



## ASX Announcement

# DECEMBER 2024 QUARTERLY ACTIVITY REPORT

## HIGHLIGHTS

### Corporate and New Ventures

- Appointment of Mr Chris Hodge as Non-Executive Chairman
- Amendments made to the Company's Omnibus Settlement agreement with Blue Sky Resources Limited resulting in a further considerable receivable of A\$186k
- Progress on acquisition and connection of gas pipeline from Pacific Gas and Electric Company in California. Pipeline connection to be completed in Q1 2025.
- On-going assessment of larger scale exploration opportunities in the USA following US election results and the impact Trump policies may have on both LNG export opportunities and regulatory burden for exploration companies to undertake drilling
- Continuing review of Australian gas exploration opportunities for complimentary opportunities to AOK's Californian strategy
- In addition to these new venture opportunities the Company has been conducting due diligence on another gas opportunity in Australia it has identified as well as other gas opportunities in California

**Australian Oil Company Limited (ASX: AOK) (AOK or Company)** is pleased to provide the Quarterly Activities Report for the calendar quarter ending 31 December 2024.

### ONSHORE CALIFORNIA (Majority Operated)

During the quarter, AOK's wholly owned subsidiary, PEOCO LLC (**PEOCO**), made progress to acquire additional pipeline infrastructure in the Sacramento Basin onshore California and connect the pipeline into another system to reduce the back pressures the currently 100% owned Rio Vista wells produce against to increase production.

The seller is Pacific Gas and Electric Company and the transaction is subject to normal California State gas pipeline regulatory submissions and approvals, with an anticipated closure date in early February 2025.

The acquisition is expected to allow increased gas flows from current wells – estimated at up to four times the current gas volumes observed from the Company's Rio Vista wells. Accordingly, the Company has set a goal of 50,000 mcf of quarterly gas flows from the acquired pipeline on a gross basis.

[australianoilco.com.au](http://australianoilco.com.au)

#### Head Office

Level 1, 31 Cliff Street, Fremantle WA 6160  
T: +61 8 9435 3200  
E: [enquiries@australianoilco.com.au](mailto:enquiries@australianoilco.com.au)

#### Investors Relations

Stewart Walters  
M: +61 414 644 166  
E: [Stewart@marketopen.com.au](mailto:Stewart@marketopen.com.au)

#### Managing Director

Kane Marshall  
T: +61 8 9435 3200  
E: [companysecretary@australianoilco.com.au](mailto:companysecretary@australianoilco.com.au)

For personal use only



During the quarter, gas flows were down primarily due to the majority of December resulting in the shut-in of the Rec Board 8 well in anticipation of acquiring the pipeline to the Rio Vista wells.

California Gas Flows (mcf)	December 2024 Quarter	September 2024 Quarter
Gross Gas Flows	33,532	34,505
SGC Gas Flows after Royalty	19,156	19,063
<i>Note 1: mcf = Thousand Cubic feet gas</i>		

In addition to maintaining the producing leases, AOK is looking at further “bolt on” exploration opportunities with large upside in other leases as well as low cost infrastructure opportunities to increase Californian gas flows. These opportunities are within the Sacramento Basin and in other basins in California. The Company has also been reviewing what it can do to increase gas flows including compression and investment in its own compressors as well as any other and other behind pipe opportunities which are expected to be implemented in the next quarter.

Management has been reviewing other opportunities to increase gas flows, reduce operating costs and reviewing larger scale exploration opportunities in the USA in light of the US elections results and the impact Trump policies may have on both LNG export opportunities and regulatory burden for exploration companies to undertake drilling.

## CORPORATE

During and subsequent to the end of the quarter the Company made several amendments to the Omnibus Settlement Agreement resulting in total additional consideration receivable of A\$186,281 in exchange for minor timing deferrals as follows:

- o retention of AOK’s Canadian subsidiary for tax purposes with the Tranche 2 payment of A\$750k received 25 November 2024;
- o inclusion of an additional consideration (effected by way of disposal of Blue Sky’s shareholding in the Company) with the proceeds of that disposal to be delivered to AOK. Total additional consideration valued at A\$134,592.50 (representing 38,455,000 fully paid ordinary shares, at a deemed disposal value of A\$0.0035);
- o revision to the Tranche 3 payment due on or before 27 December 2024 to A\$300,000;
- o amendment to the Tranche 4 payment (originally A\$1,200,000 receivable 27 January 2025) to be Tranche 4 and Tranche 5 payments. Tranche 4 payment of \$660,000 was received 27 January 2025 and Tranche 5 of \$540,000 is to be paid by 27 March 2025;
- o inclusion of further additional consideration of A\$38,781 effected by transfer of 4,309,087 fully paid ordinary shares in Xstate Resources Limited (ASX:XST) by Blue Sky to AOK, at a deemed disposal value of A\$0.009; and
- o inclusion of A\$12,908.22 interest charges for deferral of payments agreed upon.

For personal use only



During the quarter AOK appointed Mr Chris Hodge as Non-Executive Chairman with Mr David McArthur resigning from the Board of Directors. The appointment of the Chairman coalesces with the strategic initiatives the Company has put in place both with its Californian operations as well as new project due diligence. Mr Hodge has been proactively engaged with management in reviewing all the opportunities in California as well extensive due diligence that is being undertaken on new ventures projects. New venture projects that have been reviewed and that will form part of the strategy of the Company will be technically defensible and of significant scale to attract investment.

## MARCH 2025 QUARTER OBJECTIVES

- Management to proactively engage with the market and shareholders as to its plan and strategy for its Californian projects and future complimentary project acquisitions;
- Roll out of strategic plan including an overview of the current inventory of opportunities and consider options to restructure debt that include efforts to make Californian production operations profitable;
- Review of current Californian operations by participation of management on the ground with new advisors and complete due diligence of both current and newly identified Californian opportunities;
- Complete due diligence on a number of other new high impact opportunities;
- Complete Rio Vista wells to infrastructure pipeline acquisition and connection to boost production; and
- Mature commercial terms for current new venture project opportunities subject to completing due diligence.

## APPENDIX 5B DISCLOSURES

LR 5.4.1: Exploration expenditure payments during the quarter totalled \$nil.

LR 5.4.2: Production expenditure payments during the quarter totalled \$198k.

LR 5.4.3:

- Petroleum tenements held at quarter end identified in the following table;
- No farm-in or farm-out agreements entered into during the quarter; and
- No farm-in or farm-out agreements current in earn-in stage.

LR 5.4.4: Not applicable.

LR 5.4.5: payments to related parties totalled \$119k. These were in respect of deferred Directors' salaries and superannuation payments.



## AOK TENEMENT TABLE (31 December 2024)

PROJECT NAMES	LEASES; RELATED GAS FIELD (HBP LEASES); OR KEY WELL	PROJECT TYPE	WORKING INTEREST (WI)*
<b>Dempsey Area Project</b>	Rancho Capay, Rice Creek, East Gas Fields - HBP Leases. Oil and Gas Mineral Leases	Gas Flow, Exploration, Appraisal and Rework	40-60%
<b>Borba Project</b>	Oil and Gas Mineral Leases	Commercialization of Gas Discovery	66.67%
<b>Los Medanos Project</b>	Los Medanos Gas Field HBP Leases	Gas Flow, and Rework	90%
<b>Malton Project</b>	Malton Gas Field HBP Leases and Oil and Gas Mineral Leases	Gas Flow, Exploration, Appraisal and Rework	45-70%
<b>Dutch Slough Gas Project</b>	Dutch Slough Gas Field HBP Leases	Exploration, Appraisal and Rework	70%
<b>Rio Vista Gas Project</b>	Rio Vista Field Wells HBP Leases	Gas flow, Development and Rework	100%
<b>Alvares Project<sup>†</sup></b>	Alvares 1 well (P&A Re-entry)	Exploration, Appraisal	50%
<b>Red Earth Assets (Canada)</b>	Oil and gas Mineral Leases and wells and associated Infrastructure	Production	30%

\* Approximate WI across the referenced Project

<sup>†</sup> Saggasco does not have a lease over Alvares but has an option to re-enter the well upon re-leasing the area

<sup>1</sup> The Red Earth assets are currently the subject of a settlement agreement which has not yet completed

- ENDS -

This announcement has been authorised by the Board of Directors of the Company.



# AUSTRALIAN OIL CO.

## **About Australian Oil Co**

Australian Oil is an Australian-based energy company focused on under-explored, recently overlooked, world class oil and gas opportunities near under-supplied markets.

The Company is currently focused on conventional oil and gas exploration and production in the Sacramento Basin in California. Australian Oil has a portfolio of natural gas and oil producing wells, in addition to prospects and discoveries at various exploration and appraisal stages.

AOK is in process of evaluating the acquisition of oil and gas producing and exploration assets to enhance the Company's strategic needs and delivering shareholder value.

### **Australian Oil Co.**

ACN: 114 061 433  
ASX Code: AOK

## **Shares on Issue**

1,001,782,997

## **Unlisted Options**

10,000,000 exercisable \$0.025 on or before 30-Apr-2029

10,000,000 exercisable \$0.035 on or before 30-Apr-2029

10,000,000 exercisable \$0.045 on or before 30-Apr-2029

125,937,937 exercisable \$0.008 on or before 30-Jun-2026

For personal use only

## Appendix 5B

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

Name of entity

Australian Oil Company Limited

ABN

83 114 061 433

Quarter ended ("current quarter")

31 December 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	144	550
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	(198)	(910)
(d) staff costs	(134)	(295)
(e) administration and corporate costs *	(528)	(1,398)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	4	12
1.5 Interest and other costs of finance paid	(1)	(4)
1.6 Income taxes paid	(29)	(335)
1.7 Government grants and tax incentives	-	-
1.8 Other (JV Receipts)	-	84
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(742)</b>	<b>(2,296)</b>

\* Includes \$166,050 project assessment costs

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant, and equipment	-	-
(d) exploration & evaluation	-	-
(e) investments	-	-
(f) other non-current assets	-	-

For personal use only

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant, and equipment	-	-
	(d) investments *	1,043	2,323
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other ^:	-	-
	Cash received to fund operations from Blue Sky Resources Ltd as incoming parent entity	-	90
	Cash consumed during continuing Filipino operations	-	(492)
	<b>Cash held by Filipino entities at date of loss of control</b>	-	<b>(89)</b>
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>1,043</b>	<b>1,832</b>

\* A\$750,000 deposit received from Blue Sky Resources on execution of an agreement to sell its Red Earth assets and settle the outstanding Nido divestment transaction.

US\$350,000 (A\$ 530,000) received in March 2024 from Blue Sky Resources under the terms of the original divestment agreement.

^ Nido entities were approved for divestment in January 2024. Transfer of ownership to Blue Sky Resources Ltd completed on 13-Mar-24 and accordingly, all cash movements have been recorded in section 2.5 under accounting standards requirements. Cash on hand as at 31 December 2023 is noted as \$475,613 per the Company's 2023 Annual Report. The difference between this opening balance, the transactions reported above and the closing cash is the result of foreign exchange movements.

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	200	734
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	(13)	(47)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(11)	(41)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (Right of Use Lease Liability)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>176</b>	<b>646</b>

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
--------------------------------------	----------------------------	--

<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of period	457	741
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(742)	(2,338)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	1,043	1,832
4.4 Net cash from / (used in) financing activities (item 3.10 above)	176	646
4.5 Effect of movement in exchange rates on cash held	13	24
<b>4.6 Cash and cash equivalents at end of period</b>	<b>947</b>	<b>947</b>

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	947	457
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (petty cash)	-	-
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>947</b>	<b>457</b>

6. Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amounts of payments to related parties and their associates included in item 1	119
6.2 Aggregate amounts 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.*

For personal use only

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

7. <b>Financing facilities</b>	<b>Total facility amounts at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	1,000	1,000
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 <b>Total financing facilities</b>	1,000	1,000
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>Parent entity debt facility</b> Unsecured loan facility with Dungay Resources Pty Ltd, dated <b>1 May 2024</b> for \$1,000,000, earning interest at 10% p.a., extended until <b>1 August 2025</b>	

8. <b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(742)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(742)
8.4 Cash and cash equivalents at quarter end (item 4.6)	947
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	947
8.7 <b>Estimated quarters of funding available (Item 8.6 divided by Item 8.3)</b>	1.28
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	

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

8.8.1 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: No. Operating cash flows incurred in the December quarter included significant outflows in relation to long-outstanding creditor payments. The entity anticipates the outflow from operations to decrease substantially in the March 2025 quarter now that all creditors payments have been brought up to date, Canadian operations concluded and Californian operations being focused upon for cost saving measures.

8.8.2 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: Yes, as advised to the market on 28 January 2025, the Company received A\$660k as a component of the Omnibus Settlement Agreement reached with Blue Sky Resources Ltd. for divestment of the Red Earth assets. The final tranche instalment of A\$540k is due on or before 27 March 2025, in addition to financial asset consideration totalling approximately A\$173k capable for conversion to cash funds. Furthermore, the Company retains the capacity to raise capital via issuance of shares if it is so required.

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

Answer: Yes, based on the responses in 8.8.1 and 8.8.2.

*Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.*

## Compliance statement

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

Date: 31 January 2025

Authorised by: Board of Directors  
(Name of body or officer authorising release – see note 4)

## 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.