

# Appendix 4D Half Year Report

For the half year ended 31 December 2024 as required by ASX listing rule 4.2A

## RESULTS FOR ANNOUNCEMENT TO THE MARKET

All comparisons to the half year ended 31 December 2023

| AUD \$m  | Unaudited<br>Half Year<br>31 Dec<br>2024 |      | Movement % |
|--|--|------|------------|
| Revenue from ordinary activities                                       | 53.3                                     | up   | 12%        |
| Underlying profit after tax (excluding exploration expense*)           | 8.4                                      | up   | 30%        |
| Profit after tax from ordinary activities attributable to shareholders | 3.7                                      | down | 42%        |

### Presentation currency

The Group has made a voluntary change to presentation currency from New Zealand dollars to Australian dollars. This aligns with the Group's presence in the Australian market, economic environment and strategic direction. Prior period comparatives have been restated.

### Revenue

Revenue for the Group of \$53.3 million was up 12% on the same period last year. The increase reflects the uplift in production following the Group's acquisition of a further 25% interest in the Mereenie field in the Amadeus Basin, Northern Territory, Australia, in June 2024. Mereenie revenues across the Group are up 99% compared to prior year.

### Net profit after tax

Net profit after tax (NPAT) was \$3.7m compared to \$6.4m in the previous year. NPAT was impacted by an increase in exploration expense in the Perth Basin and the Mahato PSC, from \$0.6m to \$5.3m. Excluding exploration write downs\* underlying NPAT attributable to shareholders would have been \$8.4m, up 30% on prior year.

### Financial Position

The net assets of the Group decreased by \$0.7 million to \$159.0 million for the period ended 31 December 2024 (30 June 2024: \$159.7 million). Dividends of \$ 6.8 million were paid in the half year.

### Cash position

The Group's cash position of \$41.8 million increased by \$3.2 million from the 30 June 2024 balance of \$38.6 million. Operating cash flows generated \$25.1 million in the period (31 December 2023: \$19.3 million), up 30%.

### Dividends

An interim dividend of AUD 1.5 cents per ordinary share has been declared with a record date of 12 March 2025 and a payment date of 31 March 2025.

On 4 October 2024 Echelon paid a final dividend of Australian dollars 1.5 cents per ordinary share, with a record date of 17 September 2024.

## NET TANGIBLE ASSET BACKING

| AUD \$                                   | Unaudited<br>Half Year<br>31 Dec<br>2024 | Audited<br>Full Year **<br>30 Jun<br>2024 |
|--|--|---|
| Net tangible assets per security (cents) | 63.5                                     | 62.3                                      |

\* Excludes exploration expense for non-controlling interest.

\*\* The comparative for the year ended 30 June 2024 has been restated to show the effect of the voluntary change in presentation currency.

Additional information supporting the Appendix 4D disclosure requirements can be found in the 31 December 2024 Unaudited Financial Statements and accompanying notes.

This Half Year Report is to be read in conjunction with the 30 June 2024 Annual Report.



## Echelon Resources Limited - Financial Report

For the half year ended 31 December 2024

### Table of Contents

|  | <b>Page</b> |
|--|-------------|
| <b>Condensed Statement of Cash Flows</b>           | <b>3</b>    |
| <b>Condensed Statement of Comprehensive Income</b> | <b>4</b>    |
| <b>Condensed Statement of Financial Position</b>   | <b>5</b>    |
| <b>Condensed Statement of Changes in Equity</b>    | <b>6</b>    |
| <b>Notes to the financial statements</b>           | <b>7</b>    |
| <b>Auditor Independent Review Report</b>           | <b>16</b>   |



For personal use only

# Condensed Statement of Cash Flows

For the half year ended 31 December 2024

| AUD\$000   | Unaudited<br>Half Year<br>31 Dec<br>2024 | Restated *<br>Unaudited<br>Half Year<br>31 Dec<br>2023 | Restated *<br>Audited<br>Full Year<br>30 Jun<br>2024 |
|--|--|--|--|
| <b>Cash flows from operating activities</b>                |  |  |  |
| Customer receipts  | 52,440                                   | 46,011   | 88,977   |
| Production and marketing payments                          | (16,784)                                 | (14,385)   | (28,519)   |
| Supplier and employee payments (inclusive of GST)          | (7,114)                                  | (7,141)  | (12,763)   |
| Interest received  | 593                                      | 699  | 1,360  |
| Income tax paid  | (1,339)                                  | (4,102)  | (8,066)  |
| Royalties paid   | (3,605)                                  | (2,167)  | (5,647)  |
| Other  | 885                                      | 379  | (1,968)  |
| <b>Net cash inflow from operating activities</b>           | <b>25,076</b>                            | <b>19,295</b>  | <b>33,374</b>  |
| <b>Cash flows from investing activities</b>                |  |  |  |
| Exploration and evaluation expenditure                     | (4,363)                                  | (255)  | (2,220)  |
| Oil and gas asset expenditure                              | (8,675)                                  | (8,306)  | (15,586)   |
| Prospects acquired (net of cash)                           | -  | -  | (38,990)   |
| Deferred consideration                                     | -  | (541)  | (5,682)  |
| Security deposits and bonds                                | -  | 289  | 289  |
| Property, plant and equipment expenditure                  | (11)                                     | (40)   | (105)  |
| <b>Net cash outflow from investing activities</b>          | <b>(13,049)</b>                          | <b>(8,854)</b>   | <b>(62,294)</b>                                      |
| <b>Cash flows from financing activities</b>                |  |  |  |
| Proceeds from loans and borrowings                         | -  | -  | 49,300   |
| Transaction costs relating to loans and borrowings         | -  | -  | (1,115)  |
| Interest paid  | (2,759)                                  | -  | -  |
| Dividends paid   | (6,842)                                  | -  | (13,704)   |
| Lease liabilities principal element payments               | (110)                                    | (146)  | (260)  |
| <b>Net cash (outflow)/inflow from financing activities</b> | <b>(9,711)</b>                           | <b>(146)</b>   | <b>34,221</b>  |
| <b>Net increase in cash and cash equivalents</b>           | <b>2,316</b>                             | <b>10,295</b>  | <b>5,301</b>   |
| Cash and cash equivalents at the beginning of the year     | 38,621                                   | 33,444   | 33,444   |
| Exchange rate effects on cash and cash equivalents         | 842                                      | (694)  | (124)  |
| <b>Cash and cash equivalents at the end of the period</b>  | <b>41,779</b>                            | <b>43,045</b>  | <b>38,621</b>  |

\* The comparative statements for the year ended 30 June 2024 and the half year ended 31 December 2023 have been restated to show the effect of the voluntary change in presentation currency to Australian dollars.

The notes to the financial statements are an integral part of these financial statements.

# Condensed Statement of Comprehensive Income

For the half year ended 31 December 2024

| AUD\$000   | Notes | <b>Unaudited<br/>Half Year<br/>31 Dec<br/>2024</b> | Restated *<br>Unaudited<br>Half Year<br>31 Dec<br>2023 | Restated *<br>Audited<br>Full Year<br>30 Jun<br>2024 |
|--|-------|--|--|--|
| Revenue  | 4     | 53,275   | 47,489   | 85,902   |
| Operating costs  |       | (19,805)   | (13,936)   | (27,160)   |
| Exploration and evaluation expenditure   |       | (5,272)  | (563)  | (945)  |
| Other income   | 4     | 1,276  | 620  | 1,453  |
| Other expenses   |       | (6,238)  | (5,792)  | (15,452)   |
| <b>Profit from operating activities excluding amortisation, impairment and net finance costs</b> |       | <b>23,236</b>                                      | <b>27,818</b>  | <b>43,798</b>  |
| Amortisation of production assets  | 9     | (9,813)  | (6,738)  | (13,652)   |
| Asset impairment   |       | -  | -  | (10,634)   |
| Net finance costs  |       | (533)  | (691)  | (509)  |
| <b>Profit before income tax and royalties</b>  |       | <b>12,890</b>                                      | <b>20,389</b>  | <b>19,003</b>  |
| Income tax expense   |       | (4,248)  | (7,753)  | (6,589)  |
| Royalties expense  |       | (2,745)  | (1,687)  | (5,165)  |
| <b>Profit for the period</b>   |       | <b>5,897</b>                                       | <b>10,949</b>  | <b>7,249</b>   |
| <b>Profit for the period attributable to:</b>  |       |  |  |  |
| Profit attributable to shareholders  |       | 3,726  | 6,440  | 159  |
| Profit attributable to non-controlling interest (NCI)  | 1     | 2,171  | 4,509  | 7,090  |
| <b>Profit for the period</b>   |       | <b>5,897</b>                                       | <b>10,949</b>  | <b>7,249</b>   |
| <b>Other comprehensive income:</b>   |       |  |  |  |
| <b>Items that may be classified to profit or loss</b>  |       |  |  |  |
| Foreign currency translation reserve (FCTR) differences  |       | (311)  | (288)  | 233  |
| Asset revaluation reserve  |       | 364  | 829  | 170  |
| <b>Total other comprehensive income for the period</b>   |       | <b>5,950</b>                                       | <b>11,490</b>  | <b>7,652</b>   |
| <b>Total comprehensive income for the period is attributable to:</b>                             |       |  |  |  |
| Shareholders of the Group  |       | 2,967  | 7,239  | 369  |
| Non-controlling interest (NCI)   |       | 2,983  | 4,251  | 7,283  |
| <b>Total comprehensive income for the period</b>   |       | <b>5,950</b>                                       | <b>11,490</b>  | <b>7,652</b>   |
| <b>Earnings per share</b>  |       |  |  |  |
| Basic earnings per share attributable to shareholders (cents)                                    |       | <b>1.6</b>   | 2.8  | 0.1  |
| Diluted earnings per share attributable to shareholders (cents)                                  |       | <b>1.6</b>   | 2.8  | 0.1  |

\* The comparative statements for the half year ended 31 December 2023 and the year ended 30 June 2024 have been restated to show the effect of the voluntary change in presentation currency to Australian dollars. The comparative for the year ended 30 June 2024 has been restated due to a misallocation of the profit attributable to NCI and the shareholders of the Group.

The notes to the financial statements are an integral part of these financial statements.

Authorised on behalf of Echelon's Board of Directors on 25 February 2025:



Samuel Kellner  
Director



Rosalind Archer  
Director

# Condensed Statement of Financial Position

For the half year ended 31 December 2024

| AUD\$000  | Notes | Unaudited<br>Half Year<br>31 Dec<br>2024 | Restated *<br>Audited<br>Full Year<br>30 Jun<br>2024 | Restated *<br>Audited<br>Full Year<br>30 Jun<br>2023 |
|---|-------|--|--|--|
| <b>Assets</b>                                       |       |  |  |  |
| <b>Current assets</b>                               |       |  |  |  |
| Cash and cash equivalents                           |       | 41,779                                   | 38,621   | 33,444   |
| Receivables and prepayments                         |       | 22,344                                   | 17,149   | 15,644   |
| Contract assets                                     |       | -  | -  | 5,118  |
| Inventories   |       | 4,701                                    | 5,351  | 2,453  |
| <b>Total current assets</b>                         |       | <b>68,824</b>                            | <b>61,121</b>  | <b>56,659</b>  |
| <b>Non-current assets</b>                           |       |  |  |  |
| Exploration and evaluation assets                   | 8     | 2,726                                    | 3,669  | 2,413  |
| Oil and gas assets                                  | 9     | 218,553                                  | 215,570  | 168,246  |
| Property, plant and equipment                       |       | 173                                      | 182  | 135  |
| Right of use assets                                 |       | 1,421                                    | 1,458  | 435  |
| Other intangible assets                             |       | 1,748                                    | 1,400  | 1,307  |
| Net deferred tax assets                             | 5     | 10,256                                   | 12,925   | 12,560   |
| Other financial assets                              |       | 7,963                                    | 7,419  | 7,637  |
| <b>Total non-current assets</b>                     |       | <b>242,840</b>                           | <b>242,623</b>                                       | <b>192,733</b>                                       |
| <b>Total assets</b>                                 |       | <b>311,664</b>                           | <b>303,744</b>                                       | <b>249,392</b>                                       |
| <b>Liabilities</b>                                  |       |  |  |  |
| <b>Current liabilities</b>                          |       |  |  |  |
| Payables  | 10    | 21,411                                   | 13,691   | 11,189   |
| Lease provisions                                    |       | 246                                      | 244  | 247  |
| Contract liabilities                                |       | -  | -  | 2,608  |
| Deferred consideration                              |       | 4,000                                    | 4,000  | 751  |
| Current tax liabilities                             |       | 4,197                                    | 3,040  | 3,998  |
| <b>Total current liabilities</b>                    |       | <b>29,854</b>                            | <b>20,975</b>  | <b>18,793</b>  |
| <b>Non-current liabilities</b>                      |       |  |  |  |
| Contract liabilities                                | 11    | 12,750                                   | 13,333   | 14,441   |
| Rehabilitation provisions                           | 12    | 60,364                                   | 60,111   | 50,668   |
| Borrowings  |       | 48,472                                   | 48,391   | -  |
| Lease provisions                                    |       | 1,185                                    | 1,241  | 238  |
| <b>Total non-current liabilities</b>                |       | <b>122,771</b>                           | <b>123,076</b>                                       | <b>65,347</b>  |
| <b>Total liabilities</b>                            |       | <b>152,625</b>                           | <b>144,051</b>                                       | <b>84,140</b>  |
| <b>Net assets</b>                                   |       | <b>159,039</b>                           | <b>159,693</b>                                       | <b>165,252</b>                                       |
| <b>Equity</b>                                       |       |  |  |  |
| Share capital                                       |       | 178,355                                  | 178,355  | 178,355  |
| Reserves  |       | 29,688                                   | 30,302   | 30,192   |
| Retained losses                                     | 13    | (73,968)                                 | (74,387)   | (67,968)   |
| <b>Attributable to shareholders of the Group</b>    |       | <b>134,075</b>                           | <b>134,270</b>                                       | <b>140,579</b>                                       |
| Non-controlling interest in subsidiaries            |       | 24,964                                   | 25,423   | 24,673   |
| <b>Total equity</b>                                 |       | <b>159,039</b>                           | <b>159,693</b>                                       | <b>165,252</b>                                       |
| <b>Net asset backing per share (cents)</b>          |       | <b>69.9</b>                              | <b>70.2</b>  | <b>72.7</b>  |
| <b>Net tangible asset backing per share (cents)</b> |       | <b>63.5</b>                              | <b>62.3</b>  | <b>65.5</b>  |

\* The comparative statements for the years ended 30 June 2023 and 30 June 2024 have been restated to show the effect of the voluntary change in presentation currency to Australian dollars. The comparative for the year ended 30 June 2024 has a reallocation of the profit attributable to NCI and the shareholders of the Group.

The notes to the financial statements are an integral part of these financial statements.

# Condensed Statement of Changes in Equity

For the half year ended 31 December 2024

| AUD\$000   | Share capital  | Reserves      | Retained earnings/ (losses) | Total          | Non-controlling interest | Total equity   |
|--|----------------|---------------|-----------------------------|----------------|--------------------------|----------------|
| <b>Restated audited balance as at 30 June 2023 *</b>       | <b>178,355</b> | <b>30,192</b> | <b>(67,968)</b>             | <b>140,579</b> | <b>24,673</b>            | <b>165,252</b> |
| Restated profit for the half year                          | -              | -             | 6,416                       | 6,416          | 4,533                    | 10,949         |
| Asset revaluation reserve                                  | -              | 829           | -                           | 829            | -                        | 829            |
| Share based compensation expense                           | -              | 205           | -                           | 205            | -                        | 205            |
| Forfeited and expired share options                        | -              | (7)           | 7                           | -              | -                        | -              |
| Foreign currency translation differences                   | -              | (4)           | -                           | (4)            | (282)                    | (286)          |
| <b>Restated unaudited balance as at 31 December 2023 *</b> | <b>178,355</b> | <b>31,215</b> | <b>(61,545)</b>             | <b>148,025</b> | <b>28,924</b>            | <b>176,949</b> |
| Restated profit for the year                               | -              | -             | (6,257)                     | (6,257)        | 2,557                    | (3,700)        |
| Asset revaluation reserve                                  | -              | (659)         | 71                          | (588)          | -                        | (588)          |
| Share based compensation expense                           | -              | (228)         | -                           | (228)          | 318                      | 90             |
| Forfeited and expired share options                        | -              | (69)          | 69                          | -              | -                        | -              |
| Issue of shares to NCI                                     | -              | -             | -                           | -              | 127                      | 127            |
| Foreign currency translation differences                   | -              | 43            | -                           | 43             | 476                      | 519            |
| Dividends paid   | -              | -             | (6,725)                     | (6,725)        | (6,979)                  | (13,704)       |
| <b>Restated audited balance as at 30 June 2024 *</b>       | <b>178,355</b> | <b>30,302</b> | <b>(74,387)</b>             | <b>134,270</b> | <b>25,423</b>            | <b>159,693</b> |
| Profit for the half year                                   | -              | -             | 3,726                       | <b>3,726</b>   | 2,171                    | <b>5,897</b>   |
| Asset revaluation reserve                                  | -              | 364           | -                           | <b>364</b>     | -                        | <b>364</b>     |
| Share based compensation expense                           | -              | 165           | 42                          | <b>207</b>     | 31                       | <b>238</b>     |
| Issue of shares to NCI                                     | -              | (20)          | -                           | <b>(20)</b>    | 20                       | -              |
| Foreign currency translation differences                   | -              | (1,123)       | -                           | <b>(1,123)</b> | 812                      | <b>(311)</b>   |
| Dividends paid   | -              | -             | (3,349)                     | <b>(3,349)</b> | (3,493)                  | <b>(6,842)</b> |
| <b>Unaudited balance as at 31 December 2024</b>            | <b>178,355</b> | <b>29,688</b> | <b>(73,968)</b>             | <b>134,075</b> | <b>24,964</b>            | <b>159,039</b> |

\* The comparative statements for the half year ended 31 December 2023 and the year ended 30 June 2024 have been restated to show the effect of the voluntary change in presentation currency to Australian dollars and the reallocation of the profit attributable to NCI and the shareholders of the Group for 30 June 2024.

The notes to the financial statements are an integral part of these financial statements.

# Notes to the financial statements

For the half year ended 31 December 2024

## 1 Basis of accounting

### Reporting entity

Echelon Resources Limited (Echelon), is a company domiciled in New Zealand (NZ), registered under the New Zealand Companies Act 1993 and listed on the Australian Stock Exchange (ASX) using the ticker symbol ECH. The Group is required to be treated as a Financial Markets Conduct (FMC) reporting entity for the purposes of the FMC Act and the Financial Reporting Act 2013.

The condensed and consolidated interim financial statements (financial statements) presented as at and for the half year ended 31 December 2024 are for Echelon, its subsidiaries and the interests in associates and jointly controlled operations (together referred to as the "Group").

The ultimate parent company is O.G.Oil & Gas (Singapore) Pte. Limited ("OGOG"), a company incorporated in Singapore, which is a subsidiary and part of the O.G. Energy Holdings Ltd. ("OGE") Group.

These financial statements do not include all the notes normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2024.

Comparative figures have been adjusted to reflect the changes in Australian dollar presentation currency.

### Basis of preparation

The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practices ("NZ GAAP") and the Financial Reporting Act 2013. They comply with the NZ equivalents to International Financial Reporting Standards ("NZ IFRS") as appropriate for profit-oriented entities, and with International Financial Reporting Standards ("IFRS").

Effective from 1 July 2024, the presentation currency of the financial statements has been changed from New Zealand Dollars (NZD) to Australian Dollars (AUD). This change is intended to better reflect the company's operational and economic environment.

A change in presentation currency is a change in accounting policy, which is accounted for retrospectively. The financial information included in this report, previously reported in NZD, has been restated into AUD using the procedures outlined below:

- Assets and liabilities denominated in currencies other than AUD were translated into AUD at the closing rates of exchange on the last day of the relevant accounting period.
- Revenues and expenses in currencies other than AUD were translated into AUD at average exchange rates.
- Share capital and reserves were translated at the historic rates prevailing at the transaction dates.
- Cash flows were translated at exchange rates at the dates of the relevant transactions, although appropriate average rates may be used.
- The effects of translating the Group's financial performance and financial position are recognised in the foreign currency translation reserve.

In the process of restating the comparatives to AUD, an error was identified in the 30 June 2024 financial statements which impacted the profit attributable to shareholders of the Group and profit attributable to NCI. This error has been corrected and the restatement has been made in accordance with; NZ IAS 21 – The Effects of Changes in Foreign Exchange Rates, NZ IFRS 10 – Consolidated Financial Statements, NZ IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors. The following table summarises the impacts on the Group's financial statements.

### Consolidated Statement of Comprehensive Income (\$000s)

As previously reported and restated on change in presentation currency

#### Profit for the year attributable to:

Profit attributable to shareholders  
Profit attributable to non-controlling interest  
**Profit for the year**

#### Earnings per share

Basic earnings per share attributable to shareholders (cents)  
Diluted earnings per share attributable to shareholders (cents)

30 June 2024

Impact of misallocation

| Reported     | Correction | Restated     |
|--------------|------------|--------------|
| 3,732        | (3,573)    | 159          |
| 3,517        | 3,573      | 7,090        |
| <b>7,249</b> | <b>-</b>   | <b>7,249</b> |
| 1.6          | (1.5)      | 0.1          |
| 1.6          | (1.5)      | 0.1          |

### Consolidated Statement of Financial Position (\$000s)

As previously reported and restated on change in presentation currency

#### Equity

Share capital  
Reserves  
Retained losses  
**Attributable to shareholders of the Group**  
Non-controlling interest in subsidiaries  
**Total equity**

30 June 2024

Impact of misallocation

| Reported       | Correction     | Restated       |
|----------------|----------------|----------------|
| 178,355        | -              | 178,355        |
| 30,302         | -              | 30,302         |
| (70,814)       | (3,573)        | (74,387)       |
| <b>137,843</b> | <b>(3,573)</b> | <b>134,270</b> |
| 21,850         | 3,573          | 25,423         |
| <b>159,693</b> | <b>-</b>       | <b>159,693</b> |

# Notes to the financial statements

For the half year ended 31 December 2024

## 1 Basis of accounting (continued)

The change to the presentation currency has been made in accordance with; NZ IAS 21 – The Effects of Changes in Foreign Exchange Rates, NZ IFRS 10 – Consolidated Financial Statements, NZ IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors.

The presentation and reporting currency used in the preparation of the financial statements is Australian dollars (AUD or \$) rounded to the nearest thousand unless otherwise stated. The financial statements are prepared on a goods and services tax (GST) exclusive basis except billed receivables and payables which include GST.

These financial statements are prepared on the basis of historical cost except where otherwise stated in specific accounting policies contained in the accompanying notes.

### **Basis of consolidation**

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that control ceases. Consistent accounting policies are employed in the preparation and presentation of the Group financial statements. Intra-group balances, transactions, unrealised income or expenses arising from intra-group transactions and dividends are eliminated in preparing the Group financial statements.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies, are recognised in the income statement, except when deferred in the statement of comprehensive income and held in equity reserves as qualifying cash flow hedges and qualifying net investment hedges. Translation differences on non-monetary items, such as equities classified as fair value through other comprehensive income, are included in the statement of comprehensive income and held in the fair value reserves in equity.

## 2 Critical accounting estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

The estimates and assumptions that have the most significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year relate to:

**Recoverability of deferred tax assets**, assessment of the ability of entities in the Group to generate future taxable income (refer to note 5).

**Recoverability of exploration and evaluation assets and oil and gas assets**, assessment includes future commodity prices, future cash flows, estimated discount rates and estimates of reserves. Management performs an assessment of the carrying value of investments at each reporting date and considers objective evidence for impairment on each investment, taking into account observable data on the investment, the fair value, the status or context of capital markets, its own view of investment value and its long-term intentions (refer to notes 8 and 9).

**Provision for rehabilitation obligations** includes estimates of future costs, timing of required rehabilitation and an estimated discount rate (refer to note 12).

# Notes to the financial statements

For the half year ended 31 December 2024

## 3 Segment information

Operating segments' operating results are reviewed regularly by the Group's chief executive officer (CEO), the entity's chief decision maker, and have discrete financial information available. Segment results that are reported to the CEO include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

The following summaries describe the activities within each of the reportable operating segments:

**Perth Basin (from 20 March 2023):** Exploration interests in Western Australian comprising the L7 Production licence (L7) and EP437 Exploration Permit (EP437).

**Kupe oil & gas field (Kupe):** Development, production, and sale of natural gas, liquefied petroleum gas (LPG) and condensate (light oil), located in the offshore Taranaki Basin, New Zealand.

**Amadeus Basin oil & gas fields:** Comprising Echelon's share of the Mereenie oil and gas field, Palm Valley gas field and Dingo gas field, all located in the Amadeus Basin in Australia. Cue Energy Resources Limited ("Cue"), a partially owned subsidiary of Echelon, holds a participating interest in the Amadeus Basin assets. These are included in the Cue segment below.

**Other & unallocated:** Unallocated items comprise corporate assets, corporate overheads, and income tax assets and liabilities.

**Cue Energy Resources Limited:** The Group acquired a controlling interest in Cue during the 2015 financial year and from 1 October 2021 this segment includes Cue's participating interest in the Amadeus Basin oil and gas fields.

| Unaudited<br>Half year to 31 December 2024<br>AUD\$000 | Perth<br>Basin | Kupe oil &<br>gas field | Amadeus<br>Basin oil &<br>gas fields | Other &<br>unallocated | Cue Energy<br>Resources<br>Limited | Total          |
|--|----------------|-------------------------|--------------------------------------|------------------------|------------------------------------|----------------|
| <b>Sales to external customers:</b>                    |                |                         |                                      |                        |                                    |                |
| New Zealand  | -              | 3,525                   | -                                    | -                      | -                                  | 3,525          |
| Australia  | -              | -                       | 21,635                               | -                      | 5,473                              | 27,108         |
| Other countries  | -              | 1,002                   | -                                    | -                      | 21,640                             | 22,642         |
| <b>Total sales revenue</b>                             | -              | <b>4,527</b>            | <b>21,635</b>                        | -                      | <b>27,113</b>                      | <b>53,275</b>  |
| Other income   | -              | -                       | 1                                    | 1,275                  | -                                  | 1,276          |
| <b>Total sales revenue and other income</b>            | -              | <b>4,527</b>            | <b>21,636</b>                        | <b>1,275</b>           | <b>27,113</b>                      | <b>54,551</b>  |
| <b>Segment result</b>                                  | <b>(4,395)</b> | <b>2,064</b>            | <b>8,591</b>                         | <b>(2,770)</b>         | <b>9,933</b>                       | <b>13,423</b>  |
| Other net finance expense                              |                |                         |                                      |                        |                                    | (533)          |
| <b>Profit before income tax and royalties</b>          |                |                         |                                      |                        |                                    | <b>12,890</b>  |
| Income tax and royalties expense                       |                |                         |                                      |                        |                                    | (6,993)        |
| <b>Profit for the half year</b>                        |                |                         |                                      |                        |                                    | <b>5,897</b>   |
| <b>Segment assets</b>                                  | 3,202          | 20,434                  | 152,178                              | 28,514                 | 107,336                            | <b>311,664</b> |
| <b>Segment liabilities</b>                             | 6              | 14,277                  | 93,068                               | 1,884                  | 43,390                             | <b>152,625</b> |
| Included in segment results:                           |                |                         |                                      |                        |                                    |                |
| <b>Depreciation and amortisation</b>                   | -              | 1,168                   | 4,734                                | 99                     | 3,975                              | <b>9,976</b>   |

# Notes to the financial statements

For the half year ended 31 December 2024

## 3 Segment information (continued)

| Restated audited<br>Full year to 30 June 2024 *<br>AUD\$000 | Perth<br>Basin | Kupe oil &<br>gas field | Amadeus<br>Basin oil &<br>gas fields | Other &<br>unallocated | Cue Energy<br>Resources<br>Limited | Total          |
|---|----------------|-------------------------|--------------------------------------|------------------------|------------------------------------|----------------|
| <b>Sales to external customers:</b>                         |                |                         |                                      |                        |                                    |                |
| New Zealand   | -              | 7,245                   | -                                    | -                      | -                                  | 7,245          |
| Australia   | -              | -                       | 28,050                               | -                      | 12,441                             | 40,491         |
| Other countries   | -              | 948                     | -                                    | -                      | 37,218                             | 38,166         |
| <b>Total sales revenue</b>                                  | -              | <b>8,193</b>            | <b>28,050</b>                        | -                      | <b>49,659</b>                      | <b>85,902</b>  |
| Other income  | -              | 104                     | 13                                   | 1,330                  | 6                                  | 1,453          |
| <b>Total sales revenue and other income</b>                 | -              | <b>8,297</b>            | <b>28,063</b>                        | <b>1,330</b>           | <b>49,665</b>                      | <b>87,355</b>  |
| Impairment  | -              | (10,634)                | -                                    | -                      | -                                  | (10,634)       |
| <b>Segment result</b>                                       | <b>(353)</b>   | <b>(7,198)</b>          | <b>8,105</b>                         | <b>(6,349)</b>         | <b>25,307</b>                      | <b>19,512</b>  |
| Other net finance income                                    |                |                         |                                      |                        |                                    | (509)          |
| <b>Profit before income tax and royalties</b>               |                |                         |                                      |                        |                                    | <b>19,003</b>  |
| Income tax and royalties expense                            |                |                         |                                      |                        |                                    | (11,754)       |
| <b>Profit for the year</b>                                  |                |                         |                                      |                        |                                    | <b>7,249</b>   |
| Segment assets  | 3,708          | 20,204                  | 146,425                              | 29,551                 | 103,856                            | <b>303,744</b> |
| Segment liabilities   | -              | 12,923                  | 90,607                               | 1,574                  | 38,947                             | <b>144,051</b> |
| Included in segment results:                                |                |                         |                                      |                        |                                    |                |
| <b>Depreciation and amortisation</b>                        | -              | 2,571                   | 4,788                                | 197                    | 6,400                              | <b>13,956</b>  |

| Restated unaudited<br>Half year to 31 December 2023 *<br>AUD\$000 | Perth<br>Basin | Kupe oil &<br>gas field | Amadeus<br>Basin oil &<br>gas fields | Other &<br>unallocated | Cue Energy<br>Resources<br>Limited | Total          |
|---|----------------|-------------------------|--------------------------------------|------------------------|------------------------------------|----------------|
| <b>Sales to external customers:</b>                               |                |                         |                                      |                        |                                    |                |
| New Zealand   | -              | 2,885                   | -                                    | -                      | -                                  | <b>2,885</b>   |
| Australia   | -              | -                       | 14,746                               | -                      | 12,441                             | <b>27,187</b>  |
| Other countries   | -              | 567                     | -                                    | -                      | 16,850                             | <b>17,417</b>  |
| <b>Total sales revenue</b>  | -              | <b>3,452</b>            | <b>14,746</b>                        | -                      | <b>29,291</b>                      | <b>47,489</b>  |
| Other income  | -              | 104                     | 10                                   | 502                    | 4                                  | <b>620</b>     |
| <b>Total sales revenue and other income</b>                       | -              | <b>3,556</b>            | <b>14,756</b>                        | <b>502</b>             | <b>29,295</b>                      | <b>48,109</b>  |
| <b>Segment result</b>   | <b>(347)</b>   | <b>1,336</b>            | <b>7,478</b>                         | <b>(3,501)</b>         | <b>16,114</b>                      | <b>21,080</b>  |
| Other net finance expense   |                |                         |                                      |                        |                                    | (691)          |
| <b>Profit before income tax and royalties</b>                     |                |                         |                                      |                        |                                    | <b>20,389</b>  |
| Income tax and royalties expense                                  |                |                         |                                      |                        |                                    | (9,440)        |
| <b>Profit for the half year</b>                                   |                |                         |                                      |                        |                                    | <b>10,949</b>  |
| Segment assets  | 2,072          | 30,779                  | 80,075                               | 33,106                 | 113,881                            | <b>259,913</b> |
| Segment liabilities   | -              | 15,355                  | 24,251                               | 2,219                  | 41,132                             | <b>82,957</b>  |
| Included in segment results:                                      |                |                         |                                      |                        |                                    |                |
| <b>Depreciation and amortisation expense</b>                      | -              | 1,060                   | 2,169                                | 101                    | 3,569                              | <b>6,899</b>   |

\* The comparative statements for the year ended 30 June 2024 and the half year ended 31 December 2023 have been restated to show the effect of the voluntary change in presentation currency to Australian dollars and the reallocation of the profit attributable to NCI and shareholders of the Group for 30 June 2024.

# Notes to the financial statements

For the half year ended 31 December 2024

## 4 Revenue

Sales comprise revenue earned from the sale of petroleum products, when control of ownership of the petroleum products has been transferred to the buyer, which will vary depending on the contract (e.g. at the plant or at the port). Revenue is recognised at the amount of the transaction price that is allocated to that performance obligation.

### (a) Revenue from contracts with customers

|  | <b>Unaudited<br/>Half Year<br/>31 Dec<br/>2024</b> | Restated *<br>Unaudited<br>Half Year<br>31 Dec<br>2023 | Restated *<br>Audited<br>Full Year<br>30 Jun<br>2024 |
|--|--|--|--|
| <b>AUD\$000</b>                                    |  |  |  |
| Crude oil and condensate                           | 22,583   | 20,903   | 34,561   |
| Natural gas and LPG                                | 30,692   | 26,586   | 51,341   |
| <b>Total revenue from contracts with customers</b> | <b>53,275</b>                                      | 47,489   | 85,902   |
| <b>Other income</b>                                | <b>1,276</b>                                       | 620  | 1,453  |
| <b>Total revenue and other income</b>              | <b>54,551</b>                                      | 48,109   | 87,355   |

### (b) Tariffs included in revenue

Natural gas revenue includes charges for transportation costs incurred when the gas delivery point is not at the plant. The cost of the transportation for the period ending 31 December 2024 was \$0.1 million (30 June 2024: \$1.0 million).

### (c) Major Customers

Customers with revenue exceeding 10% of the Group's total hydrocarbon sales revenue are shown below.

|   | <b>Unaudited<br/>Half Year<br/>31 Dec<br/>2024</b> | <b>% of sales<br/>revenue<br/>31 Dec<br/>2024</b> | Restated *<br>Unaudited<br>Half Year<br>31 Dec<br>2023 | % of sales<br>revenue<br>31 Dec<br>2023 | Restated *<br>Audited<br>Full Year<br>30 Jun<br>2024 | % of sales<br>revenue<br>30 Jun<br>2024 |
|---|--|---|--|---|--|---|
| <b>AUD\$000</b>                           |  |   |  |   |  |   |
| First largest                             | 16,624   | 31.2%   | 11,887   | 25.0%                                   | 19,721   | 23.0%                                   |
| Second largest                            | 11,609   | 21.8%   | 6,539  | 13.8%                                   | 19,044   | 22.2%                                   |
| Third largest                             | 6,349  | 11.9%   | 5,799  | 12.2%                                   | 10,124   | 11.8%                                   |
| <b>Total revenue from major customers</b> | <b>34,582</b>                                      | <b>64.9%</b>                                      | 24,225   | 51.0%                                   | 48,889   | 56.9%                                   |

## 5 Tax

At 31 December 2024, the Group recognised a deferred tax asset of \$19.2 million (30 June 2024: \$20.7 million) in respect of unutilised carried forward tax losses.

At 31 December 2024, the Group had \$71.0 million in unutilised carry forward losses, the tax effect of which is \$21.3 million. The aforementioned potential tax benefit has not been recognised in the statement of financial position as the recovery of this benefit is uncertain.

Deferred tax assets and liabilities are disclosed on a net basis in respect of their tax jurisdictions.

\* The comparative statements for the year ended 30 June 2024 and the half year ended 31 December 2023 have been restated to show the effect of the voluntary change in presentation currency to Australian dollars.

# Notes to the financial statements

For the half year ended 31 December 2024

## 6 Business combinations

On 11 June 2024, the Group acquired 25% of the Mereenie oil and gas field in the Amadeus Basin, Northern Territory, Australia, from Macquarie Mereenie Pty Ltd. This is in addition to the 25% participating interest already held in the Group.

There were no changes to the provisional acquisition valuation reported as at 30 June 2024.

## 7 Oil and gas interests

The Group has interests in a number of joint arrangements which are classified as joint operations. The Group financial statements include a proportionate share of the oil and gas interests' assets, liabilities, revenue, and expenses with items of a similar nature on a line by line basis, from the date that joint control commences until the date that joint control ceases.

The Group held the following oil and gas production, exploration and evaluation, and appraisal interests at the end of the year:

| Name                             | Entity                      | Country of permit | Interest  |           |
|----------------------------------|-----------------------------|-------------------|-----------|-----------|
|                                  |                             |                   | 31 Dec 24 | 30 Jun 24 |
| <b>Echelon Resources Limited</b> |                             |                   |           |           |
| PML 38146 – Kupe                 | Echelon Taranaki Ltd        | New Zealand       | 4%        | 4%        |
| OL4 and OL5 - Mereenie           | Echelon Mereenie Pty Ltd    | Australia         | 42.5%     | 42.5%     |
| OL3 - Palm Valley                | Echelon Palm Valley Pty Ltd | Australia         | 35%       | 35%       |
| L7 - Dingo                       | Echelon Dingo Pty Ltd       | Australia         | 35%       | 35%       |
| L7 Production licence            | Echelon Acacia Pty Ltd      | Australia         | 25%       | 25%       |
| EP437 Exploration Permit         | Echelon Compass Pty Ltd     | Australia         | 25%       | 25%       |
| <b>Cue Energy Resources *</b>    |                             |                   |           |           |
| Mahato PSC                       | Cue Mahato Pty Ltd          | Indonesia         | 11.25%    | 11.25%    |
| PMP 38160 – Maari                | Cue Taranaki Pty Ltd        | New Zealand       | 5%        | 5%        |
| Sampang PSC                      | Cue Sampang Pty Ltd         | Indonesia         | 15%       | 15%       |
| OL4 and OL5 - Mereenie           | Cue Mereenie Pty Ltd        | Australia         | 7.5%      | 7.5%      |
| OL3 - Palm Valley                | Cue Palm Valley Pty Ltd     | Australia         | 15%       | 15%       |
| L7 - Dingo                       | Cue Dingo Pty Ltd           | Australia         | 15%       | 15%       |

\* represents the percentage interest held by Cue. The Group interest is 50.00% (June 2024: 50.03%) of the Cue interest.

## 8 Exploration and evaluation assets

| AUD\$000  | Unaudited                   | Restated *                             |
|---|-----------------------------|--|
|   | Half Year<br>31 Dec<br>2024 | Audited<br>Full Year<br>30 Jun<br>2024 |
| Opening balance   | 3,669                       | 2,413                                  |
| Exploration expenditure incurred during the period                  | 3,194                       | 1,259                                  |
| Exploration expense   | (4,137)                     | -                                      |
| Revaluation of foreign currency exploration and evaluation assets   | -                           | (3)                                    |
| <b>Total exploration and evaluation assets at the end of period</b> | <b>2,726</b>                | <b>3,669</b>                           |

On 7 August 2024 the Group announced that the key prospective reservoirs of the Booth well in EP7, Perth Basin, Australia had been drilled but not intersected any moveable hydrocarbons. The well was plugged and abandoned. The previously capitalised costs were expensed to the profit and loss.

\* The comparative statements for the year ended 30 June 2024 has been restated to show the effect of the voluntary change in presentation currency to Australian dollars.

# Notes to the financial statements

For the half year ended 31 December 2024

## 9 Oil and gas assets

|  | Unaudited<br>Half Year<br>31 Dec<br>2024 | Restated *<br>Audited<br>Full Year<br>30 Jun<br>2024 |
|--|--|--|
| <b>AUD\$000</b>  |  |  |
| Opening balance  | 215,570                                  | 168,246  |
| Additions - acquisition 25% interest in Mereenie asset   | -  | 47,554   |
| Make up gas forfeited                                    | (612)                                    | 537  |
| Expenditure capitalised                                  | 13,385                                   | 15,240   |
| Impairment of Kupe asset                                 | -  | (10,634)   |
| Amortisation for the period                              | (9,813)                                  | (13,652)   |
| Rehabilitation provision movement                        | (2,219)                                  | 8,154  |
| Revaluation of foreign currency oil and gas assets       | 2,242                                    | 125  |
| <b>Total oil and gas assets at the end of the period</b> | <b>218,553</b>                           | <b>215,570</b>                                       |

At 31 December 2024, the Group assessed each asset to determine whether an indicator of impairment existed. Indicators of impairment include changes in future selling prices, future costs, and reserves. It was determined that there are no indicators of impairment.

## 10 Payables

|  | Unaudited<br>Half Year<br>31 Dec<br>2024 | Restated *<br>Audited<br>Full Year<br>30 Jun<br>2024 |
|--|--|--|
| <b>AUD\$000</b>                                |  |  |
| Trade payables                                 | 9,989                                    | 5,811  |
| Royalties payable                              | 383                                      | 740  |
| Share of oil and gas interests' payable        | 7,017                                    | 3,903  |
| Other payables                                 | 4,022                                    | 3,237  |
| <b>Total payables at the end of the period</b> | <b>21,411</b>                            | <b>13,691</b>  |

## 11 Contract liabilities

A contract liability is recorded for obligations under sales contracts to deliver natural gas in future periods for which payment has already been received.

|  | Unaudited<br>Half Year<br>31 Dec<br>2024 | Restated *<br>Audited<br>Full Year<br>30 Jun<br>2024 |
|--|--|--|
| <b>AUD\$000</b>  |  |  |
| Non-current  | 12,750                                   | 13,333   |
| <b>Total contract liabilities at the end of the period</b> | <b>12,750</b>                            | <b>13,333</b>  |

\* The comparative statements for the year ended 30 June 2024 has been restated to show the effect of the voluntary change in presentation currency to Australian dollars.

# Notes to the financial statements

For the half year ended 31 December 2024

## 12 Rehabilitation provisions

|  | Unaudited<br>Half Year<br>31 Dec<br>2024 | Restated *<br>Audited<br>Full Year<br>30 Jun<br>2024 |
|--|--|--|
| <b>AUD\$000</b>  |  |  |
| Opening balance  | 60,111                                   | 50,667   |
| Change in provision recognised                                     | (3,037)                                  | (1,786)  |
| Addition in provision from acquisition of 25% interest in Mereenie | -  | 9,506  |
| Unwind of discount on provision                                    | 1,051                                    | 1,758  |
| Revaluation of foreign currency rehabilitation provision           | 2,239                                    | (34)   |
| <b>Total rehabilitation provision at the end of the period</b>     | <b>60,364</b>                            | <b>60,111</b>  |

The discount rate used is the risk-free interest rate obtained from the country related to the currency of the expected expenditure. The discount rates used to determine the provision ranged from 2.00% to 4.86% (30 June 2024: 2.09% to 4.83%).

## 13 Reserves

|  | Unaudited<br>Half Year<br>31 Dec<br>2024 | Restated *<br>Audited<br>Full Year<br>30 Jun<br>2024 |
|--|--|--|
| <b>(a) Reserves</b>                            |  |  |
| <b>AUD\$000</b>                                |  |  |
| Asset revaluation reserve                      | 1,290                                    | 926  |
| Share based payments reserve                   | 1,660                                    | 1,515  |
| Foreign currency translation reserve           | 26,738                                   | 27,861   |
| <b>Total reserves at the end of the period</b> | <b>29,688</b>                            | <b>30,302</b>  |

### Movements:

#### (i) Asset revaluation reserve

|  |              |            |
|--|--------------|------------|
| Opening balance  | 926          | 756        |
| Revaluation of Emissions Trading Scheme (ETS) units for the period | 364          | 256        |
| Surrender of ETS units   | -            | (86)       |
| <b>Closing balance at the end of the period</b>                    | <b>1,290</b> | <b>926</b> |

#### (ii) Share based payments reserve

|   |              |              |
|---|--------------|--------------|
| Opening balance                                 | 1,515        | 1,614        |
| Share based payment expense                     | 165          | (23)         |
| Forfeited and expired share options             | -            | (76)         |
| Share options exercised                         | (20)         | -            |
| <b>Closing balance at the end of the period</b> | <b>1,660</b> | <b>1,515</b> |

#### (iii) Foreign currency translation reserve

|   |               |               |
|---|---------------|---------------|
| Opening balance                                       | 27,861        | 27,822        |
| Foreign currency translation differences for the year | (1,123)       | 39            |
| <b>Closing balance at the end of the period</b>       | <b>26,738</b> | <b>27,861</b> |

#### (b) Nature and purpose of reserves

##### Asset revaluation reserve

Revaluation gains and losses on ETS units are transferred to the asset revaluation reserve.

##### Share based payments reserve

The reserve is used to recognise the value of equity benefits provided to employees under the Share Option Scheme.

##### Foreign currency translation reserve

Exchange differences arising on translation of companies within the Group with a different functional currency to the Group are taken to the foreign currency translation reserve. The reserve is recognised in other comprehensive income when the net investment is disposed of.

With the change in presentation currency to Australian dollars, foreign currency translation still arises on consolidation, as not all companies are functional in the presentation currency.

\* The comparative statements for the year ended 30 June 2024 has been restated to show the effect of the voluntary change in presentation currency to Australian dollars.

# Notes to the financial statements

For the half year ended 31 December 2024

## 14 Related party transactions

All transactions and outstanding balances with related parties are in the ordinary course of business on normal trading terms. Any transactions within the Group are eliminated on consolidation.

During the period certain activities were undertaken between the Group and OGE. The inter-group services agreement, which was entered into on 21 June 2019, allows the Group to provide technical services and related activities to OGE. Income of \$0.8 million has been included in 'Other income' in the profit and loss (31 December 2023: \$0.5 million).

## 15 Commitments and contingent assets and liabilities

### (a) Development and exploration expenditure

To maintain the various permits in which the Group is involved the Group has ongoing expenditure as part of its normal operations. The actual costs will be dependent on a number of factors such as joint venture decisions including final scope and timing of operations. The Group participates in a number of development projects that were in progress at the end of the period. These projects require the Group, either directly or through joint operation arrangements, to enter into contractual commitments for future expenditures.

The Group has commitments of \$15.4 million for the drilling and infrastructure works at the Mahato PSC.

The Group has commitments of \$0.8 million for the Becos-1 exploration well in the Perth Basin.

The Group's share of commitments associated with the Amadeus Basin permits for production and development expenditure is \$5.4 million at 31 December 2024.

As part of the acquisition of the 25% interest in Mereenie, the Group has an obligation to put bonds in place of \$0.8 million with the Northern Territory Government, these will be in place before the end of the financial year.

### (b) Contingent assets and liabilities

The Directors are not aware of any contingent assets or liabilities at 31 December 2024.

## 16 Events occurring after balance date

On 5 December 2024 the Mereenie development well West Mereenie 29 (WM-29) was spudded. On 16 January 2025 WM-29 was successfully drilled and completed, and was tied-in to the gathering system on 20 January 2025. West Mereenie 30 (WM-30), the second development well in the two well programme, was subsequently spudded on 16 January 2025. On 19 February 2025, WM-30 was successfully drilled and completed, and is due to be tied-in to the gathering system in March 2025.

On 15 January 2025 binding terms were agreed with Mosman Oil & Gas to purchase 100% of the Northern Territory exploration permit EP145 in the Amadeus Basin, this is adjacent to the Mereenie oil and gas field (the Group holds a 50% interest). Subsequently on 3 February 2025 a Sales and Purchase Agreement was executed on the announced terms.

On 25 February 2025 Cue declared an interim dividend of AUD 1.0 cents per ordinary share with a record date of 12 March 2025 and a payment date of 26 March 2025.

On 25 February 2025 Echelon declared an interim dividend of AUD 1.5 cents per ordinary share with a record date of 12 March 2025 and a payment date of 31 March 2025.