production facilities have been installed at the well site location of the Presidio 141#2 well consisting of a 3-phase separator, two 500 barrel oil tanks, two 500 barrel water tanks, and a flare stack. The Quinn Creek 141#1 well has also been piped into and connected to flow to the shared field production facilities located at the Presidio 141#2 location.

Contingent Resources

The Company announced its maiden Contingent Resource Estimate on 16 January 2025 (also refer the Company's ASX announcement on 28 January 2025 in this regard). The Company confirms that it is not aware of any new information or data that materially affects the information included in these announcements and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

Based on drilling, logging, sampling and testing across four wells, the report validated the Company's long-held thesis that the Ojinaga Formation is analogous to the prolific Austin Chalk in East Texas. Net contingent resources of 13.3 to 21.7 million barrels of oil equivalent were estimated in the Lower Ojinaga Formation alone, with further upside identified in the overlying Ojinaga benches and Eagle Ford Shale.

The Company's 2C Contingent Resources at 30 June 2026 are assessed to be 17.5 MMBOE (net 75% NRI to Helios).

Helios Net Contingent Resources – Presidio Project – Entitlements Enforced

Category	Oil (MMbbl)	Gas (BCF)	NGL (MMbbl)	Total (MMBOE)
Low Estimate (1C)	4.88	35.6	2.49	13.3
Best Estimate (2C)	6.47	46.5	3.26	17.5
High Estimate (3C)	8.06	57.4	4.03	21.7

This is further broken down as follows:

Category	Gross (100%)			Working Interest			Net Revenue Interest		
	Gas (BCF)	Oil (MMbbl)	NGL (MMbbl)	Gas (BCF)	Oil (MMbbl)	NGL (MMbbl)	Gas (BCF)	Oil (MMbbl)	NGL (MMbbl)
Low Estimate (1C)	74.2	9.04	5.11	47.5	6.51	3.32	35.6	4.88	2.49
Best Estimate (2C)	96.3	11.95	6.64	62.0	8.63	4.35	46.5	6.47	3.26
High Estimate (3C)	118.4	14.87	8.18	76.5	10.75	5.37	57.4	8.06	4.03

Under the SPE PRMS 2018, "Contingent Resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations by application of development projects, but which are not currently considered to be commercially recoverable owing to one or more contingencies". The Contingent Resources assessment includes resources in the Presidio Oil and Gas Project, located in Texas, USA.

Qualified Petroleum Reserves and Resources Evaluator Statement

The information contained in this report regarding Helios' resources is based on, and fairly represents, information and supporting documentation reviewed and signed off by Dwayne Stewart, who meets the requirements regarding qualifications, independence, objectivity, and confidentiality set out in the Society of Petroleum Engineer standards. Dwayne Stewart is a Licensed Professional (Petroleum) Engineer in the State of Texas. Dwayne is a qualified resources estimator in accordance with ASX listing rule 5.41, and has consented to the inclusion of this information in the form and context in which it appears.

Business risks

The Company's activities have inherent risk associated with them and the Board is unable to provide certainty as to the expected results of its oil and gas activities, or that any or all of the likely or proposed activities will be successful. The material business risks faced by the Company that could influence the Company's prospects, and how the Company manages these risks, are detailed below.

Operational risks

The Company may be affected by various operational factors. If any of these potential risks eventuate, the Company's operational and financial performance may be adversely affected. No assurances can be given that the Company will achieve sustained commercial viability through the successful exploration and/or production of its oil and gas mineral rights located in Presidio County, Texas, USA. Until the Company is able to realise material value from its oil and gas assets, it is likely to continue to incur ongoing operating losses from its oil and gas operations.

The operations of the Company may be affected by various factors, including but not limited to, failure to obtain oil and gas mineral rights on satisfactory commercial terms, failure to achieve anticipated flow rates of oil and gas from new wells, operational and technical difficulties encountered in drilling wells, insufficient or unreliable infrastructure such as water, cheap power sources, road access, truck transport, difficulties in commissioning and operating drilling and pumping equipment, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

The oil and gas leases in Presidio County, Texas, USA are at various stages of oil and gas exploration, and potential investors should understand that oil and gas exploration and development are speculative and high-risk undertakings that may be impeded by circumstances and factors beyond the control of the Company.

There can no assurance that exploration of the oil and gas leases in Presidio County, Texas, USA, or any other oil and gas properties that may be acquired in the future, will result in the discovery of a materially economic oil and gas resource. Even if an apparently viable oil and gas resource is identified, there is no guarantee that it can be economically exploited.

Further capital requirements

The Company's oil and gas projects may require additional funding in order to progress activities. There can be no assurance that additional capital or other types of financing will be available if needed to further exploration or possible development activities and operations or that, if available, the terms of such financing will be favourable to the Company.

The Company's activities are subject to Government regulation and approvals

The Company is subject to certain Government regulations and approvals in Texas, USA. Any material adverse change in government policies or legislation in Texas, USA that affect oil and gas processing, development and oil and gas exploration activities, export activities, income tax laws, royalty regulations and environmental issues may affect the viability and profitability of any planned exploration or possible development of the Company's portfolio of oil and gas and helium projects.

Global conditions

General economic conditions, laws relating to taxation, new legislation, trade barriers, movements in interest and inflation rates, currency exchange controls and rates, national and international political circumstances (including outbreaks in international hostilities, wars, terrorist acts, sabotage, subversive activities, security operations, labour unrest, civil disorder, and states of emergency), natural disasters (including fires, earthquakes and floods), and quarantine restrictions, epidemics and pandemics, may have an adverse effect on the Company's operations and financial performance, including the Company's exploration, development and production activities, as well as on its ability to fund those activities. General economic conditions may also affect the value of the Company and its market valuation regardless of its actual performance.

Future Developments, Prospects and Business Strategies

Information on likely developments in the operations of the Group and the expected results of operations have not been included in the annual report because the directors believe it would be likely to result in unreasonable prejudice to the Group. Therefore, this information has not been presented in this report.

Significant changes in the state of affairs

During the financial year, the Group continued to progress the development of its Presidio Oil and Gas Project in Texas, USA. In addition, the Group undertook a number of capital management initiatives, including equity raisings, the issue and conversion of convertible notes, and the restructuring of certain borrowing arrangements to support ongoing operations and project development. These transactions resulted in changes to the Group's capital structure and funding position during the year.

In addition, the Group completed an assessment of its exploration and evaluation assets and as a result of this assessment, a write-off expense of \$21,349,493 (2025: 641,877) was recognised in relation to certain exploration and evaluation assets. The write-off reflected management's reassessment of the recoverability of exploration expenditure following updated technical and commercial evaluations of the Presidio Oil and Gas Project and were the Company will focus its core and strategic focus on.

Other than the matters described above, there were no significant changes in the state of affairs of the Group during the financial year.

Matters subsequent to the end of the financial year

Subsequent to 30 June 2026 and up to the date of authorisation of these financial statements, the following events occurred:

On 3 July 2026, Philipp Kin resigned as Managing Director and Director of the Company. Mr Kin was entitled to receive 57,000,000 options as part of his employment agreement, subject and conditional upon Company shareholder approval. As shareholder approval was not successfully obtained the options remained unvested at 30 June 2026 and ultimately became void upon the terms of his resignation.

On 10 July 2026, the Company announced the cessation of 25,000 convertible securities following their expiry in accordance with their terms.

On 28 August 2026, Mr Mark Lochtenberg retired as a Non-Executive Director of the Company.

Other than the matters disclosed above, no 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

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.

Environmental regulation

The current Group's operations are subject to environmental regulations which apply to oil and gas exploration in Texas, USA. As all of our oil and gas operations are in Texas in the USA, Helios is unaffected by the National Greenhouse and Energy Reporting requirements.

Information on directors

Name:	Philipp Kin
Title:	Managing Director (resigned 3 July 2026)
Experience and expertise:	Philipp has over 15 years of experience in the Energy and Mining Sectors with a specific background in analysis, financing and deal structuring. His career has spanned stockbroking, investment banking, mergers and acquisitions, debt capital markets, equity capital markets and oil, gas and energy research in roles including Lead WA LNG Asset Economist at Shell, Head of Oil and Gas Research at Royal Bank of Scotland, Senior Investment Relations Advisor at Oil Search, and Director of Corporate Finance at Baillieu Holst. While with Shell, Philipp worked on both offshore and onshore exploration projects, the development of conventional and unconventional hydrocarbon projects, and commercial projects including assisting the Gorgon LNG team to Final Investment Decision.
Other current directorships:	Vintage Energy Limited (ASX:VEN) since 18 May 2026
Former directorships (last 3 years):	Clean Energy Limited (ASX:NH3) – 11 August 2023 to 28 November 2025
Special responsibilities:	None
Interests in shares:	3,600,000 (at the date of resignation)
Interests in options:	Nil
Interests in convertible notes:	Nil
Name:	Mark Lochtenberg (retired 28 August 2026)
Title:	Non-Executive Director
Qualifications:	Bachelor of Law (Hons)
Experience and expertise:	Mark Lochtenberg has been actively involved in the coal industry for more than 30 years. He is the former Executive Chairman and founding Managing Director of ASX-listed Baralaba Coal Company Limited (formerly Cockatoo Coal Limited). He was a principal architect of Cockatoo's inception and growth from an early-stage grassroots explorer through to an emerging mainstream coal producer. He was also formerly the co-head of Glencore International AG's worldwide coal division, where he spent 13 years overseeing a range of trading activities including the identification, due diligence, negotiation, acquisition and aggregation of the coal project portfolio that would become Xstrata Coal. Prior to this, Mark established a coal "swaps" market for Bain Refco (Deutsche bank) after having served as a senior coal trader for Hansen Neuerburg AG and as coal marketing manager for Peko Wallsend Limited.
Other current directorships:	Rigi Investments Pty Ltd since 21 April 2004 Montem Resources Limited since 3 November 2020
Former directorships (last 3 years):	Equus Mining Limited (ASX:EQE) – 10 October 2014 to 21 February 2024 Nickel Industries Limited (ASX:NIC) – 10 March 2017 to 8 November 2023 Terracom Limited (ASX:TER) – 28 January 2022 to 9 March 2026
Special responsibilities:	None
Interests in shares:	163,136,993 (at the date of retirement)
Interests in options:	Nil
Interests in convertible notes:	Nil

Name: John Kenny
Title: Non-Executive Director
Qualifications: Bachelor of Commerce (Hons) and Bachelor of Laws
Experience and expertise: John Kenny is a lawyer and investment banker.
Other current directorships: Nil
Former directorships (last 3 years): Winchester Energy Limited (ASX:WEL) – 3 July 2023 to 31 May 2024
Interests in shares: 118,276,084
Interests in options: Nil
Interests in convertible notes: Nil

Name: Henko Vos
Title: Non-Executive Director and Company Secretary
Experience and expertise: Mr Vos is a member of the Governance Institute of Australia and Chartered Accountants Australia & New Zealand with more than 20 years' experience working within public practice, specifically within the area of audit and assurance both in Australia and South Africa. He holds similar roles in various other listed public companies in both industrial and resource sectors. Mr Vos is an employee of Horizon Nexus Partners.
Other current directorships: Nil
Former directorships (last 3 years): Nil
Interests in shares: Nil
Interests in options: Nil
Interests in convertible notes: Nil

Name: John Cathcart
Title: Non-Executive Director
Experience and expertise: Mr Cathcart has 30 years' experience in energy and mining investment analysis including extensive experience in these sectors at a technical, corporate and financial level, working in oil, gas, gold, copper and nickel at several major operations. He made the successful transition to the financial sector and broking in 1994 where he established a very strong reputation with several brokers including Baillieu's, BT, HSBC and CommSec before running the Resources portfolio at Thorney Investments. Mr Cathcart is currently a Resources consultant to Cygnet Capital based in Melbourne.
Other current directorships: Nil
Former directorships (last 3 years): Nil
Interests in shares: Nil
Interests in options: Nil
Interests in convertible notes: Nil

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Company secretary

Henko Vos

Meetings of directors

The number of meetings of the Company's Board of Directors ('the Board') held during the year ended 30 June 2026, and the number of meetings attended by each director were:

	Full Board	
	Attended	Held
Philipp Kin	15	15
Mark Lochtenberg	14	15
John Kenny	12	15
Henko Vos	14	15
John Charles Cathcart	12	15

Held: represents the number of meetings held during the time the director held office.

The Board works closely together on Company related matters and have formalised relevant matters via 3 circular resolutions during the year.

Remuneration report (audited)

The remuneration report details the key management personnel remuneration arrangements for the Group, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The remuneration report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional information
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration

The objective of the Group's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency
- capital management

The Group has structured an executive remuneration framework that is market competitive and complimentary to the reward strategy of the organisation.

Alignment to shareholders' and program participants' interests:

- (a) focuses on sustained growth in shareholder wealth;
- (b) attracts and retains high calibre executives;
- (c) rewards capability and experience; and
- (d) provides a clear structure for earning rewards.

Remuneration Governance

Fees and payments to directors and key management personnel reflect the demands and responsibilities of the positions and are in line with the general market and the financial condition of the Group. There are no minimum or maximum amounts. There is no remuneration committee. Non-executive directors' fees are determined within an aggregate directors' fee pool limit, which will be periodically recommended for approval by shareholders. The maximum currently stands at \$250,000 per annum as per the Group's constitution and may be varied by ordinary resolution of the shareholders in general meeting. The entire Board which comprises three directors are responsible for remuneration packages. The Directors believe this is satisfactory given the size and complexity of the Company's operations.

Group performance and link to remuneration

No relationship exists between the Company's performance, earnings, shareholder wealth and Directors' and Executive Remuneration for this financial period and the previous 4 financial periods. The remuneration for the period is detailed below. No remuneration is currently performance related.

Use of remuneration consultants

Remuneration consultants were not used in the establishment of remuneration packages in 2026.

Voting and comments made at the Company's 2025 Annual General Meeting ('AGM')

At the 2025 AGM, 99.94 % of the votes received supported the adoption of the remuneration report for the year ended 30 June 2025. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of remuneration

Amounts of remuneration

Details of the remuneration of key management personnel of the Group are set out in the following tables.

The key management personnel of the Group consisted of the following directors of Helios Energy Ltd:

- Philipp Kin – appointed on 15 November 2024 and resigned 3 July 2026
- Mark Lochtenberg – appointed on 30 August 2023 and retired 28 August 2026
- John Kenny - appointed on 26 October 2023
- Henko Vos – appointed on 8 August 2024
- John Cathcart – appointed on 5 February 2025

	Short-term benefits Cash salary and fees \$	Post- employment benefits Super- annuation \$	Share-based payments Equity- settled \$	Total \$
2026				
<i>Non-Executive Directors:</i>				
Mark Lochtenberg	48,000	-	-	48,000
John Kenny	48,000	-	-	48,000
Henko Vos	48,000	-	-	48,000
John Cathcart	48,000	-	-	48,000
<i>Executive Director:</i>				
Philipp Kin*	287,833	-	(401,631)	(113,798)
	<u>479,833</u>	<u>-</u>	<u>(401,631)</u>	<u>78,202</u>

*Mr Philipp Kin was appointed Managing Director on 15 November 2024. As a sign-on incentive, he was entitled to 57,000,000 options in the Company, subject to shareholder approval. The proposed options were to expire three years from the date shareholder approval was obtained.

Shareholder approval for the proposed grant was not obtained. In late June 2026, the Company and Mr Kin entered into a final fee settlement agreement under which he confirmed his intention to resign as a director of the Company. The resignation became effective on 3 July 2026. Accordingly, the proposed option grant did not proceed, no options were issued, and all entitlements to the proposed options lapsed.

Any share-based payment expense previously recognised in relation to the proposed grant has been reversed during the year ended 30 June 2026 in accordance with AASB 2.

	Short-term benefits Cash salary and fees \$	Post- employment benefits Super- annuation \$	Share-based payments Equity- settled \$	Total \$
2025				
<i>Non-Executive Directors:</i>				
Mark Lochtenberg	48,000	-	-	48,000
John Kenny	48,000	-	-	48,000
Henko Vos	44,000	-	-	44,000
John Cathcart	20,000	-	-	20,000
<i>Executive Director:</i>				
Philipp Kin*	175,000	-	401,631	576,631
	<u>335,000</u>	<u>-</u>	<u>401,631</u>	<u>736,631</u>

*Philipp Kin was appointed as managing director on 15 November 2024. As a sign-on incentive, Philipp is entitled to 57 million options in the Company, expiring 3 years from the date of obtaining shareholder approval. The quantum and strike price of the options were 18 million options with a A\$0.02 exercise price, 19 million options with a A\$0.03 exercise price and 20 million options with a A\$0.04 exercise price.

These options were to vest at the rate of 25% immediately, 25% following 6 months continuous service, 25% following 12 months of continuous service and 25% following 18 months continuous service.

The issue of these options were subject to and conditional upon successful approval by the shareholders of the Company.

Director fees payable at reporting date is as follows:

	Consolidated 2026 \$	2025 \$
Mark Lochtenberg	136,000	88,000
John Kenny	128,000	80,000
Henko Vos	92,000	44,000
John Cathcart	68,000	20,000
Philipp Kin	12,833	-
	<u>436,833</u>	<u>232,000</u>

As part of ongoing cash management initiatives, directors agreed to defer receipt of their director fees. The deferred fees have been recognised as a current liability at 30 June 2026 and will be settled when the Group's financial position permits or as otherwise agreed with the respective directors.

The proportion of remuneration at risk and fixed are as follows:

Name	Fixed remuneration		At risk - STI		At risk - LTI	
	2026	2025	2026	2025	2026	2025
<i>Non-Executive Directors:</i>						
Mark Lochtenberg	100%	100%	-	-	-	-
John Kenny	100%	100%	-	-	-	-
Henko Vos	100%	100%	-	-	-	-
John Cathcart	100%	100%	-	-	-	-
<i>Executive Directors:</i>						
Philipp Kin	100%	30%	-	-	-	70%

Service agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name:	Mark Lochtenberg
Title:	Non-Executive Director
Agreement commenced:	30 August 2023
Details:	Mr Lochtenberg was paid AU\$4,000 per month in non-executive Director fees. It is confirmed that the work undertaken on additional executive duties was paid at a commercial rate. This does not form part of the non-executive director fees. The same terms rolled forward on a month by month basis. There were no termination amounts payable.
Name:	John Kenny
Title:	Non-Executive Director
Agreement commenced:	26 October 2023
Details:	Mr Kenny is paid AU\$4,000 per month in non-executive Director fees. It is confirmed that the work undertaken on additional executive duties will be paid at a commercial rate. This does not form part of the non-executive director fees. The same terms have been rolled forward on a month by month basis. There are no termination amounts payable.

Name: Henko Vos
Title: Non-Executive Director
Agreement commenced: 8 August 2024
Details: Mr Vos is paid AU\$4,000 per month in non-executive Director fees. It is confirmed that the work undertaken on additional executive duties will be paid at a commercial rate. This does not form part of the non-executive director fees. The same terms have been rolled forward on a month by month basis. There are no termination amounts payable.

Name: Philipp Kin
Title: Managing Director
Agreement commenced: 15 November 2024
Term of agreement: Initial agreement for 18 months up to 15 May 2026
Details: Mr Kin was paid a consulting fee of \$25,000 per month.

Name: John Cathcart
Title: Non-Executive Director
Agreement commenced: 5 February 2025
Details: Mr Cathcart is paid AU\$4,000 per month in non-executive Director fees. It is confirmed that the work undertaken on additional executive duties will be paid at a commercial rate. This does not form part of the non-executive director fees. The same terms have been rolled forward on a month by month basis. There are no termination amounts payable.

Share-based compensation

Issue of shares

There were no shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2026.

Options

There were no options over ordinary shares issued to directors and other key management personnel as part of compensation that were outstanding as at 30 June 2026.

Philipp Kin was appointed as managing director on 15 November 2024. As a sign-on incentive, Philipp was entitled to 57 million options in the Company, expiring 3 years from the date of obtaining shareholder approval. These options were never approved by the shareholders and were voided due to his resignation as a director on 3 July 2026.

Additional information

In considering the Group's performance and benefits for shareholder wealth, the Board have regard to the following indices in respect of the current and previous years.

	2026	2025	2024	2023	2022
	\$	\$	\$	\$	\$
Revenue/other income	24,475	111,470	222,316	233,301	772,598
Net (loss)	(23,114,711)	(3,682,045)	(4,957,997)	(8,606,881)	(4,552,073)
Share price at year end	0.01	0.02	0.03	0.08	0.08
Basic earnings per share (cents per share)	(0.70)	(0.14)	(0.19)	(0.33)	(0.20)
Diluted earnings per share (cents per share)	(0.70)	(0.14)	(0.19)	(0.33)	(0.20)

Additional disclosures relating to key management personnel

Shareholding

The number of shares in the Company held during the financial year by each director and other members of key management personnel of the Group, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
<i>Ordinary shares</i>					
Philipp Kin	3,600,000	-	-	-	3,600,000
Mark Lochtenberg	98,040,715	-	65,096,278	-	163,136,993
John Kenny	118,276,084	-	-	-	118,276,084
Henko Vos	-	-	-	-	-
John Cathcart	1,428,571	-	-	(1,428,571)	-
	<u>221,345,370</u>	<u>-</u>	<u>65,096,278</u>	<u>(1,428,571)</u>	<u>285,013,077</u>

Option holding

During the year ended on 30 June 2026, no directors held options in the Company.

Convertible notes holding

The number of convertible notes in the Company held during the financial year by each director and other members of key management personnel of the Group, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions	Conversion	Balance at the end of the year
Philipp Kin	25,000	-	-	-	25,000
Mark Lochtenberg	100,000	-	315,674	(415,674)	-
	<u>125,000</u>	<u>-</u>	<u>315,674</u>	<u>(415,674)</u>	<u>25,000</u>

On 10 February 2025, the Company announced the issue of Convertible Notes to directors and third parties that raised \$691,325 to support ongoing oil and gas exploration of the Presidio Oil and Gas Project in Texas, USA, repayment of current director and staff loans, and general business activities. The Convertible Notes were interest free, unsecured and could be either redeemed in full or converted into ordinary shares at \$0.005 per share.

On 20 June 2025, the Company announced the issue of 85,265,000 shares due to the conversion of 426,325 Convertible Notes at an issue price of \$0.005 each.

On 17 July 2025, the Company announced the issue of 28,000,000 shares due to the conversion of 140,000 Convertible Notes at an issue price of \$0.005 each.

On 19 December 2025, the Company announced the issue of 20,000,000 shares due to the conversion of 100,000 Convertible Notes at an issue price of \$0.005 each.

A liability of \$25,000 remained in relation to these notes at 30 June 2026. This liability was settled as part of the Settlement Agreement with Philipp Kin at his resignation on 3 July 2026.

Loans from key management personnel and their related parties

On 8 May 2024, Mark Lochtenberg paid a total of \$315,674 on behalf of the Company directly to Hilcorp Energy I, LP in settlement of certain drilling and related costs incurred for drilling and related costs associated with the Company's Truman Project. The Company inadvertently did not recognise the payable in its 30 June 2024 financial report due to an administrative oversight which resulted in the non-recording of the transaction. On 10 September 2025, the above transaction was formalised as a loan. The loan was converted to shares on 19 December 2025 at its then fair value of \$450,963. Refer to note 11 for further details.

This concludes the remuneration report, which has been audited.

Shares under option

Unissued ordinary shares of Helios Energy Ltd under option at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under option
07/05/2025	27/05/2028	\$0.020	41,000,000

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the Company or of any other body corporate.

Shares issued on the exercise of options

There were no ordinary shares of Helios Energy Ltd issued on the exercise of options during the year ended 30 June 2026 and up to the date of this report.

Corporate Governance

The directors of the Company support and adhere to the principles of corporate governance, recognising the need for the highest standard of corporate behaviour and accountability. Please refer to the corporate governance statement of the Company located at <https://www.heliosenergy ltd.com/corporate-governance>.

Indemnity and insurance of officers

The Company has indemnified the directors of the Company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the Company paid a premium in respect of a contract to insure the directors and executives of the Company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnity and insurance of auditor

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

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 dollars, unless specifically otherwise stated.

Auditor

BDO Audit Pty Ltd continues in office in accordance with section 327 of the Corporations Act 2001.

Non-audit services

There were no non-audit services provided during the financial year by the auditor.

Officers of the Company who are former partners of BDO Audit Pty Ltd

There are no officers of the Company who are former partners of BDO Audit Pty Ltd.

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 298(2)(a) of the Corporations Act 2001.

On behalf of the directors.

A handwritten signature in black ink, appearing to read "John Kenny", written in a cursive style.

John Kenny
Non-Executive Director

30 September 2026

Perth, WA



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DECLARATION OF INDEPENDENCE BY JOHN CHRISTIDES TO THE DIRECTORS OF HELIOS ENERGY LTD

As lead auditor of Helios Energy Ltd for the year ended 30 June 2026, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Helios Energy Ltd and the entities it controlled during the year.

A handwritten signature in black ink, appearing to read 'John Christides', with a stylized, flowing script.

John Christides

Director

BDO Audit Pty Ltd

Perth

30 September 2026

Helios Energy Ltd
Consolidated statement of profit or loss and other comprehensive income
For the year ended 30 June 2026



	Note	Consolidated 2026 \$	2025 \$
Revenue			
Revenue from operations		5,469	18,610
Other income		19,006	92,860
Expenses			
Administration costs	5	(680,684)	(1,095,985)
Audit fees		(71,156)	(63,966)
Corporate compliance costs		(64,187)	(118,307)
Corporate management fees		(479,833)	(335,000)
Depreciation and amortisation expense		(34,699)	(103,021)
Exploration expenditure written off	9	(21,349,493)	(641,877)
Fair value (loss) on investment		(92,950)	(92,950)
Finance cost		(61,939)	(55,731)
Foreign exchange gain/(loss)		61,255	(502)
Impairment of assets		-	(148,366)
Operating costs		(279,241)	(287,329)
Personnel Cost		(217,314)	(448,850)
Fair value loss on convertible notes		(270,576)	-
Share based payment reversal / (expense)	14	401,631	(401,631)
Loss before income tax expense		(23,114,711)	(3,682,045)
Income tax expense	6	-	-
Loss after income tax expense for the year attributable to the owners of Helios Energy Ltd		(23,114,711)	(3,682,045)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		(2,087,983)	504,584
Other comprehensive (loss) / income for the year, net of tax		(2,087,983)	504,584
Total comprehensive loss for the year attributable to the owners of Helios Energy Ltd		<u>(25,202,694)</u>	<u>(3,177,461)</u>
		Cents	Cents
Basic earnings per share	16	(0.70)	(0.14)
Diluted earnings per share	16	(0.70)	(0.14)

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

	Note	Consolidated 2026 \$	2025 \$
Assets			
Current assets			
Cash and cash equivalents	7	1,729,044	1,617,394
Trade and other receivables	8	407,282	374,665
Other assets		145,790	168,054
Total current assets		<u>2,282,116</u>	<u>2,160,113</u>
Non-current assets			
Right-of-use assets		34,311	71,964
Exploration and evaluation assets	9	23,152,741	46,417,540
Other financial assets		-	185,900
Total non-current assets		<u>23,187,052</u>	<u>46,675,404</u>
Total assets		<u>25,469,168</u>	<u>48,835,517</u>
Liabilities			
Current liabilities			
Trade and other payables	10	1,717,692	2,229,366
Borrowings	11	310,992	261,382
Lease liabilities		36,421	34,563
Total current liabilities		<u>2,065,105</u>	<u>2,525,311</u>
Non-current liabilities			
Lease liabilities		-	38,195
Total non-current liabilities		<u>-</u>	<u>38,195</u>
Total liabilities		<u>2,065,105</u>	<u>2,563,506</u>
Net assets		<u>23,404,063</u>	<u>46,272,011</u>
Equity			
Issued capital	12	104,434,904	101,636,361
Reserves	13	962,729	4,642,658
Accumulated losses		(81,993,570)	(60,007,008)
Total equity		<u>23,404,063</u>	<u>46,272,011</u>

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

Helios Energy Ltd
Consolidated statement of changes in equity
For the year ended 30 June 2026



Consolidated	Issued capital \$	Convertible note reserve \$	Option reserves \$	Foreign currency translation reserve \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2024	98,117,145	-	1,128,149	2,255,423	(56,324,963)	45,175,754
Loss after income tax expense for the year	-	-	-	-	(3,682,045)	(3,682,045)
Other comprehensive income for the year, net of tax	-	-	-	504,584	-	504,584
Total comprehensive income for the year	-	-	-	504,584	(3,682,045)	(3,177,461)
<i>Transactions with owners in their capacity as owners:</i>						
Contributions of equity, net of transaction costs (note 12)	3,519,216	-	-	-	-	3,519,216
Share-based payments (note 13)	-	-	680,431	-	-	680,431
Issue of convertible notes	-	74,071	-	-	-	74,071
Balance at 30 June 2025	<u>101,636,361</u>	<u>74,071</u>	<u>1,808,580</u>	<u>2,760,007</u>	<u>(60,007,008)</u>	<u>46,272,011</u>

Consolidated	Issued capital \$	Convertible note reserve \$	Option reserves \$	Foreign currency translation reserve \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2025	101,636,361	74,071	1,808,580	2,760,007	(60,007,008)	46,272,011
Loss after income tax expense for the year	-	-	-	-	(23,114,711)	(23,114,711)
Other comprehensive income for the year, net of tax	-	-	-	(2,087,983)	-	(2,087,983)
Total comprehensive income for the year	-	-	-	(2,087,983)	(23,114,711)	(25,202,694)
<i>Transactions with owners in their capacity as owners:</i>						
Contributions of equity, net of transaction costs (note 12)	2,724,472	-	-	-	-	2,724,472
Share-based payments (note 13)	-	-	(1,529,780)	-	1,128,149	(401,631)
Issue of convertible notes	-	11,905	-	-	-	11,905
Conversion into shares	74,071	(74,071)	-	-	-	-
Balance at 30 June 2026	<u>104,434,904</u>	<u>11,905</u>	<u>278,800</u>	<u>672,024</u>	<u>(81,993,570)</u>	<u>23,404,063</u>

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

Helios Energy Ltd
Consolidated statement of cash flows
For the year ended 30 June 2026



	Note	Consolidated 2026 \$	2025 \$
Cash flows from operating activities			
Receipts from customers		23,573	23,246
Payments to suppliers and employees		(1,265,017)	(1,721,870)
Interest received		902	2,916
Interest and other finance costs paid		(8,712)	(27,321)
Net cash used in operating activities	17	(1,249,254)	(1,723,029)
Cash flows from investing activities			
Payments for exploration and evaluation		(651,899)	(946,042)
Proceeds from disposal of investments		92,950	-
Net cash used in investing activities		(558,949)	(946,042)
Cash flows from financing activities			
Proceeds from issue of shares		1,742,517	3,604,050
Proceeds from issue of convertible notes		250,000	691,325
Proceeds from borrowings		-	150,000
Share issue transaction costs		(14,848)	(295,358)
Repayment of borrowings		(79,867)	(236,959)
Repayment of lease liabilities		(33,331)	(95,329)
Net cash from financing activities		1,864,471	3,817,729
Net increase in cash and cash equivalents		56,268	1,148,658
Cash and cash equivalents at the beginning of the financial year		1,617,394	463,841
Effects of exchange rate changes on cash and cash equivalents		55,382	4,895
Cash and cash equivalents at the end of the financial year	7	<u>1,729,044</u>	<u>1,617,394</u>

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

1. General information

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

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 30 September 2026. The directors have the power to amend and reissue the financial statements.

2. Material accounting policy information

The accounting policies that are material to the Group are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

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.

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

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group.

Going concern

The financial report has been prepared on the basis that the Group is a going concern, which contemplates the continuity of normal business activity, the realisation of assets and the settlement of liabilities in the normal course of business.

For the year ended 30 June 2026 the Group recorded a net loss of \$23,114,711 (2025: loss of \$3,682,045), a net cash outflow from operating activities of \$1,249,254 (2025: outflow of \$1,723,029) and a net working capital surplus of \$217,011 (2025: deficit of \$365,198).

The ability of the Group to continue as a going concern is principally dependent upon the ability of the Group to continue to secure funds by raising capital from equity markets and managing cash flows in line with available funds. Given the factors above, there is a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern.

The Directors believe it is appropriate to prepare the financial report on a going concern basis because:

- the Group has a net asset position of \$23,404,063 as at year end and a cash balance of \$1,729,044 as at year end;
- The Group has the option, if necessary, to defer certain expenditure, optimise the scope and timing of project activities, and reduce costs in order to minimise its funding requirements; and
- the Group has the ability to raise further funds through capital raising or debt instruments as it has successfully demonstrated in the past.

Should the Group be unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at the amounts stated in the financial report. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern. The Directors believe there are sufficient funds to meet the Group's working capital requirements as at the date of this report

2. Material accounting policy information (continued)

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with IFRS Accounting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Rounding 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 dollars, unless specifically otherwise stated.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Helios Energy Ltd ('Company' or 'parent entity') as at 30 June 2026 and the results of all subsidiaries for the year then ended. Helios Energy Ltd and its subsidiaries together are referred to in these financial statements as the 'Group'.

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Where the Group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Foreign currency translation

The financial statements are presented in Australian dollars, which is Helios Energy Ltd's functional and presentation currency.

Foreign currency transactions

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

2. Material accounting policy information (continued)

Foreign operations

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

Exploration and evaluation assets

Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the statement of financial position where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves. Where a project or an area of interest has been abandoned, the expenditure incurred thereon is written off in the year in which the decision is made.

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves. Accumulated costs in relation to an abandoned area are written off in full against profit or loss in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

The component of the convertible notes that exhibits characteristics of a liability is recognised as a liability in the statement of financial position, net of transaction costs.

On the issue of the convertible notes the fair value of the liability component is determined using a market rate for an equivalent non-convertible bond and this amount is carried as a non-current liability on the amortised cost basis until extinguished on conversion or redemption. The increase in the liability due to the passage of time is recognised as a finance cost. The remainder of the proceeds are allocated to the conversion option that is recognised and included in shareholders equity as a convertible note reserve, net of transaction costs. The carrying amount of the conversion option is not remeasured in the subsequent years. The corresponding interest on convertible notes is expensed to profit or loss.

2. Material accounting policy information (continued)

Employee benefits

Share-based payments

The Group may provide benefits to employees (including directors) of the Group in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares ('equity settled transactions'). The cost of these equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted.

The fair value of these payments is determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option. The fair value of the options granted is adjusted to reflect market conditions but excludes the impact of any non-market vesting conditions. Non-market vesting conditions, if any, are included in assumptions about the number of options likely to be exercisable.

Fair value measurement

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2026. The Group's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Group, are set out below.

AASB 18 Presentation and Disclosure in Financial Statements

This standard is applicable to annual reporting periods beginning on or after 1 January 2027 and early adoption is permitted. The standard replaces IAS 1 'Presentation of Financial Statements', with many of the original disclosure requirements retained and there will be no impact on the recognition and measurement of items in the financial statements. But the standard will affect presentation and disclosure in the financial statements, including introducing five categories in the statement of profit or loss and other comprehensive income: operating, investing, financing, income taxes and discontinued operations. The standard introduces two mandatory sub-totals in the statement: 'Operating profit' and 'Profit before financing and income taxes'. There are also new disclosure requirements for 'management-defined performance measures', such as earnings before interest, taxes, depreciation and amortisation ('EBITDA') or 'adjusted profit'. The standard provides enhanced guidance on grouping of information (aggregation and disaggregation), including whether to present this information in the primary financial statements or in the notes. The Group will adopt this standard from 1 July 2027 and it is expected that there will be a significant change to the layout of the statement of profit or loss and other comprehensive income.

3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Share-based payment transactions

The Company makes equity settled share-based payments to certain employees and consultants, which are measured at fair value at the date of grant and expensed on a straight line basis over the vesting period, based on the Company's estimate of shares that will eventually vest. The fair values are determined using an appropriate valuation model. Vesting assumptions are reviewed during each reporting period to ensure they reflect current expectations. Refer to note 14 'Share-based payments' for further details.

Exploration and evaluation costs carried forward

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the Group decides to exploit the related lease itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale. Factors which could impact the future recoverability include quantity and commercial viability of contingent petroleum resources and reserves, future technological changes which could impact the cost of mining, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices. To the extent that capitalised exploration and evaluation expenditure is determined not to be recoverable in the future, this will increase losses and reduce net assets in the period in which this determination is made. In addition, exploration and evaluation expenditure is capitalised if activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves. To the extent that it is determined in the future that this capitalised expenditure should be written off, this will increase losses and reduce net assets in the period in which this determination is made.

Impairment of exploration and evaluation assets

Determining whether exploration and evaluation assets are impaired requires judgement in identifying the appropriate area of interest, assessing whether substantive expenditure is budgeted or planned and determining whether the carrying amount is expected to be recovered through successful development or sale. During the year, management decided to discontinue activities in relation to Presidio 52#1, the Candelaria Prospect Area and certain other minor projects. These assets were written down in full, resulting in an write-off expense of \$21,349,493. Management determined that the remaining Presidio assets continue to form part of the Company's core focus and strategic direction and retained a carrying amount of \$23,152,741 based on continuing exploration activities, existing tenure, geological and seismic information and planned future expenditure. Further information is provided in Note 9.

Deferred tax assets

The Group expects to have carried forward tax losses, which have not been recognised as deferred tax assets. The utilisation of tax losses is subject to the Group passing the required Continuity of Ownership and Same Business Test rules at the time the losses are expected to be utilised. Deferred tax assets are only recognised to the extent that it is probable that future maintainable profits will utilise the carry forward losses, which requires judgements relating to the ability of the company to generate future surplus taxable income.

4. Operating segments

The Group is organised into two operating segments, being oil and gas exploration in the USA and helium in China. This is based on the internal reports that are being reviewed 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.

The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

4. Operating segments (continued)

30 June 2026

	USA \$	Unallocated \$	Total
Profit and loss			
Revenue	5,469	-	5,469
Other revenue	18,104	-	18,104
Interest Income	-	902	902
Other Income	18,104	902	19,006
Fair value loss on investment	-	(92,950)	(92,950)
Share-based payments	-	401,631	401,631
Write-off of exploration expenditure	(21,349,493)	-	(21,349,493)
Loss for the year	(22,142,610)	(972,101)	(23,114,711)
Financial Position			
Total Assets	21,884,087	3,585,081	25,469,168
Total Liabilities	(803,402)	(1,261,703)	(2,065,105)

30 June 2025

	USA \$	China \$	Unallocated \$	Total
Profit and loss				
Revenue	18,610	-	-	18,610
Other revenue	89,944	-	-	89,944
Interest Income	-	-	2,916	2,916
Other Income	89,944	-	2,916	92,860
Exploration expenditure written off	(641,877)	-	-	(641,877)
Fair value loss on investment	-	-	(92,950)	(92,950)
Share-based payments	-	-	(401,631)	(401,631)
Impairment of assets	-	(148,366)	-	(148,366)
Loss for the year	(1,903,453)	(149,072)	(1,629,520)	(3,682,045)
Financial Position				
Total Assets	45,301,838	-	3,533,679	48,835,517
Total Liabilities	(1,288,667)	(14,391)	(1,260,448)	(2,563,506)

5. Administration costs

	Consolidated 2026 \$	2025 \$
Administration & accounting consultancy fees	214,147	555,989
Contract labour	19,581	7,554
Insurance	130,509	139,346
Legal fees	45,188	203,934
Marketing and advertising	36,231	40,040
Office expenses	30,095	36,230
Telecommunication costs	2,987	1,229
Travel costs	84,268	102,693
Other	117,678	8,970
	<u>680,684</u>	<u>1,095,985</u>

6. Income tax expense

	Consolidated 2026 \$	2025 \$
<i>Numerical reconciliation of income tax expense and tax at the statutory rate</i>		
Loss before income tax expense	(23,114,711)	(3,682,045)
Tax at the statutory tax rate of 25% (2025: 30%)	(5,778,678)	(1,104,614)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Revenue losses not recognised	62,559	846,675
Other non-allowable items	(33,538)	176,631
Differences in tax rate of subsidiaries operating in other jurisdictions	913,053	179,062
Other deferred tax balances not recognised	4,836,604	(97,754)
Income tax expense	<u>-</u>	<u>-</u>

	Consolidated 2026 \$	2025 \$
<i>Deferred tax assets not recognised</i>		
Deferred tax assets not recognised comprises temporary differences attributable to:		
Carry forward revenue losses	11,661,451	11,883,617
Carry forward capital losses	3,958,978	4,265,958
Capital raising costs	11,635	24,101
Provisions and accruals	7,554	88,003
Investments	-	456,930
Exploration	(2,692,948)	(7,578,556)
Other	(10,853)	(15,413)
Total deferred tax assets not recognised	<u>12,935,817</u>	<u>9,124,640</u>

6. Income tax expense (continued)

The tax benefits of the above deferred tax assets will only be obtained if:

- (a) the company derives future assessable income of a nature and amount sufficient to enable the benefits to be utilised;
- (b) the company continues to comply with the conditions for deductibility imposed by law; and
- (c) no changes in income tax legislation which adversely affect utilising benefits.

7. Cash and cash equivalents

	Consolidated	
	2026	2025
	\$	\$
<i>Current assets</i>		
Cash at bank	1,729,044	1,617,394

The Group's exposure to interest rate risk is discussed in note 19. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of cash at bank and in hand. The Group does not have any restrictions on its bank accounts recognised as cash.

Refer to note 19 for the risk management policy of the Group.

8. Trade and other receivables

	Consolidated	
	2026	2025
	\$	\$
<i>Current assets</i>		
Other receivables	380,017	316,693
BAS receivable	27,265	57,972
	407,282	374,665

9. Exploration and evaluation

	Consolidated	
	2026	2025
	\$	\$
<i>Non-current assets</i>		
Exploration and evaluation expenditure	23,152,741	46,417,540

9. Exploration and evaluation (continued)

Reconciliations

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

Consolidated	Exploration and evaluation \$
Balance at 1 July 2024	45,382,920
Expenditure during the year	561,740
Foreign exchange difference on translation	472,880
Balance at 30 June 2025	46,417,540
Expenditure during the year	159,439
Foreign exchange difference on translation	(2,074,745)
Exploration and evaluation expenditure written off	(21,349,493)
Balance at 30 June 2026	<u>23,152,741</u>

Exploration costs are only carried forward to the extent that they are expected to be recouped through the successful development or sale of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

During the year ended 30 June 2026, the Group assessed its exploration and evaluation assets associated with the Presidio Project in accordance with AASB 6 *Exploration for and Evaluation of Mineral Resources*. Management made the decision not to undertake further activities in certain areas of the Presidio Project, including the Presidio 52#1 well and the Candelaria prospect.

As a result of this assessment, the Group recognised an expense of \$21,349,493 (2025: 641,877) for previously capitalised costs written off, reducing the carrying value of exploration and evaluation assets to \$23,152,741 as at 30 June 2026.

Management assessed the Presidio Project by reference to each individual sub-project. The expense recognised during the year relates principally to exploration expenditure associated with the Presidio 52#1 well, the Candelaria prospect and other areas no longer considered part of the Group's ongoing and core exploration focus.

The remaining carrying value of \$23,152,741 relates to the Group's continuing interests, including the Presidio 141#2, Quinn Creek 141#1 and Quinn Mesa 113-1 wells, associated petroleum rights, leasehold interests, exploration data and seismic interpretation work. Management considers these assets to remain recoverable based on the continued tenure over the project area, ongoing technical evaluation, identified future drilling opportunities, and planned exploration activities within the Presidio Project.

10. Trade and other payables

	Consolidated 2026 \$	2025 \$
<i>Current liabilities</i>		
Trade payables	946,135	1,160,757
Accrued expenses(**)	493,497	293,344
Other payables (*)	278,060	775,265
	<u>1,717,692</u>	<u>2,229,366</u>

Refer to note 19 for further information on financial instruments.

(*) Refer to note 11 Borrowings for further details.

(**) Included within accrued expenses is \$436,833 (30 June 2025: \$232,000) relating to director fees accrued but unpaid at the reporting date. As part of the Group's ongoing cash management initiatives, the directors agreed to defer receipt of these fees. The accrued amounts have been recognised as current liabilities and will be settled when the Group's financial position permits, or otherwise in accordance with arrangements agreed with the respective directors.

11. Borrowings

	Consolidated 2026 \$	2025 \$
<i>Current liabilities</i>		
Insurance financed	40,331	42,042
Convertible notes payable	270,661	219,340
	<u>310,992</u>	<u>261,382</u>

Refer to note 19 for further information on financial instruments.

- (i) On 7 February 2025, the Company announced that it had secured \$691,325 through the issuance of 691,325 Convertible Notes. The Convertible Notes were issued on 10 February 2025. The notes were convertible into ordinary shares of the parent entity, at any time at the option of the holder, or repayable on 9 February 2026. Each Convertible Note converted into such number of new Shares as was determined by dividing the face value of the Convertible Note by \$0.005.

The funds were used to support ongoing oil and gas exploration of the Presidio Oil and Gas Project in Texas, USA, repayment of current director and staff loans, and general business activities.

These Convertible Notes were interest free, unsecured and could be either redeemed in full or converted into ordinary shares (subject to approvals where required).

- On 20 June 2025, the Company announced the issue of 85,265,000 shares due to the conversion of 426,325 Convertible Notes at an issue price of \$0.005 each.
- On 17 July 2025, the Company announced the issue of 28,000,000 shares due to the conversion of 140,000 Convertible Notes at an issue price of \$0.005 each.
- On 19 December 2025, the Company announced the issue of 20,000,000 shares due to the conversion of 100,000 Convertible Notes at an issue price of \$0.005 each.

A liability of \$25,000 remained in relation to these notes at 30 June 2026. This was extinguished through the Settlement Agreement with Philipp Kin dated 3 July 2026. Refer to note 12 for details of shares issued.

11. Borrowings (continued)

- (ii) At 30 June 2025, an amount of \$631,348 was included in Trade and other payables relating to amounts due to Gleneagle Securities (Aust) Pty Ltd and Mark Lochtenberg, a director of the Company. On 10 September 2025, the Company signed loan agreements with convertible rights with Gleneagle Securities (Aust) Pty Ltd and Rigi Investments Pty Limited, an entity associated with Mr Lochtenberg, each in the amount of \$315,674 to be repaid by 31 December 2025, the total funding amounting to \$631,348. On entering these loan agreements, the liabilities were reclassified as Borrowings. The instruments had a fair value of \$1,352,888 at the date that the agreements were signed. The loans from Rigi Investments Pty Limited and Gleneagle Securities (Aust) Pty Ltd were converted to shares on 19 December 2025 and 20 February 2026 at their fair values of \$450,963 each.
- (iii) On 6 March 2026, the Company entered into a Convertible Note Subscription Agreement for the issue of unsecured, interest-free Convertible Notes with an aggregate facility limit of \$500,000. The Convertible Notes were repayable within six months of the issue date and could be redeemed in full or converted into ordinary shares, subject to any required approvals.

Although the facility provided for subscriptions of up to \$500,000, only \$250,000 was subscribed and funded by investors during the period. Accordingly, the Company recognised Convertible Notes of \$250,000 representing the proceeds received under the facility.

As at 30 June 2026, Convertible Notes with a carrying value of \$245,661 remained outstanding in respect of this facility.

The movement of Convertible notes payable are as follows:

	Consolidated	
	2026	2025
	\$	\$
Opening balance	219,340	-
Convertible notes issued during the year (i)(iii)	250,000	691,325
Trade payables converted to convertible rights (ii)	1,352,888	-
Equity component of convertible notes transferred to reserves	(11,905)	(74,071)
Fair value movement of convertible notes (ii)	(450,962)	-
Conversion of convertible notes to shares	(1,141,926)	(426,325)
Interest expense recognised for the year	53,226	28,411
	<u>270,661</u>	<u>219,340</u>

12. Issued capital

	Consolidated			
	2026	2025	2026	2025
	Shares	Shares	\$	\$
Ordinary shares - fully paid	<u>3,884,305,218</u>	<u>3,210,478,648</u>	<u>104,434,904</u>	<u>101,636,361</u>

12. Issued capital (continued)

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$
Balance	1 July 2024	2,604,049,443		98,117,145
Placement	25 March 2025	142,857,142	\$0.007	1,000,000
Entitlement - issue of shares	16 April 2025	131,835,522	\$0.007	922,849
Entitlement - issue of shares	7 May 2025	240,171,541	\$0.007	1,681,201
Placement	29 May 2025	6,300,000	\$0.010	63,000
Conversion of convertible notes	20 June 2025	85,265,000	\$0.005	426,325
Capital raising cost (1)		-	\$0.000	(574,159)
Balance	30 June 2025	3,210,478,648		101,636,361
Conversion of convertible notes	17 July 2025	28,000,000	\$0.005	140,000
Conversion of convertible notes	19 December 2025	45,096,278	\$0.010	450,963
Conversion of convertible notes	19 December 2025	20,000,000	\$0.005	100,000
Conversion of convertible notes	20 February 2026	45,096,278	\$0.010	450,963
Placement	2 June 2026	502,300,680	\$0.003	1,506,902
Convertible notes extinguished via shares	2 June 2026	33,333,334	\$0.003	100,000
Transfer of equity portion related to convertible notes converted to shares		-	\$0.000	74,071
Capital raising cost		-	\$0.000	(24,356)
Balance	30 June 2026	<u>3,884,305,218</u>		<u>104,434,904</u>

(1) Refer to note 14 for details of share-based payments included in this balance.

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

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.

Capital risk management

The Group's objective when managing capital is to safeguard the ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the return of capital to shareholders, issue new shares or sell assets to reduce debt. The Group defines capital as cash and cash equivalents plus equity.

The Board of Directors monitors capital on an ad-hoc basis. No formal targets are in place for return on capital.

There are no gearing ratios as the Group has not derived any income from their oil and gas exploration and currently has no debt facilities in place.

13. Reserves

	Consolidated 2026 \$	2025 \$
Foreign currency reserve	672,024	2,760,007
Share-based payments reserve	278,800	1,808,580
Convertible note reserve	11,905	74,071
	<u>962,729</u>	<u>4,642,658</u>

Refer to note 14 'Share-based payments' for further details on options granted during the year.

Foreign currency 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.

Share-based payments reserve

The share-based payment reserve is used to recognise the fair value of unlisted options issued but not converted into ordinary shares. The reserve is recognised in contributed equity when and if the relevant milestone is attained within the specified period and as a result the unlisted options concerned convert to ordinary shares.

13. Reserves (continued)

Convertible note reserve

The convertible note reserve is used to recognise the equity value of convertible notes issued by the Company.

Movements in reserves

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

Share Based payment reserve

2025

Date	Details	Number of Options	Amount \$
01/07/2024	Opening balance	15,000,000	1,128,149
15/11/2024	Options granted to director (not yet issued)	57,000,000	401,631
07/05/2025	Options granted to Lead Manager of Right issue	41,000,000	278,800
30/06/2025	Closing balance	<u>113,000,000</u>	<u>1,808,580</u>

2026

Date	Details	Number of options	Amount \$
01/07/2025	Opening balance	113,000,000	1,808,580
31/12/2025	Options expired	(15,000,000)	(1,128,149)
30/06/2026	Options expense recognised for the year	-	127,369
30/06/2026	Options voided	<u>(57,000,000)</u>	<u>(529,000)</u>
30/06/2026	Closing balance	<u>41,000,000</u>	<u>278,800</u>

Convertible note reserve

2025

Date	Details	Number of convertible notes	Amount \$
01/07/2024	Opening balance	-	-
10/02/2025	Issue of convertible notes	691,325	74,071
20/06/2025	Conversion into shares	<u>(426,325)</u>	<u>-</u>
30/06/2025	Closing balance	<u>265,000</u>	<u>74,071</u>

2026

Date	Details	Number of convertible notes	Amount \$
01/07/2025	Opening balance	265,000	74,071
20/02/2026	Conversion into shares	<u>(240,000)</u>	<u>(74,071)</u>
06/03/2026	Issue of convertible notes	250,000	11,905
30/06/2026	Closing balance	<u>275,000</u>	<u>11,905</u>

13. Reserves (continued)

On 17 July 2025 and 19 December 2025, respectively \$140,000 and \$100,000 convertible notes were converted into 48,000,000 fully paid ordinary shares.

On 6 March 2026, the Company entered into a Convertible Note Subscription Agreement for the issue of Convertible Notes with an aggregate face value of \$500,000. The Convertible Notes were unsecured, interest-free and could be either redeemed in full or converted into ordinary shares, subject to any required approvals.

As at 30 June 2026, the Company had received total proceeds of \$250,000 and recognised these amounts as Convertible Notes.

14. Share-based payments

	Consolidated 2026 \$	2025 \$
Share based payment (1)	(401,631)	401,631
Share based payment recognised as administration cost (2)	-	63,000
Share based payment recognised cost of capital raising (3)	-	278,800
	<u>(401,631)</u>	<u>743,431</u>

- (1) On 15 November 2024, the Group announced the appointment of Mr. Philipp Kin as Managing Director of the Group. As a sign-on incentive, Mr Kin was granted 57,000,000 options in the Company, expiring 3 years from the date of obtaining shareholder approval. These options were never approved by the shareholders and were voided due to his resignation as a director on 3 July 2026.
- (2) On 29 May 2025, the Company issued 6,300,000 shares to Pitt Street Research in lieu of services rendered. These shares were valued at \$63,000 and were recorded as consulting expenses.
- (3) The Group granted 41,000,000 options in the Company to the Lead Manager responsible to the placement and entitlement offer that occurred during the year. The service was completed on 7 May 2025 (grant date).

Set out below are summaries of options granted under share option plan:

	Number of options 2026	Weighted average exercise price 2026	Number of options 2025	Weighted average exercise price 2025
Outstanding at the beginning of the financial year	113,000,000	\$0.056	15,000,000	\$0.255
Granted	-	\$0.000	98,000,000	\$0.026
Expired	(15,000,000)	\$0.255	-	\$0.000
Voided *	(18,000,000)	\$0.020	-	\$0.000
Voided *	(19,000,000)	\$0.030	-	\$0.000
Voided *	<u>(20,000,000)</u>	\$0.040	<u>-</u>	\$0.000
Outstanding at the end of the financial year	<u>41,000,000</u>	\$0.020	<u>113,000,000</u>	\$0.056
Exercisable at the end of the financial year (**)	<u>41,000,000</u>	\$0.020	<u>56,000,000</u>	\$0.083

* 57,000,000 options granted to Mr. Philipp Kin were never approved by the shareholders and were voided due to his resignation as a director on 3 July 2026.

** Balance at 30 June 2025 did not include the portion of the 57,000,000 options granted to Mr. Kin in November 2024 that had not been issued (pending approval from shareholders at the time).

14. Share-based payments (continued)

The weighted average remaining contractual life of options outstanding at the end of the financial year was 1.91 years (30 June 2025: 2.26 years).

15. Dividends

Dividends

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

16. Earnings per share

The Group is generating losses, therefore the convertible notes were not included on the weighted average number of shares and they are considered anti-dilutive.

	Consolidated	
	2026	2025
	\$	\$
Loss after income tax attributable to the owners of Helios Energy Ltd	<u>(23,114,711)</u>	<u>(3,682,045)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>3,319,950,899</u>	<u>2,700,389,911</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>3,319,950,899</u>	<u>2,700,389,911</u>
	Cents	Cents
Basic earnings per share	(0.70)	(0.14)
Diluted earnings per share	(0.70)	(0.14)

Options and convertible notes Instruments, that could potentially dilute basic earnings per share in the future were not included in the diluted earnings per share calculation for the period because their effect was anti-dilutive.

17. Reconciliation of loss after income tax to net cash used in operating activities

	Consolidated 2026 \$	2025 \$
Loss after income tax expense for the year	(23,114,711)	(3,682,045)
Adjustments for:		
Depreciation and amortisation	34,699	103,021
Impairment of assets	-	148,366
Write off of exploration expenditure	21,349,493	641,877
Net fair value loss on financial assets	92,950	92,950
Share-based payments	(401,631)	401,631
Share-based payments recorded as consulting fees on administration costs	-	63,000
Foreign exchange differences	(61,255)	502
(Gain) / loss Lease modification	-	(85,314)
Fair value movement in convertible notes	270,576	-
Change in operating assets and liabilities:		
Decrease in trade and other receivables	126,044	101,749
Increase in trade and other payables	454,581	491,234
Net cash used in operating activities	<u>(1,249,254)</u>	<u>(1,723,029)</u>

18. Non-cash investing and financing activities

	Consolidated 2026 \$	2025 \$
Shares issued on conversion of convertible notes	1,141,926	426,325
Shares issued in lieu of services rendered	<u>-</u>	<u>63,000</u>

19. Financial instruments

Financial risk management objectives

The Group's financial instruments consist mainly of deposits with banks, accounts receivable, investments and payable and lease liabilities. The Group's activities expose it to a variety of financial risks; market risk (including fair value and interest rate risk), credit risk, liquidity risk, foreign exchange fluctuations, cash flow and interest rate risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. Risk management is carried out by the Board of Directors under policies approved by the Board. The Board identifies and evaluates financial risks for overall risk management.

Market risk

Foreign currency risk

As a result of having operations in the United States and in US dollars, the Group's results and Statement of Financial Position can be affected by movements in foreign exchange rates. The Group does not hedge this exposure.

The Group manages its foreign exchange risk by constantly reviewing its exposure to commitments payable in foreign currency and ensuring appropriate cash balances are maintained to meet current operational commitments.

19. Financial instruments (continued)

	Assets		Liabilities	
	2026 \$	2025 \$	2026 \$	2025 \$
Currency				
US Dollars	1,945,685	484,759	803,402	1,288,109
Chinese Yuan	-	-	14,476	14,391
	<u>1,945,685</u>	<u>484,759</u>	<u>817,878</u>	<u>1,302,500</u>

The Group had net financial assets denominated in foreign currencies of \$1,127,807 (assets of \$1,945,685 less liabilities of \$817,878) as at 30 June 2026 (30 June 2025: net liabilities of \$817,741 (assets of \$484,759 less liabilities of \$1,302,500)). Based on this exposure, had the Australian dollar weakened by 10% / strengthened by 10% against these foreign currencies with all other variables held constant, the Group's loss before tax for the year would have been \$112,781 lower / higher (30 June 2025: \$81,774 lower / higher) and equity would have the same impact. The percentage change is the expected overall volatility of the significant currencies, which is based on management's assessment of reasonable possible fluctuations taking into consideration movements over the last year and the spot rate at each reporting date. The actual foreign exchange gain for the year ended 30 June 2026 was \$61,255 (2025: \$502).

Management believes the balance date risk exposures are representative of the risk exposure inherent in financial instruments.

Interest rate risk

As the Group has no significant variable interest-bearing liabilities or assets, the Group's income and operating cash flows are not materially exposed to changes in market interest rates.

The risk arises due to changes in interest rates offered by the bank. The risk is managed by seeking alternative quotes from competing banks.

Credit risk

The Group has no significant credit risk.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash to meet commitments as and when they fall due. The Group has no significant long term or short term debt and its risk with regard to liquidity relates to its ability to maintain its current operations prior to the generation of future income streams. The Group's ability to raise equity funding in the market is paramount in this regard. The Group manages liquidity by ensuring that it has at least sufficient cash to meet its budgeted commitments for at least 12 months.

19. Financial instruments (continued)

Remaining contractual maturities

The following tables detail the Group's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated - 2026	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Total \$
Non-derivatives						
<i>Non-interest bearing</i>						
Trade and other payables	-	1,717,692	-	-	-	1,717,692
<i>Interest-bearing - fixed rate</i>						
Insurance finance	15.53%	41,912	-	-	-	41,912
Convertible notes payable	-	275,000	-	-	-	275,000
Lease liability	7.50%	37,656	-	-	-	37,656
Total non-derivatives		<u>2,072,260</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,072,260</u>

Consolidated - 2025	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Total \$
Non-derivatives						
<i>Non-interest bearing</i>						
Trade and other payables	-	2,229,366	-	-	-	2,229,366
<i>Interest-bearing - fixed rate</i>						
Insurance finance	15.53%	43,692	-	-	-	43,692
Convertible notes payable	-	265,000	-	-	-	265,000
Lease liability	7.50%	38,484	39,490	-	-	77,974
Total non-derivatives		<u>2,576,542</u>	<u>39,490</u>	<u>-</u>	<u>-</u>	<u>2,616,032</u>

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments

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

20. Fair value measurement

Fair value hierarchy

The following tables detail the Group's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: Unobservable inputs for the asset or liability

There were no financial assets as at 30 June 2026 measured at fair value.

20. Fair value measurement (continued)

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Consolidated - 2025				
<i>Assets</i>				
Winchester Energy Limited ordinary shares	185,900	-	-	185,900
Total assets	<u>185,900</u>	<u>-</u>	<u>-</u>	<u>185,900</u>

There were no transfers between levels during the financial year.

21. Related party transactions

Parent entity

Helios Energy Ltd is the parent entity.

Subsidiaries

Interests in subsidiaries are set out below:

Name of the entity	Country of incorporation	Class of shares	Equity holding	Equity holding
			2026 %	2025 %
Helios Energy USA, Ltd (1)	USA	Ordinary	100%	100%
Helios Operating, LLC	USA	Ordinary	100%	100%
Helios Energy (China) Ltd (2)	China	Ordinary	100%	100%
Helios Energy Holdings Ltd (3)	Cayman Islands	Ordinary	100%	100%

(1) Holding company for Helios Operating, LLC

(2) Helios Energy (China) Ltd was registered in Beijing China on 22 September 2020 as a 100% subsidiary entity of Helios Energy Holdings Ltd. In January 2021, the Company opened a bank account with HSBC Bank (China) Beijing Branch.

(3) Helios Energy Holdings Ltd was incorporated in the Cayman Islands on 23 May 2018, as a shell company, with Helios Energy USA Ltd being the 100% shareholder. The Company opened a bank account with HSBC Bank (China) Beijing Branch.

Key management personnel

Disclosures relating to key management personnel are set out below and the remuneration report included in the directors' report.

	Consolidated	
	2026	2025
	\$	\$
Short-term employee benefits	479,833	335,000
Share based payments	(401,631)	401,631
	<u>78,202</u>	<u>736,631</u>

21. Related party transactions (continued)

Receivable from and payable to related parties

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	Consolidated	
	2026	2025
	\$	\$
Current payables:		
Trade payables to key management personnel (Mark Lochtenberg)	-	315,674

On 8 May 2024, Mark Lochtenberg paid a total of \$315,674 on behalf of the Company directly to Hilcorp Energy I, LP in settlement of certain drilling and related costs incurred for drilling and related costs associated with the Company's Truman Project. The Company inadvertently did not recognise the payable in its 30 June 2024 financial report due to an administrative oversight which resulted in the non-recording of the payable transaction.

On 10 September 2025, the above transaction was formalised as a loan. The loan subsequently converted to shares on 19 December 2025. (Refer note 11 & note 12)

Directors fees payable at reporting date are as follows:

	Consolidated	
	2026	2025
	\$	\$
Mark Lochtenberg	136,000	88,000
John Kenny	128,000	80,000
Henko Vos	92,000	44,000
John Cathcart	68,000	20,000
Philipp Kin	12,833	-
	436,833	232,000

As part of ongoing cash management initiatives, directors agreed to defer receipt of their director fees. The deferred fees have been recognised as a current liability at 30 June 2026 and will be settled when the Group's financial position permits or as otherwise agreed with the respective directors.

Loans to/from related parties

Refer to below regarding amounts advanced on behalf of the Company that were subsequently formalised as loan arrangements during the year. The loans were converted into ordinary shares during the current financial year. Refer to Notes note 11 and note 12 for further details.

Other transactions with related parties:

On 7 February 2025, the Company announced that it secured \$691,325 through the issuance of 691,325 Convertible Notes. The Convertible Notes were issued on 10 February 2025. The notes were convertible into ordinary shares of the parent entity, at any time at the option of the holder, or else repayable on 9 February 2026. Each Convertible Note would convert into such number of new shares as was determined by dividing the face value of the Convertible Note by \$0.005.

Of the 691,325 Convertible Notes issued, 125,000 were issued to directors of the Company. Of these director-issued notes, \$25,000 remained outstanding as at 30 June 2026. The outstanding amount was subsequently settled after 30 June 2026.

22. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent	
	2026	2025
	\$	\$
Loss after income tax	(2,270,126)	(4,047,031)
Total comprehensive income	(2,270,126)	(4,047,031)

Statement of financial position

	Parent	
	2026	2025
	\$	\$
Total current assets	1,804,490	1,567,188
Total assets	3,585,081	3,533,677
Total current liabilities	1,247,230	1,260,448
Total liabilities	1,247,230	1,260,448
Net assets	2,337,851	2,273,229
Equity		
Issued capital	104,434,904	101,636,361
Foreign currency reserve	10,828	10,828
Share-based payments reserve	278,800	1,808,580
Convertible note reserve	11,905	74,071
Accumulated losses	(102,398,586)	(101,256,611)
Total equity	2,337,851	2,273,229

Contingent liabilities

The parent entity had no contingent liabilities as at 30 June 2026 and 30 June 2025.

Commitments

The parent entity had no commitments as at 30 June 2026 and 30 June 2025.

Material accounting policy information

The accounting policies of the parent entity are consistent with those of the Group, as disclosed in note 2, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.

23. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by BDO Audit Pty Ltd, the auditor of the Company:

	Consolidated	
	2026	2025
	\$	\$
<i>Audit services - BDO Audit Pty Ltd</i>		
Audit or review of the financial statements	71,156	63,966

24. Contingent assets and liabilities

As part of the acquisition of the Presidio Oil Project there are contingent royalty payments as mentioned below:

Presidio Oil Project

Helios will earn a NRI of 52.50% of 8/8ths (being 70% of a NRI of 75%) in all additional oil and gas leases or drilling of oil wells acquired by the joint venture. The mineral rights owners and vendors in aggregate will retain a gross revenue royalty, on industry standard terms, equal to 25% of the oil and gas produced or won from the Presidio Leases and any Further Leases and Oil Wells acquired by the joint venture within a 50 kilometre radius of the Presidio Leases.

There were no other contingent liabilities at 30 June 2026 and 30 June 2025.

25. Commitments

There are no commitments at 30 June 2026 and 30 June 2025.

26. Events after the reporting period

Subsequent to 30 June 2026 and up to the date of authorisation of these financial statements, the following events occurred:

On 3 July 2026, Philipp Kin resigned as Managing Director and Director of the Company. Mr Kin was entitled to receive 57,000,000 options as part of his employment agreement, subject and conditional upon Company shareholder approval. As shareholder approval was not successfully obtained the options remained unvested at 30 June 2026 and ultimately became void upon the terms of his resignation.

On 10 July 2026, the Company announced the cessation of 25,000 convertible securities following their expiry in accordance with their terms.

On 28 August 2026, Mr Mark Lochtenberg retired as a Non-Executive Director of the Company.

Other than the matters disclosed above, no 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.

Entity name	Entity type	Country of incorporation	Equity interest %	Australian resident	Foreign jurisdiction in which the entity is a resident for tax purpose (*)
Helios Energy Ltd	Body corporate	Australia	-	Yes	n/a
Helios Operating LLC	Body corporate	United States of America	100%	No	USA
Helios Energy USA Ltd	Body corporate	United States of America	100%	No	USA
Helios Energy (China) Ltd	Body corporate	China	100%	No	China
Helios Energy Holdings Ltd	Body corporate	Cayman Islands	100%	No	Cayman

(*) According to the law of the foreign jurisdiction.

Note

No entities listed above are a part of a trustee, partnership or joint venture.

Basis of Preparation

This Consolidated Entity Disclosure Statement (CEDS) has been prepared in accordance with the Corporations Act 2001. It includes certain information for each entity that was part of the consolidated entity at the end of the financial year.

Determination of Tax Residency

Section 295(3B)(a) of the *Corporation Acts 2001* defines Australian resident as having the meaning in the *Income Tax Assessment Act 1997*. The determination of tax residency involves judgement as there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency. Section 295 (3A)(a)(vii) requires the determination of tax residency in a foreign jurisdiction to be based on the law of the foreign jurisdiction relating to foreign income tax.

In determining tax residency, the consolidated entity has applied the following interpretations:

Australian tax residency

The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5.

Foreign tax residency

Where necessary, the consolidated entity has used independent tax advisers in foreign jurisdictions to assist in determining tax residency in those foreign jurisdictions and ensure compliance with applicable foreign tax legislation.

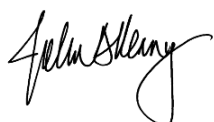
In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with IFRS Accounting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2026 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors.

A handwritten signature in black ink, appearing to read "John Kenny".

John Kenny
Non-Executive Director

30 September 2026

Perth, WA

INDEPENDENT AUDITOR'S REPORT

To the members of Helios Energy Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Helios Energy Ltd (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2026, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion the accompanying financial report of the Group, is 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 financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with 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 our audit of the financial report 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 report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 2 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the group's ability to continue as a going concern and therefore the group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Carrying value of exploration and evaluation assets

Key audit matter	How the matter was addressed in our audit
As disclosed in Note 9 to the Financial Report, the carrying value of the capitalised exploration and evaluation expenditure represents a significant asset of the Group. Refer to Notes 2 to the Financial Report for a description of the accounting policy and significant judgements applied to capitalised exploration and evaluation expenditure. In accordance with AASB 6 <i>Exploration and Evaluation of Mineral Resources</i> (AASB 6), the recoverability of exploration and evaluation requires significant judgement by management in determining whether there are any facts or circumstances that exist to suggest that the carrying amount of this asset may exceed its recoverable amount. During the year, the Group performed a strategic review of its exploration assets and recognised an impairment s disclosed in Note 9. As a result, this is considered a key audit matter.	Our procedures included, but were not limited to the following: • Obtaining a schedule of the areas of interest held by the Group and assessing whether the rights to tenure of those areas of interest remained current at balance date; • Considering the status of the ongoing exploration programmes in the respective areas of interest by holding discussions with management, and reviewing the Group's exploration budgets, ASX announcements and Directors' minutes; • Considering whether any such areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed; • Considering whether there are any other facts or circumstances existing to suggest impairment testing was required; • Evaluating and assessing the accuracy of the Group's calculation of the impairment recognised for the year ended 30 June 2026; and • Assessing the adequacy of the related disclosures in Notes 2 and 9 to the Financial Report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2026, but does not include the financial report and the auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of:

- a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and
- b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001, and

for such internal control as the directors determine is necessary to enable the preparation of:

- i) the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at: https://www.auasb.gov.au/media/bwvjcgre/ar1_2024.pdf



This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 14 to 19 of the directors' report for the year ended 30 June 2026.

In our opinion, the Remuneration Report of Helios Energy Ltd, for the year ended 30 June 2026, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit Pty Ltd

A handwritten signature in black ink, appearing to read 'John Christides', is written over a faint, larger 'BDO' watermark.

John Christides

Director

Perth, 30 September 2026

ASX Additional information

The shareholder information set out below was applicable as at 16 September 2026.

A. CORPORATE GOVERNANCE

A statement disclosing the extent to which the Company has followed the best practice recommendations set by the ASX Corporate Governance Council during the reporting period can be found on the Company's website:

<https://www.heliosenergyltd.com/corporate-governance/>

B. SHAREHOLDING

1. Substantial Shareholders

The names of the substantial holders of ordinary shares in the Company are set out below:

Ordinary Shares (Holders with 5% or more)	Number held	Percentage of issued shares
Name		
Notable Pioneer Limited	500,576,359	12.89%
Mr Jidong Zhang	464,989,331	11.97%
Citicorp Nominees Pty Limited	211,151,819	5.44%
Mr Ping He (including his associated entities)	198,928,072	5.12%
Mr Wentao Zhao	195,312,566	5.03%

2. Number of holders in each class of equity securities and the voting rights attached

(a) Ordinary Shares

There are 1,152 holders of ordinary shares. Each shareholder is entitled to one vote per share held. On a poll, every holder of ordinary shares present at a meeting either in person or by proxy, is entitled to one vote for each share held.

(b) Unlisted Options

There are 2 holders of unlisted options. These securities have no voting rights.

3. Distribution schedule of the number of ordinary holders

Size of Holding	Number of Holders	Number of Shares Held	% of Issued Share Capital
1 - 1,000	85	7,692	0.00%
1,001 - 5,000	97	411,427	0.01%
5,001 - 10,000	77	622,456	0.02%
10,001 - 100,000	360	15,561,739	0.40%
100,001 and over	533	3,867,701,634	99.57%
	1,152	3,884,305,218	100.00%

4. Unmarketable Parcel

Based on the share price of \$0.02, there are 374 holders with a total unmarketable holding of 2,944,039 fully paid ordinary shares, amounting to 0.08% of the Company's issued capital.

5. Twenty Largest holders of quoted equity security

The names of the twenty largest holders of quoted equity security, the number of equity security each holds and the percentage of capital each holds are as follows:

Rank	Name	Number of shares	% Held
1	Notable Pioneer Limited	500,576,359	12.89%
2	Mr Jidong Zhang	464,989,331	11.97%
3	Citicorp Nominees Pty Limited	211,151,819	5.44%
4	Mr Ping He <i>(including his associated entities)</i>	198,928,072	5.12%
5	Mr Wentao Zhao	195,312,566	5.03%
6	Miss Kwai-Kuin Lee	180,000,000	4.63%
7	UBS Nominees Pty Ltd	153,847,618	3.96%
8	HSBC Custody Nominees (Australia) Limited <i>(including associated entities)</i>	144,512,344	3.72%
9	Mr John Kenny <i>(including his associated entities)</i>	118,276,084	3.05%
10	Buttonwood Nominees Pty Ltd	112,468,100	2.90%
11	BNP Paribas Nominees Pty Ltd <i>(including associated entities)</i>	102,908,423	2.65%
12	Mr Zhiqiang Shan	89,389,857	2.30%
13	Pangaea (NT) Pty Ltd	71,428,571	1.84%
14	Mr Xiaoping Zhou	70,271,577	1.81%
15	Mr Guangyi Chen	68,924,751	1.77%
16	Miss Pauline Louise Tomlinson	60,971,746	1.57%
17	Ms Huiru Chen	49,554,674	1.28%
18	Spinite Pty Ltd	46,156,962	1.19%
19	Lugano Holdings LLC	44,305,264	1.14%
20	Mr Xiaofeng Huang	34,102,843	0.88%
Total		2,918,076,961	75.12%

6. Holders of unquoted equity security

(a) Unlisted Options

The names of the largest holders of unlisted options, the number of equity security each holds and the percentage of capital each holds are as follows:

Unlisted Options expiring 27/05/2028 @ \$0.02 (Holders with 20% or more)		Number held	Percentage of unlisted options
Name			
JB Toro Pty Ltd		21,000,000	51.22%
Red Star Developments Pte Ltd		20,000,000	48.78%

C. OTHER DETAILS

1. Company Secretary

Henko Vos

2. Address and telephone details of the Company's registered and administrative office

Suite 6, 295 Rokeby Road
Subiaco WA 6008 Australia
T: +61 1300 291 195

3. Address and telephone details of the office at which a register of securities is kept

Automic Pty Ltd
Level 5, 126 Phillip Street
Sydney NSW 2000
Tel: 1300 288 664 or +61 2 9698 5414
Fax: +61 2 8583 3040

4. Securities exchange on which the Company's securities are quoted

The Company's listed equity securities are quoted on the Australian Securities Exchange (ASX: HE8).

5. Review of Operations

A review of operations is contained in the Directors' Report.

6. On-Market Buy-Back

There is no current on-market buy-back.

7. Total acreage at 30 June 2026 and 30 September 2026 is set out follows:

Block	Section	Interest	Gr. Ac (acre)	Status	Ac. Leased	WI	Net WI Acreage (acre)
3	113	1	640.00	LEASED/HBP	640.00	0.70	448.00
3	115	1	640.00	LEASED/HBP	640.00	0.70	448.00
3	123	1	640.00	LEASED/HBP	640.00	0.70	448.00
3	129	1	640.00	LEASED/HBP	640.00	0.70	448.00
3	135	1	640.00	LEASED/HBP	640.00	0.70	448.00
3	136	1	640.00	LEASED/HBP	640.00	0.70	448.00
3	141	1	640.00	LEASED/HBP	640.00	0.70	448.00
3	147	1	640.00	LEASED/HBP	640.00	0.70	448.00
3	112	1	640.00	LEASED	640.00	1.00	640.00
3	114	1	640.00	LEASED	640.00	1.00	640.00
G-25	3	1/2	651.60	LEASED	325.80	1.00	325.80
3	143	0.1500	640.00	LEASED	96.00	1.00	96.00
3	144	1/2	640.00	LEASED	320.00	1.00	320.00
3	157	3/20	640.00	LEASED	96.00	1.00	96.00
			8,971.60		7,237.80		5,701.80