

2 October 2026

Announcement to ASX

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XST Joint Venture secures new Taroom Trough acreage

Highlights

- Xstate led joint venture wins preferred tenderer for Block 2026-1-7 on Eastern side of Taroom Trough
- Adjacent and along trend from Omega Oil & Gas Canyon project
- Stacked overpressured Permian formations present substantial potential for a significant oil and gas resource
- Close to pipelines and infrastructure

The Board of Xstate Resources Limited (**ASX:XST**) (**Xstate** or **the Company**) is pleased to announce that Xstate, in joint venture with Amplitude Energy Limited, Betaloo Energy Limited and Eastern States Energy Pty Ltd (each holding 25% working interest in the block) (**Taroom JV**) has been today been awarded preferred tenderer status in their application for Block 7 recently offered under the Queensland Government's Public Land Release program (PLR2026-1), as shown in Figure 1. Xstate will be the initial Operator of the Joint Venture.

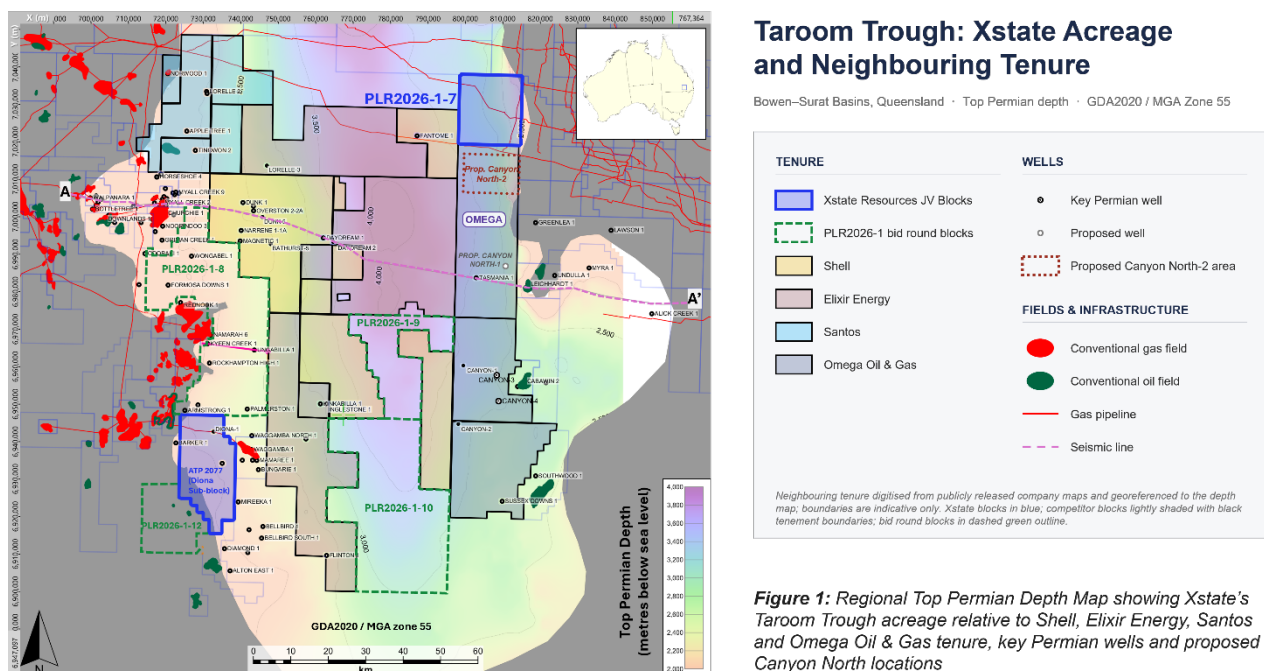


Figure 1: Regional Top Permian Depth Map showing Xstate's Taroom Trough acreage relative to Shell, Elixir Energy, Santos and Omega Oil & Gas tenure, key Permian wells and proposed Canyon North locations

Block 7 covers an area of ~305km² on the eastern flank of the Taroom Trough and is located between Condamine and Miles on the Western Downs, and forms part of the broader Surat over Bowen Basin (Figure 2).

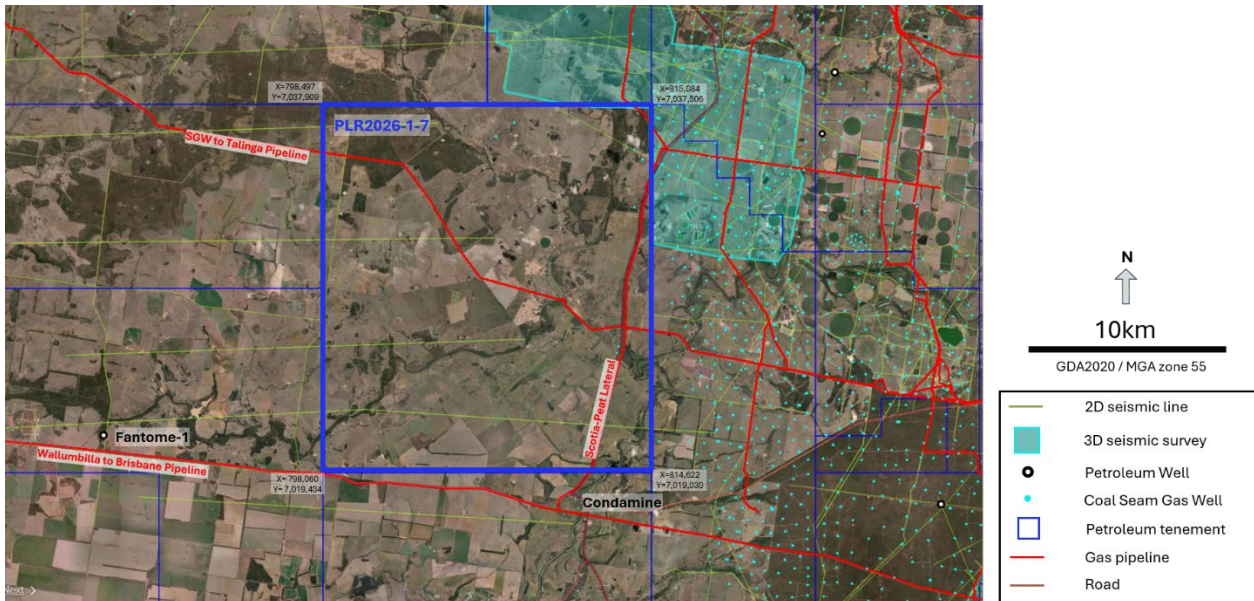


Figure 2: Satellite imagery and infrastructure in and around PLR2026-1-7

About Block 7

PLR2026-1-7 is regarded as highly prospective and is within an established hydrocarbon province. Significantly, it also is proximal to pipeline infrastructure and services. The acreage contains substantial resource potential across stacked Permian reservoir intervals of the Basin Centred Gas (BCG) play, analogous to BCG plays in both the USA and Canada.

Recent exploration in the Taroom Trough has uncovered not only Basin Centred Gas but also large quantities of associated liquids and light crude oil. Block 7 is adjacent and along trend with the Omega Oil & Gas Canyon play which is currently being drilled and appraised (Figure 3).

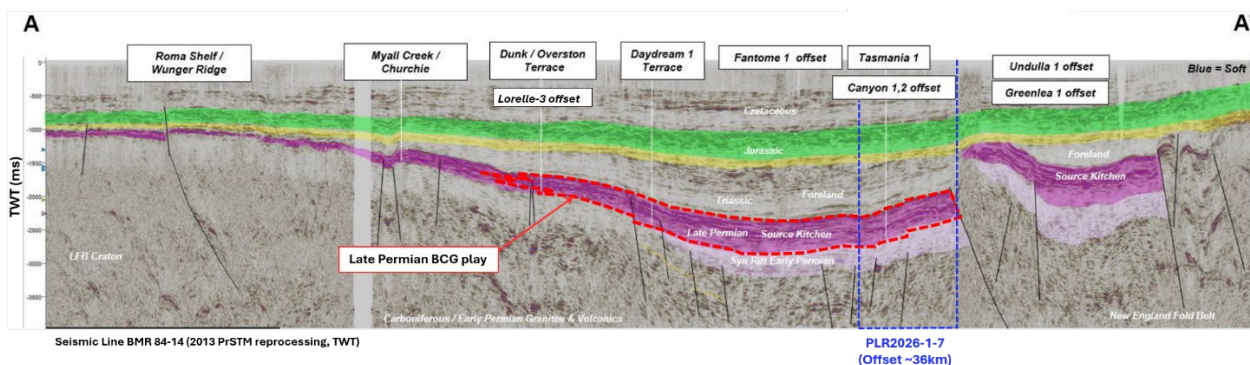


Figure 3: Regional Seismic line showing geologic setting of PLR2026-1-7 within the Taroom Trough Basin Centered Gas Play. Location is shown on Figure 1.

Modified from Wilkinson, 2023: Future Exploration opportunities targeting Permian reservoirs in the Southern Bowen Basin. PESA symposium 11 September 2023

The award reflects the Queensland Government's confidence in the Joint Venture's appraisal strategy, technical capability and commitment to developing Queensland and Australia's future energy resources with streamlined regulatory pathways and whole-of-basin coordination via the Coordinator-General's Taroom Trough Development Plan¹. The initial work commitment entails seismic processing and early stage geological and geophysical activities.

The grant remains subject to completion of the Queensland Government's processes which Xstate is currently undertaking, including initiating a Native Title process and lodging an Environmental Authority.

Managing Director, Andrew Bald commented:

"We are extremely pleased to have joined with some high-profile industry partners who share our excitement for this compelling and prospective project. We are already preparing to commence work on the ground and our joint venture partners bring a wealth of expertise. We are very much looking forward to working with them to explore and appraise this new eastern Taroom Licence."

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

Andrew Bald
Managing Director

About Xstate Resources Limited:

Xstate Resources (ASX Code: XST) is an ASX listed company focused on the oil and gas sector focusing on its Diona project located in Queensland, Australia. Xstate owns 51% of the Diona block within ATP 2077. The Company spudded its first well in the Diona block, Diona-1, on 27 September 2025. Xstate is also the Operator and 25% joint venture partner of the Taroom area PLR2026-1-7, of which we are currently preferred Tenderer.