

13 October 2026

Announcement to ASX

Electronic Lodgement

XST Intoduction to ATP2087

Highlights

- Taroom JV named as preferred tenderer for Block PLR2026-1-7 (ATP2087)
- Significant boost to XState's asset base

The Board of Xstate Resources Limited (**ASX:XST**) (**Xstate** or **the Company**) provides the following presentation focusing on block PLR2026-1-7 (now referred to as **ATP2087** or **the Block**) for which the Taroom JV¹ was recently offered preferred tenderer status under the Queensland Government's Public Land Release program (PLR2026-1)².

XState, as operator, is now finalizing the documentation required to progress the application.

Managing Director, Andrew Bald commented:

"ATP2087 is a significant addition to our modest portfolio and highly value accretive. The Block now gives us exposure to both the west and east sides of the Taroom Trough. This Block is regarded as highly prospective and within an established hydrocarbon province. Recent drilling by our neighbours in the eastern side of the Taroom Trough nearby, has seen some major results uncovering both Basin Centred Gas with large quantities of associated liquids and light crude oil.

Our next 12 months is going to be very exciting."

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

Andrew Bald
Managing Director

¹ The Taroom JV refers to the recently announced joint venture with Amplitude Energy Limited, Betaloo Energy Limited and Eastern States Energy Pty Ltd, each holding 25% working interest in the block.

² See XST ASX Announcement dated 2nd October 2026

About Xstate Resources Limited

Xstate Resources (ASX Code: XST) is an ASX listed company focused on the oil and gas sector focusing on its Taroom Trough projects located in Queensland, Australia. Xstate owns 51% of the Diona block within ATP 2077. Xstate is also the Operator and is an equal 25% joint venture partner in the newly announced ATP2087 (PLR2026-1-7) of which the Taroom JV is currently preferred Tenderer.

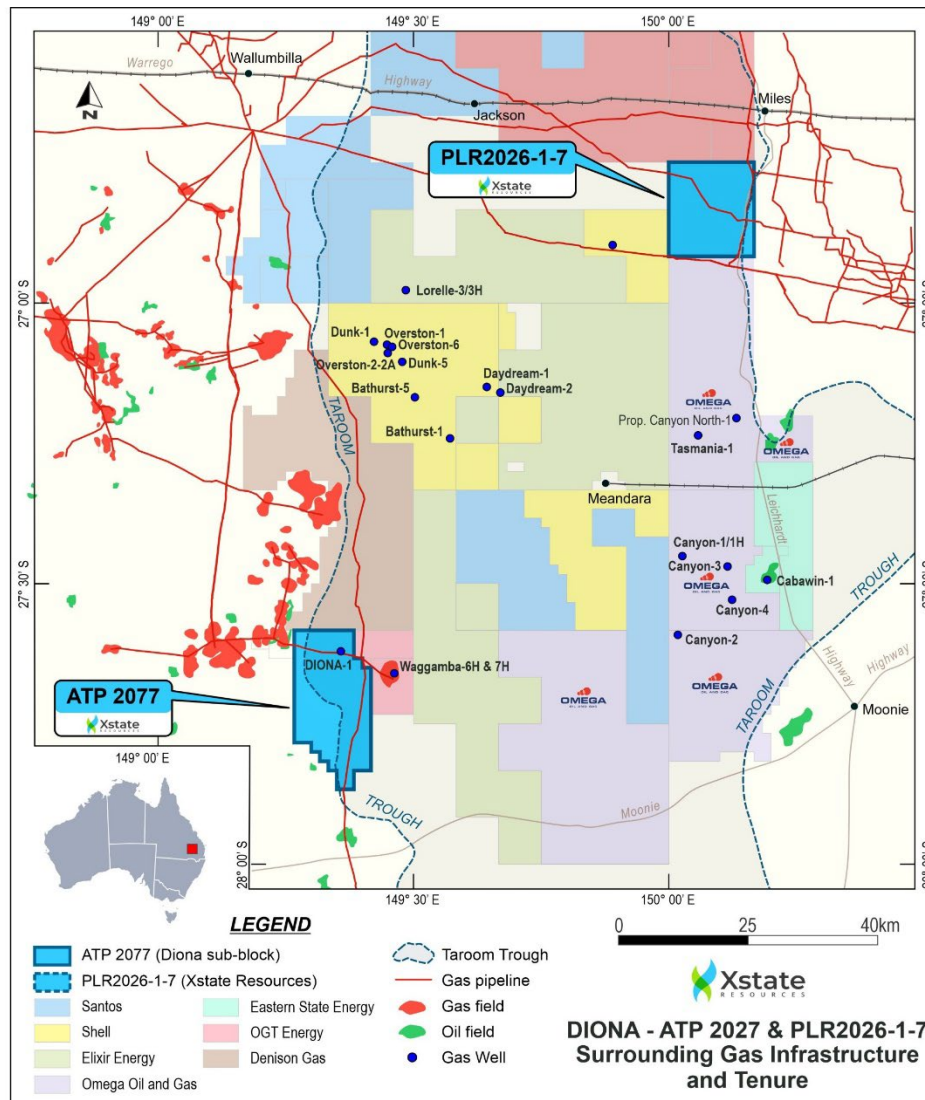


Image 1 above is a map showing the location of XState's respective interests in ATP2077 and ATP2087. Xstate owns 51% of the Diona block within ATP 2077 and is an equal 25% partner in the Taroom JV which is the preferred tenderer for PLR2026-1-7 (now known as ATP2087).



Expanding our Presence in the Taroom Trough, Queensland

INVESTOR UPDATE | OCTOBER 2026

Andrew Bald, Managing Director

bald@xstateresources.com.au

Xstate Resources Limited (ASX: XST)

www.xstateresources.com.au

Expanding our Position in the Taroom Trough

51%

ATP 2077 – Diona Block

- Western margin of the Taroom Trough
- Diona-1 well drilled in late 2025 and intersected a large continuous gas column
- Gas flows impacted by completion fluid in well bore
- Testing program incomplete pending resumption

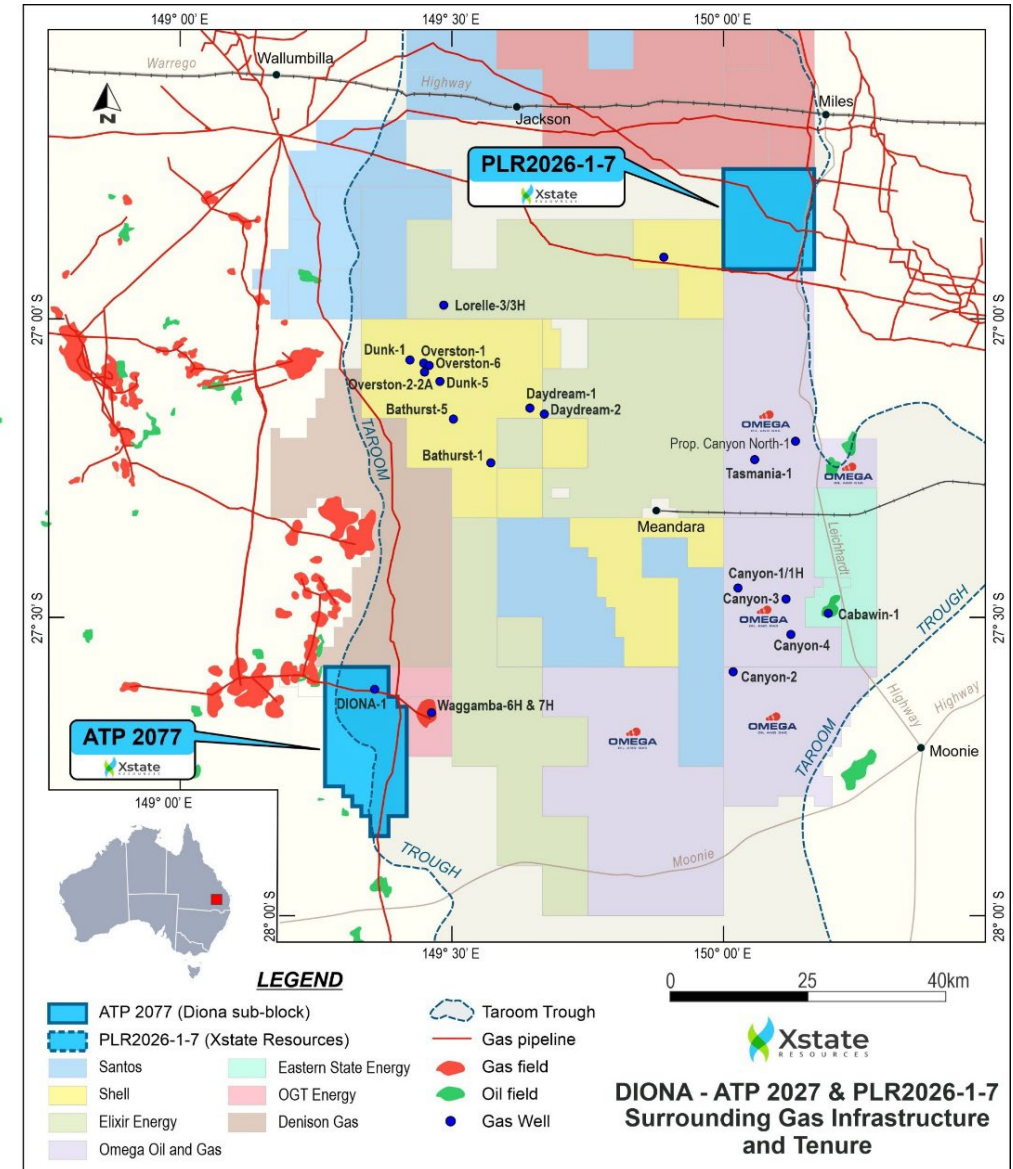
25%

PLR2026-1-7¹ – Operator (Preferred Tenderer)

- Eastern margin of the Taroom Trough
- Partnering with Amplitude Energy, Beetaloo Energy and Eastern States Energy (Taroom JV)
- Adjacent to Omega's Canyon Oil and Gas Project

Image 1 to the right is a map showing the location of XState's respective interests in ATP2077 and ATP2087. Xstate owns 51% of the Diona block within ATP 2077 and is an equal 25% partner in the Taroom JV which is the preferred tenderer for PLR2026-1-7 (now known as ATP2087).

1 PLR2026-1-7 is now known as ATP 2087



A Busy 12 Months

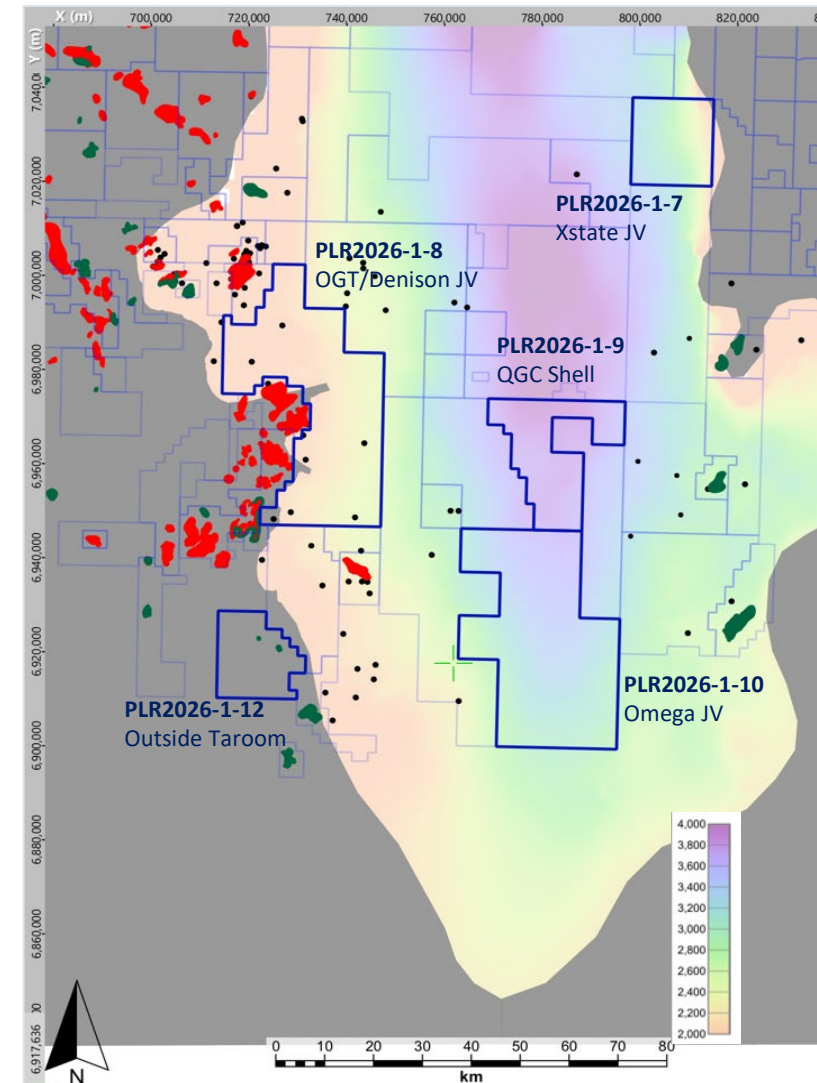
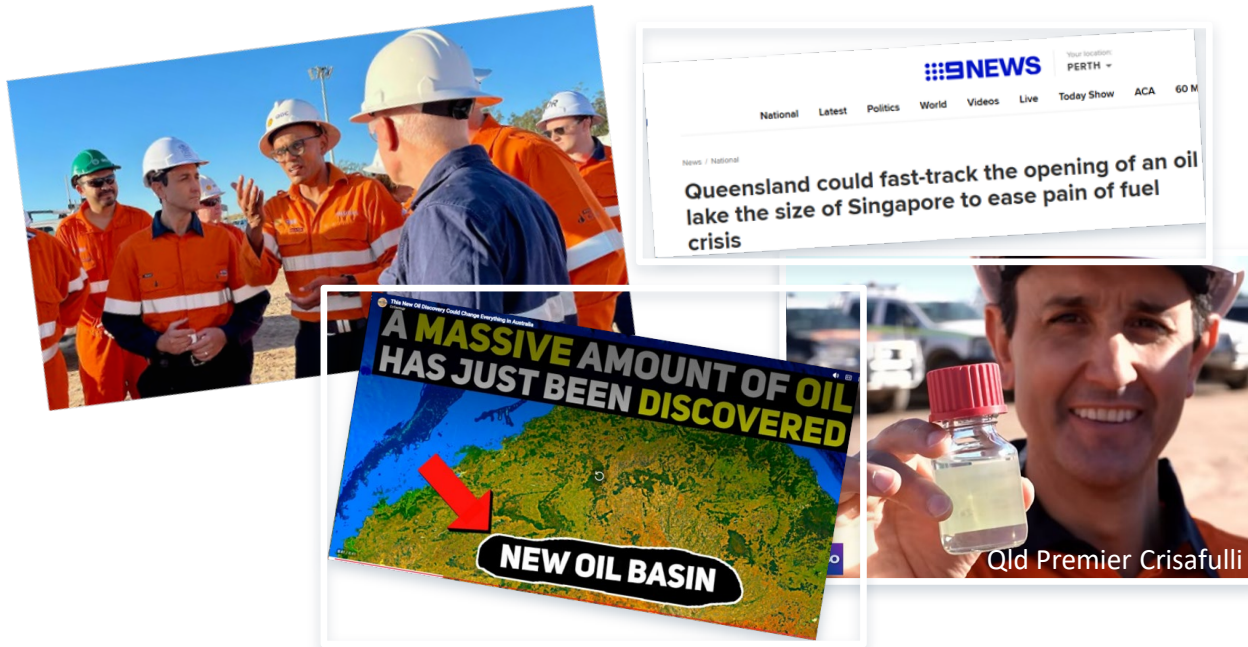
- Relisted on the **ASX** on 22 September 2025
- Operated the drilling of **Diona-1** – spudded 29 Sept 2025, gas discovery
- Stimulated **Diona-1** – April 2026
- Flow-tested **Diona-1** - Testing incomplete
- Assembled and led the **2026 Queensland JV Study Group**
- **JV wins Preferred Tenderer Status for PLR2026-1-7** – Taroom Trough, QLD
- **XST Appointed Operator of PLR2026-1-7** – in JV with Amplitude, Beetaloo and Eastern States Energy at 25% working interest each



Ventia Rig 101 at Diona-1

Queensland 2026 Bid Round

- Gazettal round opened on 5 March 2026 and closed on 14 May 2026
- Highly competitive round with more than 20 companies bidding
- Four attractive blocks available within the Taroom Trough, with QGC, Denison, Omega and Xstate leading successful joint venture tenders
- XState team assembled and led the successful JV Bid for PLR2026-1-7
- Queensland Government proactive in promoting oil and gas opportunities in the Taroom



PLR2026-1-7 (ATP2087) - Premier address

- PLR2026-1-7 is prospective for both oil and gas, as demonstrated by flows at QGC's Fantome-1 (gas) and Omega's Canyon project (Canyon-1H producing oil and gas)
- The permit is adjacent to and directly above (along trend from) Omega's Canyon Project, and lies between 300 and 2,200 m up-dip of QGC's nearby Fantome-1 well
- The permit is also immediately west of APLNG's Condabri CBM field and production facilities
- JV to investigate additional CSG potential



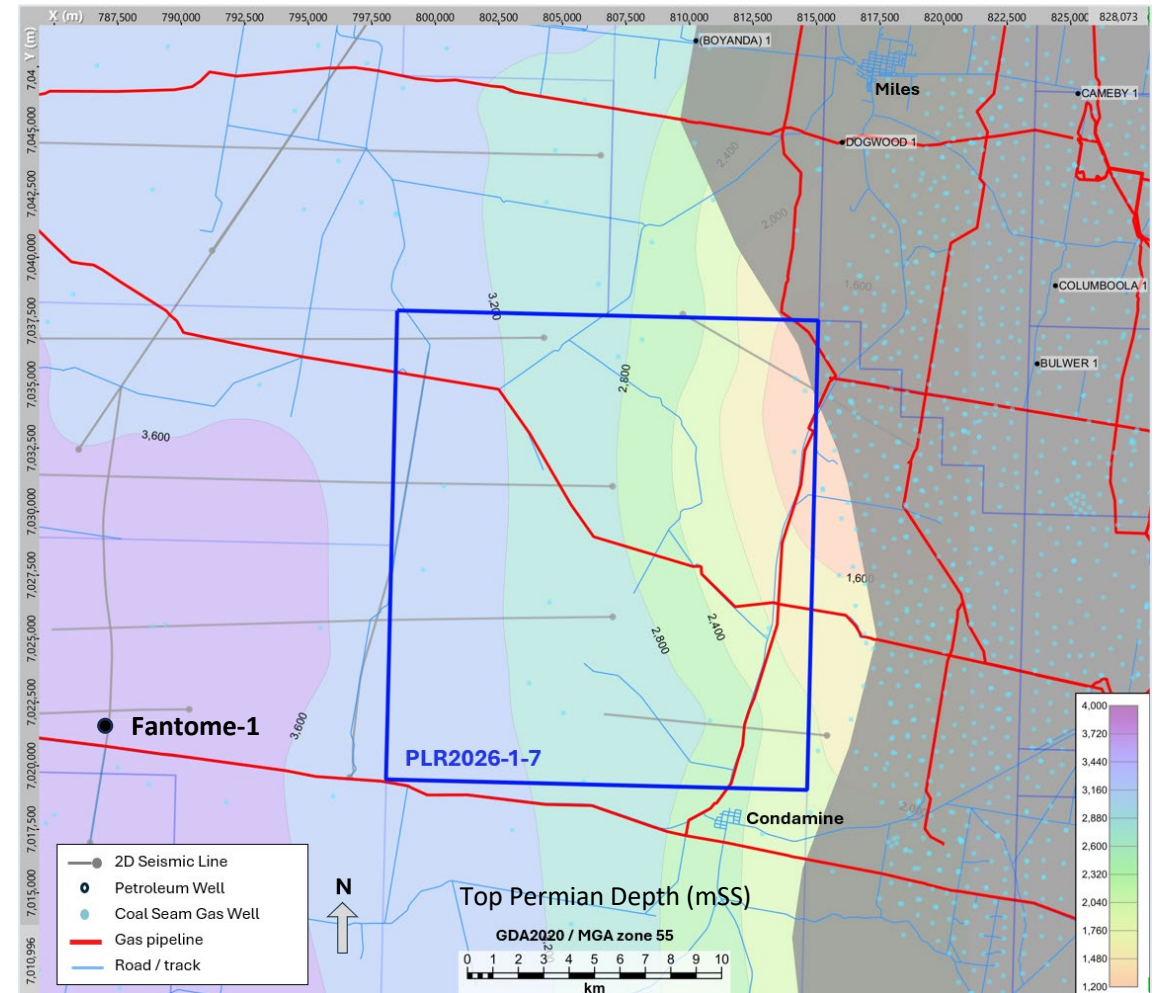
Gas – Fantome-1 (QGC)

Flowed gas from three comingled Permian zones, including the interpreted Canyon Sandstone



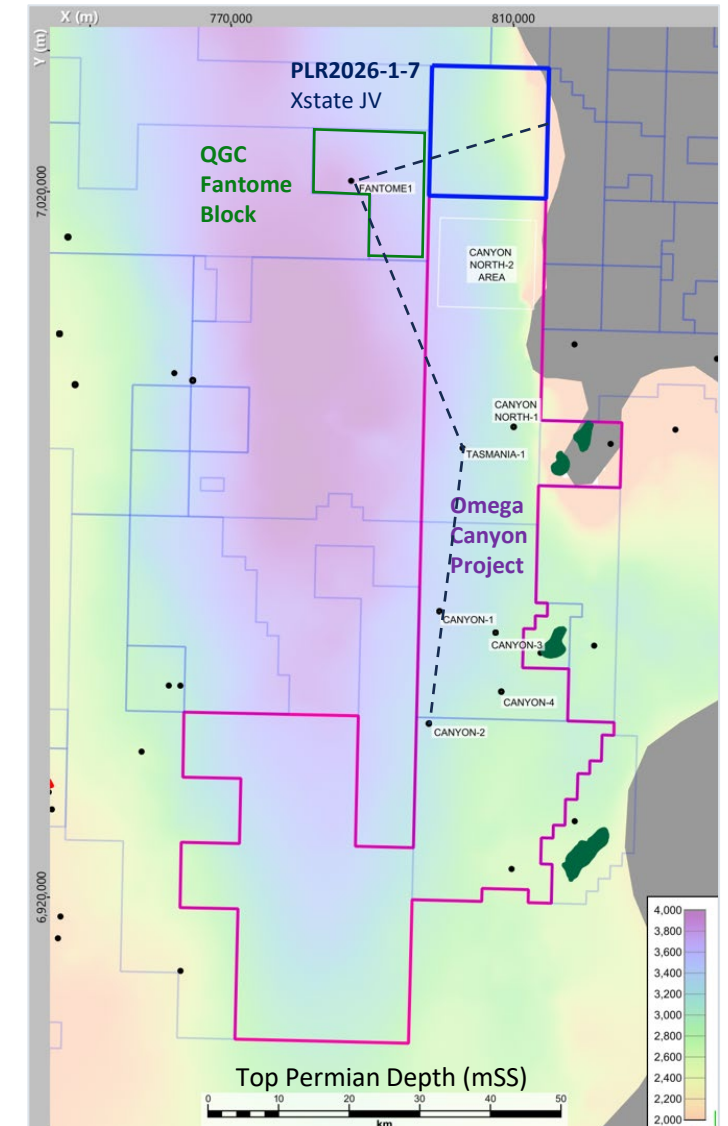
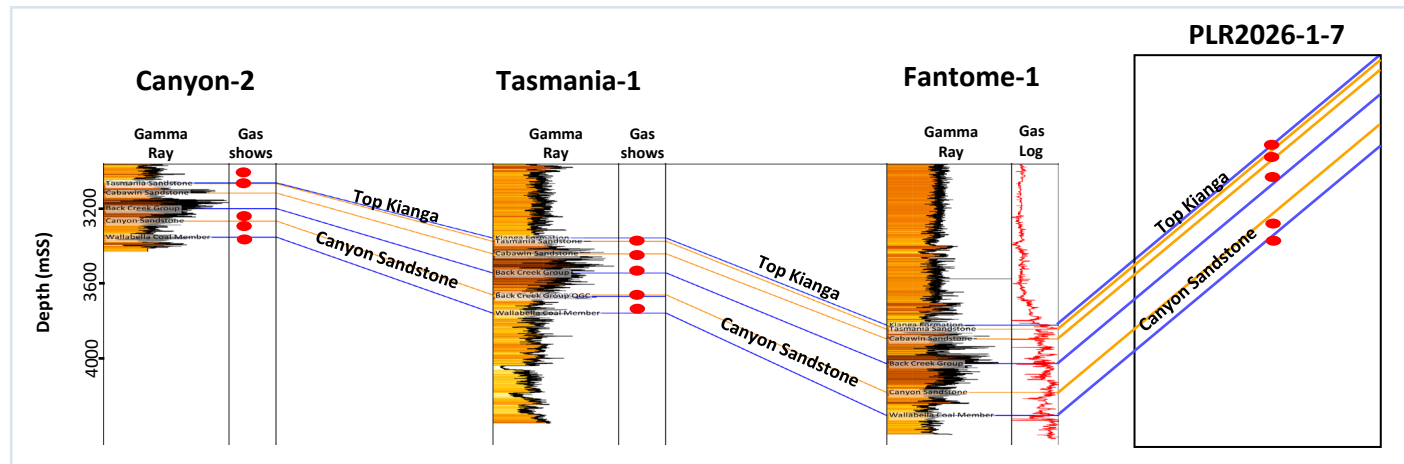
Oil – Canyon-1H (Omega)

Over-pressured Canyon Sandstone flowed at a normalised 987 BOPD + 1.45 MMscf/d



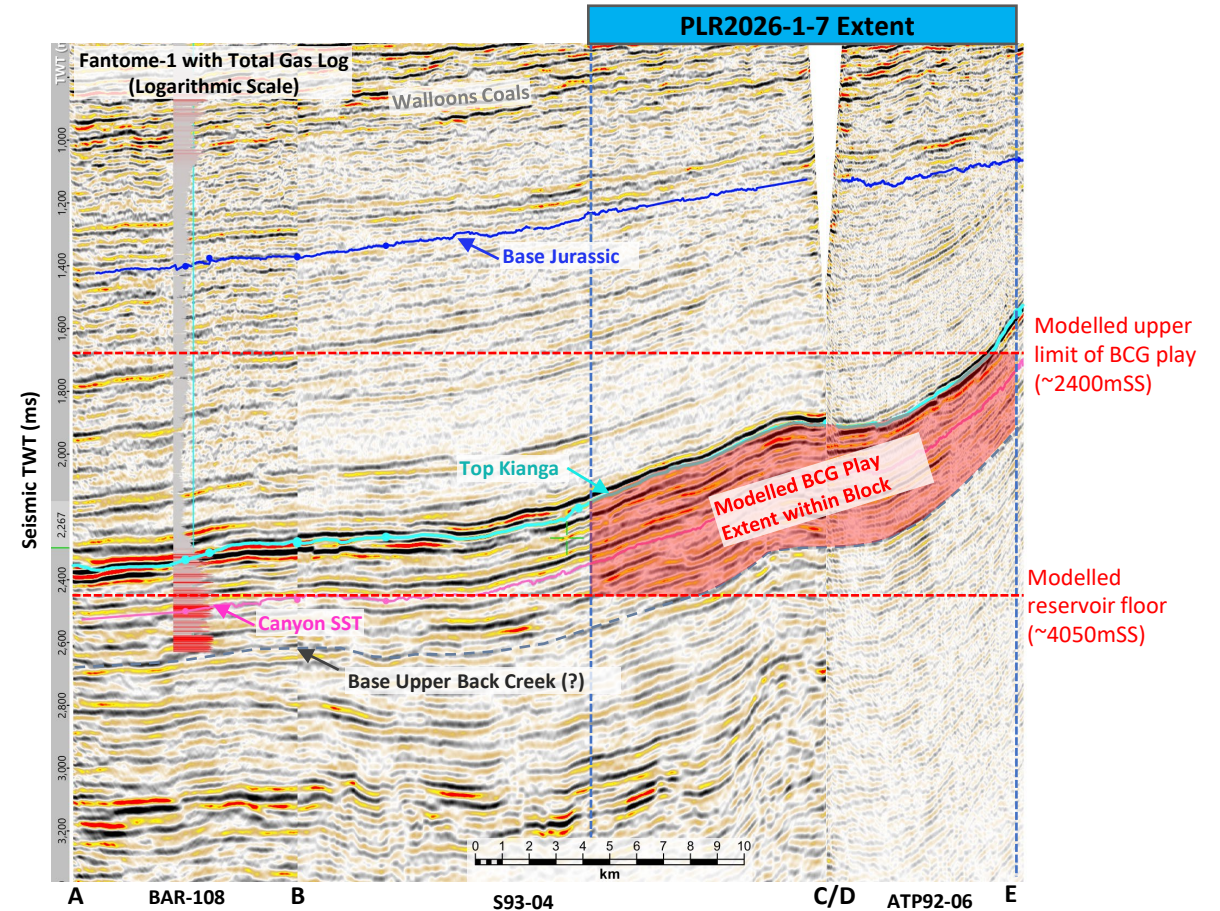
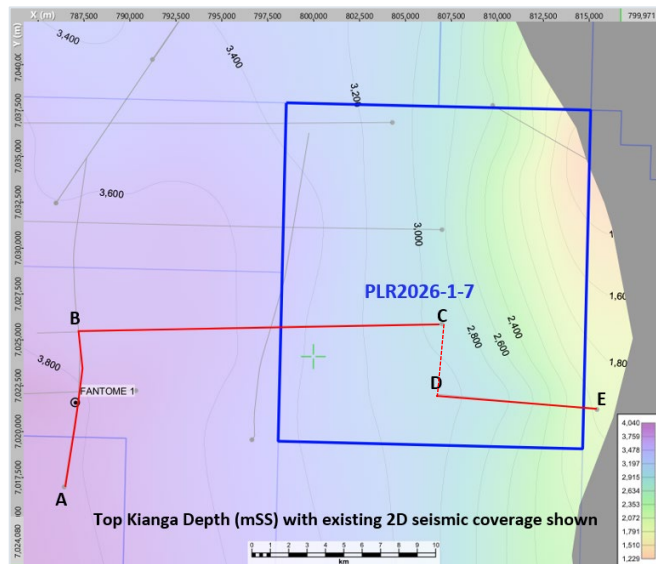
Proximity to the Canyon Project

- Over-pressured Canyon Sandstone flowed at a normalised rate of 987 BOPD + 1.45 MMscf/d in Canyon-1H
- Tasmania-1 and Fantome-1 indicate likely continuity of the Canyon Sandstone northward into PLR2026-1-7, with further appraisal planned by Omega at Canyon North-1 and -2
- Strong gas shows throughout the Permian succession highlight the potential for stacked pays in PLR2026-1-7



Significance of Fantome-1

- 2012 QGC exploration well encountered strong gas shows throughout the Permian and flowed gas from three comingled zones (including the interpreted Canyon Sandstone) between 4,115 and 4,200ms
- The same gas-bearing reservoirs are expected in PLR2026-1-7, with significantly improved reservoir quality anticipated due to shallower burial depths



Ideally positioned



Surrounded by infrastructure

PLR2026-1-7 sits in a well-served region



Local businesses nearby

Town of Condamine sits immediately to the south-eastern corner of the permit



Multiple gas pipelines

Pipelines transect the permit, allowing a range of tie-back options



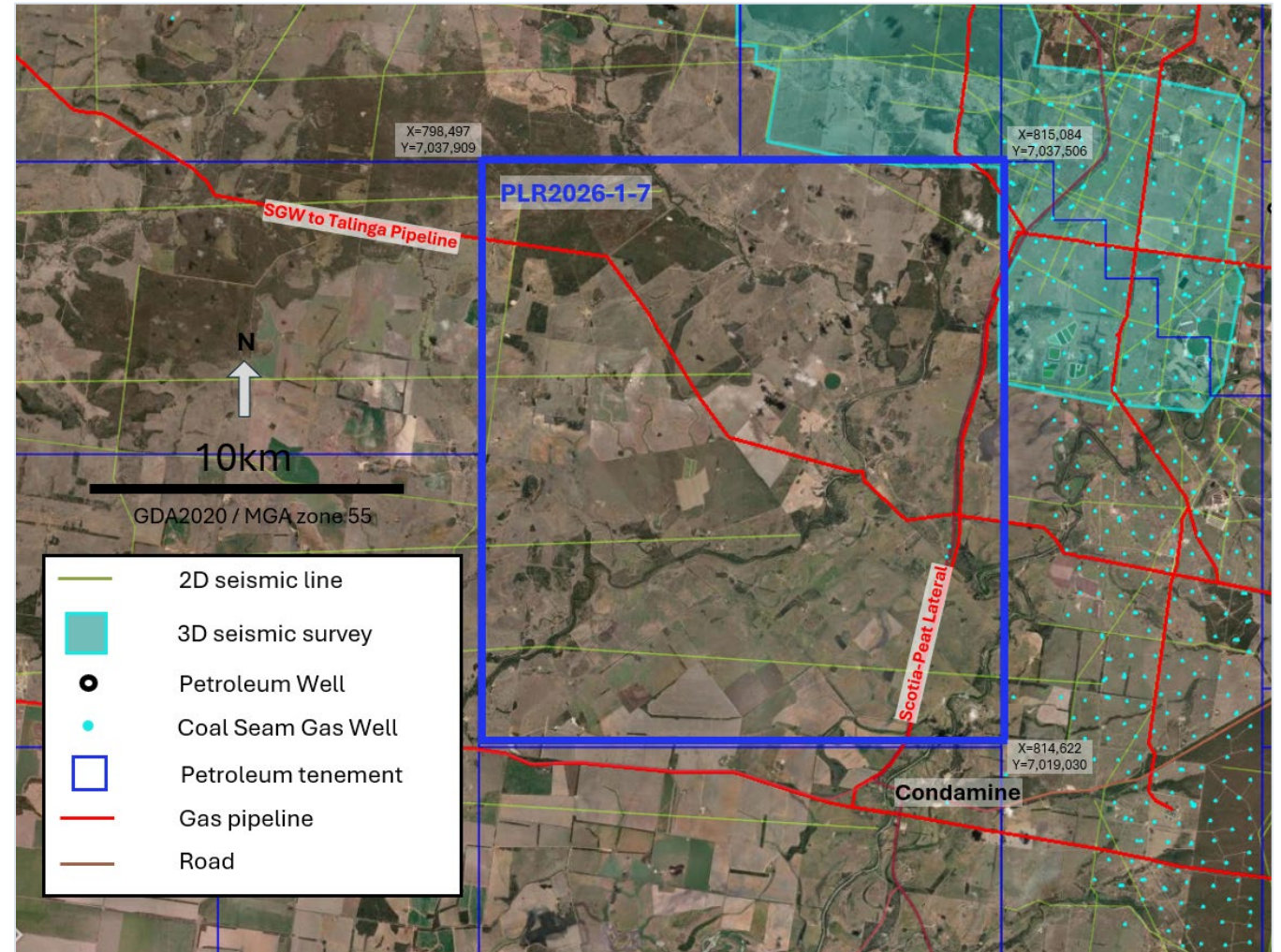
Rapid monetisation

Any commercial gas discovery can be rapidly monetised



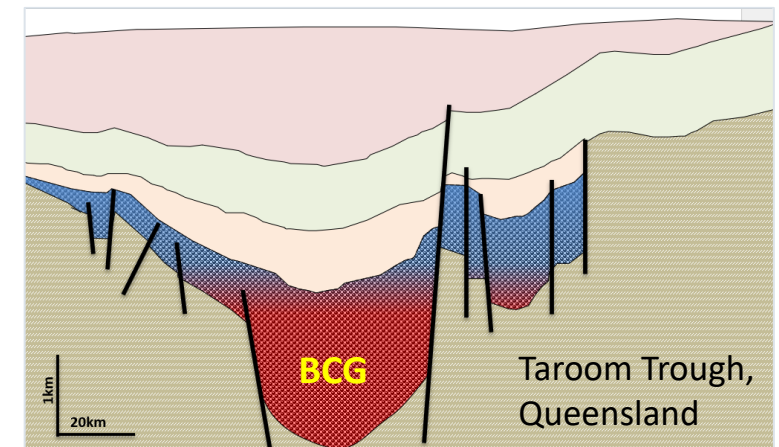
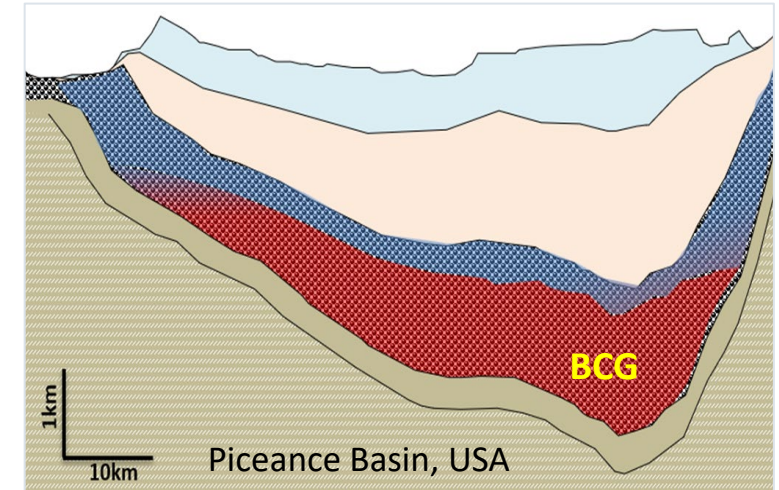
Active neighbours

- Active CBM project immediately to the east
- Omega immediately to south / south-west



About Basin Centred Gas (BCG)

BCG characteristic	Taroom Trough observation
1 Over-pressured to highly over-pressured (0.5 to 0.9 psi/ft)	Taroom Trough range of ~0.5 to 0.8 psi/ft
2 No down-dip water contact	No clear petrophysically defined water sands or significant produced water
3 Low reservoir quality ($K_a < 1$ mD, $\phi < 13\%$); requires stimulation to flow commercially	Aligns with Taroom Trough data
4 High salinity on flow-back indicates desiccated reservoirs	Early indications from Taroom Trough testing concur
5 Poor load recovery on flow-back (often ~40% to 50% or lower, due to imbibition of frac fluid by desiccated reservoirs)	More data required, but consistent with available Taroom information (e.g. Dunk-1 flow-back ~50% of injected fluid). Desiccated sands and dehydrated clays proven in the recent Lorelle-3 appraisal well



Impact of Regional Activity on Xstate

Shell QGC

- 3D seismic near completion
- Appraisal and development continuing
- Wins block PLR2026-1-9

SIGNIFICANCE FOR XST

Remain the leaders in unlocking the play

Omega

- Canyon drilling ongoing
- Testing scheduled for 1H 2027
- OMA led JV with Tri-Star and Beach wins block PLR2026-1-10

SIGNIFICANCE FOR XST

Immediate and significant impact on XST's Block 7, immediately to the north

OGT

- First stimulated horizontal wells in Waggamba flowed oil as well as gas
- OGT joins with Denison gas to win block PLR2026-1-8

SIGNIFICANCE FOR XST

Immediately downdip of XST's Diona-1



MD Andrew Bald on the Diona-1 well drilling rig

Diona-1 Update

116 m

gross interval with
significant gas shows

23 m

net pay over 3 zones in
the Permian sands

0.52 psi/ft

overpressure – 4,139 psi
downhole reservoir
pressure

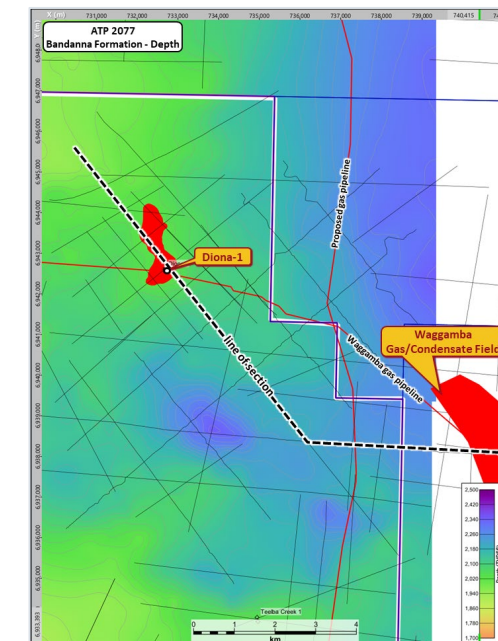
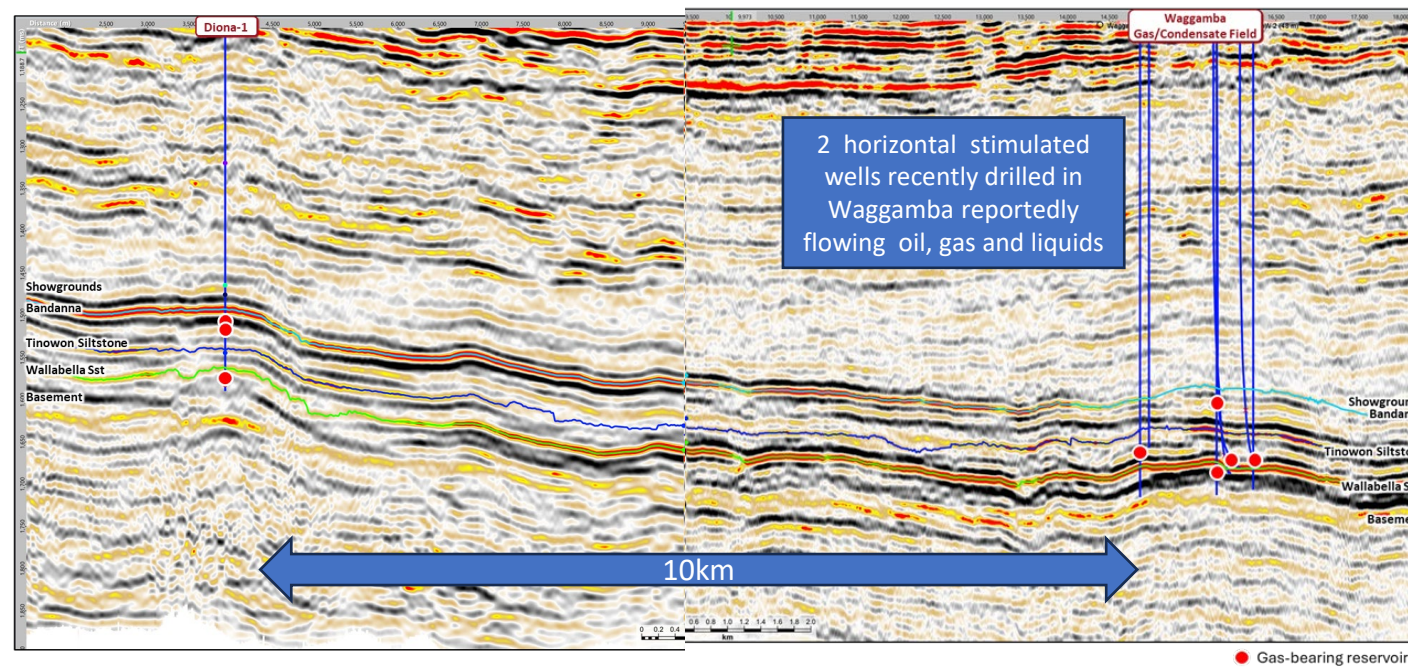
- Successfully drilled in Sept / Oct 2025
- Flow testing in April/May 2026 impacted by a full column of stimulation fluid creating significant back-pressure on the reservoir
- Well testing suspended to formulate a cost-effective plan to remove stimulation fluid from the wellbore
- Static Gradient Survey (SGS) in September 2026 identified:
 - Surface casing pressure of 3,235 psi and downhole reservoir pressure of 4,139 psi (0.52 psi/ft overpressure)
 - Stimulation fluid now below top perforations @2,325m, down nearly 1,300m from when well was shut in on May 4th 2026
 - Wellbore full of gas
- Logistics and timing of continued testing remain under review



Testing at Diona-1

Diona Analogue: Waggamba Field

- Recent drilling results announced by OGT re their Waggamba Field drilling program (10 km east and downdip) indicate the wells are flowing oil in addition to gas and condensate
- 2 recent Waggamba wells were drilled as stimulated 1 km horizontal wells¹
- Both Waggamba and Diona are potentially part of the newly identified updip Basin Centred Gas (BCG) play



¹ Waggamba-6H and 7H drilled by OGT Energy

Board Members



Greg Channon

BSc (Hons)
Chairman

Mr Channon is a geologist with over 35 years of global oil and gas experience in a variety of technical and leadership roles. He is currently Executive Chairman of RL Energy, and a Non-executive Director of Samson Oil and Gas Limited.

During his career, Mr Channon has worked with a range of E&P companies including Delhi, Santos, Fletcher Challenge Energy, Shell, Swift Energy, BrightOil and Pathfinder. He has lived and worked in Australia, New Zealand, USA, Hong Kong, China and Africa. Mr Channon has a large range of diverse oil and gas expertise, including exploration, operations, development, production, economics, commercial negotiations, new ventures, business development and IPO start-ups. He has sat on the Board of Directors of companies listed on the ASX, NYSE, TSX and HKSE.



Andrew Bald

BEC (Hons)
Managing Director

Mr Bald has over 35 years of experience in financial markets, director of numerous ASX listed companies including from 2013 through 2016, as managing director of Burleson Energy, an oil and gas explorer with production in Texas, USA. His private corporate advisory group, Panthea Capital, has been assisting junior ASX listed resource and oil and gas companies raise capital for over 20 years.



Andrew Childs

BSc
Non-Executive Director

Mr Childs is a petroleum geologist with over 35 years of Oil and Gas experience, working in Technical and Commercial roles for small to mid-capped Companies listed on the ASX, AIM and TSX markets.

Mr Childs is formerly Non-executive Chairman of Australian Oil Company Limited (formerly Sacgasco Limited) and formerly Non-executive Director of ADX Energy Limited.



Uno Makotsvana

Bcompt, CA (ANZ), Grad Dip BA
Company Secretary

Uno Makotsvana is a highly experienced CFO with more than 25 years of experience across resources, infrastructure and government services sectors specialising in commercial management and strategy, corporate finance, funding and investor relations. Uno commenced his career at Deloitte, progressing into senior roles in the professional services space before transitioning into a commercial finance role in a large ASX listed company. Uno previously served as CFO in both public and private companies including Capital Limited, a UK Listed mining services company - a role he held for three and a half years from 2012. Uno has a Bachelor of Accounting from the University of South Africa, a Graduate Diploma in Business Administration from the Alliance Manchester Business School (UK) and is a Chartered Accountant (Australia and New Zealand).

The Team

XState has teamed up with a world class team of consultants and advisors to assist them with their Australian exploration assets including:

PB

Peter Bekkers
BSc, Petroleum (Hons)
Senior Geoscientist

Peter is a highly experienced exploration and production geoscientist with almost 30 years of broad technical experience in geological and geophysical prospect and field identification/evaluation. Previous roles include International New Ventures management, evaluation and exploration in South America, Africa, India, Middle East, UK North Sea, Mongolia, Australia's North West Shelf and all of Australia's onshore basins. Advanced 2D/3D seismic interpretation skills, a strong geological background and quantitative interpretation exposure combine to facilitate rapid play/prospect definition and evaluation. Extensive professional network comprising all aspects of the petroleum business. Well-developed presentation skills to all levels of management, joint venture groups, brokers, investors and technical bodies.

CM

Calan McIntyre
BSc (Hons)
Senior Geoscientist

Calan McIntyre is a petroleum geologist with over 30 years of experience in the oil and gas industry, primarily in relation to exploration and development activities in Australia. He has previously held a range of senior roles with major operators in Australia, including Australia Exploration Manager for BHP Billiton Petroleum, General Manager Geoscience for TOTAL E&P Australia, and, most recently, General Manager Offshore Exploration for Santos Limited. He holds a BSc (Hons) in Geology from Otago University in New Zealand.

JJM

Janet Mignano
B Eng, Petroleum (Hons)
Grad Dip Commerce, CP Eng
JJM Consultancy

Janet Mignano a founder and Principal at JJM Consultancy, a boutique oil & gas engineering consultancy with extensive experience in the Surat-Bowen Basin. Janet is a senior petroleum engineering executive with more than 20 years' experience across upstream oil and gas operations, specialising in subsurface asset management, drilling and completions, well integrity, decommissioning, regulatory compliance, and operational optimisation. She held multiple senior leadership positions with AGL Energy, including Subsurface Manager and Drilling & Completions Manager, where she managed multidisciplinary teams across Queensland and New South Wales assets, delivered major OPEX and CAPEX programs, led well abandonment campaigns, and successfully managed complex regulator interfaces. Janet has overseen drilling programs exceeding \$30 million, delivered significant cost reductions through innovation, and co-authored industry codes of practice.

Capital Structure



\$0.012¹

Share price



~430 million

Ordinary shares on issue



\$5.1 million

Market capitalisation



\$900,000²

Cash at hand plus receivables



118 million³

Unlisted options



Nil

Debt

1 ASX close, 7 Oct 2026 2 As at 30 Sept 2026 3 Includes 25m broker options (at full subscription)

Why Invest in XST



Delivering on promises

- Re-listed in September 2025
- Spudded Diona-1 within 1st week
- Discovery in the Bandanna/Black Alley and Tinowon formations
- Assembled JV consortium for Qld Block
- Successfully bid for PLR2026-1-7 giving XST shareholders exposure to both sides of the Taroom plus a new liquids rich prospect



Experience & expertise counts

- A board and team with decades of oil and gas experience
- Initiated and led the successful bid for PLR2026-1-7
- Transparent investor & shareholder communications policy



The right place to be

- The Taroom is the most active and sought-after play in Australia, and we now hold a strategic share



Location, location, location

- Both ATP are conveniently located to infrastructure to facilitate a rapid commercialisation strategy
- No waiting for pipelines to be built
- A meaningful position on both the western and eastern margins of the Taroom Trough



Xstate Chairman Greg Channon, guest speaker at the PESA Queensland Symposium

Disclaimer



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