

31 January 2025

**ASX ANNOUNCEMENT  
DECEMBER 2024 QUARTERLY ACTIVITIES REPORT**

Australia's Po Valley Energy Limited (ASX: PVE) ("Po Valley" or "The Company") is pleased to provide its Quarterly Activities Report for the period ending 31 December 2024, covering the Company's gas exploration, development and production outcomes across its onshore and offshore assets in northern Italy.

**Highlights**

**Selva Malvezzi Production Concession – PVE (operator) 63% Interest**

<b>Podere Maiar-1 (PM-1) Production Results</b>	<b>Mar 2024 Quarter</b>	<b>Jun 2024 Quarter</b>	<b>Sept 2024 Quarter</b>	<b>Dec 2024 Quarter</b>
<b>Avg. daily production (scm)</b>	69,976	74,904	76,910	79,596
<b>Quarterly production ('000 scm)</b>	4,023	4,306	4,421	4,614
<b>Weighted average price (per scm)</b>	€ 0.30	€ 0.34	€ 0.39	€0.46
<b>Revenue ('000)</b>	€ 1,201	€ 1,456	€ 1,737	€2,129
<b>Field Operating costs ('000)<sup>1</sup></b>	€146	€174	€179	€162
<b>Quarterly Cashflow from production ('000)<sup>2</sup></b>	€ 1,011	€ 1,201	€ 1,511	€1,733

*Note: All figures in the table above, other than the daily production rate, are quoted on a net-63% share to PVE*

*1. Cash outflows field operating costs per quarter excludes accrued royalties 2. Net cash from production before staff and administration costs*

- Steady gas production from PM-1 for the quarter averaging approximately ~80,000 scm/day continuing to meet predicted levels of production
- Robust gas prices with the average weighted gas sales price for the quarter at €0.46/scm (22.5% on the prior quarter) due to strong market conditions.
- Quarterly production was 7,323k scm of gas (on a 100% basis) with PVE share at 63% 4,614k scm and revenue for the quarter was €3.38 million (on a 100% basis) with PVE share at 63% €2.13 million.

**Broader Selva Development Program - multi-well drilling program milestones being met**

- Drilling applications for four new wells in the Selva Malvezzi production concession were filed in the September quarter 2024 with the technical office of the Ministry of Environment and Energy Security
- Environmental Impact Studies for the four new wells and related development within the Selva Malvezzi Production Concession submitted with the relevant department at the Ministry of Environment and Energy Security in December 2024.
- Preparation for the 3D geophysical survey acquisition on the Selva Malvezzi Production Concession was significantly progressed during the quarter. All environmental approvals have been received and planning and permitting well advanced. The geophysical campaign will commence once final ministerial approval is received.

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- Drilling programs, development plans, and environmental impact studies for the four wells constitute a significant amount of work in less than 12 months.

### Strong Financial Performance

- Operating cashflow for the quarter was €1.118 million (net to PVE)
- Expenditure on exploration and development for the quarter was €273k (net to PVE)
- Cash at 31 December 2024 was €4.994 million (~A\$8.357 million).

Kevin Bailey AM, (Chairman), commenting on the quarter said “we are pleased with the continued progress we are making with another strong quarter of growth in our production, continuing improvement in our realised prices and successfully operating in a strong and growing market. Importantly we are also making significant progress with our targeted exploration and development plans and expect to see these efforts yield positive results over the coming quarters. Every month we increase our cash balance and are now over A\$8 million. This puts us in a strong position to drill the next wells and to increase our cash flow even further. We are at an inflection point in our company’s history, with strong performing assets, a solid pipeline of development options and high-quality operating personnel leading the business.”

### Operational Overview

#### Selva Malvezzi

Selva is an onshore natural gas field located in the eastern part of the Po Plain, in the Bologna province of the Emilia Romagna Region. The Selva Malvezzi Production Concession was awarded in July 2022 and measures 80.68km<sup>2</sup>. It includes the Podere Maiar Gas field (in production) and the gas prospects Selva Malvezzi (East Selva), Casale Guida (Selva North), Ronchi (Selva South) and Bagnarola (Riccardina) carved out from the former Podere Gallina Exploration Permit.

Po Valley Operations (100% subsidiary of the Company, “PVO”) is the operator under a Joint Operating Agreement (“JOA”) and holds a 63% interest in the Selva Malvezzi Production Concession with Prospex Energy Plc (“Prospex Group”) holding 37%.

#### 1. PM-1 gas production and well management

Production has been consistent through the quarter averaging ~80,000 scm per day. Total revenue for the quarter to 31 December 2024 was €3,379,002 (100%) with PVE share at 63% €2,128,771. PM-1 gas continues to be supplied to BP Gas Marketing. There were no significant disruptions to production and no stoppages for any slick line operations in this quarter, with the well continuing to operate in line with expectations. The next slick line operation is planned for first quarter of 2025.

Gas production at PVO’s 63%-owned Podere Maiar – 1 (**PM-1**) gas facility in the Selva Malvezzi Production Concession:

	Oct 2024	Nov 2024	Dec 2024	Dec Quarter 2024
<b>Production (scm)</b>				
PM-1 – 100%	2,494,435	2,388,301	2,440,065	<b>7,322,801</b>
PM-1 – 63% (PVE share)	1,571,494	1,504,630	1,537,241	<b>4,613,365</b>
<b>Revenue (€)</b>				
PM-1 – 100%	1,055,371	1,118,352	1,205,279	<b>3,379,002</b>
PM-1 – 63% (PVE share)	664,884	704,562	759,326	<b>2,128,772</b>

## 2. Casale Guida 1d, Ronchi 1d, Bagnarola 1d, Selva Malvezzi 1d wells

The Selva Malvezzi Production Concession is the key area of focus for the Company with the next stages of development at Selva North, South, Selva East and Riccardina prospects.

The drilling programs for the four new drilling projects at Casale Guida 1d (North Selva), Ronchi 1d (South Selva), Selva Malvezzi 1d (East Selva) and Bagnarola 1d (Riccardina) were filed for drilling authorization to UNMIG department of the Italian Ministry of Environment and Energy Security (MASE) in September 2024. The Environmental Impact Study for drilling, development and production of the four wells was submitted in December.

Planning and permitting for the 3D geophysical campaign across the entire Production Concession continued to advance. The geophysical campaign will commence once the final sign-off from the Region (Intesa) and final UNMIG – MASE decree are obtained. These are expected imminently.

The drilling programs, development plans, and environmental impact studies constitute a significant amount of work carried out in less than 12 months and are a testament to the commitment and dedication of the Company's operations team.

Expenditure for the quarter in relation to the above progression of work programs on the Selva prospects was €269k (net to PVE).

### **Teodorico**

A recent administrative court ruling (TAR) on a case raised by an environmental protection group against the Ministry indicated that the Environmental Impact Assessment (**EIA**) for Teodorico must include an evaluation of the potential impacts on two newer environmentally protected areas. These two areas, which primarily aim to protect marine life, were not officially established by the Ministry of Environment when the original assessment for Teodorico was filed. As it happened, the Environmental Impact Assessment Committee had approved the project without taking such potential protected areas into consideration. The administrative court case claimed that the Ministry had been aware that these areas had been under consideration, even if not yet officially recognized as protected, and therefore found fault with the positive EIA opinion on the basis that it was not comprehensive. Under the precautionary principle, the Administrative Court has ruled in favour of the environmental protection group(s).

The Company's tenure to the Teodorico project is not impacted by this ruling. The new Environmental Decree (refer ASX announcement 21 October 2024) and its intentions, remain firm. That is, provision for allowances for the award of natural gas production concessions in the area in which Teodorico is located. By means of clarification, all projects which fall within the defined area of the Adriatic Sea referred in the new Environmental Decree 2024 are still subject to an environmental impact assessment which not only reviews suitability but also results in a list of precautionary measures and guidance for project operators to ensure that best practices for development are upheld.

In terms of next steps, the Company has reached out to the Ministry of Environment and Energy Security to seek a meeting to discuss this ruling and the best way forward. On the basis that the Administrative Court ruling uses wording that implies that the rest of the Environmental Impact Assessment retains its legal standing and there is an invitation to renew the procedure, the Company expects that the meeting will lead to an agreed plan to best update the Environmental Impact Study previously submitted taking the two new areas into consideration. An update will be provided to the market once this has been clarified.

## Other Assets

In addition, the company is reviewing optimal development paths for its residual exploration assets (Cadelbosco di Sopra, Grattasasso and Torre del Moro) including the potential for introduction of third-party investors / partners who have interest in participating in their development.

Cadelbosco di Sopra and Grattasasso are shallow gas opportunities which fit neatly with the Company's proven exploration and development capabilities whilst Torre del Moro is a large deep gas prospect.

## Financial performance

### Cash flow

Net operating cashflows for the quarter were €1,118k. Net operating cashflows included receipts from gas sales of €1,895k, and production operating costs of €162k. Receipts from gas sales have a one-month lag due to normal trading terms with BP Gas Marketing. Revenue receipts and production costs are net of any Joint Venture Partner contribution and/or distributions of 37%.

Work programs for other fields within the Selva Malvezzi Production Concession are on track with costs incurred in the quarter of €269k. Expenditure on other licences amounted to €4k

The Group's cash balance at 31 December 2024 was €4,994k (~A\$8,357k).

Regarding Section 6.1 of the Appendix 5B amounts paid to related parties and their associates totalled €68k, consisting of director remuneration and consulting fees.

### Information Provided in Accordance with ASX Listing Rules 5.4.1 and 5.4.2

In accordance with ASX Listing Rule 5.4.1, the Company confirms that there have been no material developments or changes to its exploration or production activities other than as already disclosed in the relevant sections above. The focus in this quarter was gas production at the Podere Maiar-1 and progression of the work program on the development plan of the new wells in the Selva Malvezzi Production Concession.

In accordance with ASX Listing Rule 5.4.2, the Company advises that the development, production and exploration activities undertaken, and costs incurred are as described in the relevant sections above.

*This announcement was approved for release by the Board of Directors of Po Valley Energy Limited*

**Enquiries to:**

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## Appendix

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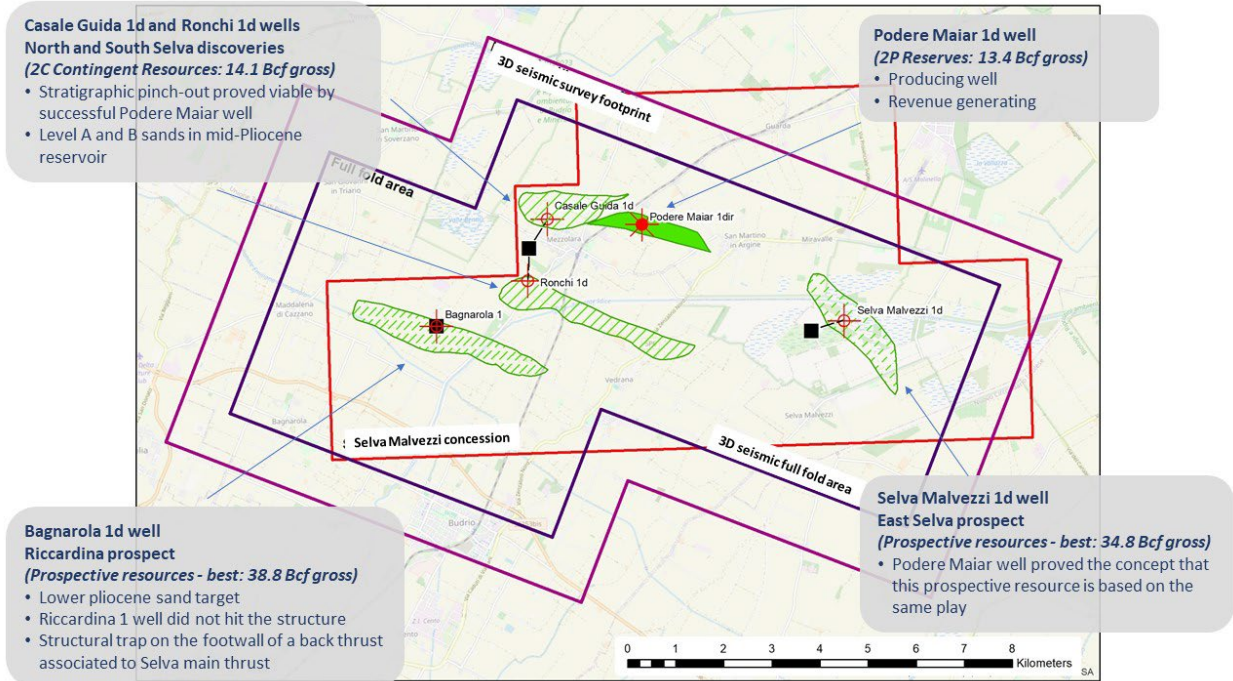


Figure 1: Selva Malvezzi Production Concession



Figure 2: Po Valley Energy Licences in Italy

## Summary of Current Licences and Permits

	Status	Tenement	Location	Interest held
PRODUCTION CONCESSIONS	AWARDED	<i>Selva Malvezzi<sup>(1)(2)</sup></i>	Italy, Emilia Romagna	63% Po Valley 37% Prospex Group
	PREL. AWARDED	<i>Teodorico (d.40.AC-PY)</i>	Italy, Adriatic Offshore	100% Po Valley
EXPLORATION PERMITS	GRANTED	<i>Cadelbosco di Sopra</i>	Italy, Emilia Romagna	100% Po Valley
		<i>Grattasso</i>	Italy, Emilia Romagna	100% Po Valley
		<i>Torre del Moro</i>	Italy, Emilia Romagna	100% Po Valley

<sup>1</sup> Net to PVE is 63%, JV partners' 37% held by Prospex Group (Held by Prospex Energy Plc wholly owned subsidiaries PXOG Marshall Limited 17% and UOG Italia S.r.l. 20%)

<sup>2</sup> Selva Malvezzi Production Concession includes areas that are deemed suitable for exploration including the prospects at Casale Guida 1d (North Selva), Ronchi 1d (South Selva), Selva Malvezzi 1d (East Selva) and Bagnarola 1d (Riccardina). These exploration areas were previously held under the Podere Gallina exploration permit and are included in the Selva Malvezzi Production Concession awarded in 2022.

## Changes to Licences and Permits

	Status	Tenement	Location	Change in Interest held
EXPLORATION PERMITS	EXPIRED	<i>AR94PY</i>	Italy, Adriatic Offshore	100%

The AR94PY exploration permit has expired, however the company retains the exploration acreage selected and which is held under the preliminary awarded production concession d40.AC-PY relevant to the Teodorico field. The remaining exploration acreage in AR94PY was located in unsuitable area for oil and gas activities and would only have generated unnecessary additional surface fees.

## Reserves and Resources\*

Licence	Project	Reserves			Contingent Resources			Prospective Resources		
		Gas Bcf								
		1P	2P	3P	1C	2C	3C	Low	Best	High
Selva Malvezzi (NET 63%)	Selva (Podere Maiar1)**	1.28	7.08	17.48						
	Selva level A South				0.7	1.1	2.3			
	Selva level B North				2.2	5.6	11.2			
	Selva level B South				0.6	2.2	5.9			
	Fondo Perino							6.4	9.2	12.9
	East Selva							18.3	21.9	25.6
	Riccardina							8.2	24.4	81.2
d.40.AC-PY	Teodorico	27	37	48						
	Teodorico				7.4	10.6	14.0			
	PL3-C							7.9	15.9	25.0
Cadelbosco di Sopra	Zini (Qu-B)				1.1	2.7	4.6			
	Canolo (Qu-A)				0.7	1.1	1.7			
	Canolo (Plioc)				0.4	3.6	10.5			
	Zini (Qu-A)							0.6	1.4	2.4
Torre del Moro	Torre del Moro							420.7	502	596.1

\* Gas Reserves and Resources by Field (as per CPR dated 25 July 2022 ASX announcement 26 July 2022) with the \*\*exception of the Podere Maiar1 reserves which are adjusted for depletion from PM1 cumulative production from commencement of production to 31 December 2024

### Podere Maiar1 Reserve Reconciliation:

		Reserves – Gas Bcf		
		1P	2P	3P
Selva Malvezzi (NET 63%)	Selva (Podere Maiar1) per CPR dated 25 July 2022*	2.6	8.4	18.8
	Depletion from production 4 Jul 2023 – 31 Dec 2023	(0.22)	(0.22)	(0.22)
	Depletion from production 1 Jan 2024 – 31 Dec 2024	(1.1)	(1.1)	(1.1)
	<b>Adjusted Reserves after cumulative depletion from production at 31 December 2024</b>	<b>1.28</b>	<b>7.08</b>	<b>17.48</b>

\*Reserve as per CPR dated 25 July 2022 ASX announcement 26 July 2022

**Prospective Resources** are the estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

The Company confirms it is not aware of any new information or data that materially affects the information included in the original market announcements referred to in this announcement and, in the case of estimates for petroleum reserves, contingent resources and prospective resources, all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not materially changed from the original market announcement.

## Appendix 5B

### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

PO VALLEY ENERGY LIMITED

ABN

33 087 741 571

Quarter ended ("current quarter")

31 DECEMBER 2024

Consolidated statement of cash flows	Current quarter €'000	Year to date (12 months) €'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	1,895	6,117
1.2 Payments for		
(a) exploration & evaluation (if expensed)	-	-
(b) development	-	-
(c) production	(162)	(661)
(d) staff costs	(347)	(705)
(e) administration and corporate costs	(272)	(611)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid (including regional taxes)	(44)	(76)
1.7 Government grants and tax incentives	-	-
1.8 Other – Recoveries from JV for overheads	48	188
<b>1.9 Net cash from / (used in) operating activities</b>	<b>1,118</b>	<b>4,252</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(c) property, plant and equipment – Development of PM1 (net to PVE)	-	(21)
(d) exploration & evaluation (if capitalised)	(273)	(454)
(e) investments	-	-
(f) other non-current assets	-	-

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter €'000	Year to date (12 months) €'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(273)</b>	<b>(475)</b>
<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other - Lease liabilities	(7)	(29)
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>(7)</b>	<b>(29)</b>
<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	4,159	1,253
4.2	Net cash from / (used in) operating activities (item 1.9 above)	1,118	4,252
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(273)	(475)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(7)	(29)
4.5	Effect of movement in exchange rates on cash held	(3)	(7)
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>4,994</b>	<b>4,994</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter €'000</b>	<b>Previous quarter €'000</b>
5.1	Bank balances	4,994	4,159
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>4,994</b>	<b>4,159</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter €'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	68
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

<b>7.</b>	<b>Financing facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>Total facility amount at quarter end €'000</b>	<b>Amount drawn at quarter end €'000</b>
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other – Convertible Notes	-	-
7.4	<b>Total financing facilities</b>		
7.5	<b>Unused financing facilities available at quarter end</b>		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

<b>8. Estimated cash available for future operating activities</b>	<b>€'000</b>
8.1 Net cash from operating activities (Item 1.9)	1,118
8.2 Capitalised exploration & evaluation (Item 2.1(d))	(273)
8.3 Total relevant outgoings (Item 8.1 + Item 8.2)	845*
8.4 Cash and cash equivalents at quarter end (Item 4.6)	4,994
8.5 Unused finance facilities available at quarter end (Item 7.5)	-
8.6 Total available funding (Item 8.4 + Item 8.5)	4,994
8.7 <b>Estimated quarters of funding available (Item 8.6 divided by Item 8.3)</b>	n/a as quarter net cash inflow of *€845k

8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer:  
n/a

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer:  
n/a

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:  
n/a

### Compliance statement

- This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- This statement gives a true and fair view of the matters disclosed.

Date: 31 January 2025

Authorised by: The Board of Po Valley Energy Limited  
(Name of body or officer authorising release – see note 4)

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**Notes**

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.