

AXP ENERGY LIMITED

ACN 114 198 471

ENTITLEMENT ISSUE PROSPECTUS

The Prospectus contains the following offers:

- (a) a pro-rata non-renounceable entitlement issue of one (1) Share for every one (1) Share held by those Shareholders registered at the Record Date at an issue price of \$0.005 per Share, together with 1 New Option for every two (2) Shares applied for and issued to raise up to \$2,248,668 (based on the number of Shares on issue as at the date of this Prospectus) (**Entitlement Offer**); and
- (b) an offer of up to 89,946,706 New Options to the Lead Manager (or its nominee(s)) (**Lead Manager Offer**),

(together, the **Offers**).

IMPORTANT NOTICE

This document is important and should be read in its entirety. If, after reading this Prospectus you have any questions about the Securities being offered under this Prospectus or any other matter, then you should consult your professional advisers without delay.

The Securities offered by this Prospectus should be considered as highly speculative.

IMPORTANT NOTICE

This Prospectus is dated 9 October 2026 and was lodged with the ASIC on that date. The ASIC, ASX and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Securities may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

No person is authorised to give information or to make any representation in connection with this Prospectus, which is not contained in this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The Securities offered by this Prospectus should be considered as highly speculative.

Applications for Securities offered pursuant to this Prospectus can only be made by an original Entitlement and Acceptance Form or Shortfall Application Form.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus and is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

Representations contained in this Prospectus are made taking into account that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters are publicly available information or may reasonably be expected to be known to investors and professional advisers whom prospective investors may consult.

No Investment Advice

The information contained in this Prospectus is not financial product advice or investment advice and does not take into account your financial or investment objectives, financial situation or particular needs (including financial or taxation issues). You should seek professional advice from your accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding to subscribe for Securities under this Prospectus to determine whether it meets your objectives, financial situation and needs.

Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and the Company's management.

The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

The Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

These forward-looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 5.

Overseas shareholders

The Offers do not, and are not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of Shares these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offers are not being extended and Securities will not be issued to Shareholders with a registered address which is outside Australia or New Zealand.

For further information on overseas Shareholders please refer to Section 2.10.

Continuous disclosure obligations

The Company is a "disclosing entity" (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Securities.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the three months before the issue

of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Please refer to Section 6.2 for further details.

Target Market Determination

In accordance with the design and distribution obligations under the Corporations Act, the Company has determined the target market for the offer of New Options issued under this Prospectus. The Company and the Lead Manager will only distribute this Prospectus to those investors who fall within the target market determination (**TMD**) as set out on the Company's website (<https://www.axpenergy.com>).

Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at <https://www.axpenergy.com>. If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian or New Zealand resident and must only access this Prospectus from within Australia or New Zealand.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. You may obtain a hard copy of this Prospectus free of charge by contacting the Company by phone on +61 (0)2 9290 9589 during office hours or by emailing the Company at ir@axpenergy.com.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

Company Website

No documents or other information available on the Company's website is incorporated into this Prospectus by reference.

Financial forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company will apply to participate in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company.

Electronic sub-registers mean that the Company will not be issuing certificates to investors. Instead,

investors will be provided with statements (similar to a bank account statement) that set out the number of Securities issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Electronic sub-registers also mean ownership of securities can be transferred without having to rely upon paper documentation. Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

Photographs and Diagrams

Photographs used in this Prospectus which do not have descriptions are for illustration only and should not be interpreted to mean that any person shown endorses the Prospectus or its contents or that the assets shown in them are owned by the Company. Diagrams used in this Prospectus are illustrative only and may not be drawn to scale.

Definitions and Time

Unless the contrary intention appears or the context otherwise requires, words and phrases contained in this Prospectus have the same meaning and interpretation as given in the Corporations Act and capitalised terms have the meaning given in the Glossary in Section 8.

All references to time in this Prospectus are references to Australian Eastern Daylight Time.

Privacy statement

If you complete an Application Form, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder and to facilitate distribution payments and corporate communications to you as a Shareholder.

The information may also be used from time to time and disclosed to persons inspecting the register, including bidders for your securities in the context of takeovers, regulatory bodies including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the share registry.

You can access, correct and update the personal information that we hold about you. If you wish to do so, please contact the share registry at the relevant contact number set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Securities, the Company may not be able to accept or process your application.

Enquiries

If you are in any doubt as to how to deal with any of the matters raised in this Prospectus, you should consult with your broker or legal, financial or other professional adviser without delay. Should you have any questions about the Offers or how to accept the Offer please call the Company Secretary on +61 (0)2 9290 9589.

CORPORATE DIRECTORY

Directors

Mr Daniel Lanskey
Managing Director and Chief Executive Officer

Mr Samuel Jarvis
Non-Executive Chairman

Mr Stuart Middleton
Non-Executive Director

Company Secretary

Mr Robert Lees

Registered Office

60 Pitt Street
SYDNEY NSW 2000

Telephone: + 61 (0)2 9290 9589

Email: ir@axpenergy.com
Website: www.axpenergy.com

Auditor

Pitcher Partners
Level 11, 12-14
The Esplanade
PERTH WA 6000

Share Registry*

Boardroom Pty Limited
Level 8
210 George Street
SYDNEY NSW 2000

Telephone: +61 2 9290 9600

Legal Advisers

Steinepreis Paganin
Level 14, QV1
250 St Georges Terrace
PERTH WA 6000

Lead Manager

Alpine Capital Pty Ltd
Level 8
25 Bligh Street
SYDNEY NSW 2000

*This entity is included for information purposes only. It has not been involved in the preparation of this Prospectus and has not consented to being named in this Prospectus.

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1. KEY OFFER INFORMATION

1.1 Timetable

Lodgement of Prospectus with the ASIC	Friday, 9 October 2026
Lodgement of Prospectus and Appendix 3B with ASX	Friday, 9 October 2026
Ex date	Wednesday, 14 October 2026
Record Date for determining Entitlements	Thursday, 15 October 2026
Entitlement Offer opening date, Prospectus sent out to Shareholders and Company announces this has been completed	Tuesday, 20 October 2026
Last day to extend the Closing Date	Thursday, 29 October 2026
Closing Date as at 5:00pm*	Tuesday, 3 November 2026
Securities quoted on a deferred settlement basis	Wednesday, 4 November 2026
Announcements of results of Entitlement Offer	Thursday, 5 November 2026
Issue date and lodgement of Appendix 2A with ASX applying for quotation of the Securities	Friday, 6 November 2026
Quotation of Securities issued under the Offers	Friday, 6 November 2026

*The Directors may extend the Closing Date by giving at least 3 Business Days' notice to ASX prior to the Closing Date. Accordingly, the date the Securities are expected to commence trading on ASX may vary. If the Minimum Subscription has not been achieved by the last day to extend the Closing Date, the Company intends to extend the Closing Date until such time as the Minimum Subscription has been achieved (refer to Section 2.6).

1.2 Key statistics of the Offers

Shares

	MINIMUM SUBSCRIPTION (\$1,200,000) ¹	MAXIMUM SUBSCRIPTION (\$2,248,668) ²
Entitlement Offer Price per Share	\$0.005	\$0.005
Entitlement Ratio (based on existing Shares)	1:1	1:1
Shares currently on issue	449,733,530	449,733,530
Shares to be issued under the Entitlement Offer	240,000,000	449,733,530
Gross proceeds of the issue of Shares	1,200,000	\$2,248,668
Shares on issue Post-Offers	689,733,530	899,467,060

Notes:

1. Assuming a minimum subscription of \$1,200,000 under the Entitlement Offer.
2. Assuming the Maximum Subscription of 2,248,668 is achieved under the Entitlement Offer.
3. Refer to Section 4.1 for the terms of the Shares.

Options

	MINIMUM SUBSCRIPTION (\$1,200,000) ¹	MAXIMUM SUBSCRIPTION (\$2,248,668) ²
Offer Price per New Option	Nil	Nil
Option Entitlement Ratio (based on Shares subscribed for)	1:2	1:2

	MINIMUM SUBSCRIPTION (\$1,200,000) ¹	MAXIMUM SUBSCRIPTION (\$2,248,668) ²
Options currently on issue	54,600,028	54,600,028
New Options to be issued under the Entitlement Offer	120,000,000	224,866,765
New Options to be issued under the Lead Manager Offer	48,000,000	89,946,706
Gross proceeds of the issue of Options	Nil	Nil
Options on issue Post-Offers	222,600,028	369,413,499

Notes:

1. Based on Minimum Subscription of \$1,200,000 under the Entitlement Offer.
2. Assuming the Maximum Subscription of \$2,248,668 is achieved under the Entitlement Offer.
3. Refer to Section 4.2 for the terms of the New Options.

1.3 Key Risk Factors

Prospective investors should be aware that subscribing for Securities involves a number of risks and an investment in the Company should be considered as highly speculative. The future performance of the Company and the value of the Securities may be influenced by a range of factors, many of which are largely beyond the control of the Company and the Directors. The key risks associated with the Company's business, the industry in which it operates and general risks applicable to all investments in listed securities and financial markets generally are set out in Section 5.

1.4 Directors' Interests in Securities

The relevant interest of each of the Directors in the Securities of the Company as at the date of this Prospectus, together with their respective Entitlement, is set out in the table below:

DIRECTOR	SHARES	OPTIONS	SHARE ENTITLEMENT	NEW OPTION ENTITLEMENT	\$	PERCENTAGE (%) MAXIMUM SUBSCRIPTION, FULLY DILUTED
Daniel Lanskey ¹	56,000	Nil	56,000	28,000	280	0.01%
Samuel Jarvis ²	10,712,274	Nil	10,712,274	5,356,137	53,561	2.11%
Stuart Middleton ³	2,472,341	Nil	2,472,341	1,236,171	12,362	0.49%

Notes:

1. Held indirectly by DK Round Investments Pty Ltd, of which Mr Lanskey is the director and a shareholder.
2. Comprising 1,951,220 Shares held directly, 3,985,714 Shares held indirectly by BNP Paribas Nominees Pty Ltd for Claymore Ventures Limited and 4,775,340 Shares held indirectly by Claymore Ventures Limited, of which Mr Jarvis is a director and shareholder .
3. Held by S & E Middleton Superannuation Pty Ltd <S & E Middleton Superannuation Fund>, of which Mr Middleton is a beneficiary .

The Board recommends all Shareholders take up their Entitlements. The Directors reserve the right to take up their respective Entitlement in whole or in part at their discretion.

1.5 Details of Substantial Holders

Based on publicly available information as at the date of this Prospectus, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

SHAREHOLDER	SHARES	%
Citicorp Nominees Pty Limited	28,792,389	6.40
H & C Wellbeing Pty Ltd <H & C Property A/C>	25,641,846	5.70%

In the event all Entitlements are accepted there will be no change to the substantial holders on completion of the Entitlement Offer.

1.6 Lead Manager

Alpine Capital Pty Ltd (ACN 155 409 653) (AFSL 422 477) (**Lead Manager**) has been appointed as the lead manager of the Entitlement Offer. Terms of the lead manager mandate and total fees payable are set out in Section 6.4.1 below.

1.7 Effect on Control

Based on current shareholding and Entitlements of Shareholders (including substantial Shareholders) as at the date of this Prospectus, regardless of the amount raised under the Offer, no Shareholder will increase their holding, to an amount in excess of 19.9% through applying for their Entitlements.

Further as set out in Section 2.7, on the basis of the allocation policy, no person will acquire, through participation in the Shortfall Offer a holding of Shares of, or increase their holding to, an amount in excess of 19.9% of all the Shares on issue on completion of the Offer.

Further there will be no change to any Shareholder's voting power as a result of the issue of the New Options. Where New Options are exercised into Shares, the voting power of the Shareholders who exercise the New Options will increase. The likelihood of New Options being exercised is dependent on the price of Shares from time to time until the New Options expire.

1.8 Potential dilution on non-participating Shareholders

In addition to potential control impacts set out in Section 1.7, Shareholders should note that if they do not participate in the Entitlement Offer, their holdings are likely to be diluted by approximately 50% (as compared to their holdings and number of Shares on issue as at the date of this Prospectus).

No immediate dilution will occur as a result of the issue of New Options under this Prospectus. However subsequent exercise of any or all of the New Options will result in dilution. Assuming all New Options offered pursuant to this Prospectus are issued and exercised into Shares (excluding the New Options issued under the Lead Manager Offer), Shareholders who do not participate in the Entitlement Offer, are likely to be diluted by an aggregate of approximately 60% (as compared to their holdings and number of Shares on issue as at the date of the Prospectus).

For illustrative purposes, the table below shows how the dilution may impact the holdings of Shareholders:

HOLDER	HOLDING AS AT RECORD DATE	% AT RECORD DATE ¹	ENTITLEMENTS UNDER THE OFFER	HOLDINGS IF OFFER NOT TAKEN UP	% POST OFFER ^{2,3}
Shareholder 1	10,000,000	2.22%	10,000,000	10,000,000	1.11%
Shareholder 2	5,000,000	1.11%	5,000,000	5,000,000	0.56%
Shareholder 3	1,500,000	0.33%	1,500,000	1,500,000	0.17%
Shareholder 4	400,000	0.09%	400,000	400,000	0.04%

HOLDER	HOLDING AS AT RECORD DATE	% AT RECORD DATE ¹	ENTITLEMENTS UNDER THE OFFER	HOLDINGS IF OFFER NOT TAKEN UP	% POST OFFER ^{2,3}
Shareholder 5	50,000	0.01%	50,000	50,000	0.01%
Total	16,950,000		16,950,000		100

Notes:

1. This is based on a share capital of 449,733,530 Shares as at the date of the Prospectus and assumes no Options currently on issue or other Shares are issued, including by the exercise of Options.
2. This is based on share capital of 899,467,060 Shares on issue post-Entitlement Offer and assumes no Options currently on issue or other Shares are issued, including by the exercise of Options.
3. The dilutionary effect shown in the table is the maximum percentage on the assumption that those Entitlements not accepted by Eligible Shareholders are placed under the Shortfall Offer. In the event all Entitlements are not accepted and some or all of the resulting Shortfall was not subsequently placed, the dilution effect for each Shareholder not accepting their Entitlement would be a lesser percentage.

2. DETAILS OF THE OFFERS

2.1 The Entitlement Offer

The Entitlement Offer is being made as a pro-rata non-renounceable entitlement issue of one (1) Share for every one (1) Share held by Shareholders registered at the Record Date at an issue price of \$0.005 per Share, together with 1 New Option for every 2 Shares subscribed for and issued under the Entitlement Offer. Fractional entitlements will be rounded up to the nearest whole number.

Based on the capital structure of the Company as at the date of this Prospectus, (and assuming no Shares are issued prior to the Record Date including on exercise or conversion of securities on issue) approximately 449,733,530 Shares and 224,866,765 New Options may be issued under the Entitlement Offer to raise up to \$2,248,668. No funds will be raised from the issue of the New Options.

As at the date of this Prospectus the Company has 54,600,028 Options on issue all of which may be exercised prior to the Record Date in order to participate in the Entitlement Offer. Please refer to Section 4.2 for information on the exercise price and expiry date of the Options on issue.

All of the Shares offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 4.1 for further information regarding the rights and liabilities attaching to the Shares. The New Options will be exercisable at \$0.01 on or before 2 years from the date of issue and otherwise on the terms set out in Section 4.2.

The purpose of the Entitlement Offer and the intended use of funds raised are set out in Section 3.

2.2 The Lead Manager Offer

The Lead Manager Offer is an offer of up to 89,946,706 New Options to the Lead Manager.

The New Options offered under the Lead Manager Offer will be issued on the terms and conditions as set out in Section 4.2.

The purpose of the Lead Manager Offer is to satisfy part of the Company's obligations under the Lead Manager Mandate and to remove the need for an additional disclosure document to be issued upon the exercise of the New Options subscribed for by the Lead Manager (or its nominee/s).

Only the Lead Manager (or its nominee/s) may apply under the Lead Manager Offer. A personalised Lead Manager Offer Application Form in relation to the New Options will be issued to the Lead Manager together with a copy of this Prospectus. You should not complete a Lead Manager Offer Application Form unless specifically directed to do so by the Company.

2.3 What Eligible Shareholders may do

The number of Securities to which Eligible Shareholders are entitled is shown on the personalised Entitlement and Acceptance Form which accompanies this Prospectus. Eligible Shareholders may choose any of the options set out in the table below.

OPTION	KEY CONSIDERATIONS	FOR MORE INFORMATION
Take up all of your Entitlement	(a) Should you wish to accept all of your Entitlement, then your application for Securities under this Prospectus must be made by following the instructions on the personalised Entitlement and Acceptance Form which accompanies this Prospectus. Please read the instructions carefully.	Section 2.4 and Section 2.5.
	(b) Payment can be made by the	

OPTION	KEY CONSIDERATIONS	FOR MORE INFORMATION
	methods set out in Section 2.4. As set out in Section 2.4, if you pay by BPAY or EFT, you do not need to return the Entitlement and Acceptance Form.	
Take up all of your Entitlement and also apply for Shortfall Securities	(a) Should you wish to accept all of your Entitlement and apply for Shortfall Securities, then your application for your Entitlement and additional Shortfall Securities under this Prospectus must be made by following the instructions on your personalised Entitlement and Acceptance Form which accompanies this Prospectus. Please read the instructions carefully. (b) Payment can be made by the methods set out in Section 2.4. Payment should be made for your Entitlement and the amount of the Shortfall for which you are applying. (c) If you apply for Shortfall Securities beyond your Entitlement you are deemed to have accepted your Entitlement in full. You should note that the allocation of Shortfall Securities is at the Company's absolute discretion as per the allocation policy set out in Section 2.6. Accordingly, your application for additional Shortfall Securities may be scaled-back. (d) The Company's decision on the number of Shortfall Securities to be allocated to you will be final.	Sections 2.4, 2.5 and 2.7.
Take up a proportion of your Entitlement and allow the balance to lapse	If you wish to take up only part of your Entitlement and allow the balance to lapse, your application must be made by completing the personalised Entitlement and Acceptance Form which accompanies this Prospectus for the number of Securities you wish to take up and making payment using the methods set out in Section 2.3 below. As set out in Section 2.3, if you pay by BPAY or EFT, you do not need to return the Entitlement and Acceptance Form.	Section 2.4 and Section 2.5
Allow all or part of your Entitlement to lapse	If you do not wish to accept any part of your Entitlement, you are not obliged to do anything. If you do not take up your Entitlement by the Closing Date, the Offer to you will lapse.	N/A

The Entitlement Offer is non-renounceable. Accordingly, a Shareholder may not sell or transfer all or part of their Entitlement.

2.4 Payment options

(a) By BPAY®

For payment by BPAY®, please follow the instructions on the Entitlement and Acceptance Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that should you choose to pay by BPAY®:

- (i) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form;
- (ii) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your Application monies; and
- (iii) if you pay more than is required to subscribe for your Entitlement, you will be taken to have applied for Shortfall Securities (if any) under the Shortfall Offer, to the extent of the excess.

You should be aware that your own financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration when making payment. **It is your responsibility to ensure that funds submitted through BPAY® are received by 5:00PM (AEDT) on the Closing Date. The Company shall not be responsible for any delay in the receipt of the BPAY® payment.**

Guidance where you have more than one CRN (Shareholding of Shares)

If you have more than one shareholding of Shares and consequently receive more than one Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those Shareholdings only use the CRN specific to that Shareholding as set out in the applicable Entitlement and Acceptance Form. **Do not use the same CRN for more than one of your Shareholdings.** This can result in your Application monies being applied to your Entitlement in respect of only one of your Shareholdings (with the result that any Application in respect of your remaining Shareholdings will not be valid).

(b) By Electronic Funds Transfer (overseas applicants)

For payment by Electronic Funds Transfer (EFT) for overseas Eligible Shareholders, please follow the instructions on the Entitlement and Acceptance Form. You can only make a payment via EFT if you are the holder of an account that supports EFT transactions to an Australian bank account. Please note that should you choose to pay by EFT:

- (i) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form;
- (ii) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your Application monies; and
- (iii) if you pay more than is required to subscribe for your Entitlement, you will be taken to have applied for Shortfall Securities (if any) under the Shortfall Offer, to the extent of the excess.

(c) By Cheque

Payment by cheque or cash will not be accepted.

2.5 Implications of an acceptance

Returning a completed Entitlement and Acceptance Form or paying any Application monies by BPAY® or EFT will be taken to constitute a representation by you that:

- (a) you have received a copy of this Prospectus and the accompanying Entitlement and Acceptance Form, and read them both in their entirety;
- (b) you acknowledge that once the Entitlement and Acceptance Form is returned, or a BPAY® or EFT payment instruction is given in relation to any Application monies, the application may not be varied or withdrawn except as required by law.

2.6 Minimum subscription

The minimum subscription for the Entitlement Offer is \$1,200,000 (**Minimum Subscription**). For the purposes of determining whether the Minimum Subscription has been achieved, the amount raised will comprise the aggregate of Application monies received in respect of:

- (a) entitlements taken up by Eligible Shareholders under the Entitlement Offer;
- (b) applications for Shortfall Securities under the Shortfall Offer, including by Eligible Shareholders applying for Shortfall Securities in excess of their entitlement; and
- (c) Shortfall Securities placed by the Lead Manager under the Shortfall Offer.

No Securities will be issued until the Minimum Subscription has been received. If the Minimum Subscription has not been achieved by the last day to extend the Closing Date (as set out in the timetable in Section 1.1), the Company intends to extend the Closing Date until such time as the Minimum Subscription has been achieved, provided that the Closing Date will not be extended beyond the date that is 4 months after the date of this Prospectus. Any extension of the Closing Date will be announced to ASX in accordance with the ASX Listing Rules. Applications for Shortfall Securities received, and Shortfall Securities placed by the Lead Manager, before the Closing Date (as extended) will count towards the Minimum Subscription. Once the Minimum Subscription has been achieved, Securities will be issued under the Entitlement Offer, and Shortfall Securities may then be issued progressively under the Shortfall Offer while it remains open (refer to Section 2.7).

If the Minimum Subscription is not achieved within 4 months after the date of issue of this Prospectus, the Company will either repay the Application monies to the Applicants or issue a supplementary prospectus or replacement prospectus and allow Applicants one month to withdraw their Application and be repaid their Application monies.

2.7 Shortfall Offer

Any Entitlement not taken up pursuant to the Entitlement Offer will form the Shortfall Offer (**Shortfall Securities**). The Shortfall Offer is a separate offer made pursuant to this Prospectus, which will open on the opening date of the Entitlement Offer set out in the timetable in Section 1.1 and will remain open for up to three months following the Closing Date (or such shorter period as the Directors determine). Shortfall Securities will only be issued after the Closing Date and may be issued progressively at any time while the Shortfall Offer remains open, subject to the Minimum Subscription having been achieved (refer to Section 2.6). . The issue price for each Share to be issued under the Shortfall Offer shall be \$0.005 being the price at which Shares have been offered under the Entitlement Offer. Shortfall Securities will comprise Shares together with one (1) New Option for every two (2) Shares issued under the Shortfall Offer, on the same basis as the Entitlement Offer.

If you do not wish to take up any part of your Entitlement you are not required to take any action. That part of your Entitlement not taken up will form part of the Shortfall Offer and potentially be allocated to other Eligible Shareholders or other third parties as part of the Shortfall Offer. The Shortfall Offer will only be available where there is a Shortfall between applications received from Eligible Shareholders and the number of Shares proposed to be issued under the Entitlement Offer.

Eligible Shareholders who wish to subscribe for Securities above their Entitlement are invited to apply for Shortfall Securities under the Shortfall Offer by completing the

appropriate section on their Entitlement and Acceptance Form or by making payment for such Shortfall Securities in accordance with Sections 2.4.

The Lead Manager has the right to place the shortfall on a best endeavours basis under the Lead Manager Mandate at any time while the Shortfall Offer remains open. The Company, in consultation with the Lead Manager, presently intends to allocate Shortfall Securities as follows:

- (a) to Eligible Shareholders who apply for an excess of their full Entitlement, so long as the issue of Shortfall Securities to that Eligible Shareholder would not take their voting power to in excess of 19.99%; and then
- (b) to other parties identified by the Lead Manager, which may include parties who are not currently Shareholders.

No Shares will be issued to a party under the Shortfall Offer if the effect would be to increase that party's voting power in the Company to an amount greater than 19.99%. No Shortfall Securities will be issued to a Director or any other related party of the Company (or any of their associates) unless prior Shareholder approval is obtained under ASX Listing Rule 10.11.

The Company reserves the right to issue an Eligible Shareholder a lesser number of Shortfall Securities than applied for or no Shortfall Securities at all. However, the Directors do not intend to refuse an application for Shortfall Securities from Eligible Shareholders other than in circumstances of oversubscription or where acceptance may result in a breach of the Corporations Act. If the number of Shortfall Securities applied for by Eligible Shareholders exceeds the total Shortfall, the Shortfall Securities will be allocated among applying Eligible Shareholders proportionate to their existing holdings.

All decisions regarding the allocation of Shortfall Securities will be made by the Directors and will be final and binding on all applicants under the Shortfall Offer; as such there is no guarantee that any Shortfall Securities applied for will be issued to Eligible Shareholders.

The Company will have no liability to any Applicant who receives less than the number of Shortfall Securities they applied for under the Shortfall Offer. If the Company scales back any applications for Shortfall Securities under the Shortfall Offer any Application monies will be returned (without interest) as soon as practicable.

Eligible Shareholders resident in jurisdictions outside Australia should note that their participation in the Shortfall Offer may be restricted by Australia's foreign investment laws. The Company reserves the right to not issue Shortfall Securities to an Eligible Shareholder where it reasonably believes that doing so may infringe on Australia's foreign investment laws.

2.8 ASX listing

Application for Official Quotation of the Shares offered pursuant to this Prospectus will be made within 7 days after the date of this Prospectus. If ASX does not grant Official Quotation of the Shares offered pursuant to this Prospectus before the expiration of three months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any Shares and will repay all Application monies for the Shares within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the Shares is not to be taken in any way as an indication of the merits of the Company or the Securities now offered for subscription.

2.9 Issue of Securities

Securities issued pursuant to the Offers will be issued in accordance with the ASX Listing Rules and timetable set out at Section 1.

Securities issued pursuant to the Shortfall Offer will be issued on a progressive basis. Where the number of Securities issued is less than the number applied for, or where no issue is made surplus Application monies will be refunded without any interest to the Applicant as soon as practicable after the closing date of the Shortfall Offer.

Pending the issue of the Securities or payment of refunds pursuant to this Prospectus, all Application monies will be held by the Company in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

Holding statements for Securities issued under the Offers will be mailed as soon as practicable after the issue of Securities and for Shortfall Securities issued under the Shortfall Offer as soon as practicable after their issue.

2.10 Overseas shareholders

The Entitlement Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of Securities these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Entitlement Offer is not being extended and Securities will not be issued to Shareholders with a registered address which is outside Australia or New Zealand.

New Zealand

The offer of Securities to New Zealand investors under the Entitlement Offer is a regulated offer made under Australian and New Zealand law. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.

The Entitlement Offer and the contents of the Prospectus are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act and the regulations made under that Act set out how the Entitlement Offer must be made.

There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime.

The rights, remedies and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies, and compensation arrangements for New Zealand financial products.

Both the Australian and New Zealand financial markets' regulators have enforcement responsibilities in relation to the Entitlement Offer. If you need to make a complaint about the Entitlement Offer, please contact the Financial Markets Authority, New Zealand (<https://www.fma.govt.nz>). The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of Australian financial products is not the same as for New Zealand financial products.

If you are uncertain whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

The Entitlement Offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.

If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

If the financial products are able to be traded on a financial product market and you wish to trade the financial products through that market, you will have to make arrangements for a participant in that market to sell the financial products on your behalf. If the financial product market does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the

information available to you about the financial products and trading may differ from financial product markets that operate in New Zealand. **Nominees and custodians**

Nominees and custodians may not submit an Entitlement and Acceptance Form on behalf of any Shareholder resident outside Australia and New Zealand without the prior consent of the Company, taking into account relevant securities law restrictions. Return of a duly completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

3. PURPOSE AND EFFECT OF THE OFFERS

3.1 Purpose of the Entitlement Offer

The purpose of the Entitlement Offer is to raise up to \$2,248,668 before costs.

The funds raised from the Entitlement Offer are intended to be applied in accordance with the table set out below:

ITEM	PROCEEDS OF THE ENTITLEMENT OFFER	MINIMUM SUBSCRIPTION (\$)	FULL SUBSCRIPTION (\$)	%
1.	Contiguous Project Acquisition	290,500	290,500	12.92
2.	Well recompletions * 1	170,000	1,076,000	47.85
3.	Loans	552,500	552,500	24.57
4.	Shortfall Placement Fee (6%)	72,000	134,920	6
5.	Working capital	55,968	126,138	5.61
6.	Expenses of the Offer ¹	59,032	68,610	3.05
	Total	1,200,000	2,248,668	100

Notes:

1. Refer to Section 6.8 for further details relating to the estimated expenses of the Entitlement Offer.

On completion of the Entitlement Offer, the Board believes the Company will have sufficient working capital to achieve its stated objectives. In the event the Entitlement Offer is not fully subscribed, operational objectives are likely to be modified, which may result in delay or substantial changes to the Company's future plans. In this event (and after accounting for associated Offer costs), the Company intends to apply the funds in the following order of priority: first, towards the Contiguous Project Acquisition (Item 1); secondly, the Loans (Item 3); thirdly, towards well recompletions (Item 2); and any balance being applied towards working capital (Item 5).

In addition, it should be noted that the Company's budgets and forecasts will be subject to modification on an ongoing basis depending on the results achieved from its business activities and operations.

The above table is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events (including exploration success or failure) and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

3.2 Effect of the Offers

The principal effect of the Offers, assuming all Entitlements are accepted and no Shares are issued including on exercise or conversion of other Securities on issue prior to the Record Date, will be to:

- (a) increase the cash reserves by \$2,248,668 (before deducting the estimated expenses of the Offers) immediately after completion of the Offers;
- (b) increase the number of Shares on issue from 449,733,530 as at the date of this Prospectus to 899,467,060 Shares; and
- (c) increase the number of Options on issue from 54,600,028 as at the date of this Prospectus to 369,413,499 Options.

3.3 Effect on capital structure

The effect of the Offers on the capital structure of the Company, assuming all Entitlements are accepted and no Shares are issued including on exercise or conversion of other Securities on issue prior to the Record Date, is set out below.

Shares

	NUMBER
Shares currently on issue	449,733,530
Shares offered pursuant to the Offers	449,733,530
Total Shares on issue after completion of the Offers	899,467,060

Options

	NUMBER
Options currently on issue ¹	54,600,028
New Options to be issued pursuant to the Entitlement Offer	224,866,765
New Options to be issued pursuant to the Lead Manager Offer	89,946,706
Total Options on issue after completion of the Offers	369,413,499

Notes:

1. Comprising:
 - (a) 52,800,028 unquoted Options exercisable at \$0.05 on or before 13 October 2027; and
 - (b) 1,800,000 unquoted Options exercisable at \$0.075 on or before 27 May 2028.

The capital structure on a fully diluted basis as at the date of this Prospectus would be 504,333,558 Shares and on completion of the Offers (assuming all Entitlements are accepted and no Shares are issued including on exercise or conversion of other Securities on issue prior to the Record Date) would be 1,268,880,559 Shares.

No Shares or Options on issue are subject to escrow restrictions, either voluntary or ASX imposed.

3.4 Pro-forma balance sheet

The audited balance sheet as at 30 June 2026 and the unaudited pro-forma balance sheet as at 30 June 2026 shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma balance sheet has been prepared assuming all Entitlements are accepted, no Options or convertible securities are exercised prior to the Record Date and including expenses of the Offer.

The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

	AUDITED \$	PROFORMA MINIMUM RAISE \$	PROFORMA MAXIMUM RAISE \$
CURRENT ASSETS			
Cash & cash equivalents	86,938	1,155,906	2,132,076
Trade & other receivables	99,296	99,296	99,296
Oil in tank inventory	17,238	17,238	17,238
Other current assets	894,862	894,862	894,862
TOTAL CURRENT ASSETS	1,098,334	2,167,302	3,143,472

	AUDITED \$	PROFORMA MINIMUM RAISE \$	PROFORMA MAXIMUM RAISE \$
NON-CURRENT ASSETS			
Plant and equipment	160,390	160,390	160,390
Development & producing assets	456,978	456,978	456,978
Exploration & evaluation assets	4,736,772	4,736,772	4,736,772
TOTAL NON-CURRENT ASSETS	5,354,141	5,354,141	5,354,141
TOTAL ASSETS	6,452,475	7,521,443	8,497,613
CURRENT LIABILITIES			
Trade and other payables	1,825,869	1,825,969	1,825,869
Asset retirement obligations - current	135,482	135,482	135,482
Financial liabilities - current	22,222	22,222	22,222
TOTAL CURRENT LIABILITIES	1,983,574	1,983,574	1,983,574
NON-CURRENT LIABILITIES			
Financial liabilities – non-current	88,834	88,834	88,834
Asset retirement obligations – non-current	104,451	104,451	104,451
TOTAL NON-CURRENT LIABILITIES	193,284	193,284	193,284
TOTAL LIABILITIES	2,176,858	2,176,858	2,176,858
NET ASSETS (LIABILITIES)	4,275,617	5,344,585	6,320,755
EQUITY			
Issued capital	133,789,521	134,858,489	135,834,659
Reserves	541,511	541,511	541,511
Accumulated losses	(130,055,415)	(130,055,415)	(130,055,415)
TOTAL EQUITY	4,275,617	5,344,585	6,320,755

4. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

4.1 Rights and liabilities attaching to Shares

The following is a summary of the more significant rights and liabilities attaching to the Shares being offered pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

(a) General meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company. The Company's constitution permits the use of technology at general meetings of shareholders (including wholly virtual meetings), to the extent permitted under the Corporations Act, Listing Rules and applicable law.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

(b) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) Dividend rights

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law

be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

(e) **Shareholder liability**

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) **Transfer of shares**

Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.

(g) **Future increase in capital**

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

(h) **Variation of rights**

Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to Shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(i) **Alteration of constitution**

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

4.2 Terms of New Options

(a) **Entitlement**

Each New Option entitles the holder to subscribe for one (1) Share upon exercise of the New Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each New Option will be \$0.01 (**Exercise Price**)

(c) **Expiry Date**

Each New Option will expire at 5:00 pm (AEST) on the date that is two (2) years from the date of issue (**Expiry Date**). A New Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The New Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The New Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the New Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each New Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each New Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within 5 Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of New Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the New Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the New Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the New Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the New Options without exercising the New Options.

(k) **Change in exercise price**

An New Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the New Option can be exercised.

(l) **Transferability**

The New Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

5. RISK FACTORS

5.1 Introduction

The Securities offered under this Prospectus should be considered as highly speculative and an investment in the Company is not risk free.

The Directors strongly recommend that prospective investors consider the risk factors set out in this Section 5, together with all other information contained in this Prospectus.

The future performance of the Company and the value of the Securities may be influenced by a range of factors, many of which are largely beyond the control of the Company and the Directors. The key risks associated with the Company's business, the industry in which it operates and general risks applicable to all investments in listed securities and financial markets generally are described below.

The risks factors set out in this Section 5, or other risk factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Securities. This Section 5 is not intended to provide an exhaustive list of the risk factors to which the Company is exposed.

Before determining whether to invest in the Company you should ensure that you have a sufficient understanding of the risks described in this Section 5 and all of the other information set out in this Prospectus and consider whether an investment in the Company is suitable for you, taking into account your objectives, financial situation and needs.

If you do not understand any matters contained in this Prospectus or have any queries about whether to invest in the Company, you should consult your accountant, financial adviser, stockbroker, lawyer or other professional adviser.

5.2 Company specific

RISK CATEGORY	RISK
Going Concern	The independent auditor's report on the Company's financial report for the year ended 30 June 2026 (Financial Report) includes an unmodified audit opinion and a separate section headed "Material Uncertainty Related to Going Concern". That section draws attention to Note 3 and identifies conditions that indicate the existence of a material uncertainty that may cast significant doubt about the Company group's ability to continue as a going concern. The auditor's opinion is not modified in respect of this matter. Notwithstanding the 'going concern' qualification included in the Financial Report, the Directors believe that upon the successful completion of the Entitlement Offer, the Company will have sufficient funds to adequately meet the Company's current exploration commitments and short term working capital requirements. However, it is highly likely that further funding will be required to meet the medium to long term working capital costs of the Company. Please refer to Section 3.4 for further details. In the event that the Entitlement Offer is not completed successfully there is significant uncertainty as to whether the Company can continue as a going concern which is likely to have a material adverse effect on the Company's activities.
Unsecured cash advances and creditor support	Subsequent to 30 June 2026, the Company group has received unsecured cash advances totalling \$537,500. The advances accrue interest at a rate of 10% per annum and are to be either converted into Shares or repaid at the time of the Company's next capital raising. To the extent the advances are repaid from the proceeds of the Entitlement Offer, those funds will not be available for the

RISK CATEGORY	RISK
	Company's operations. To the extent the advances are converted into Shares, Shareholders' interests in the Company will be further diluted. In addition, as at 30 June 2026 the Group had trade and other payables of US\$1,272,631, compared to cash and cash equivalents of US\$60,596. The Directors have identified the continued support of the Company group's major creditors in respect of restructured payables obligations as one of the matters on which the Company group's ability to continue as a going concern is contingent. If one or more creditors were to demand immediate payment, or if the Company is unable to meet its obligations as and when they fall due, this would have a material adverse effect on the Company's financial position and may affect its ability to continue as a going concern.
Potential for dilution	In addition to potential control impacts set out in Section 1.7, Shareholders should note that if they do not participate in the Entitlement Offer, their holdings are likely to be diluted by approximately 50% (as compared to their holdings and number of Shares on issue as at the date of this Prospectus). No immediate dilution will occur as a result of the issue of New Options under this Prospectus. However subsequent exercise of any or all of the New Options will result in dilution. Assuming all New Options offered pursuant to this Prospectus are issued and exercised into Shares (excluding the New Options issued under the Lead Manager Offer), Shareholders who do not participate in the Entitlement Offer, are likely to be diluted by an aggregate of approximately 60% (as compared to their holdings and number of Shares on issue as at the date of the Prospectus). It is not possible to predict what the value of the Company, a Share or an Option will be following the completion of the Offers and the Directors do not make any representation as to such matters. The last trading price of Shares on ASX prior to the Prospectus being lodged of \$0.004 is not a reliable indicator as to the potential trading price of Shares after implementation of the Offer.
Additional requirements for capital	The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing in addition to amounts raised under the Entitlement Offer. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programmes as the case may be. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company. In particular, the development of the Company's Oklahoma leases and any expansion of its gas-to-power operations (including the Company's stated objective of increasing its power generation capacity) will require significant capital in addition to the funds raised under the Entitlement Offer.

RISK CATEGORY	RISK
Contractual Risk	The Company's ability to efficiently conduct its operations in a number of respects depends upon a number of contracts. As in any contractual relationship, the ability for the Company to ultimately receive the benefit of the contract is dependent upon the relevant third party complying with its contractual obligations. To the extent that such third parties default in their obligations, it may be necessary for the Company to enforce its rights under any of the contracts and pursue legal action. Such legal action may be costly and no guarantee can be given by the Company that a legal remedy will ultimately be granted on appropriate terms.
Regulatory Risks	The Company's drilling activities are subject to extensive laws and regulations. The Company requires approval for drilling permits which are issued by the relevant State Regulators, including the Colorado Energy and Carbon Management Commission and the Oklahoma Corporation Commission. The Company also requires certain permits to conduct its activities and is subject to oversight resulting from uncontrolled discharge to the environment from wellbores, production infrastructure or during transport. Obtaining necessary approvals can be a time-consuming process and there is a risk that the Company will not obtain these approvals. The costs and delays associated with obtaining the necessary approvals and complying with applicable laws and regulations could materially delay or restrict the Company from proceeding with the development or the operation of its wells. Any failure to comply with applicable laws and regulations, even if inadvertent, could result in material fines, penalties or other liabilities. In extreme cases, failure could result in suspension of the Company's activities or forfeiture of one or more of its wells. The Company has experienced long lead times in obtaining drilling permits in Colorado, which has contributed to the Company's decision to pursue opportunities in Oklahoma. There is no guarantee that permits will be obtained in a timely manner, or at all, in either jurisdiction.
Surface access and landowner relations	The Company's oil and gas leases in Colorado and Oklahoma are located on land which may be owned or occupied by third parties. The Company's ability to access the surface of that land to conduct drilling, production and gas-to-power activities may depend on reaching surface use agreements with landowners, complying with applicable state setback and surface use requirements and maintaining good relationships with landowners and local communities. Disputes with landowners, or the inability to secure surface access on acceptable terms, may delay or prevent the Company's activities or increase its costs.
Gas to power and digital infrastructure strategy	A key element of the Company's strategy is the use of natural gas produced from its leases (including otherwise stranded gas) to generate electricity for digital infrastructure customers, including bitcoin mining operators. This strategy is at an early stage and is subject to a number of risks, including: (a) execution risk: during the year ended 30 June 2026, the Company group ceased its gas-to-power operations in Colorado, three wells were temporarily shut in and the leased generators were returned, and the cessation of those operations contributed to an

RISK CATEGORY	RISK
	impairment of the Company group's Denver-Julesburg Basin assets. The Company's gas-to-power activities are now focused on Oklahoma, where a 320kW natural gas generator was installed at the Edwards Lease in August 2026. There is no guarantee that the Company will be able to successfully establish or expand gas-to-power operations in Oklahoma or elsewhere, or achieve its stated objective of increasing its power generation capacity to 25MW; (b) gas supply risk: the generation of power depends on the Company producing sufficient volumes of gas of appropriate quality from its wells, while also optimising oil production from those wells; (c) Customer and market risk: demand for power from digital infrastructure customers, and the financial capacity of those customers, is affected by factors outside the Company's control, including the price and volatility of bitcoin and other digital assets, changes to bitcoin network parameters (such as mining difficulty and block rewards) and the regulation of digital asset mining; and (d) Capital and regulatory risk: the expansion of gas to power operations will require additional capital equipment (which may be subject to supply constraints) and regulatory approvals (including air quality permits), and any delays or cost overruns could adversely affect the anticipated returns from these projects.
Saltwater disposal risk	The Company's oil and gas production depends on its ability to safely and lawfully manage and dispose of produced water. The availability and capacity of saltwater disposal wells, pipelines and associated facilities may constrain production, particularly where wells produce significant volumes of water. Disposal facilities may be subject to mechanical failure, corrosion, loss of well integrity, power interruptions, unexpected pressure limitations or insufficient injection capacity. Regulatory authorities may restrict injection rates or pressures, require additional testing or remedial works, or suspend or revoke approvals, including in response to actual or suspected induced seismicity or groundwater contamination. The proposed connection of Charlie #1 to the saltwater disposal facility associated with the adjoining acreage acquisition is subject to the availability of that facility, satisfactory assessment of its condition and capacity, any required approvals and completion of connection works. There is no guarantee that the facility will provide the anticipated disposal capacity or cost savings. Repairs, upgrades or additional infrastructure may be required, increasing expenditure and delaying development. If disposal capacity becomes unavailable or inadequate, the Company may need to transport produced water to third-party facilities at increased cost, reduce production or shut in wells. Spills, leaks or failures may also result in remediation costs, regulatory penalties and third-party claims. These events could materially adversely affect the Company's production, operating costs, cash flow and financial position.

RISK CATEGORY	RISK
Oklahoma development	In August 2025 the Company acquired approximately 1,400 net acres of oil and gas leases in Kay County, Oklahoma, in which it holds a 100% working interest and an 81.25% net revenue interest, and it has since commenced drilling and testing activities, including the drilling of the Charlie #1 well and the flow testing program announced on 2 September 2026. These activities are at an early stage. Initial flow rates achieved during short-term testing are not necessarily indicative of the long-term production rates or ultimate recoveries of a well, and there is no guarantee that any well drilled on the leases will be commercially productive. The leases are subject to a primary term of 4 years from acquisition. If production is not established within the primary term, the leases may expire (refer also to the risk headed 'Land Tenure' in this Section 5).
Asset retirement obligations and bonding	The Company and its subsidiaries may be required to plug and abandon wells, decommission production, gas-to-power and saltwater disposal facilities, remove equipment, restore affected land and remediate environmental damage. These obligations may relate to producing, inactive or previously abandoned assets, including assets acquired from third parties, and may arise earlier than anticipated following cessation of production, lease expiry, equipment failure or regulatory action. The timing and cost of satisfying these obligations are uncertain. Actual expenditure may exceed amounts provided for in the Company's financial statements due to changes in regulatory requirements, contractor availability, service costs, well conditions or the discovery of previously unidentified contamination. Acquisitions may expose the Company to historical abandonment or environmental liabilities that are not identified during due diligence or cannot be recovered from the seller. Relevant authorities may require bonds, deposits or other financial assurance and may increase those requirements. Additional security requirements could restrict available working capital. If the Company cannot obtain or maintain the required financial assurance, its operations or applications for permits or transfers of operatorship may be restricted, delayed or refused. The cessation of operations or winding up of a subsidiary may not eliminate all associated obligations or potential exposure of other group entities. Unexpected or accelerated abandonment, remediation or bonding expenditure could materially adversely affect the Company's financial position, operations and ability to fund its development plans.
Climate Risk	There are a number of climate-related factors that may affect the operations and proposed activities of the Company. The climate change risks particularly attributable to the Company include: (a) the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon

RISK CATEGORY	RISK
	emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its profitability. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences; and (b) climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates; and (c) increasing scrutiny from investors, financiers, regulators and the community regarding carbon emissions, climate change and sustainability practices in the oil and gas industry, which may affect the Company's access to, and cost of, capital and insurance, and may result in higher compliance costs or restrictions on the Company's operations.
Pandemics	The outbreak of a pandemic such as the coronavirus disease (SARS-CoV-2 (severe acute respiratory syndrome coronavirus 2), coronavirus disease 2019 or COVID 19, including any future resurgence or evolutions or mutations thereof or any related or associated epidemic, pandemic or disease outbreak) (COVID-19) may impact global economic markets. While COVID-19 is not currently materially affecting the Company's operations, with the potential for further outbreaks and new strains of the virus, the ongoing nature and extent of the effect of the COVID-19 outbreak on the performance of the Company remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by a pandemic such as COVID-19. Further, any governmental or industry measures taken in response to a pandemic may adversely impact the Company's operations and are likely to be beyond the control of the Company. In addition, the effects of a pandemic on the market price of the Shares and global financial markets generally may also affect the Company's ability to raise equity or debt if and when required or require the Company to issue capital at a discount, which may result in dilution for some or all Shareholders.

5.3 Industry Specific

RISK CATEGORY	RISK
Oil and Gas Exploration & Development	The prospects in which the Company has an interest are at various stages of pre-exploration due diligence, exploration or production, and potential investors should understand that exploration and development are high-risk undertakings. Oil and gas exploration is a high risk, speculative activity that requires a large amount of expenditure over extended periods of time. There is no guarantee that exploration will result in commercial discoveries or that well and field development

RISK CATEGORY	RISK
	activities will achieve the anticipated, or indeed any increase in hydrocarbon production. Technical conclusions during exploration, appraisal, field development and production are subject to the uncertainties associated with all sampling techniques and to the risk of incorrect interpretation of geological, geophysical, drilling and other data. By its nature, the business of oil and gas exploration and field development contains elements of significant risk, with no guarantee of success. Ultimate and continuous exploration and development success is dependent on many factors such as: (a) access to adequate capital; (b) the design and construction of efficient exploration and development programs and expenditure budgets; (c) securing and maintaining title to interests including maintaining lease obligations; (d) cost overruns in drilling, workover and other equipment failure, such as wear and tear; (e) obtaining consents and approvals necessary for the conduct of oil and gas exploration; and (f) access to competent exploration, development and operational management and prudent financial administration, including the availability and reliability of appropriately skilled and experienced employees, contractors and consultants. Adverse weather conditions over a prolonged period can adversely affect exploration and development operations and the timing of revenues.
Hydrocarbon Product Price and Volatility	The demand for, and price of, oil and natural gas is dependent on a variety of external factors, including local and global supply and demand, the level of consumer product demand, weather conditions, the price and availability of alternative fuels (including renewable fuels), actions taken by governments and international cartels, and global economic and political developments. Oil and gas prices lie wholly outside of the Company's control, have fluctuated widely in recent years and may continue to fluctuate. If the price of hydrocarbons should drop significantly and remain depressed it may have a material adverse effect on the Company's business, financial condition and operational results. The marketability of hydrocarbons can also be affected by numerous other factors beyond the control of the Company, including government regulations relating to royalties, allowable production, and importing and exporting of oil and gas and petroleum products, the effect of which cannot be accurately predicted.
Hydrocarbon Reserve and Resource Estimates	Hydrocarbon reserve and resource estimates are expressions of judgment based on knowledge, experience and industry practice. Estimates that were valid when made may change significantly when new information becomes available. In addition, reserve and resource estimates are necessarily imprecise and depend to some extent on interpretations, which

RISK CATEGORY	RISK
	may prove inaccurate. Should the Company encounter oil and/or gas deposits or formations different from those predicted by past drilling, sampling and similar examinations, then reserve and resource estimates may have to be adjusted and production plans may have to be altered in a way that could adversely affect the Company's operations. Where possible, the Company will seek to have any such estimates verified or produced by an independent expert.
Drilling Risks	Oil and gas drilling activities are subject to numerous risks, many of which are beyond the Company's control. The Company's drilling and workover operations may be curtailed, delayed or cancelled due to several factors including weather conditions, mechanical difficulties, shortage or delays in the delivery of rigs and/or other equipment and specialist service providers, as well as compliance with governmental requirements. Hazards incidental to the exploration and development of oil and gas properties such as unusual or unexpected geological formations, pressure, temperatures and/or other factors are inherent in drilling and operating wells and may be encountered by the Company. Completion of a well does not assure a profit on the investment or recovery of drilling, completion and operating costs. Whilst wells drilled may yield some hydrocarbons there can be no guarantee that the discovery will be sufficiently productive to justify commercial development or cover operating costs.
Commercialisation	Even if the Company recovers potentially commercial quantities of oil and gas, there is no guarantee that the Company will be able to successfully transport the oil and gas to commercially viable markets or sell the oil and gas to customers to achieve a commercial return.
Oil and gas reserves and commercial law	Oil and gas reserves are expressions of judgment based on knowledge, experience and industry practice. Estimates, which were valid when originally calculated, may change significantly when new information or techniques become available. In addition, by their nature, oil and gas reserves are imprecise and depend to some extent on interpretations which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, the estimates are likely to change. This may result in alterations to development and commercial flow plans which may, in turn, either benefit or adversely affect the Company's operations.
Operations	The operations of the Company may be affected by various factors, including failure to locate or identify oil and gas reserves, failure to achieve predicted well production flow rates, operational and technical difficulties encountered in production, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated reservoir problems which may affect field production performance, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment. No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or production of the Company's fields

RISK CATEGORY	RISK
Weather and natural disasters	The Company's operations in Colorado and Oklahoma are exposed to adverse weather conditions and natural events, including tornadoes, flooding, extreme cold and heatwaves. Severe weather can disrupt drilling, production, power generation and logistics, damage infrastructure and increase operating costs. During the year ended 30 June 2026, the Company's oil production was adversely affected by weather disruptions. The frequency and severity of such events could adversely affect the reliability of the Company's operations and its financial performance.
Health and safety	The oil and gas industry involves inherent health and safety risks, including exposure to hazardous environments, high-pressure equipment and flammable hydrocarbons, equipment failures and potential accidents. A significant health or safety incident could result in serious injury or loss of life, regulatory penalties, litigation, reputational damage or the suspension of operations. Changes to occupational health and safety laws may also increase the Company's compliance costs.
Joint Venture Parties	Oil and gas ventures are typically operated under joint operating agreements (JOA), which include provisions that require certain decisions to be voted upon by each participant. A decision will be approved under the JOA when the operator has received sufficient positive votes; the approval threshold for which varies with each JOA and for different activity types within a particular JOA. The decisions and activities of its joint venture partners are taken independently from the Company and as a result there exists a risk that the Company may have the value of its interest in such properties reduced by votes or actions undertaken by other venture participants. The Company cannot guarantee that joint ventures will be operated or managed in accordance with the Company's preferred direction or strategy, or guarantee that joint ventures will be operated in accordance with work program commitments in respect of the relevant projects. This may result in projects being delayed, losing value, being forfeited or fines imposed on the joint venture parties. Further, the Company is unable to predict the risk of financial failure, non-compliance with obligations or default by a participant in any venture to which the Company is, or may become, a party.
Contract Party Risk	The Company has a number of key contractual relationships with third parties including suppliers, service providers and customers for the transport, storage and sale of crude oil. If these relationships break down and the agreements are terminated, there is a risk that the Company may not be able to find a satisfactory replacement. With respect to these contract parties and despite applying best practice in terms of pre-contracting due diligence, the Company is unable to completely avoid the risk of: (a) financial failure or default by a participant in any agreement to which the Company is or may become a party; and/or (b) insolvency, default on performance or delivery by any operators, contractors or service providers.

RISK CATEGORY	RISK
Environmental and Other Regulatory Requirements and Approvals	Before exploration and production activity can commence on any permit or licence, the Company must obtain environmental and other regulatory approvals and there is no assurance that such approvals will be obtained or granted in a timely manner. Delays in the regulatory process and granting of environmental and other necessary approvals could hinder the Company's ability to pursue operational activities which in some cases could materially impact the outcome. The Company's operations are subject to environmental laws, including but not limited to, those governing the management of waste, the protection of water and air quality, the discharge of materials into the environment, and the preservation of natural resources which may impact and influence the Company's operations. If the Company fails to comply with environmental laws regarding the discharge of oil, gas, or other materials into the air, soil or water it may be subject to liabilities to the government and third parties, including civil and criminal penalties. Existing and possible future environmental legislation, regulations and actions could cause additional expense, capital expenditures, restrictions and delays in the activities of the Company, the extent of which cannot be predicted. The Company may from time to time in the future agree to indemnify sellers of producing properties against some liabilities for environmental claims associated with these properties.
Land Tenure	Petroleum Leases and Production Licences held by the Company are subject to the approval of the relevant government bodies. Government regulatory authorities generally require permit and licence holder(s) to undertake certain obligations, including work program commitments, and failure to meet those obligations could result in forfeiture or termination. The Company's Oklahoma leases are subject to a primary term of 4 years from acquisition, after which they will generally only continue if production (or other lease-preserving operations) has been established. The Company's Colorado leases may terminate if production ceases (including where wells are shut in) for longer than is permitted under the terms of the relevant lease.
Production risk	There is a risk that aggregate production from resources will not meet expectations and may decline beyond estimates. Disruption to or any reduction in the expected production of the Company's oil and gas related investments may result in variations to the Company's expected revenue and could have an adverse effect on the Company's financial performance and ongoing operations. During the year ended 30 June 2026, the Company group's oil sales revenue was affected by weaker pricing and reduced volumes due to weather disruptions and well workovers, and three wells in Colorado were temporarily shut in following the cessation of gas to power operations.
Oil and gas volatility and exchange rates	If the Company achieves success leading to oil and gas production, the revenue it will derive through the sale of oil and gas exposes the potential income of the Company to oil and gas price and exchange rate risks. Oil and gas prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations, technological advancements, forward selling

RISK CATEGORY	RISK
	activities and other macro-economic factors. The Company does not currently have any hedging arrangements in place in respect of its oil and gas revenue and is therefore fully exposed to movements in oil and gas prices. Furthermore, international prices of oil and gas are denominated in United States dollars, and the Company group's operations are conducted, and its financial statements are presented, in United States dollars. However, the funds raised under the Entitlement Offer will be raised in Australian dollars and certain of the Company's corporate costs are incurred in Australian dollars. The Company is therefore exposed to fluctuations and volatility in the rate of exchange between the United States dollar and the Australian dollar, which may affect the amount of funds available for the Company's operations in the United States.
Sovereign	All of the Company's projects are currently located in the United States of America and are subject to the risks associated with operating in a foreign country. These risks may include economic, social or political instability or change, hyperinflation, currency non-convertibility or instability and changes of law affecting foreign ownership, government participation, taxation, working conditions, rates of exchange, exchange control, exploration licensing, export duties, repatriation of income or return of capital, environmental protection, labour relations as well as government control over natural resources or government regulations that require the employment of local staff or contractors or require other benefits to be provided to local residents. Any future material adverse changes in government policies or legislation in foreign jurisdictions in which the Company has projects that affect foreign ownership, exploration, development or activities of companies involved in oil and gas exploration and production, may affect the viability and profitability of the Company.
Title	The system for obtaining development rights to oil and gas leases can be complex given that numerous parties may hold the undivided mineral estate to a particular tract of land. Securing the leases to those mineral estates often requires lengthy negotiation with the various parties. In order to independently verify that the parties with whom a company is dealing are the correct and sole holders of the mineral estate and to analyse the full rights and restrictions applying to the interest held by those parties requires that a company obtain detailed title opinions from appropriately qualified and experienced lawyers in the relevant US states. This can be a lengthy and expensive process and the final opinions are often the subject of numerous qualifications and requirements.
Competition	The industry in which the Company is involved is subject to global competition. The Company has no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the Company's projects and business. Many of the Company's competitors have greater financial and other resources than the Company and, as a result, may be in a better position to compete for future business

RISK CATEGORY	RISK
	opportunities. There can be no assurance that the Company will compete effectively with these companies and other industry participants and thereby be successful in acquiring additional oil and gas properties on reasonable commercial terms.
Insurance	The Company maintains insurance in respect of its operations. However, the Company's insurance may not cover all risks associated with its activities, insurance against certain risks (such as environmental pollution, well blowouts or other hazards) may not be available or may be available on commercially reasonable terms, and the cost of insurance may increase. The occurrence of an event that is not covered, or is only partially covered, by insurance could have a material adverse effect on the Company's financial position.

5.4 General risks

RISK CATEGORY	RISK
Economic	General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.
Market conditions	Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as: (a) general economic outlook; (b) introduction of tax reform or other new legislation; (c) interest rates and inflation rates; (d) changes in investor sentiment toward particular market sectors; (e) the demand for, and supply of, capital; and (f) terrorism or other hostilities. The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.
Litigation risks	The Company is exposed to possible litigation risks including intellectual property claims, contractual disputes, regulatory proceedings, occupational health and safety claims and employee claims. The Company notes that its wholly owned subsidiary, AusCo Petroleum Florence, LLC, which operates the Company's wells in Colorado, is currently negotiating with the Colorado Department of Public Health and Environment in relation to a potential fine of US\$190,000 for the non-compliance of certain wells. The amount of any fine has not yet been agreed and there is no certainty as to the outcome of those negotiations. If the matter is not resolved on acceptable terms, it may proceed to formal enforcement action or litigation, and the Company may be required to pay a greater fine, incur legal costs and

RISK CATEGORY	RISK
	undertake remedial works on the relevant wells. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. Other than as set out above, the Company is not currently engaged in any litigation.
Dividends	Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.
Taxation	The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All prospective investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally. To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Securities under this Prospectus.
Reliance on key personnel	The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.
Managing Growth	The Company's success will depend on its ability to expand its operations. If the Company is unable to successfully manage the expansion of its business, its financial condition and results of operations could be materially adversely affected.
Economic conditions and other global or national issues	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.

5.5 Speculative investment

The risk factors described above, and other risk factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Securities.

Prospective investors should consider that an investment in the Company is highly speculative.

There is no guarantee that the Securities offered under this Prospectus will provide a return on capital, payment of dividends or increases in the market value of those Securities.

Before deciding whether to subscribe for Securities under this Prospectus you should read this Prospectus in its entirety and consider all factors, taking into account your objectives, financial situation and needs.

6. ADDITIONAL INFORMATION

6.1 Litigation

The Company notes that AusCo Petroleum Florence, LLC, a wholly owned subsidiary of the Company that operates wells in Colorado, United States, is currently negotiating with the Colorado Department of Public Health and Environment about a potential fine of US\$190,000 for alleged non-compliance of certain wells with applicable regulatory requirements. No final determination has been made and the outcome of the negotiations, including the amount of any fine that may be imposed, is uncertain. The Directors will continue to monitor the matter and the Company will make any announcements required under its continuous disclosure obligations.

As at the date of this Prospectus, apart from the matter described above, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

6.2 Continuous disclosure obligations

As set out in the Important Notice Section of this Prospectus, the Company is a disclosing entity for the purposes of section 713 of the Corporations Act. Accordingly, information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial report most recently lodged by the Company with the ASIC;
 - (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and
 - (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

Details of documents lodged by the Company with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below.

DATE	DESCRIPTION OF ANNOUNCEMENT
9 October 2026	Strategic Acquisition of Seven Well Oil & Gas Portfolio
30 September 2026	Appendix 4G and Corporate Governance Statement

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website.

6.3 Market price of Shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the respective dates of those sales were:

	(\$)	DATE
Highest	\$0.007	6 July, 10 July, 15 July and 16 September 2026
Lowest	\$0.004	12 August – 1 September 2026 and 3 September 2026, 1 October 2026 and 8-9 October 2026
Last	\$0.004	8 October 2026

6.4 Material Contracts

6.4.1 Lead Manager Mandate

The Company has signed a mandate letter to engage Alpine Capital Pty Limited (ACN 155 409 653) (AFSL 422 477) (**Lead Manager**) to act as lead manager of the Entitlement Offer (**Lead Manager Mandate**), the material terms and conditions of which are summarised below:

Fees	Under the terms of this engagement, the Company will pay the Lead Manager: (a) a fee of 1% on the gross proceeds raised from existing Eligible Shareholders subscribing for Shares under the Entitlement Offer; (b) a management fee of 2% on the gross proceeds of the Shortfall Offer (plus GST); (c) a 4% fee on the gross proceeds of the Shortfall Offer; (d) one (1) New Option for every five (5) Shares subscribed for under the Entitlement Offer; and (e) any reasonable disbursements and out of pocket expenses.
Termination Events	The Lead Manager may terminate the Lead Manager Mandate if an event occurs that: (a) is reasonably likely to have a material adverse effect on the Entitlement Offer or the aftermarket for the Shares; (b) is reasonably likely to have a material adverse effect on the performance of the Company; or (c) has given rise to, or could give rise to, a contravention by the Lead Manager of the Corporations Act or any other applicable law or regulation.
Right of First Refusal	If the Company notifies the Lead Manager: (a) within three (3) months from the date the Lead Manager Mandate is executed; or (b) prior to the completion of the Entitlement Offer, of the requirement to raise new equity capital, the Lead Manager will be provided the opportunity to act as lead manager for that equity raise.

The Lead Manager Mandate otherwise contains provisions considered standard for an agreement of its nature (including representations, warranties and confidentiality provisions).

6.5 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed director holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offers; or
- (c) the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed director:

- (d) as an inducement to become, or to qualify as, a Director; or
- (e) for services provided in connection with:
 - (i) the formation or promotion of the Company; or
 - (i) the Offers.

Security holdings

The relevant interest of each of the Directors in the Securities as at the date of this Prospectus, together with their respective Entitlement, is set out in Section 1.4.

Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$750,000 per annum.

A Director may be paid fees or other amounts (i.e. non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the total annual remuneration paid to the Directors for the financial year ended 30 June 2026, alongside the proposed annual remuneration to be paid to the Directors for the financial year ending 30 June 2027.

DIRECTOR	FY ENDING 30 JUNE 2026	FY ENDING 30 JUNE 2027
Daniel Lanskey	\$US200,473 ¹	US\$200,000 ⁴
Samuel Jarvis	\$US54,717 ²	US\$56,206 ⁵
Stuart Middleton	\$US45,597 ³	US\$46,838 ⁶

Notes:

1. Mr Lanskey is the sole director of DK Round Investments Pty Ltd (**DKR**). The Company paid Director fees (inclusive of superannuation) of US\$200,473 to DKR. Mr Lanskey is also a director of Turntable Energy Inc (**Turntable**). The Company paid consulting fees of US\$40,000 to Turntable.
2. Comprising salary and fees of US\$48,854 and a superannuation of US\$5,863.
3. Comprising salary and fees of US\$40,712 and a superannuation payment of US\$4,885.
4. Mr Lanskey is the sole director of DKR. The Company will pay Director fees (inclusive of superannuation) of US\$200,000 to DKR. .
5. Comprising salary and fees of US\$50,184 and a superannuation payment of US\$6,022.
6. Comprising salary and fees of US\$41,820 and a superannuation payment of US\$5,018.

6.6 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or
- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (d) the formation or promotion of the Company;
- (e) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offers; or
- (f) the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (g) the formation or promotion of the Company; or
- (h) the Offers.

Alpine Capital Pty Limited (ACN 155 409 653) (AFSL 422 477) has acted as the lead manager of the Entitlement Offer. The Company estimates it will pay Alpine Capital Pty Ltd \$126,606.76 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Alpine Capital Pty Ltd has received \$247,500 (excluding GST) in fees from the Company.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offers. The Company estimates it will pay Steinepreis Paganin \$15,000 (excluding GST and disbursements) for these services.

6.7 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the securities), the Directors, the persons named in the Prospectus with their consent as Proposed Directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section;
- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaims and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section; and
- (c) has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Alpine Capital Pty Limited (ACN 155 409 653) (AFSL 422 477) has given its written consent to being named as the Lead Manager to the Entitlement Offer in this Prospectus.

Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in this Prospectus.

Pitcher Partners BA&A Pty Ltd has given its written consent to being named as auditor to the Company in this Prospectus and the inclusion of the 30 June 2026 audited balance sheet of the Company in Section 3.4. Pitcher Partners has not withdrawn its consent prior to lodgement of this Prospectus with the ASIC.

6.8 Expenses of the offers

In the event that all Entitlements are accepted, the total expenses of the Offers are estimated to be approximately \$68,610 (excluding GST) and are expected to be applied towards the items set out in the table below:

	\$
ASIC fees	3,206
ASX fees	25,404
Legal fees	15,000
Printing and distribution	20,000
Miscellaneous	5,000
Total	68,610

7. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.

8. GLOSSARY

\$ means the lawful currency of the Commonwealth of Australia.

AEDT means Australian Eastern Daylight Time.

Application Form means an Entitlement and Acceptance Form or Shortfall Application Form as the context requires.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

ASX Listing Rules means the listing rules of the ASX.

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHESS.

Board means the board of Directors unless the context indicates otherwise.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.

Closing Date means the date specified in the timetable set out at Section 1 (unless extended).

Company means AXP Energy Limited (ACN 114 198 471).

Constitution means the constitution of the Company as at the date of this Prospectus.

Corporations Act means the *Corporations Act 2001* (Cth).

COVID-19 has the meaning given in Section 5.2.

CRN means Customer Reference Number in relation to BPAY®.

Directors means the directors of the Company as at the date of this Prospectus.

Eligible Shareholder means a Shareholder as at the Record Date who is eligible to participate in the Entitlement Offer.

Entitlement means the entitlement of a Shareholder who is eligible to participate in the Entitlement Offer.

Entitlement and Acceptance Form means the entitlement and acceptance form either attached to or accompanying this Prospectus.

Entitlement Offer has the meaning given on the cover page of this Prospectus.

Exercise Date has the meaning given in Section 4.2.

Exercise Period has the meaning given in Section 4.2.

Exercise Price means the exercise price of the New Options being \$0.01.

Expiry Date has the meaning given in Section 4.2.

Financial Report has the meaning given in Section 5.2.

Ineligible Shareholder means a Shareholder as at the Record Date whose registered address is not situated in Australia or New Zealand.

JOA has the meaning given in Section 5.3.

Lead Manager has the meaning given in Section 1.6.

Lead Manager Offer has the meaning given on the cover page of this Prospectus.

Notice of Exercise has the meaning given in Section 4.2 of this Prospectus.

New Option means an Option issued on the terms set out in Section 4.2.

Offers has the meaning given on the cover page of this Prospectus.

Official Quotation means official quotation on ASX.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Prospectus means this prospectus.

Record Date means the date specified in the timetable set out at Section 1.

Section means a section of this Prospectus.

Securities means Shares and/or Options as the context requires.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

Shortfall means the Securities not applied for under the Offer (if any).

Shortfall Application Form means the Shortfall Offer application form either attached to or accompanying this Prospectus.

Shortfall Offer means the offer of the Shortfall Securities on the terms and conditions set out in Section 2.6.

Shortfall Securities means those Securities not applied for under the Offer (if any) and offered pursuant to the Shortfall Offer.