



ASX Announcement

AUSTRALIAN OIL ACQUIRES STRATEGIC ASSETS IN QUEENSLAND

Australian Oil Company Limited (**ASX:AOK**) (**Australian Oil** or **the Company**) advises that it has, through its wholly owned subsidiary, signed binding agreements (**Agreements**) with ADZ Energy (Queensland) Pty Ltd (**ADZ**) and OGT Energy Pty Ltd (**OGT**) to acquire three (3) petroleum leases and one (1) petroleum pipeline licence in the Surat Basin, Queensland, located west of the Taroom Trough (collectively, **the Assets**). The Assets are situated in close proximity to the town of Surat, major gas gathering and processing infrastructure and in close proximity to acreage held by Operators Santos, Shell, Elixir and Omega in the Taroom Trough. The Assets that are subject to the Agreements are as follows:

- PL 264 including the producing Emu Apple Oil Field;
- PL 30 including the Riverslea Oil Field;
- PL 512 including the Major Gas Field; and
- PPL 22 being the pipeline and associated easements from PL 512 to the Silver Springs Gas Plant.

The consideration to each of ADZ and OGT under the Agreements are as follows:

- ADZ will receive a wellhead royalty of 2% on their 100% interest in PL 264, 90% interest in PL 30, and 84% interest in PL 512 (and any gas flowing through PPL 22), commencing 1st January 2029;
- OGT will receive \$1 for their minority interests of 10% in PL 30, 16% in PL 512 and 16% in PPL 22 as incentive for AOK to develop gas in PL 512 with subsequent processing and sale through agreed terms into OGT's Silver Springs Gas Plant;
- AOK's wholly owned subsidiary will indemnify each of ADZ and OGT in respect of their equity share of the Assets of all liabilities associated with infrastructure and current suspended and producing wells though; and
- As part of the Agreement with ADZ, ADZ shall maintain in place all existing Financial Assurance (**FA**) and Financial Resilience Certificates (**FRC**) (environmental bonds) relating to the Assets. If any FA or FRC amounts are re-calculated, the FA and FRC amounts maintained by the Vendor shall be credited against the newly calculated FA and FRC requirements for AOK. The total amount as at the date of the transaction for the Assets was \$552,640.45.

australianoilco.com.au

Head Office

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

Investors Relations

Stewart Walters
M: +61 414 644 166
E: Stewart@marketopen.com.au

Managing Director

Kane Marshall
T: +61 8 9435 3200
E: companysecretary@australianoilco.com.au



The transaction will complete upon achievement of the following conditions precedent:

- Australian Oil completing legal, financial and technical due diligence, and being satisfied in its sole and absolute discretion with the outcome of that due diligence;
- Each of ADZ and OGT irrevocably and unconditionally waiving their pre-emptive rights under the terms of the existing Joint Venture agreement between the parties in respect of the sale of the Assets

No formal completion date has been set, however if the conditions precedent above are not satisfied (or waived by AOK) on or before 9 June 2026, the agreements will terminate. The Company has concluded its due diligence process and expects the transaction to complete expeditiously.

Historically the majority of the interests in the Assets were held by Origin Energy Limited prior to being acquired by Armour Energy Limited (which recently went into receivership resulting in acquisition by ADZ). The minority interests in PL 512, PL 30 and PPL 22 held by OGT were previously held by AGL Energy Limited. There has been little new work incorporating new geological understandings and the Assets have no work commitments and funding will be sourced from the Company's existing capital reserves and production from the Emu Apple Oil Field, with expenditure focused on advancing drill-ready prospects and increasing production.

The Assets have:

- Undrilled prospects and leads within each of the production licenses and therefore in close proximity to production facilities;
- Potential to raise production in the Emu Apple oilfield from a current 15bopd up to 50bopd;
- The produced Riverslea and Major fields which can be brought back online in addition to new discoveries at modest cost as the facilities are in good condition;
- Strategic infrastructure and geographical significance being well placed to take advantage of nearby ground floor opportunities (majority of surrounding adjacent acreage is vacant);
- Optimal locations to address undersupplied gas markets through further gas exploration and development or gas storage opportunities in PL 512; and
- Lower capex and shorter duration to develop oil opportunities compared to other jurisdiction in Australia given existing infrastructure and proximity to the Inland Oil Refinery.

The transaction is opportunistic and timely given the recent announcements by APA Group to jointly develop with CS Energy the proposed Brigalow Peaking Power Plant. Other Operators are progressing gas exploration programs in the wider Surat Basin to take advantage of the infrastructure and capacity to process gas to domestic markets.

The transaction follows a significant period of due diligence along with other opportunities that are still being assessed as part of the Company's growth strategy. AOK will shortly provide a further update at its upcoming General Meeting with a subsequent follow up webinar.

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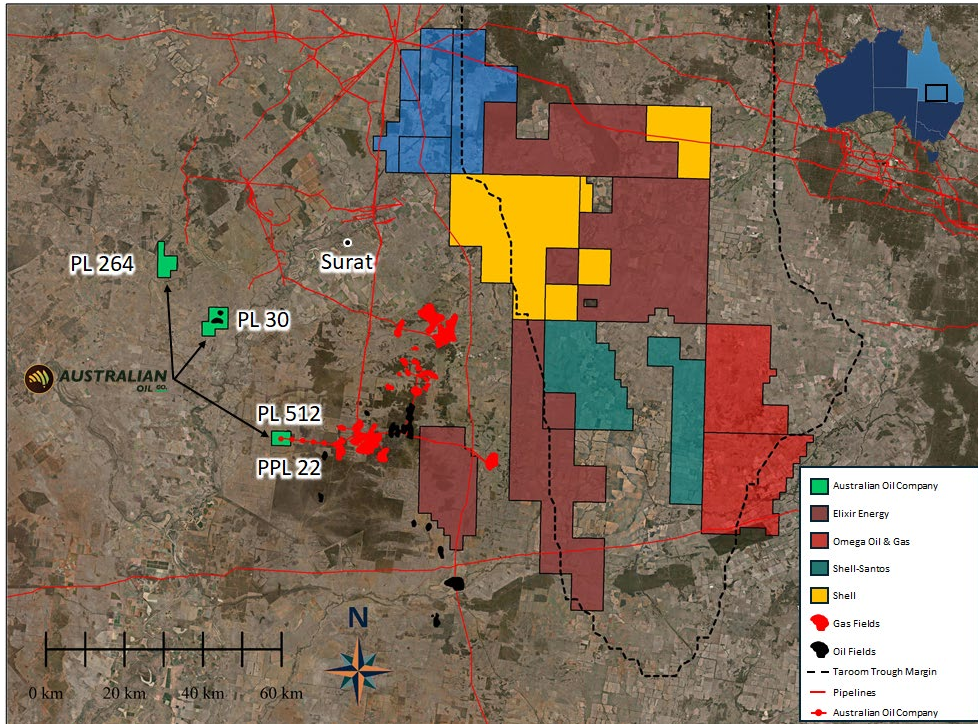


Figure 1 Regional map of AOK acquired assets (green) and pipeline (red dot dash) in relation to peers and infrastructure

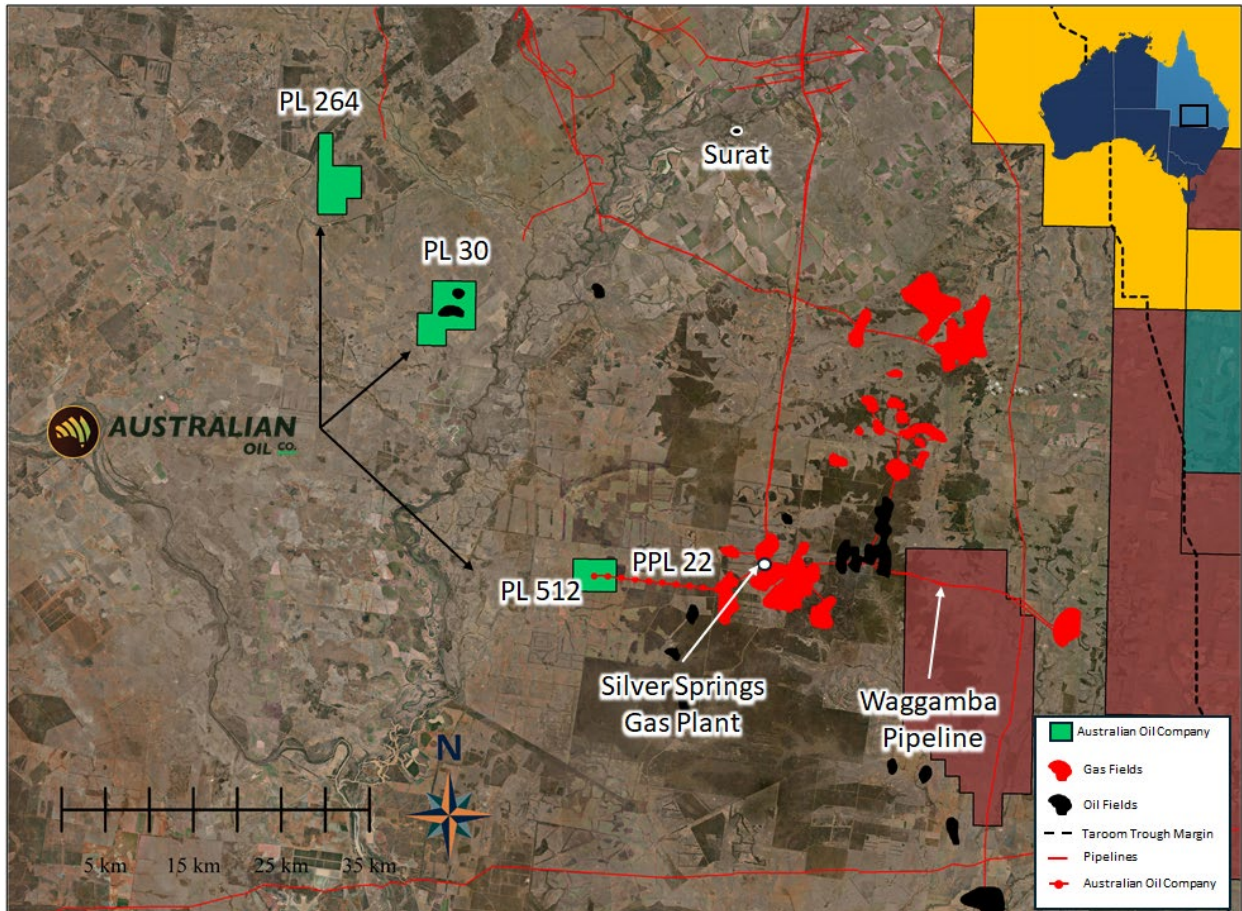


Figure 2 Zoomed in map showing proximity of assets to the town of Surat and Silver Springs Gas Plant



AUSTRALIAN OIL CO.

Kane Marshall, Managing Director of Australian Oil Co said:



These opportunities align directly with our strategy to broaden our exploration portfolio and increase our exposure to quality assets. The licences sit in a robust jurisdiction with active nearby operators, and they offer a mix of exploration potential, near term development and production optimisation for both oil and gas.

We now have a clear line of sight to commercial pathways for both commodities, supported by a range of opportunities that will appeal to different investor groups. We look forward to advancing these assets, maturing exploration drilling targets, strengthening our production profile, and building positive momentum into 2026.



– ENDS –

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

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 Company Limited

ACN: 114 061 433

ASX Code: AOK

Shares on Issue

1,252,228,745

Unlisted Options

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

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

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

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

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