

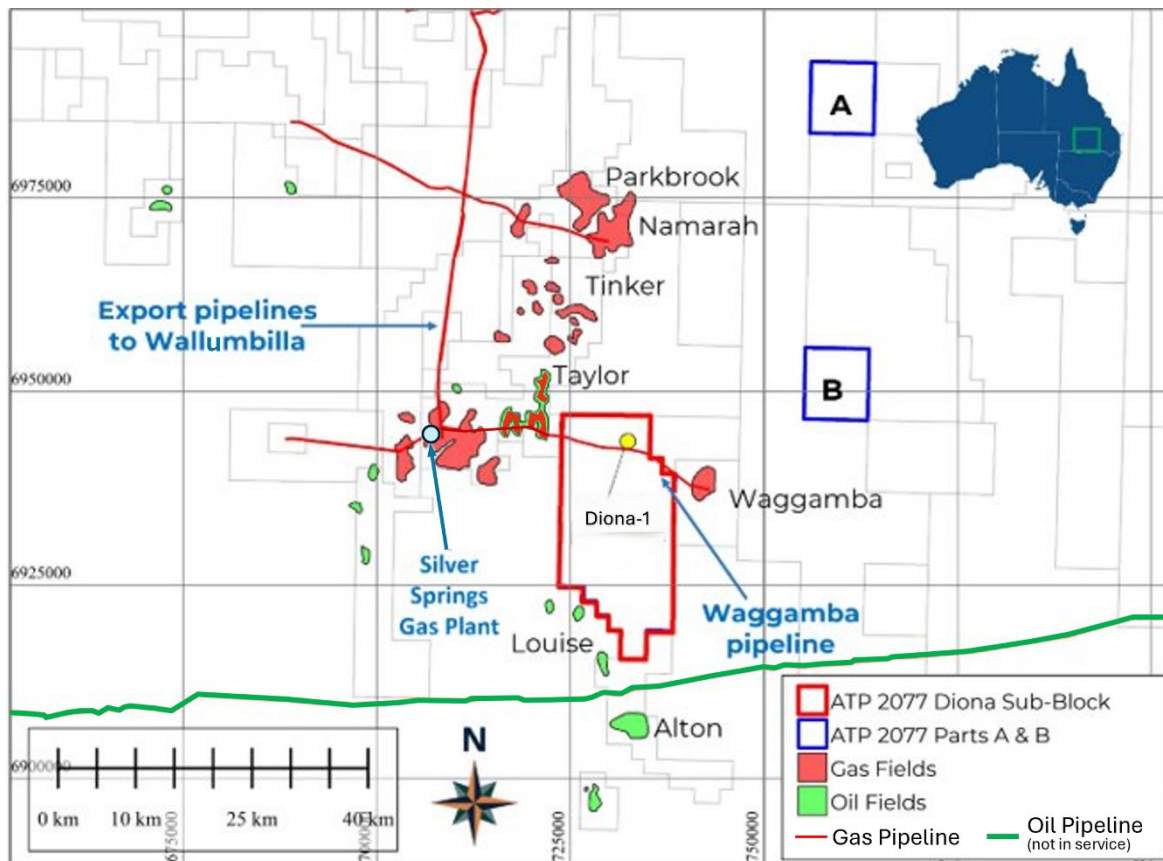
15th September 2025

Announcement to ASX

Electronic lodgement

DIONA-1 DRILLING CONTRACT SIGNED

Xstate Resources Limited (**ASX:XST**) (**Xstate** or **the Company**) is pleased to advise that, following the announcement made last week by the ASX that the Company's shares would be reinstated to quotation on Tuesday 16th September 2025, we have now signed a drilling contract with Easternwell Group Operations Pty Ltd (a 100% subsidiary of Ventia Services Group Limited) (**Ventia**) to drill the Diona-1 well located on the Diona Block of ATP 2077 in the Surat-Bowen Basin, Queensland (XST 51% / Elixir Energy (**EXR**) 49%¹).



Xstate has lodged a request with Ventia that the drill rig be mobilized on 21st September 2025. We anticipate that the well will then spud around the 26th September 2025.

¹ Xstate has acquired a 51% interest in ATP 2077 from Elixir Energy Limited, ASX Code EXR. ATP 2077 comprises 3 blocks being the Diona, Block A and Block B. Elixir retains a 100% beneficial ownership in Blocks A and B.

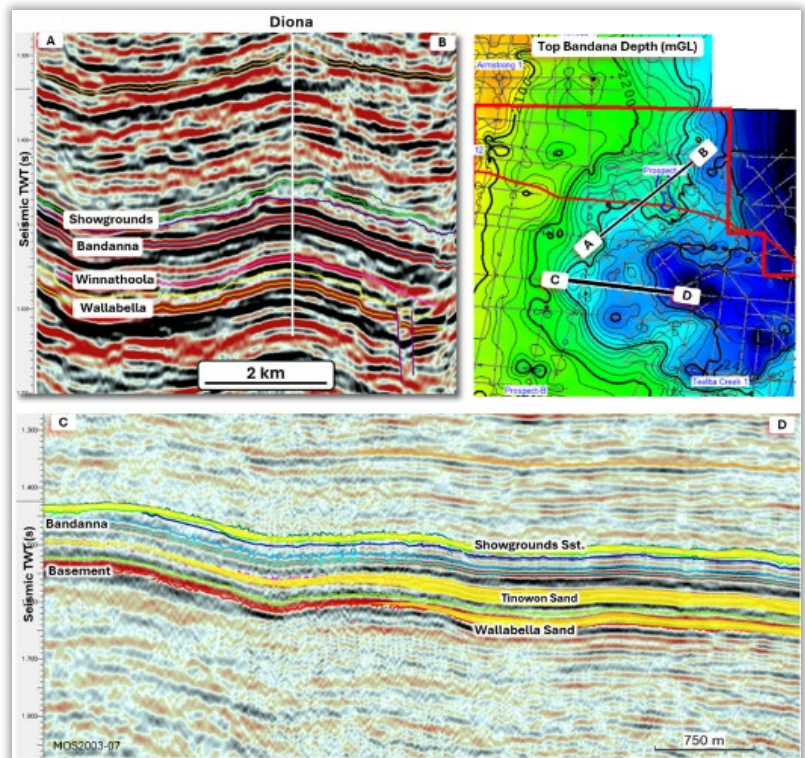
Managing Director of Xstate Resources, Andrew Bald commented:

“We are all fully engaged on drilling this well now. The drilling rig has been booked and work has commenced on the ground in preparation for drilling. With the drilling rig being mobilized on the 21st and an expected spud date of 26th September, things are moving very, very quickly. All going to plan, we should be seeing early drilling results in the first weeks of October.”

About the Diona Project

Located between the Silvers Springs Gas processing facility and the Waggamba gas field in the Surat-Bowen basin of Queensland, Xstate’s Diona project is a shallow, conventional gas prospect (with liquids potential) that is ideally placed adjacent to the Waggamba to Silver Springs gas pipeline. The Diona-1 well targets 3 proven hydrocarbon reservoirs being the Showgrounds, Tinowon and Wallabella. With the top of the Showgrounds being only 2,300m, the well will take less than 15 days to reach its total planned depth of 2,600m.

If the well is successful, there is potential for a rapid path to market given the Waggamba pipeline is less than 100m from the well pad (with a valve tie-in point about 1 km away).



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

Andrew Bald
Managing Director

About Xstate Resources Limited:

Xstate Resources (ASX Code: XST) is an ASX listed company focused on the oil and gas sector focusing on its Diona project located in Queensland, Australia. Xstate owns 51% of ATP 2077 however Elixir Energy Limited, (ASX Code EXR) retains a 100% beneficial ownership in Blocks A and B. The Company’s will drill its first well in the Diona block, Diona-1, in late September 2025.

The Company additionally holds exploration assets in the Sacramento Basin, California.

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