

# ANNUAL REPORT

## 2025



**Beetaloo  
Energy**  
Australia

AND ITS CONTROLLED  
ENTITIES



For personal use only

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Contents  
31 December 2025**

Corporate directory	2
Chairman and Managing Director letters to shareholders	4
Operations review	7
Directors' report	26
Director's report - remuneration report	37
Auditor's independence declaration	61
Consolidated statement of profit or loss and other comprehensive income	62
Consolidated statement of financial position	64
Consolidated statement of changes in equity	65
Consolidated statement of cash flows	66
Notes to the consolidated financial statements	67
Consolidated entity disclosure statement	108
Directors' declaration	109
Independent auditor's report to the members of Beetaloo Energy Australia Limited	110
Shareholder information	115

For personal use only

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Corporate directory  
31 December 2025**

Directors	Peter Cleary (Chairman) Alexander Underwood (Managing Director) Louis Rozman Prof John Warburton Karen Green
Company Secretary	Sally McDow Sally Greenwood
Notice of Annual General Meeting	The details of the annual general meeting of Beetaloo Energy Australia Limited are: 29 May 2026 at 9.30 am Level 5, 126 Phillip Street, Sydney NSW 2000
Registered office	Level 5, 6-10 O'Connell Street Sydney NSW 2000
Share Registry	Computershare Investors Services Pty Limited Level 3, 60 Carrington Street Sydney NSW 2000
Auditor	Ernst & Young Level 34 200 George Street Sydney NSW 2000
Australian Solicitors	Baker McKenzie Level 46, Tower One International Towers Sydney 100 Barangaroo Avenue Barangaroo NSW 2000  Ward Keller Level 7 Northern Territory House 22 Mitchell Street Darwin NT 0800
US Solicitors	Hodgson Russ LLP 140 Pearl Street, Suite 100 Buffalo, NY 14202
Bankers	Macquarie Bank Limited 1 Elizabeth Street Sydney NSW 2000  Australia & New Zealand Banking Group Limited 1 Chifley Plaza Sydney NSW 200  PNC Bank 249 Fifth Avenue One PNC Plaza Pittsburgh PA 15222
Stock exchange listing	Beetaloo Energy Australia Limited shares are listed on the Australian Securities Exchange (ASX code: BTL)
Website	<a href="http://www.beetalooenergy.com">www.beetalooenergy.com</a>

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Corporate directory  
31 December 2025**

Corporate Governance  
Statement

The directors and management are committed to conducting the business of Beetaloo Energy Australia Limited in an ethical manner and in accordance with the highest standards of corporate governance. Beetaloo Energy Australia Limited has adopted and has substantially complied with the ASX Corporate Governance Principles and Recommendations (Fourth Edition) ('Recommendations') to the extent appropriate to the size and nature of the Group's operations.

The Corporate Governance Statement, which sets out the corporate governance practices that were in operation during the financial year and identifies and explains any Recommendations that have not been followed, which is approved at the same time as the Annual Report, can be found at: <https://beetalooenergy.com/company/corporate-governance/>

For personal use only

**Beetaloo Energy Australia Limited**  
**Chair and Managing Director Letter to Shareholders**  
**31 December 2025**

Dear Shareholders,

FY2025 was another successful year for Beetaloo Energy Australia Limited as we continued to progress our Beetaloo Basin properties towards pilot production and, in the success case, future reserves booking.

Put simply, our modern world runs on energy. Australian and global demand for all forms of energy, especially gas, continue to grow rapidly. Developing Australia's abundant energy sources is critical for us to continue to enjoy our standards of living.

As Australia grapples with rapidly rising energy prices and increasing energy insecurity, we firmly believe that the Beetaloo Basin will be a critical provider of affordable, reliable and dispatchable energy for the Northern Territory, Australia and the region for decades to come. During the year, the Company continued the progression from field appraisal towards pilot production, culminating in the Board's Final Investment Decision (FID) for the Carpentaria Pilot Project in December 2025. This milestone was supported by the strong production test performance of the Carpentaria-5H well, which achieved one of the highest flow rates recorded in the Beetaloo Basin to date. We are rapidly advancing up the technical shale gas learning curves seen in the United States of America, and we are carrying out leading edge research and development to unlock this incredible gas resource.

### **Strategic Basin-Scale Opportunity**

Australia's east coast gas market continues to face tightening supply dynamics, and the regional demand across Asia remains structurally strong. Policymakers and industry participants increasingly recognise the Northern Territory, and specifically the Beetaloo Basin, as critical to future domestic energy security.

Beetaloo Energy holds a substantial, strategically located acreage position within this emerging basin. During FY2025, significant advancements were achieved in respect of both technical feasibility and operational readiness, providing confidence to progress pilot production, forming a critical first step toward longer-term resource development.

The Carpentaria Pilot Project is designed to supply up to 25 TJ/day to the Northern Territory domestic market under the existing Gas Sales Agreement. The pilot project is designed to provide operational and shale resource data essential for planning any potential future development.

### **Capital Strength and Funding**

In May and June 2025, the Company raised \$35 million (before costs) through a \$28 million institutional placement and a \$7 million Share Purchase Plan at 16c per share with a 1:2 option exercisable at 24c per share for 2 years after issue, reflecting market confidence in the pilot project. Liquidity remained strong throughout the year, supported by the Macquarie Bank facilities.

Following FID, we intend to draw down \$30 million under the Macquarie Midstream Infrastructure Facility to fund the Carpentaria Gas Plant and associated infrastructure.

### **Technical Validation – Carpentaria-5H**

The Carpentaria-5H well set a new technical benchmark for the Basin. In July 2025, hydraulic stimulation was completed across a 2,955-metre horizontal section with 67 fracture stages — this was the longest stimulation in the Beetaloo Basin and the largest fracture stimulation in Australian history.

Following shut-in and soak after initial clean-up phases, flow testing in December delivered:

- Peak flow rate: 11.2 TJ/day
- Average flow rate: 7.1 TJ/day
- Exit flow rate: 6.3 TJ/day after 46 days

**Beetaloo Energy Australia Limited**  
**Chair and Managing Director Letter to Shareholders**  
**31 December 2025**

These flow rates were achieved during the 'clean up' phase, that is, while still dewatering the well. We look forward to reopening the well once local weather conditions allow, to assess the full deliverability of the well.

Strong early reservoir performance and high permeability materially supported the Board's pilot project FID decision.

Further clean-up and flow testing from Carpentaria-5H is anticipated to recommence after the wet-season.

### **Regulatory and Community Engagement**

Traditional Owners of the Mambaliya Rumburriya Wuyaliya Aboriginal Land Trust provided consent at an On Country Meeting in June 2025 under Section 57AAA (5)(d) of the Petroleum Act 1984 (NT). This was the critical final step for Federal Ministerial approval and Northern Territory Government 'Beneficial Use of Test Gas' approvals in December 2025, providing regulatory certainty for pilot production and demonstrating the importance of constructive engagement with Traditional Owners and government stakeholders.

We are committed to developing the Beetaloo Basin in a way that delivers tangible benefits to local communities and the Northern Territory economy. Throughout FY2025, we engaged closely with Traditional Owners and regional stakeholders to ensure our operations support local employment, skills development, and business opportunities. We employ traditional owners and local people and provide significant work for local businesses in this remote region.

The Carpentaria Pilot Project is the next step towards creating long-term economic value for the region while providing a reliable domestic gas supply that underpins broader energy security. Safety, community engagement, and responsible environmental stewardship remain central to our operations as we move toward pilot production.

Offsite assembly of the Carpentaria Gas Plant commenced in October 2025. Piling and installation works are progressing, with gas compressors scheduled for delivery in April 2026.

### **Execution and Leadership**

We welcomed Mr Alexander Hunter as Chief Financial Officer in June 2025. His 20+ years of energy finance experience will support disciplined project execution and future growth.

We also welcomed Cassandra Schmidt as VP Environment, Compliance and Sustainability. Based in Darwin, Cassandra is a Northern Territory local and a highly regarded industry professional. Her expertise will be instrumental in further strengthening our environmental, compliance and sustainability functions as the Company transitions toward pilot production.

### **Outlook – Delivering the Next Phase of Value**

Beetaloo Energy enters FY2026 with:

- Further advanced basin specific completion techniques with the execution of the Carpentaria-5H drilling and stimulation
- Demonstrated reservoir productivity at Carpentaria-5H
- Full regulatory and Traditional Owner approvals for appraisal gas sales
- Final Investment Decision secured for the Carpentaria Pilot Project
- Midstream Facility funding arrangements in place (subject to conditions precedent)
- Construction of the Carpentaria Gas Plant and associated infrastructure underway
- Three wells ready to tie into pilot production (Carpentaria-2H, -3H and -5H)

**Beetaloo Energy Australia Limited**  
**Chair and Managing Director Letter to Shareholders**  
**31 December 2025**

Our near-term focus is clear: safe, disciplined, and on-schedule delivery of the Carpentaria Pilot Project and commencement of pilot gas sales in late 2026.

While we keenly await the commencement of revenue generation from the pilot project, this goal is secondary to our goal of establishing longer term production performance from these wells than has been possible by flaring gas during testing.

Beyond pilot production, the scale of our acreage and the technical performance demonstrated to date provide a platform for future expansion. As the Basin continues its journey towards gas production, Beetaloo Energy is positioned to play a significant role in Australia's domestic gas supply landscape.

On behalf of the Board, we thank our shareholders for their continued support, our Traditional Owner partners for their engagement, government stakeholders for their constructive collaboration, and our dedicated employees, contractors and service providers whose work has made this progress possible.

Yours sincerely,



Peter Cleary  
Chairman  
Beetaloo Energy Australia Limited



Alex Underwood  
Managing Director  
Beetaloo Energy Australia Limited





# Beetaloo Energy Australia

Beetaloo Energy is an Australian upstream petroleum company focused on the appraisal and development of large-scale unconventional shale gas resources in the Northern Territory. Its Beetaloo Basin portfolio spans an area comparable in size to the core regions of the Marcellus Shale in the Appalachian Basin, positioning the Company to play a meaningful role in addressing forecast gas supply shortfalls across both the Australian domestic and global LNG markets.

The Beetaloo Basin represents one of Australia's most significant energy opportunities – a world-class shale gas resource in the heart of the Northern Territory, characterised by naturally low CO<sub>2</sub> intensity and substantial long-term potential.

Australia's future prosperity depends on energy that is clean, affordable, abundant and reliable – and that future is being shaped now.

The people of the Northern Territory, together with the Northern Territory Government and industry, share a clear vision: for the Beetaloo to become a cornerstone of Australia's energy security and a strategic supplier to our region.

Around the world, nations are experiencing a resurgence in energy strength driven by shale gas development. Now it's Australia's turn.

Beetaloo Energy's near-term focus is the Carpentaria Pilot Project, which benefits from established road and pipeline infrastructure and is targeting first appraisal gas in 2026.

At Beetaloo Energy Australia, we are proud to be helping unlock this opportunity responsibly and sustainably – delivering long-term value for the Northern Territory, our shareholders, our employees and the communities in which we operate.

# 2025 AT A GLANCE



## Hydraulic Stimulation – Carpentaria-5H (“C-5H”)

- 2,955 metre hydraulic stimulation across 67 stages
- 10,000 tonnes proppant placed
- > 5 stages/day on multiple days
- >100 barrels per minute pump rate on multiple days, replicating US-style frac intensity
- Largest Beetaloo Basin stimulation to date

## Clean-up up Flow Test Results – C-5H

- Peak gas rate: 11.2 TJ/day
- 30-day average: 7.1 TJ/day
- Day-30 exit rate: 6.3 TJ/day
- High calorific gas with elevated ethane; CO<sub>2</sub> <1%
- At shut-in the well was still cleaning up and the rates are not representative of unconstrained flow rate potential
- The well is to be reopened after the wet season for further flow testing

## Resource Position

- **Beetaloo Basin**
  - 100% working interest across ~3 million net effective acres
  - 2C Contingent Resources: 1.6 TCFe
  - 2U Prospective Resources: 35 TCFe
- **Greater McArthur Basin**
  - 2U Prospective Resources: 11 TCF

## Infrastructure & Commercialisation

- First gas: Expected 2026
- Carpentaria Gas Plant (CGP):
  - 25 TJ/day capacity once commissioned
  - Civil works complete
  - Refurbishment nearing completion in Roma
  - Transport and installation planned to commence in April 2026

## Approvals

- Traditional Owner consent & NT ministerial approval for appraisal gas sales
- All permits for pilot project and pilot gas sales now in place

## Safety & ESG

- No reportable environmental or safety incidents during fracture stimulation and gas plant early works
- All activities conducted under approved Environment Management Plans (EMPs)

# 2025 OVERVIEW & HIGHLIGHTS



*Halliburton frac pumps mobilised at Carpentaria-5H*

## OVERVIEW

FY2025 marked a pivotal year for Beetaloo Energy, advancing the development of its multi-TCF shale resource in the Beetaloo Basin, Northern Territory, and laying the foundation for future commercialisation. The Company holds 100% working interest in approximately 3 million net effective acres in the Basin, with 1.6 TCFe of 2C Contingent Resources and 35 TCFe of 2U Prospective Resources, with carbon dioxide content consistently below 1%.

### Strategic Advantage

- Velkerri Formation: thick high organic content stacked shales
- Shale quality comparable to Marcellus Shale (Appalachian Basin) and Permian Basin stacked plays
- Direct link to Northern Territory and East Coast gas markets

With first gas, the Beetaloo Basin will be the first new gas producing onshore basin in Australia in over 20 years. This is the first step in the Beetaloo becoming a major gas producing hub.

# BEETALOO ENERGY'S STRATEGIC ASSETS

The Beetaloo Basin is one of the world's largest shale gas deposits with world-class geological characteristics, low CO<sub>2</sub> and proximity to the world's largest gas demand centres.

Beetaloo Energy's Beetaloo Basin portfolio comprises two core areas; Carpentaria (EP187) and the Western Beetaloo (EP167 and EP168). Together these assets represent large and highly strategic positions within one of Australia's most prospective onshore gas basins and emerging global shale plays.

The Carpentaria Pilot Project was the Company's primary operational focus during 2025, with hydraulic stimulation and flow testing of C-5H and completion of the Carpentaria Gas Plant civil works. In 2026, the Carpentaria Gas Plant is to be commissioned for first appraisal gas offtake and seismic acquisition is planned in the Western Beetaloo permits as appraisal progresses across that material resource area.

The broader permit portfolio spans the greater McArthur Basin and provides long-term exploration and development optionality with multiple shale targets. The maps below illustrate the scale, location and strategic positioning of Beetaloo Energy's acreage within the Northern Territory and their access to gas markets. Beetaloo Energy holds one of the largest shale gas acreage positions globally.



Beetaloo Energy acreage and access to gas markets

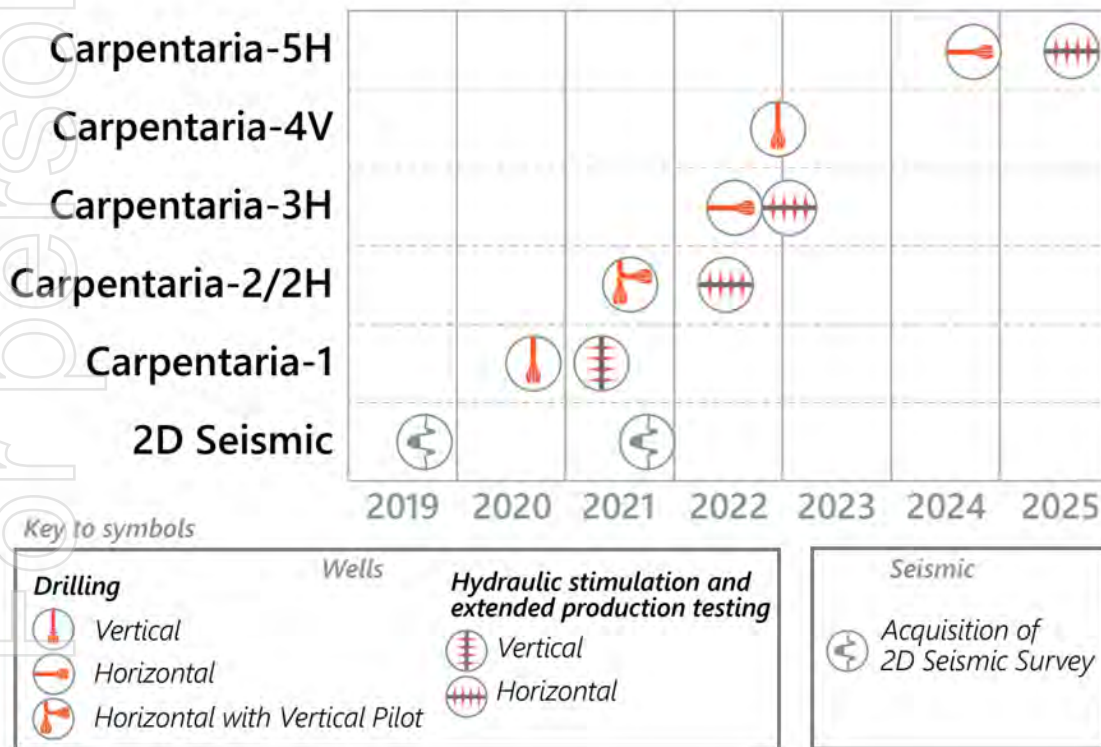


# CARPENTARIA WORKS TO DATE

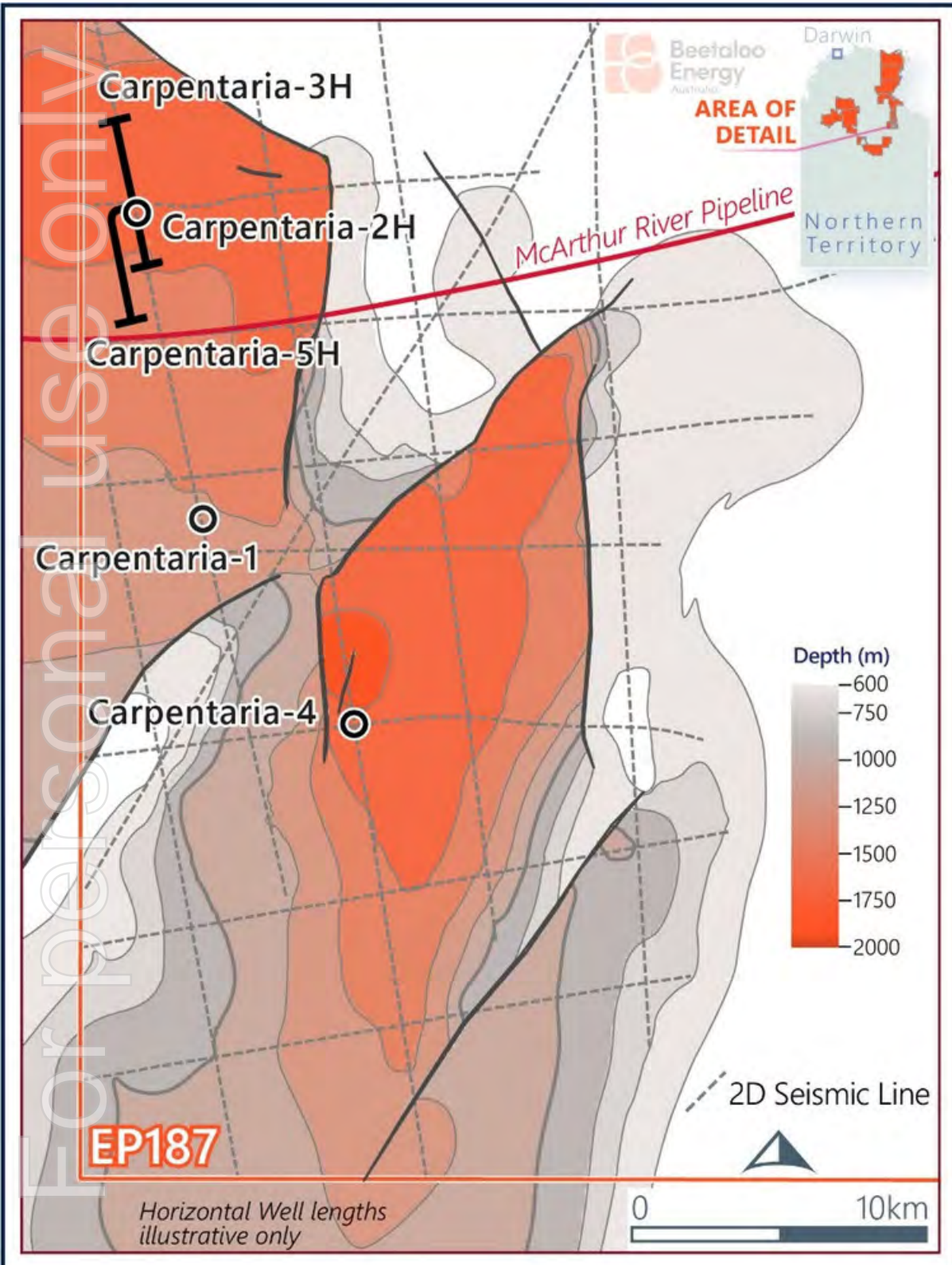
Since commencing on-ground activity in 2019, Beetaloo Energy has taken a measured and methodical approach to appraising the stacked shales of the Velkerri Formation in EP187 through seismic acquisition, drilling, and state of the art testing programs.

The vertical Carpentaria-1 (“C-1”) well confirmed both the presence and productivity of the shales of the Velkerri Formation, establishing the foundation for further appraisal. A four-stage hydraulic stimulation and testing program returned gas to surface from all four Velkerri Formation shale target zones. Subsequent vertical wells, including Carpentaria -2 (“C-2”) and Carpentaria-4V (“C-4V”), have demonstrated the lateral continuity and consistency of the shale intervals across the permit, as well as generating significant technical knowledge regarding the drilling and stimulation processes applicable to the region.

Building on these results, the drilling and hydraulic stimulation of horizontal wells Carpentaria-2H (“C-2H”), Carpentaria-3H (“C-3H”), and C-5H has further validated shale productivity and provided critical insights into reservoir characteristics, key to refining the drilling and stimulation process design. Through successive increases in horizontal well length and hydraulic stimulation pumped volumes, Beetaloo Energy has progressively refined and advanced basin-specific completion techniques, creating a prototype for large-scale shales that are characteristic of the region has resulted in several technical milestones in the Australian unconventional gas sector and ongoing applied R&D will be instrumental for future production optimisation and commercialisation of the region.



Timeline of executed Carpentaria drilling and hydraulic stimulation activity



Carpentaria Project B-Shale Depth Below Ground

# CARPENTARIA-5H HYDRAULIC STIMULATION

Hydraulic stimulation of the C-5H well was the operational focus in FY2025 and demonstrated Beetaloo Energy's capability to design and execute basin-leading shale completions at scale. The C-5H hydraulic stimulation was undertaken systematically to build upon operational and design enhancements developed during previous campaigns, while generating new technical knowledge that is critical to advance the project and progress towards commercialisation of the region.

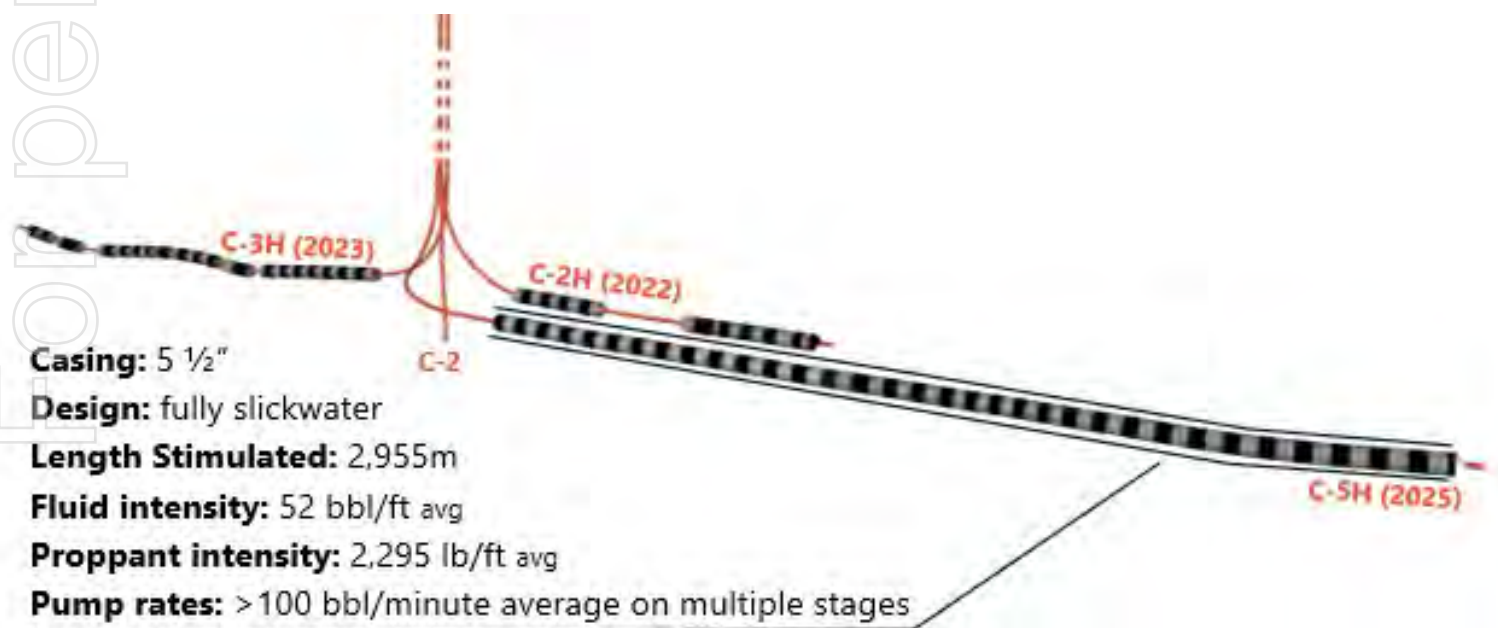
C-5H was drilled in November–December 2024 to a total measured depth of 5,310 metres, incorporating a 3,310-metre horizontal section positioned within the target B Shale of the Velkerri Formation. The well targeted the same stratigraphic interval and was drilled from the same well pad as C-2H and C-3H, enabling appraisal and operational efficiencies.

The July 2025 stimulation campaign delivered the most extensive fracture stimulation undertaken in the Beetaloo Basin to date, with 2,955 metres stimulated across 67 stages using a fully slickwater design and approximately 10,000 tonnes of proppant placed. The program was executed over a 20-day continuous campaign and applied a design and scale rivalling leading US shale basins.

Operational performance reflected scalable and repeatable execution capability. Pump rates exceeded 100 barrels per minute on multiple stages, with sustained 24-hour operations achieving more than five stages per day on several occasions. The campaign was completed safely, on schedule and in line with design objectives.

C-5H incorporated several material enhancements relative to earlier wells on the pad, including a larger production casing, longer stimulated lateral, higher pump rates, and increased proppant and fluid intensities. These design changes were undertaken and tested systematically to assess the applicability of North American scale completion design elements in the Australian context, in conjunction with technical learnings from earlier applied R&D undertaken by Beetaloo Energy. The operational and technical capability, as well as productivity outcomes demonstrated through execution of C5-H has provided a solid foundation to progress the Carpentaria Pilot Project. Once online, activities undertaken as part of the Carpentaria Pilot Project will provide critical data for ongoing completion design.

The successful execution of C-5H demonstrates advanced technical and operational readiness for large-scale development of the Velkerri Formation shales and represents a step-change in the Company's progression toward commercial production.



*Carpentaria-5H key completion enhancements*

# STRONG FLOW TEST RESULTS AND RESOURCE VALIDATION

Beetaloo Energy applied a technically disciplined flowback strategy at C-5H, designed to preserve fracture conductivity, manage drawdown and maximise long-term well productivity.

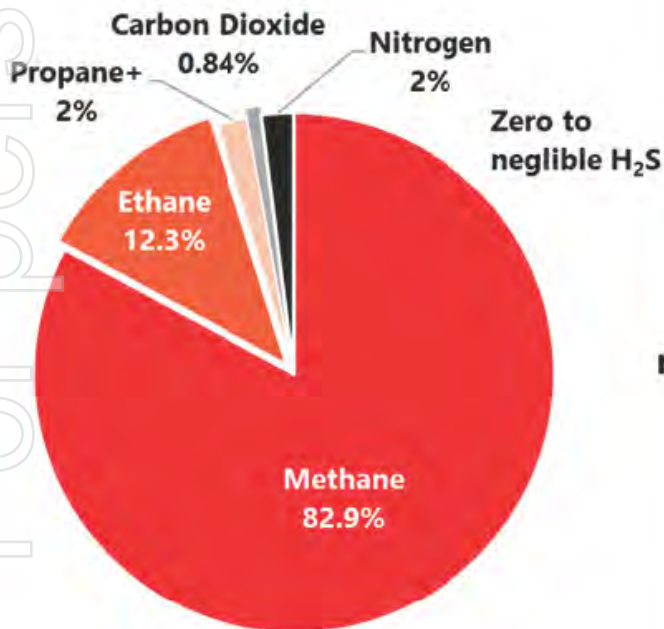
Clean-up flow testing conducted during November and December 2025 delivered strong and stable performance, with low decline observed across the test period. Key outcomes from the 30-day clean-up test included:

- **Peak gas rate:** 11.2 TJ/day
- **30-day average gas rate:** 7.1 TJ/day
- **Day-30 exit rate:** 6.3 TJ/day, reflecting a low decline profile through the test

These results further reinforce confidence in the scale and quality of the unconventional gas resources. Independent resources assessor Netherland, Sewell & Associates has estimated recoverable gas of approximately 10 PJ per well location in the Carpentaria-5H area, supporting potential full-scale development subject to ongoing development of completion techniques.

Compositional analysis of produced gas during the flow test confirmed high energy content, driven by elevated ethane levels that are well above the Beetaloo Basin average. This higher heating value translates into materially improved revenue per unit volume of gas sold. Underscoring the high quality of the gas resource, carbon dioxide content measured at C-5H and prior Carpentaria wells is below 1%.

With strong recoveries per well, high-energy gas, above-average reservoir thickness, multiple high-quality stacked shale intervals and relatively shallow reservoir depth compared to other parts of the basin meaning lower well costs, the Carpentaria Project area is shaping as a potential sweet spot.



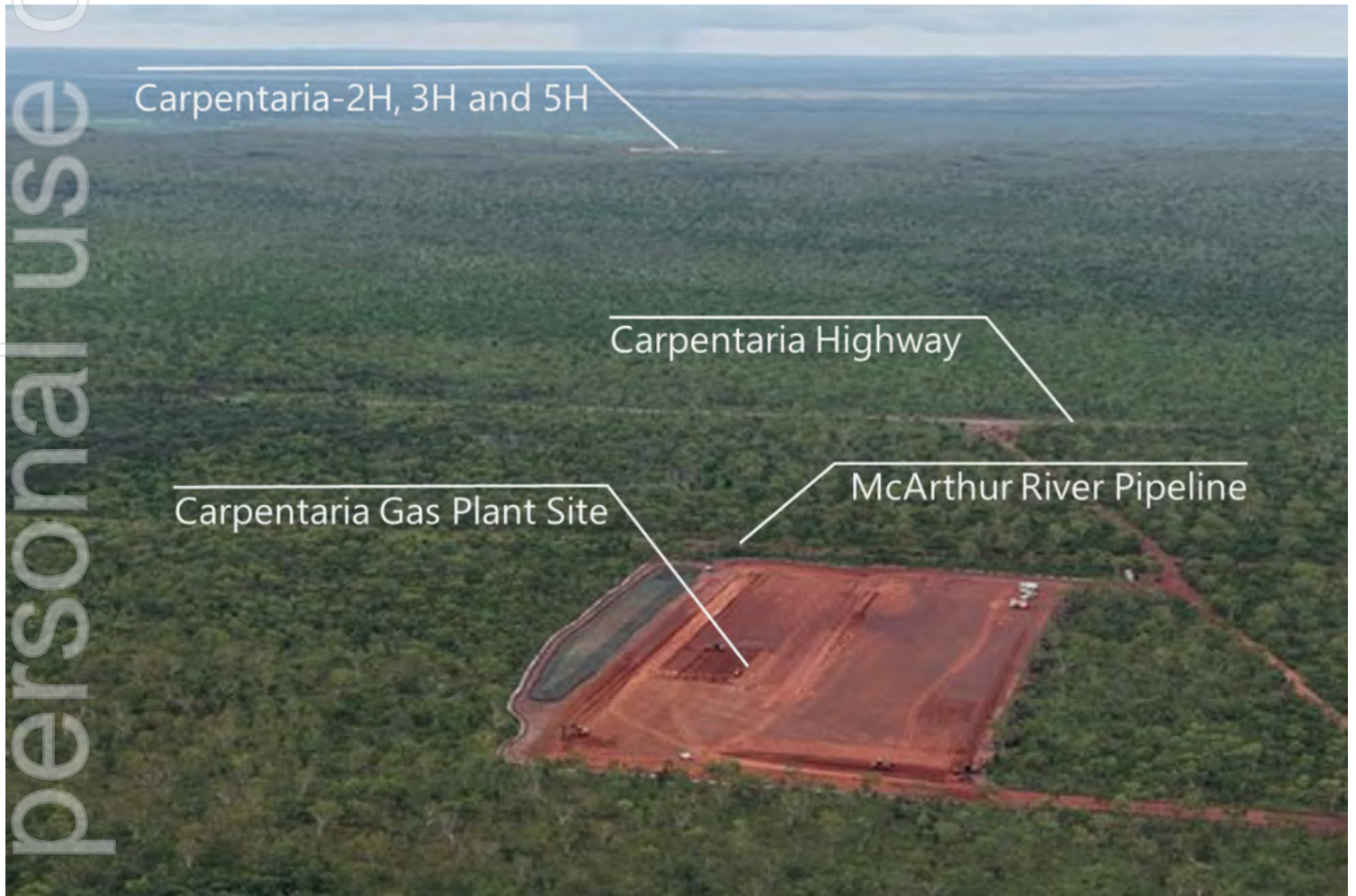
raw gas BCF to PJ conversion of 1.173

*Carpentaria-5H produced gas chromatography*

# INFRASTRUCTURE PROGRESS

Beetaloo Energy achieved several critical milestones to progress the Carpentaria Pilot Project. Consent from Traditional Owners and ministerial approval from the Northern Territory Government were secured to enable the sale of appraisal gas. All required permits to commence the sale of appraisal gas are now in place.

From October 2025, the Company advanced site works for the CGP. Civil works at the plant site were completed by NT-based contractor Top End Civil, allowing focus to shift to plant installation and commissioning activities. These developments position Beetaloo Energy to commence pilot operations and supply appraisal gas into the Northern Territory market in 2026.



*Civil works for the Carpentaria Gas Plant are complete*

The CGP, currently located in Roma, Queensland is undergoing refurbishment and is scheduled to be transported to the Carpentaria site in April 2026. The facility will supply up to 25 TJ per day under Beetaloo Energy's gas sale agreement with the Northern Territory Government. The CGP will initially comprise an inlet slug catcher, suction fuel separator, two gas compression packages, a discharge scrubber, a gas dehydration unit and a metering skid.

The three existing horizontal wells— C-2H, C-3H and C-5H—will be tied into the gas plant to supply feed gas for the initial production phase.

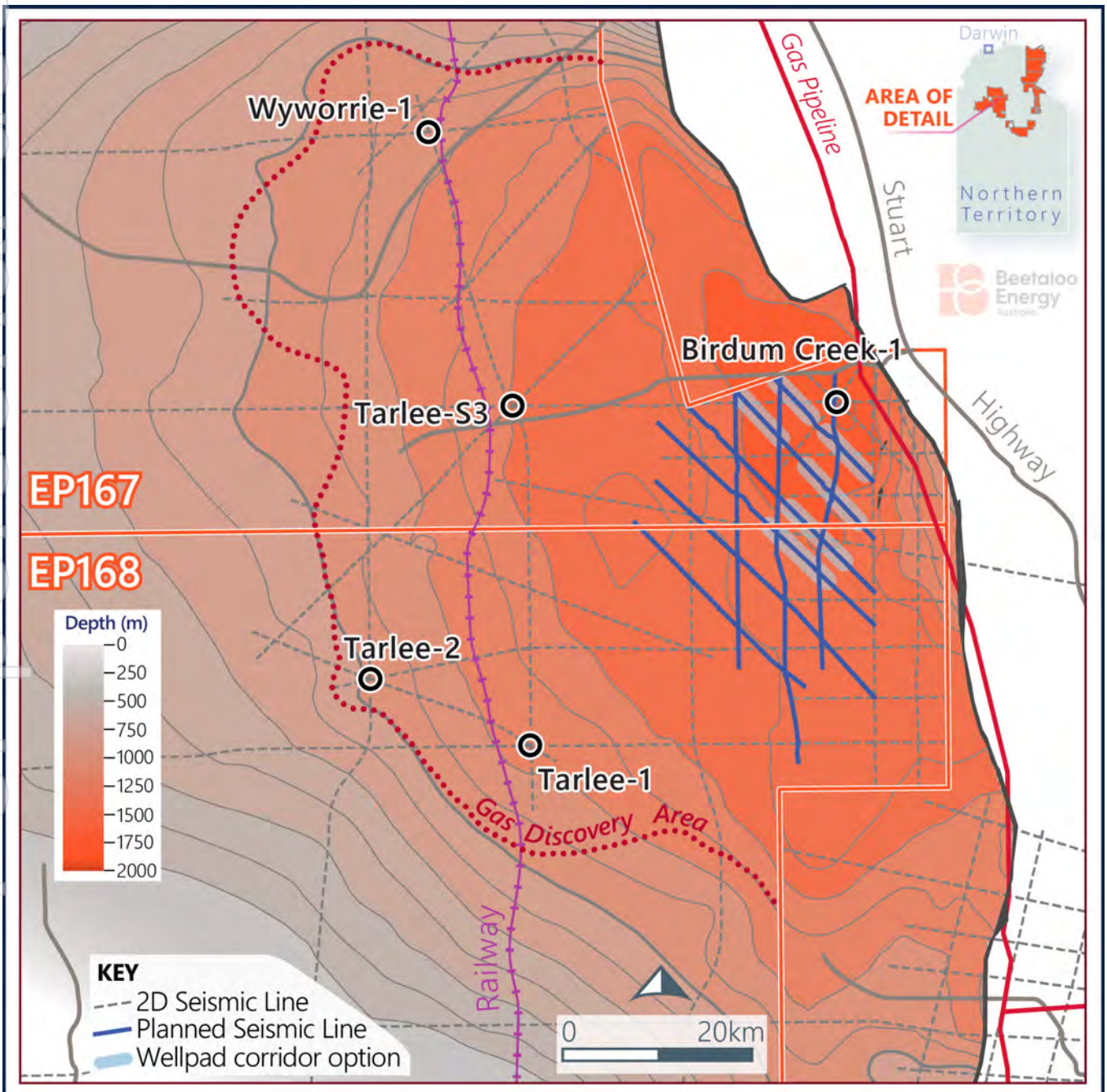
Upon commissioning later in 2026, the CGP will provide a direct link between Beetaloo Energy's shale gas resource and the Northern Territory and East Coast gas markets, marking a key step in the pursuit of full Beetaloo Basin development.

# WESTERN BEETALOO

Beetaloo Energy secured the Western Beetaloo permits in 2021 and received Environment Management Plan approval for exploration and appraisal in 2024. In 2026, the Company intends to commence appraisal activity across the 27 TCFe resource.

The region benefits from proximity to a major gas pipeline, highway, and rail corridor. Consistent with the Carpentaria Project, the Western Beetaloo permits contain a basin-leading, thick succession of stacked Velkerri Formation shales. Previous seismic and drilling campaigns have materially de-risked the area. Future appraisal activity will focus on productivity of the shales and the continued R&D of hydraulic stimulation techniques established at Carpentaria.

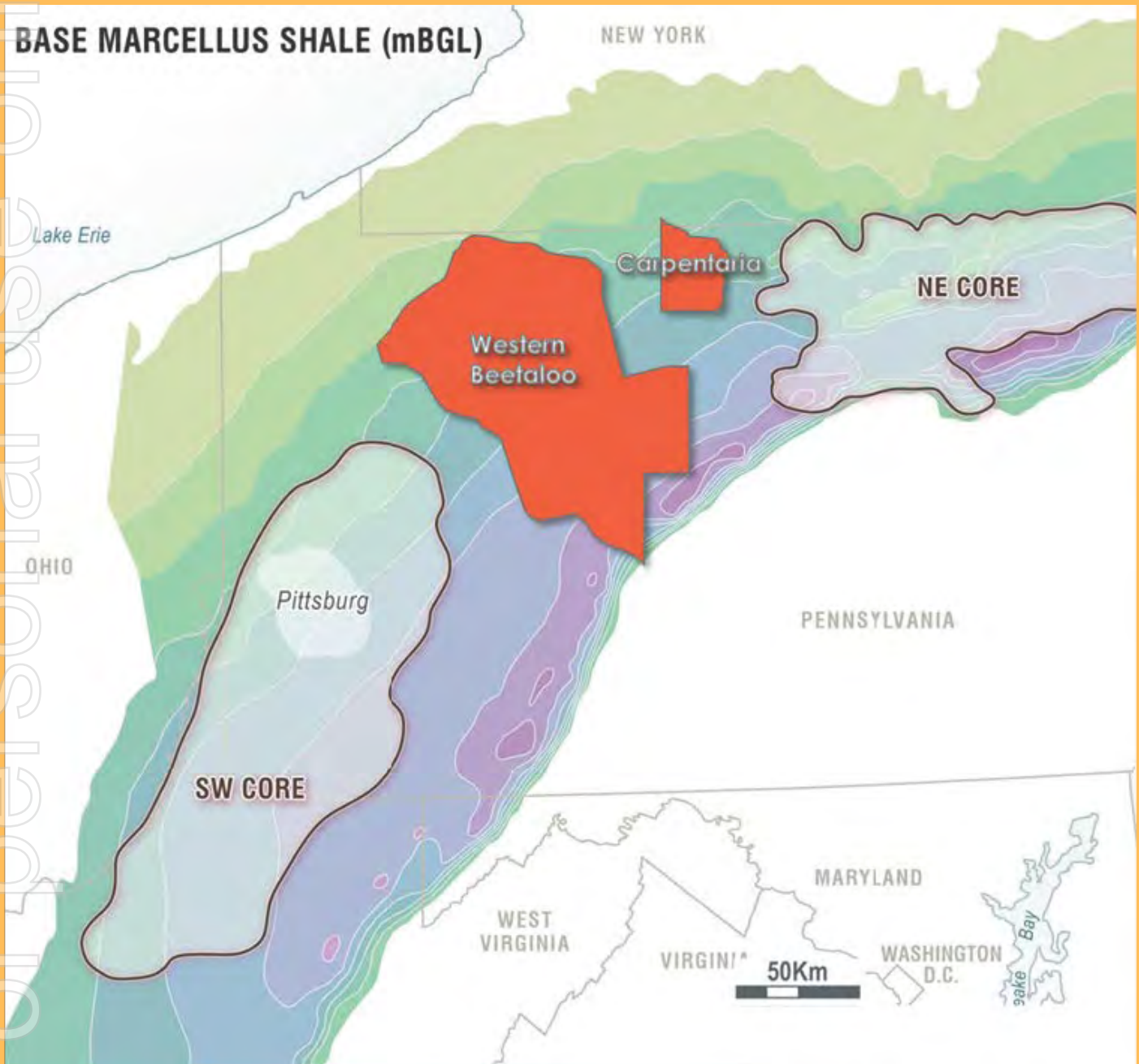
Planning is underway for a multi-year seismic, drilling, and stimulation program across more than one million acres, beginning with the acquisition of approximately 250 km of 2D seismic data to optimise horizontal well placement.



Western Beetaloo with planned seismic lines and well pad corridor options

# RESOURCE COMPARISON TO US SHALE

For personal use only

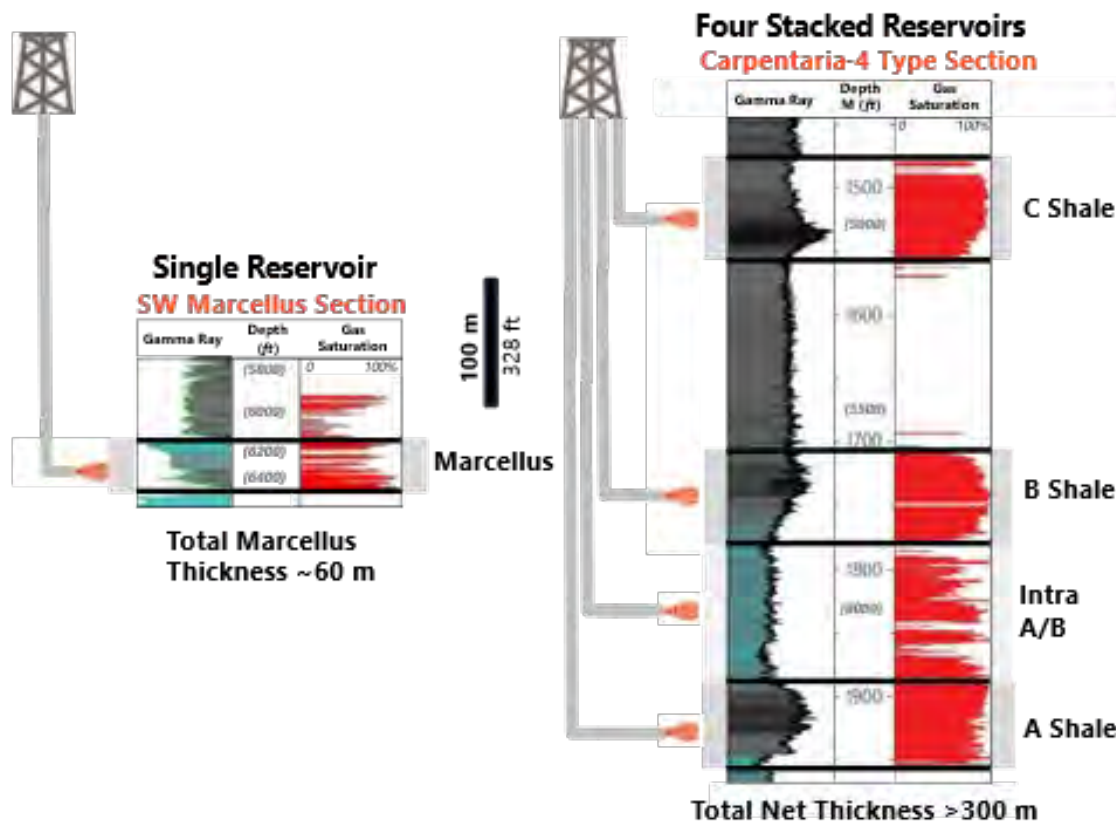


Beetaloo Energy's footprint is comparable in size to Marcellus Shale core areas

Shale and tight formations account for ~ 80% of the ~110 BCF/day of dry natural gas produced in the United States, highlighting the economic significance of this resource type . <sup>1</sup> The Marcellus Shale, within the Appalachian Basin, is the most productive US shale play, producing ~26 BCF/day. Like the Velkerri Formation, the Marcellus Shale was deposited in an organic-rich marine environment, providing high gas-in-place and shale characteristics for hydraulic stimulation.

<sup>1</sup> United States Energy Information Administration (eia.gov), February 2026 data.

Key reservoir properties—organic content, gas-in-place, and depth—show that the Velkerri Formation compares favourably with the Marcellus Shale. The Velkerri Formation also features stacked shale intervals, analogous to the Permian Basin, where multi-target, multi-well pad development enhances economics and operational efficiency. These characteristics position the Beetaloo Basin as a high-potential, commercially attractive shale gas province.



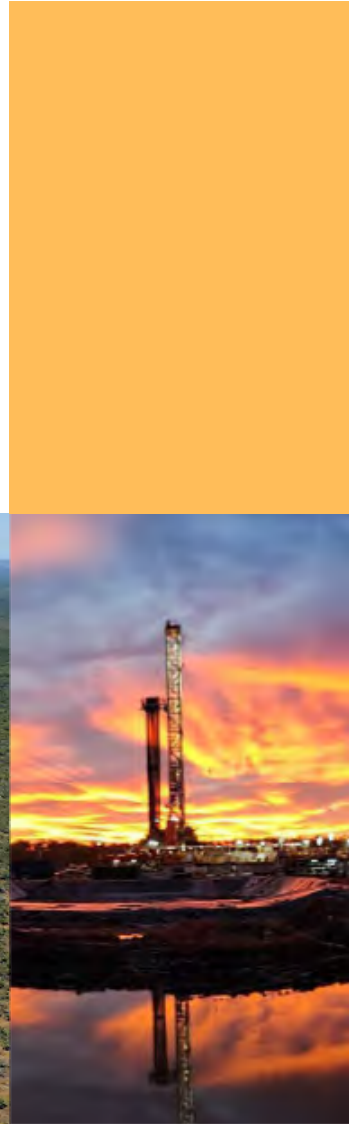
Beetaloo Energy's Four Stacked Velkerri Shales compared to the southwest Marcellus Shale

# HEALTH, SAFETY AND ENVIRONMENT

Health, safety and environmental management remained a core focus for Beetaloo Energy throughout FY2025. The hydraulic stimulation campaign at C-5H, subsequent flowback operations, and early works for the Carpentaria Gas Plant were all executed without reportable environmental or safety incidents. Operations were conducted under approved Environment Management Plans and regulatory requirements, with ongoing monitoring, auditing, and risk management embedded across all field activities.

The Company remains committed to continuous improvement in safety and environmental performance as activity levels increase, ensuring the protection of our workforce, stakeholders, and the environment as the Carpentaria Project progresses toward first gas.

*Bird's-eye view of the hydraulic stimulation at Carpentaria-5H site*



*Major projects have been planned and completed without any reportable safety incidents*

For personal use only

# 2025 WRAP UP

FY2025 has been a transformative year for Beetaloo Energy, moving the Company through appraisal towards the threshold of pilot gas sales to the Northern Territory market. The record-scale stimulation execution at C-5H, combined with strong flow test results and high-quality gas, has validated the productivity and economic potential of the Velkerri shale.

The completion of key approvals, and civil works for the CGP provides a clear path to first gas in 2026, while appraisal in the Western Beetaloo positions the Company for multi-decade development of its expansive resource base.

These achievements underscore Beetaloo Energy's growing operational capability, technical expertise, and strategic focus on unlocking one of the world's most significant onshore gas resources. With strong shareholder support, stakeholder engagement, and a proven track record Beetaloo Energy is well placed to deliver long-term energy security and economic value for the Northern Territory and Australia.



*Top Left: On-Country meeting where Traditional Owners consented to the sale of appraisal gas*

*Top Right: Frac sand pit and Halliburton frac pump at Carpentaria-5H*

*Bottom Left: 2025 site visit to Carpentaria-5H*

*Bottom Right: Milestone moment for the company where the NT Government approved Beetaloo Energy's Beneficial Use of Gas application for the sale of appraisal gas from EP187.*

# CREDIT FACILITIES

The Company has a \$65 million credit facility with Macquarie Bank Limited (“Macquarie”) to support its activities in the Northern Territory. The outstanding balance of the credit facility as at 31 December 2025 is \$28.1 million (made up of \$25.4 million of the R&D Facility and \$2.7 million of the Performance Bond facility). Facility C has not yet been drawn down.

Key terms of this credit facility are set out below:

Principal Amount	\$65 Million comprising: <ul style="list-style-type: none"><li>Facility A (Revolving Credit Facility, \$30.0 million)</li><li>Facility B (Performance Bond Facility, \$5 million)</li><li>Facility C (Midstream Infrastructure Facility, \$30 million)</li></ul>
Borrowers	Imperial Oil & Gas Pty Limited Imperial Oil & Gas A Pty Limited
Guarantor	Beetaloo Energy Australia Limited Imperial Oil & Gas Pty Limited and Imperial Oil & Gas A Pty Limited
Security	First ranking security over assets of each Borrower First ranking security over the Guarantor’s shares in each Borrowings and intercompany loans, plus featherweight security over the Guarantor’s other assets
Fees	Utilisation Fee: 1.5% of utilisation Commitment Fee: 40% of margin Margin Facility A (5.5% p.a.), Facility B (10% p.a.) Tolling Fee: Facility C (\$0.70 / GJ x 25 TJ /day +CPI)
Interest Rate	Margin plus BBSW
Financial Covenants	Ratio of current assets to current liabilities of at least 1.00 to 1.00 Minimum cash balance in the Borrowers and Guarantor of at least \$10 million (or its equivalent in any other currency or currencies)
Repayment Date	31 December 2026 (Facility A + B) 31 December 2034 (Facility C)
Repayment Arrangements	Facility A: on receipt of relevant R&D Tax Incentive payment Facility B: on maturity date Facility C: Beetaloo Energy may elect to prepay the Midstream Infrastructure Facility at any time by making payment of an amount representing a 15% IRR for the Midstream Infrastructure Facility cashflows up to the date of prepayment including all tolls paid up to the date of prepayment
Conditions Precedent to First Utilisation (Facility C)	<ul style="list-style-type: none"><li>All regulatory and indigenous approvals in place to allow for sale of gas from the Carpentaria Pilot Project under the Beneficial Use of Test Gas provisions of the NT Petroleum Act C-5H</li><li>to be drilled to a lateral length of at least 2,700 metres with at least 50 fracture stimulation stages placed</li><li>Evidence of funding for the Carpentaria Gas Plant exceeding costs to complete</li><li>Issue of the Options to Macquarie</li></ul>
Options (Facility C)	<ul style="list-style-type: none"><li>Beetaloo Energy shall issue 50 million options to Macquarie with an exercise price of \$0.24 for Tranche A Options and an exercise price of \$0.28 for Tranche B Options and an expiry date of 31 December 2029, at financial close as the final Conditions Precedent to First Utilisation</li><li>Options shall vest upon satisfaction of Conditions Precedent to First Utilisation</li></ul>

# BUSINESS RISK

**Exploration risk** – Beetaloo Energy and its subsidiaries have interests in assets at various stages of exploration, appraisal and development. Many leases have had very low levels of exploration undertaken to date and may not yield commercial quantities of hydrocarbons. Oil and gas exploration is inherently subject to numerous risks, including the risk that drilling will not result in commercially viable oil and gas production. Beetaloo Energy utilises well-established prospect evaluation and ranking methodology to manage exploration risks.

**Application risk** – Several of Beetaloo Energy's Northern Territory assets are in application stage requiring native title and / or regulatory approvals to be granted as leases capable of being explored on. Such approvals may or may not be granted which could adversely impact the value of the Company.

**Regulatory risk** – Beetaloo Energy has operations in the Northern Territory, Australia, where exploration, appraisal, development and production activities are subject to regulatory approvals from the relevant authorities. The granting, retention and renewal of these approvals are determined by external regulators and are, ultimately, not within the Company's control. There is a risk that approvals currently in place may be amended, suspended or revoked, and that approvals required for future activities may not be granted, may be delayed, or may be subject to conditions that could impact project viability and, therefore, the financial performance of the Company.

**Debt facility risk** – Beetaloo Energy, through its subsidiaries, has a debt facility in place with Macquarie Bank Limited. Whilst Beetaloo Energy has financial flexibility and expects to repay its debts in full, there is a risk in the future that financial and other covenants under the debt facilities could be breached, which could result in Macquarie exercising its security rights under the facilities.

**Commodity price risk** – Beetaloo Energy, through its Australian subsidiary, explores for oil and gas in Australia and may be subject to domestic Australian gas price risk, LNG price risk and oil price risk. The gas sales agreement between Beetaloo Energy and the Northern Territory Government is at a fixed price, 100% CPI, take-or-pay contract meaning that Beetaloo Energy is not exposed to commodity price risk for these volumes.

**Reliance on Key Personnel** – The Company's success depends on retaining key executives, technical staff and operation personnel. Rapid organisational growth increases pressure on capability and retention. Loss of key individuals could adversely impact performance and execution of the Company's growth plans.

Furthermore, the industry in which Beetaloo Energy operates in faces challenges in attracting and retaining personnel with specialised skills and expertise. The inability to attract and retain such individuals could potentially disrupt business continuity through the loss of critical capability. To address this risk, Beetaloo Energy has implemented employment arrangements that are specifically designed to secure and retain key personnel.

**Economic risk** – General economic conditions, movements in interest rates, inflation rates and foreign exchange rates, investor sentiment, demand for, and supply of capital and other general economic conditions may have a negative impact on Beetaloo Energy and its subsidiaries ability to carry out its exploration, appraisal, development and production plans.

**Social License to Operate** – Beetaloo Energy's business performance is founded on maintaining a strong social licence to operate, which is dependent on full compliance with applicable laws and regulations, as well as upholding high standards of ethical conduct and social responsibility.

Failure to meet stakeholder expectations may result in community opposition and reduced support for our current operations and future growth initiatives. Material or ongoing non-compliance with national or local legislation, regulatory requirements or approvals, or the introduction of new or amended laws and regulations, may give rise to adverse social, cultural and reputational impacts. Such outcomes could constrain our ability to operate effectively or progress our growth strategy. Breaches of laws and regulations may also expose Beetaloo Energy to fines, sanctions, civil proceedings and reputational harm.

Beetaloo Energy proactively protects and strengthens its social licence to operate through the consistent application of our values, robust stakeholder engagement practices, and a comprehensive regulatory compliance framework. We maintain a strong governance structure designed to support compliance obligations and regularly review and enhance this framework to ensure its ongoing effectiveness. Open and transparent engagement with governments, regulators and stakeholders across the Northern Territory is a core element of our approach. Our governance framework is designed to prevent, detect and respond to unethical behaviour and is supported by policies, procedures and training to ensure all activities are conducted lawfully, responsibly and ethically.

**Environmental risk** – The upstream oil and gas industry is subject to a plethora of potential environmental risks, including the risk of oil and chemical spills, the risk of uncontrolled gas venting, and other material environmental risks that have the propensity to impact air quality, biodiversity, land and water resources and related ecosystems. A failure to manage these risks could adversely impact not just the environment, but our people, the communities in which we operate, our reputation, our social licence to operate and financial performance.

Consequently, environmental management is a key priority for Beetaloo Energy. We operate under approved project-specific Environment Management Plans and have a program of regular environmental inspections and audits in place to ensure compliance. We also continue to assess and develop our standards to prevent, monitor and limit the impact of our operations on the environment. We maintain insurance policies for environmental liability and well control to mitigate financial impacts should an event occur.

**Title risk** – Interests in onshore tenements in Australia are governed by the respective state legislation and are evidenced by the granting of licenses or leases. These licences and leases are issued for defined terms and are subject to statutory conditions, including minimum work, expenditure and reporting requirements, the administration and enforcement of which rests with the relevant regulators. There is a risk that interests in tenements may be varied, suspended, or cancelled in circumstances where regulatory conditions are not satisfied or where external factors affect the ability to meet those requirements.

In addition, government land-use decisions may impact tenement activities. The Northern Territory Government has declared proposed Reserved Blocks over parts of Beetaloo Energy's tenement holdings. The establishment or expansion of such Reserved Blocks, or other government-imposed access restrictions, may limit or prevent petroleum exploration and development activities in affected areas.

**Native title and Aboriginal land** - The Tenements extend over areas in which legitimate common law native title rights of indigenous Australians exist. The ability of the Company to gain access to its Tenements and to conduct exploration, development and production operations remains subject to native title rights and aboriginal land rights and the terms of registration of such title agreements.

**Reserves risk** – Reserves assessment is a subjective process that provides an estimate of the volume of recoverable hydrocarbons. Oil and gas estimates are not precise and are based on knowledge, experience, interpretation and industry practices. There is a risk that the Company's reserves do not generate the actual revenues and cashflows that are currently being budgeted which could adversely impact the Company.

**Services risk** – Beetaloo Energy engages the services of third party service providers to carry out exploration, appraisal, development and operating activities. The cost of such services is subject to very high price volatility, particularly in remote areas. There is a risk that such services may not be able to be provided at a reasonable price, thereby preventing exploration, appraisal, development and operations activities from occurring.

**Insurance risk** – The Company intends to insure its operations in accordance with industry practice. However, in certain circumstances, the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company. Insurance against all risks associated with exploration and production is not always available and where available the costs can be prohibitive.

**Acquisitions** – The Company may decide to pursue potential acquisitions in the future. This may give rise to various operational and financial risks, including, but not limited to, poor integration resulting in higher than expected integration costs, and financial under performance of the acquired assets.

**Funding risk** – The Company may need capital in the future to progress the development of its acreage. There can be no guarantee that future capital, debt or equity, will be available or available on suitable terms. It could adversely impact the value of the Company.

**Climate change risk** – Beetaloo Energy acknowledges the science supporting climate change and that the world is transitioning to a lower carbon economy in which gas has a crucial role to play. The Company's activities are primarily focused on the supply of natural gas, which is widely regarded as a transitional energy source and may experience increased demand in the medium term as part of the broader shift towards a clean energy future.

Notwithstanding this outlook, climate-related policies, regulatory frameworks and market expectations continue to evolve at both domestic and international levels. These developments may affect the long-term demand for hydrocarbons and have the potential to constrain the Company's ability to generate and deliver value from the commercialisation of its assets.

The response to climate change may also result in increased regulation, stakeholder activism and compliance costs associated with emissions management and reporting. In addition, climate change may give rise to physical risks to operations, including changes in weather patterns such as altered wet seasons and an increased frequency or severity of extreme weather events. Events such as storms, flooding, droughts and bushfires could disrupt operations, damage infrastructure or impact customer facilities, which may adversely affect the Company's operational performance, financial results and asset values.

**Cyber Security risk** – Failure to safeguard the confidentiality, integrity, availability and reliability of digital data and intellectual property. Beetaloo Energy's information technology and operational technology systems may be exposed to intentional or inadvertent disruptions, including cyber security incidents, which could impair the Company's ability to operate effectively or reliably supply customers.

Digital and cyber risks are identified, assessed and managed in accordance with the criticality of business systems. Where appropriate, systems may be segmented or isolated to reduce exposure. Access to sensitive information and critical data is regularly reviewed and controlled, and security measures are progressively consolidated, simplified and automated to enhance effectiveness.

The Board of Beetaloo Energy and its relevant committees receive regular updates on cyber security risks, reflecting the evolving nature of the threat landscape and the Company's operational activities, and oversee the adequacy of governance and risk management arrangements.

**General External Risks** - Operational outcomes may be adversely affected by contractor insolvency, workforce disruption, changes in legislation or government policy, litigation, taxation changes, natural disasters, extreme weather events, geopolitical tensions, terrorism or war.

# COMPETENT PERSONS STATEMENT

The information in this report which relates to the Company's resources is based on, and fairly represents, information and supporting documentation prepared by or under the supervision of the following qualified petroleum reserves and resources evaluators, all of whom are licensed professional petroleum engineers, geologists, or other geoscientists with over five years' experience and are qualified in accordance with the requirements of Listing Rule 5.42:

<i>Name</i>	<i>Organisation</i>	<i>Qualifications</i>	<i>Professional Organisation</i>
Mr John G. Hattner	N Netherland Sewell & Associates Inc	MBA, Master of Science in Geological Oceanography, BSc	Licensed Professional Geophysicist in the State of Texas, USA
Mr Joseph M. Wolfe	Netherland Sewell & Associates Inc	Master of Petroleum Engineering, BSc Mathematics	Licensed Professional Engineer in the State of Texas, USA

*None of the above evaluators or their employers have any interest in Beetaloo Energy Australia Limited or the properties reported herein. The evaluators mentioned above consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.*

**Note Regarding Forward-Looking Statements**

*Certain statements made and information contained in this report are forward-looking statements and forward-looking information (collectively referred to as "forward-looking statements") within the meaning of Australian securities laws. All statements other than statements of historical fact are forward-looking statements.*

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Directors' report  
31 December 2025**

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group' or 'Beetaloo Group') consisting of Beetaloo Energy Australia Limited (referred to hereafter as the 'Company' or 'Parent entity' or 'Beetaloo Energy') and the entities it controlled at the end of, or during, the year ended 31 December 2025.

**Directors**

The following persons were Directors of the Company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Peter Cleary	Non-Executive Director and Chairman
Alexander Underwood	Managing Director
Louis Rozman	Non-Executive Director
Prof John Warburton	Non-Executive Director
Karen Green	Non-Executive Director

**Principal activities**

During the financial year the principal continuing activities of the Group consisted of:

- The progression of appraisal work programs in Beetaloo Energy's wholly owned and operated exploration tenements located in the highly prospective Northern Territory Beetaloo Sub-Basin.

**Dividends**

There were no dividends paid, recommended or declared during the current or previous financial year.

**Business risks**

Refer to the Operations review for details of the Group's business risks.

**Review of operations**

The loss for the Group after providing for income tax amounted to \$19,391,000 (31 December 2024: \$14,428,000).

For information on a review of the Beetaloo Group's operations refer to the Operations review prior to the Directors' report. Refer to note 4 to the consolidated financial statements for an assessment of the going concern of the Group.

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Directors' report  
31 December 2025**

**Tenements**

Interest in Petroleum and Mineral Tenements

The Group is a participant in the following petroleum permits and mineral tenements and properties:

Lease	Holder	Status	Percentage Interest held (%)	
			31 December 2025 %	31 December 2024 %
EP180	Imperial Oil & Gas	Application	100%	100%
EP181	Imperial Oil & Gas	Application	100%	100%
EP182	Imperial Oil & Gas	Application	100%	100%
EP183	Imperial Oil & Gas	Application	100%	100%
EP184	Imperial Oil & Gas	Granted	100%	100%
EP187	Imperial Oil & Gas	Application	100%	100%
EP188	Imperial Oil & Gas	Application	100%	100%
EP319	Imperial Oil & Gas	Application	100%	100%
EP320	Imperial Oil & Gas	Application	100%	100%
EP321	Imperial Oil & Gas	Application	100%	100%
EP322	Imperial Oil & Gas	Application	100%	100%
EP323	Imperial Oil & Gas	Application	100%	100%
EP324	Imperial Oil & Gas	Application	100%	100%
EP325	Imperial Oil & Gas	Application	100%	100%
EP326	Imperial Oil & Gas	Application	100%	100%
EP327	Imperial Oil & Gas	Application	100%	100%
EP328	Imperial Oil & Gas	Application	100%	100%
EP329	Imperial Oil & Gas	Application	100%	100%
EP330	Imperial Oil & Gas	Application	100%	100%
EP331	Imperial Oil & Gas	Application	100%	100%
EP332	Imperial Oil & Gas	Application	100%	100%
EP333	Imperial Oil & Gas	Application	100%	100%
EP334	Imperial Oil & Gas	Application	100%	100%
EP335	Imperial Oil & Gas	Application	100%	100%
EP336	Imperial Oil & Gas	Application	100%	100%
EP337	Imperial Oil & Gas	Application	100%	100%
EP338	Imperial Oil & Gas	Application	100%	100%
EP339	Imperial Oil & Gas	Application	100%	100%
EP340	Imperial Oil & Gas	Application	100%	100%
EP341	Imperial Oil & Gas	Application	100%	100%
EP342	Imperial Oil & Gas	Application	100%	100%
EP167	Imperial Oil and Gas A	Granted	100%	100%
EP168	Imperial Oil and Gas A	Granted	100%	100%
EP169	Imperial Oil and Gas A	Granted	100%	100%
EP198	Imperial Oil and Gas A	Granted	100%	100%

**Significant changes in the state of affairs**

On 16 May 2025, Beetaloo Energy completed a \$28 million placement (before share issuance costs) from existing and new institutional and sophisticated investors.

On 13 June 2025, Beetaloo Energy completed a \$7 million share purchase plan (before share issuance costs) under the same terms of the \$28 million placement.

On 16 June 2025, the Company announced a change of name and ASX code to Beetaloo Energy Australia Limited (ASX: BTL). Beetaloo Energy Australia Limited and its controlled entities (Formerly known as Empire Energy Group Limited).

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Directors' report  
31 December 2025**

On 26 June 2025, Beetaloo Energy announced it had an On Country Meeting where Traditional Owners consented to the sale of appraisal gas in accordance with Section 57AAA (5)(d) of the Petroleum Act 1984 (NT).

On 8 July 2025, Beetaloo Energy announced the successful completion of the Carpentaria-5H hydraulic stimulation in Beetaloo Basin permit EP187 following a 20-day campaign. The stimulation of Carpentaria-5H over a 2,955 metre horizontal section with 67 stages successfully placed is the longest fracture stimulation completed in the Beetaloo Basin.

On 7 August 2025, Beetaloo Energy announced that following shareholder approval of the modifications to the Company's Constitution at the General Meeting held 7 August 2025, the Company amended the Constitution with the approved modifications.

On 3 December 2025, Beetaloo Energy announced it had received Federal Ministerial Approval for Traditional Owner consenting to the sale of appraisal gas in accordance with Section 57AAA (5)(d) of the Petroleum Act 1984 (NT).

On 9 December 2025, Beetaloo Energy received final NT Government Approval for EP187 Appraisal Gas Sales.

On 11 December 2025, the Board of Beetaloo Energy made a Final Investment Decision (FID) for the Carpentaria Pilot Project. The decision to reach FID follows:

- Agreement with the Northern Land Council on behalf of the Traditional Owners the Mambaliya Rumburriya Wuyaliya Aboriginal Land Trust covering EP187 to allow for the sale of appraisal gas;
- Receipt of all NT environmental approvals for the Carpentaria Pilot Project, including the construction of the Carpentaria Gas Plant ("CGP") and associated in-field infrastructure, and the drilling, completion and tie-in of up to 10 additional wells in EP187;
- The 2024 Gas Sales Agreement between Beetaloo Energy and the NT Government; and
- Approval for Beneficial Use of Test Gas by the NT Government

On 22 December 2025, Beetaloo Energy announced flow test results for Carpentaria-5H after 46 days of shut-in following previous periods of clean-up. Carpentaria-5H achieved a peak gas flow rate of 11.2 TJ/day, an average flow rate of 7.1 TJ/day, and an exit flow rate of 6.3 TH/day.

There were no other significant changes in the state of affairs of the Group during the financial year ended 31 December 2025.

#### **Matters subsequent to the end of the financial year**

No matter or circumstance has arisen since 31 December 2025 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

#### **Likely developments and expected results of operations**

Except for information disclosed on certain developments and the expected results of those developments included in this report under review of operations, further information on likely developments in the operations of the Group and the expected results of operations have not been included in this report because the Directors believe it would be likely to result in unreasonable prejudice to the Group.

#### **Environmental regulation**

There are environmental regulations surrounding oil and gas activities which have been conducted by the Beetaloo Energy Group. There has been no material breach of these regulations during the financial year or since the end of the financial year and up to the date of this report.

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Directors' report  
31 December 2025**

**Information on Directors**

**Name:** **Peter Cleary**  
**Title:** Non-Executive Director and Chair  
**Qualifications:** BCom, LLB  
**Experience and expertise:** Mr Cleary is a leader in the oil and gas sector. He holds relationships with commercial and government entities gained over a distinguished 29-year career representing Santos, the North West Shelf Venturers and BP in Asia. His executive career was in LNG, pipeline gas and chemicals operations.

Mr Cleary is a senior adviser to Mitsubishi's international LNG and Australian Carbon businesses. He is currently on the Executive of the Australia Korea Business Council. He is a Graduate of the Australian Institute of Company Directors and a Fellow of the Australian Institute of Energy – SA Branch.

He previously held positions as a Board member of the Australian Petroleum Production & Exploration Association (APPEA), the Australia China Council and the Australia Japan Foundation. In 2023 he retired after 15 years as a member of the Executive Committee of the Australia Japan Business Co-operation Committee.

**Other current directorships:** Australia - Korea Business Council  
**Former directorships (last 3 years):** Australia Japan Business Co-operation Council

**Special responsibilities:** None  
**Interests in shares:** 2,038,740 ordinary shares  
**Interests in options:** 184,597 options  
**Interests in rights:** 1,812,393 restricted rights

**Name:** **Alexander Underwood**  
**Title:** Managing Director  
**Qualifications:** LLB, BCom (Hons)  
**Experience and expertise:** Mr Underwood has over 20 years of specialist upstream oil and gas investing, financing and management experience. Previously he spent two years with the Commonwealth Bank of Australia, Singapore as Director of Natural Resources and nine years with Macquarie Bank in Sydney and Singapore as Associate Director of Energy Markets Division. He commenced his career at BHP Billiton Petroleum.

**Other current directorships:** None  
**Former directorships (last 3 years):** None  
**Special responsibilities:** Chief Executive Officer of Imperial Oil & Gas Pty Limited  
Executive Director of Imperial Oil & Gas Pty Limited  
Executive Director of Imperial Oil & Gas A Pty Limited  
President and Managing Member of the Company's 100% wholly owned US subsidiaries

**Interests in shares:** 2,917,178 ordinary shares  
**Interests in options:** 83,589 options  
**Interests in rights:** 7,168,501 unvested performance rights  
2,785,120 vested performance rights  
1,000,000 service rights  
1,586,579 restricted rights

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Directors' report  
31 December 2025**

**Name:** **Louis Rozman**  
**Title:** Non-Executive Director  
**Qualifications:** BEng, MGeoSc  
**Experience and expertise:** Mr Rozman is a mining engineer and executive with 45 years' experience in operating, constructing and financing resource projects internationally. He has held senior executive positions in the mining and energy industries and has been a non-executive director of several ASX and TSX companies. His experience as a successful pioneer of coal seam gas development and production in Queensland is of direct relevance to Beetaloo Energy's plans.

Mr Rozman is a Fellow of the Australian Institute of Company Directors and a Fellow and Chartered Professional (Management) of the Australasian Institute of Mining and Metallurgy. He has a Bachelor of Engineering degree from the University of Sydney and a Masters in Geoscience (Mineral Economics) from Macquarie University.

**Other current directorships:** None  
**Former directorships (last 3 years):** None  
**Special responsibilities:** Chair of the Remuneration Committee  
Member of the Technical Committee  
**Interests in shares:** 1,152,296 ordinary shares  
**Interests in options:** 156,250 options  
**Interests in rights:** 883,069 restricted rights

**Name:** **Prof John Warburton**  
**Title:** Non-Executive Director  
**Qualifications:** PhD, FGS, FPESA, MAICD  
**Experience and expertise:** Prof Warburton has over 40 years of professional oil and gas experience in operated and non-operated conventional and unconventional petroleum discovery, development and in new business delivery. Prof Warburton has worked in Western Europe, West Africa, Central Asia, Middle East, Pakistan, Papua New Guinea, throughout the Asia Pacific Region, including Australia and New Zealand, and most recently in Mongolia. He has resided as an expatriate in a number of these regions.

Prof Warburton's career includes 14 years of senior technical and leadership roles at BP. He was Executive General Manager for Exploration & New Business at Eni in Pakistan, and until March 2018 John was Chief of Geoscience & Exploration Excellence at Oil Search Ltd. He has been a Director of Beetaloo Energy's wholly owned Northern Territory subsidiary, Imperial Oil & Gas Pty Limited ('Imperial'), since 2011 and was its Chief Executive Officer from 2011 to 2014. He continues to serve as a Non-Executive Director of Imperial. In addition, Prof Warburton is Visiting Professor in the School of Earth & Environment at Leeds University UK.

**Other current directorships:** Independent Non-Executive Chairman TMK Energy Limited  
**Former directorships (last 3 years):** None  
**Special responsibilities:** Non-Executive Director of Imperial Oil & Gas Pty Limited  
Chair of the Technical Committee  
Member of the Audit and Risk Committee  
**Interests in shares:** 1,767,009 ordinary shares  
**Interests in options:** 184,597 options  
**Interests in rights:** 1,200,000 services rights

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Directors' report  
31 December 2025**

Name: **Karen Green**  
Title: Non-Executive Director  
Qualifications: BCom, FCA, FCPA, GAICD  
Experience and expertise: Ms. Green's background is 37 years' experience in business advisory services in Western Australia and Northern Territory (NT). She has lived in the NT since 1991 where she was an equity partner in the Deloitte Australian partnership for over 20 years.

Ms Green led the private and the public advisory team in the Northern Territory, South Australia and Tasmania. Ms Green was also the Office Managing Partner at Deloitte in the NT for several years and the 5th female ever to become a Partner in the Deloitte Australia partnership. Ms Green has retired from public practice and now focuses on non-executive director roles, contributing value by her financial and governance understanding, strategic thinking, and relationships. Ms Green has a deep understanding of rural and Northern Australia, in particular the Northern Territory, and its people.

Ms Green is recognised for her strategic direction and leadership through a variety of board roles including currently as a Non-Executive Director on the Airport Development Group and an Advisory board member for Rimfire Group. Ms Green is also Chair of the NT Screen Industry Advisory Committee and President of the NT Division Council of the Australian Institute of Company Directors. Ms Green has previously been on the NT National Security Advisory Group, Darwin Port Corporation board when government owned, Member of Investment Advisory Group for Department of Chief Minister and Cabinet, inaugural Treasurer and board member of Energy Club Northern Territory (originally Petroleum Club NT), Non-Executive Director of Darwin Festival, Member of Ministerial Advisory Council for Department of Business and Chairperson of Business Enterprise Centre NT.

Other current directorships: None  
Former directorships (last 3 years): Nil  
Special responsibilities: Chair of the Audit and Risk Committee  
Member of the Remuneration Committee  
Interests in shares: 1,417,178 ordinary shares  
Interests in options: 396,089 options  
Interests in rights: 274,927 restricted rights

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

### **Company secretaries**

*Sally McDow (appointed as Joint Company Secretary on 27 November 2025)*

Sally McDow has over 20 years' experience as a company secretary managing a portfolio of ASX listed and private companies across multiple sectors. Sally was admitted as a solicitor in QLD, has an MBA, is a graduate of the Chartered Secretaries Institute and a Graduate member of the Australian Institute of Company Directors Course.

*Sally Greenwood (appointed as Joint Company Secretary on 27 November 2025)*

Ms Greenwood is a qualified Governance Professional (CGI) who holds a Master's Degree in Law and Corporate Governance and an Undergraduate Degree in Law. Ms Greenwood is currently Company Secretary of and provides company secretarial support to ASX listed, unlisted public and private companies across a range of industries including financial services, food, biomedical, technology and education.

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Directors' report  
31 December 2025**

*Gillian Nairn (resigned on 27 November 2025)*

On 17 January 2025, Beetaloo Energy appointed Ms Nairn as Company Secretary of Beetaloo Energy and its wholly owned Australian subsidiaries, Imperial Oil & Gas Pty Limited and Imperial Oil & Gas A Pty Limited.

*Ben Johnston (resigned on 17 January 2025)*

Mr Johnston joined Beetaloo Energy as Vice president Business Development in November 2019 and was later also appointed Company Secretary of Beetaloo Energy and its wholly owned Australian subsidiaries, Imperial Oil & Gas Pty Limited and Imperial Oil & Gas A Pty Limited.

**Meetings of Directors**

The number of meetings of the Company's Board of Directors ('the Board') held during the year ended 31 December 2025, and the number of meetings attended by each Director were:

	Full Board		Remuneration Committee		Audit and Risk Committee		Technical Committee	
	Attended	Held	Attended	Held	Attended	Held	Attended	Held
Peter Cleary Alexander	8	8	-	-	-	-	-	-
Underwood*	8	8	-	-	-	-	-	-
Louis Rozman	8	8	4	4	-	-	-	-
Prof John Warbuton	8	8	-	-	4	4	-	-
Karen Green	8	8	4	4	4	4	-	-

Held: represents the number of meetings held during the time the Director held office or was a member of the relevant committee.

\* Mr Underwood excused himself from Remuneration Committee Meetings when matters relating to his remuneration were discussed.

**Shares under option**

At the date of this report, there were 100,937,328 unissued ordinary shares of Beetaloo Energy Australia Limited under option. These options were issued during the year as part of the May 2025 capital raise and remain unexercised as at the date of this report.

**Shares issued on the exercise of options**

There were no ordinary shares of Beetaloo Energy Australia Limited issued on the exercise of options during the year ended 31 December 2025 and up to the date of this report.

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Directors' report  
31 December 2025**

**Shares under Performance Rights**

Unissued ordinary shares of Beetaloo Energy Australia Limited under Performance Rights at the date of this report are as follows:

Grant date	Expiry date	Number under rights
<i>Unvested</i>		
13 September 2013	NA	250,000
28 May 2024	31 December 2038	4,968,382
2 July 2024	31 December 2038	524,018
20 December 2024	31 December 2039	1,099,516
29 May 2025	31 December 2040	2,200,120
23 October 2025	31 December 2040	886,679
<i>Vested</i>		
3 August 2021	30 June 2034	1,300,500
30 March 2022	30 December 2034	419,659
27 January 2023	31 December 2035	459,039
30 May 2023	31 December 2038	928,340
21 December 2023	31 December 2038	324,664
15 March 2024	31 December 2036	234,043
31 December 2024	31 December 2036	343,957
		<u>13,938,917</u>

No person entitled to exercise the Performance Rights had or has any right by virtue of the performance right to participate in any share issue of the Company or of any other body corporate.

**Shares issued on the exercise of Performance Rights**

On 6 August 2025, Beetaloo Energy issued 47,015 ordinary fully paid shares for the conversion of Vested Performance Rights belonging to former employees under the Beetaloo Energy Australia Limited Rights Plan for no consideration.

On 19 December 2025, Beetaloo Energy issued 280,410 ordinary fully paid shares for the conversion of Vested Performance Rights belonging to former employees under the Beetaloo Energy Australia Limited Rights Plan for no consideration.

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Directors' report  
31 December 2025**

**Shares under Restricted Rights**

Unissued ordinary shares of Beetaloo Energy Australia Limited under Restricted Rights at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under rights
7 August 2020	31 December 2035	\$0.000	1,019,753
23 December 2020	23 December 2035	\$0.000	196,120
1 June 2021	1 June 2036	\$0.000	617,979
2 July 2021	2 July 2036	\$0.000	94,908
21 December 2021	21 December 2036	\$0.000	208,517
17 June 2022	17 June 2037	\$0.000	509,198
17 June 2022	17 June 2037	\$0.000	275,360
9 September 2022	9 September 2037	\$0.000	131,493
21 July 2023	21 July 2038	\$0.000	604,141
28 May 2024	28 May 2039	\$0.000	1,328,102
12 July 2024	21 July 2039	\$0.000	304,592
20 December 2024	20 December 2039	\$0.000	299,004
29 May 2025	29 May 2040	\$0.000	889,580
4 August 2025	4 August 2040	\$0.000	774,799
			<u>7,253,546</u>

No person entitled to exercise the retention rights had or has any right by virtue of the retention right to participate in any share issue of the Company or of any other body corporate.

**Shares issued on the exercise of Restricted Rights**

On 6 August 2025, Beetaloo Energy issued 1,086,181 ordinary fully paid shares for the conversion of Vested Restricted Rights belonging to former employees under the Beetaloo Energy Australia Limited Rights Plan for no consideration.

On 20 August 2025, Beetaloo Energy issued 194,564 ordinary fully paid shares for the conversion of Vested Restricted Rights belonging to former employees under the Beetaloo Energy Australia Limited Rights Plan for no consideration.

On 19 December 2025, Beetaloo Energy issued 751,338 ordinary fully paid shares for the conversion of Vested Restricted Rights belonging to former employees under the Beetaloo Energy Australia Limited Rights Plan for no consideration.

**Shares under Service Rights**

Unissued ordinary shares of Beetaloo Energy Australia Limited under Service Rights at the date of this report are as follows:

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Directors' report  
31 December 2025**

Grant date	Expiry date	Exercise price	Number under rights
<i>Unvested</i>			
21 December 2023	31 December 2038	-	529,594
1 July 2024	31 December 2038	-	602,228
20 December 2024	31 December 2039	-	766,703
23 October 2025	31 December 2040	-	1,236,665
<i>Vested</i>			
14 June 2019	30 June 2034	-	1,000,000
4 August 2020	31 December 2035	-	838,558
1 June 2021	31 December 2036	-	600,000
			<u>5,573,748</u>

No person entitled to exercise the Service Rights had or has any right by virtue of the service right to participate in any share issue of the Company or of any other body corporate.

**Shares issued on the exercise of Service Rights**

On 6 August 2025, Beetaloo Energy issued 452,649 ordinary fully paid shares for the conversion of Vested Service Rights belonging to former employees under the Beetaloo Energy Australia Limited Rights Plan for no consideration.

On 19 December 2025, Beetaloo Energy issued 193,240 ordinary fully paid shares for the conversion of Vested Service Rights belonging to former employees under the Beetaloo Energy Australia Limited Rights Plan for no consideration.

**Indemnity and insurance of officers**

The Company has indemnified the Directors and executives of the Company for costs incurred, in their capacity as a Director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the Company paid a premium in respect of a contract to insure the Directors and executives of the Company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

**Indemnity and insurance of auditor**

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

**Proceedings on behalf of the Company**

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

**Non-audit services**

There were no non-audit services provided during the financial year by the auditor.

**Officers of the Company who are former partners of Ernst & Young**

There are no officers of the Company who are former partners of Ernst & Young.

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Directors' report  
31 December 2025**

**Rounding of amounts**

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

**Auditor's independence declaration**

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this Directors' report.

This report is made in accordance with a resolution of Directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the Directors



---

Alexander Underwood  
Managing Director

31 March 2026  
Sydney

## Letter from the Chair of the Remuneration Committee

Dear Shareholders,

As the Chair of the Remuneration Committee, and on behalf of the Board, I am pleased to present Beetaloo Energy Australia Limited's Remuneration Report for the financial year ended 31 December 2025 (FY25).

FY25 was a year of significant progress for the Company. During the year, we completed the transition to our new name, Beetaloo Energy Australia Limited, strengthened our team in preparation for construction, and achieved a number of important milestones for the Carpentaria Gas Project in the Beetaloo Sub-basin. These achievements demonstrate continued execution against our strategy and include:

1. All operational activities carried out without any safety incidents and in an environmentally responsible manner;
2. Successful completion of hydraulic stimulation of Carpentaria-5H well;
3. Traditional Owner consent to the sale of appraisal gas from our wells;
4. NT Government approval for the Beneficial Use of Test Gas, being sale of appraisal gas from EP187;
5. Strong flow rates being achieved by C-5H well during IP30 flow tests;
6. Final Investment Decision made for the construction of the Carpentaria Gas Plant and gas gathering network; and
7. Commencement of civil works for the Carpentaria Gas Plant in Q4, ahead of on-site construction of production facilities and first gas sales targeted for late 2026.

While FY25 activities were completed within budget, the Company faced delays arising from equipment supply constraints and the timing of regulatory approvals. These challenges required disciplined decision-making and active engagement with multiple stakeholders. Management remained focused on long-term value creation, balancing execution risk with capital discipline. The Board believes that the Company's remuneration framework appropriately reflects this approach by aligning executive incentives with delivery, safety, capital stewardship, and shareholder outcomes.

The Remuneration Committee regularly reviews the remuneration arrangements of senior executives, including the Managing Director, to ensure they are aligned with Company performance, shareholder interests, and market practice. The Committee is satisfied that remuneration levels are appropriately benchmarked against peer companies and structured to attract, retain, and motivate executives capable of delivering the Company's strategic objectives.

The Remuneration Report for the year ended 31 December 2025 forms part of the Directors' Report. It has been prepared in accordance with the Corporations Act 2001 (Cth) (the Act), Corporations Regulation 2M.3.03, in compliance with AASB124 Related Party Disclosures, and audited as required by section 308(3C) of the Act. It also includes additional information and disclosures that are intended to support a deeper understanding of remuneration governance and practices, for shareholders, where statutory requirements are not sufficient.

The Board remains committed to maintaining a remuneration framework that supports disciplined growth, accountable performance, and the creation of sustainable long-term value for shareholders.



Louis Rozman  
Chair, Remuneration Committee

## 1. The Role of the Remuneration Committee

The objective of the Remuneration Committee is to ensure that the Company's remuneration system attracts and retains staff, executives and directors who will create sustained value for shareholders.

The Remuneration Committee is responsible for:

- oversight of remuneration policies and processes;
- evaluating the performance of the Managing Director; determining and recommending remuneration of the Managing Director; and
- monitoring the performance of the executive management team and reviewing the remuneration of the executive management team proposed by the Managing Director.

The Board, upon the recommendation of the Remuneration Committee, approves the remuneration of the Managing Director and the executive management team.

## 2. Remuneration Policy

BTL's Remuneration Policy (REM Policy) was last reviewed in late 2025 under the Remuneration Committee Charter. The Remuneration Committee retains overall responsibility for the review and recommendations in relation to the remuneration of Executive Directors (including the Managing Director) and executives reporting to the Managing Director as well as Non-executive Director Board Fees. In discharging these responsibilities, the Committee adheres to the following:

- to ensure the Company's remuneration structures are equitable and aligned with the long-term interests of the Company and its shareholders; having regard to relevant Company policies without rewarding conduct that is contrary to the Company's values or risk appetite;
- to attract and retain skilled personnel;
- to structure short and long-term incentives that are challenging and linked to the creation of sustainable shareholder returns; and
- to ensure any termination benefits are justified and appropriate.

The primary objective of the REM Policy is to facilitate the achievement of the Company's goals by aligning executive rewards with value creation for shareholders, by ensuring that the quantum and elements of remuneration attract and retain key talent which is aligned with the Company's strategy and business objectives. The objective is to ensure the cost of remuneration is reasonable and appropriate to the Company's circumstances.

The Board has discretion to review and adjust the remuneration policy from time to time. For Total Remuneration Package (TRP), which includes all elements of remuneration at a Target level while the Company has been in its early development phases, the Board made a strategic decision to apply a P75 (75<sup>th</sup> Percentile) TRP compared to other comparable market capitalisation companies. However, to mitigate concerns regarding potential high positioning of remuneration due to this policy, remuneration packages have generally been designed to have a greater performance/alignment focus than is typical in benchmarks:

- Fixed Pay (FP) has in practice been set at or below P50 (lower FP/cash)
- Short Term Variable Remuneration (STVR) has in the past had a lower weighting than typical P75 at Target oriented packages (low short-term rewards), however in BTL's current phase where the Company's primary project is being physically built, the STVR has been increased to drive delivery on these project outcomes; the 2025 weighting of FP+STVR would deliver P62.5
- Long Term Variable Remuneration (LTVR) has in practice been set as the gap between the lower elements and a P75 at Target package, resulting in higher-than-typical LTVR grants, but also greater long term, equity and performance alignment than would be typical

The Board's view is that this approach has placed an appropriate focus on performance and risk, as the business has been de-risking the investment for shareholders through achievement of project development milestones. With this higher-than-typical risk in the package design, it is appropriate to offer a premium, to ensure that the incentive is motivating.

However, as the business matures, milestones are achieved, the Carpentaria Project is operational and the investment is de-risked, the Board anticipates transitioning to a more typical remuneration policy of:

- Fixed Pay, benchmarked against relevant market benchmarks.
- Total Remuneration Packages at Target to be set around P62.5.

### 3. Remuneration Determination Process

The Board has discretion to regularly review the approach to benchmarking remuneration of Key Management Personnel (KMP) and seeks the advice of independent expert advisors from time to time. In recent years, the remuneration of KMP has been established against a comparator group, based on comparable features and updated at each instance in consultation with its advisors:

1. 20 ASX listed resources companies each in the project development and early production stages, metals and mining, oil and gas were selected. All these companies fell within a sustainable range of half to double the market capitalization of BTL at early December 2025. This provided benchmarks that were stable over time and relevant to a business of BTL's stage, scale and complexity, so that indicators such as P50 and P75 remuneration are drawn accurately from relevant ranges.
2. Half the companies were larger, and half were smaller than BTL, to ensure that measures of central tendency such as P50/median were relevant and balanced.

In addition to the above, in 2025 the BTL REM Committee also selected a comparator group of 17 ASX listed development and production oil and gas companies. Oil and Gas is a much smaller sector and the range of market capitalizations within this group of 17 is therefore much greater. Regression analysis of remuneration within this group was undertaken to compare the results against the remuneration determined using benchmarking in (1) above. Despite the very wide range of company sizes within this purely oil and gas grouping, the regression analysis did support the appropriateness of the levels of remuneration determined in benchmarking utilizing the combined dataset of oil and gas as well as metals and mining above.

Remuneration of non-KMP staff is established against a comparator group of over 270 Australian based Resources, Construction and Engineering companies. This work is undertaken by the KMP and with the input and overview of the Remuneration Committee.

### 4. Remuneration Overview

Executive KMP total remuneration is currently made up of Fixed Pay and Variable Remuneration.

**Fixed Pay** is made up of base salary and any other fixed elements such as superannuation, and other benefits where applicable. Fixed Pay is intended to be positioned against the median of market benchmarks from a group of comparable resource and energy companies of similar size to ensure remuneration is competitive and fair, subject to approximately  $\pm 20\%$  pay range to account for individual factors such as incumbent experience, qualifications, and performance.

**Variable Remuneration** is composed of short-term incentive (STI) and long-term incentive (LTI) components. STIs are 12-month milestone objectives. LTIs are a combination of Total Shareholder Returns (TSR) and multi-year milestones. The "incentive" component is the upside for performing above expectations and represent the true "bonus". Metrics selected are intended to be linked to the primary drivers of value creation for stakeholders, and successful implementation of the long-term strategy over both the short and long term.

The **Total Remuneration** Package (TRP) is intended to be composed of an appropriate mix of remuneration elements including Fixed Pay, short term variable remuneration (STVR) and long-term variable remuneration (LTVR). The Target TRP (TRP for expected performance) is generally intended to fall between the median and upper quartile of market benchmarks.

Variable Remuneration fills the gap between Fixed Pay and the Total Remuneration Package and is intended to be a mix of "at-risk" and "incentive" remuneration. The "at-risk" component of variable remuneration is designed to be what an executive would stand to lose for not meeting expectations. The Board has selected a competitive TRP market position between median and upper quartile benchmarks to adjust for the impact of nil and negative reported variable remuneration amongst other companies in the benchmark.

This has been established by research conducted by the Board's appointed independent External Remuneration Consultant (ERC).

The Committee engages with ERCs annually to ensure the current policy and frameworks are aligned with current market practices and remain competitive and fair.

## 5. External Remuneration Consultants

The Remuneration Committee may engage the assistance and advice of External Remuneration Consultants (ERC) to provide information on remuneration related matters as they arise. During FY25 the Board retained Godfrey Remuneration Group Pty Ltd (GRG) as an ERC. During FY25, GRG provided the following services:

- Analysis and recommendations regarding executive remuneration in relation to the Managing Director and Direct Reports – \$10,000 + GST
- BTL REM support – \$6,000 + GST

An agreed set of protocols has been put in place to ensure that the remuneration recommendations are free from undue influence from key management personnel. These protocols include requiring that the consultant does not communicate with affected key management personnel without a member of the Remuneration Committee being present or without the authorisation of the Chairman of the Remuneration Committee, and that the consultant does not provide any information relating to the outcome of the engagement with the affected key management personnel. The Board is also required to make inquiries about the consultants' processes at the conclusion of the engagement to ensure that they are satisfied that any recommendations made have been free from undue influence. The Board is satisfied that these protocols were followed and that there was no undue influence.

The Remuneration Committee also considers other reports outlining remuneration practices and quantum in determining remuneration within the Company.

## 6. Key Remuneration Governance Considerations and Changes

The following summarises the key remuneration governance matters that were the focus of considerations in FY25, and those that are expected to be addressed in FY26, including planned changes:

- Benchmarking Managing Director, Chief Financial Officer, Chief Operations Officer and Non Executive Director compensation against comparable ASX listed market data to inform quantum and mix of compensation decisions, intended to meet BTL's strategy and market positioning requirements. (Completed 2025)
- Benchmarking and review of non KMP staff compensation against comparable market data to inform quantum and mix of compensation decisions, intended to meet BTL's strategy and market positioning requirements. (Completed 2025)
- Assessment of vesting conditions for LTVR (Completed 2025)

## 7. People Covered by This Report

This report covers Key Management Personnel (KMP) which are defined as those who have the authority and responsibility for planning, directing and controlling the activities of Beetaloo Energy.

Table 1

Name	Role	Appointed	Committee Membership		
			Audit & Risk	Remuneration	Technical
<b>Non-Executive KMP</b>					
Mr Peter Cleary	Non-Executive Chairman Non-Executive Director	30/05/2023 25/5/2020			
Prof John Warburton	Non-Executive Director	6/02/2019	✓		C
Mr Louis Rozman	Non-Executive Director	11/03/2021		C	✓
Ms Karen Green	Non-Executive Director	17/11/2023	C	✓	
<b>Executive KMP</b>					
Mr Alex Underwood	Managing Director	23/07/2018			
Mr Alex Hunter	Chief Financial Officer	01/06/2025			
Mr Robin Polson	Chief Financial Officer	18/07/2022			
Mr Chris White	Chief Operating Officer	02/07/2024			

✓ = Member, C = Chair

The following changes to KMP occurred during FY25 or between the end of FY25 and the date of publication of this report:

- Mr Alex Hunter was appointed as Chief Financial Officer of the Company on 01/06/2025.
- Mr Robin Polson retired as Chief Financial Officer on 31/03/2025.

## 8. Executive KMP Remuneration – Framework Overview

The following table outlines Beetaloo Energy's approach to executive KMP remuneration:

Table 2	Fixed Pay	Short Term Variable Remuneration	Long Term Variable Remuneration
<b>Purpose</b>	Fixed Pay (FP) is set with reference to the median of benchmarks and aimed at paying fairly for meeting the requirements of a role.	Links achievement of BTL's short-term performance objectives with the remuneration received by the executive.  Incentivizes executives for performance against annual safety, operational and financial performance objectives set by the Board at the beginning of the financial year. The short-term objectives selected are linked to the Company's long-term strategy which is designed to provide sustainable value creation for shareholders.	Links achievement of BTL's shareholder wealth creation with the remuneration received by the executive.  The purpose of LTVR is to create a strong incentive for the performance of senior executives over the long term and to align their interests with those of stakeholders through share ownership and performance testing.
<b>Delivery</b>	Base Salary, superannuation and other benefits.	The Board has discretion to settle STVR awards in the form of cash or Restricted Rights.  If Target STI milestone is achieved, bonus payment of Target% of Fixed Pay is paid.  If Stretch STI milestone is achieved, bonus payment of Stretch% of Fixed Pay is paid.  If a milestone is achieved between Target and Stretch, STVR bonus payment is made pro-rata.	Performance Rights to receive BTL shares are issued, subject to LTVR performance over a 3-year Measurement Period.  Target LTVR milestones are related to a 3 year corporate strategy and if achieved, bonus payment in share rights of Target% of Fixed Pay is paid in Share Rights.  A bonus payment of Stretch% of Fixed Pay is paid if corporate achievement is meaningfully in excess of the 3 year corporate strategy.  If milestones are achieved between Target and Stretch, LTVR bonus payment is made pro-rata as determined by the Board.

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Directors' Report  
31 December 2025**

<p><b>STVR Award &amp; Settlement</b></p>	<p>Awards will be calculated following the auditing of accounts.</p> <p>STVR awards may be paid as cash or equity. The overarching policy is to pay STVR awards in the form of Restricted Rights to preserve cash reserves, however a decision to offer cash can be made based on the Board's view that this is more appropriate in the current market. There is currently no STVR deferral mechanism.</p> <p>Restricted Rights are granted for nil consideration under the BTL Limited Rights Plan (BTLLRP), and vest immediately upon grant. Restricted Rights are subject to a 90-day exercise restriction and can be exercised anytime following vesting and before the end of the Term (15 years).</p>
<p><b>TVR Disposal Restrictions</b></p>	<p>Shares acquired on the exercise of vested Restricted Rights ("Restricted Shares") will be subject to disposal restrictions until all of the following cease to restrict disposals:</p> <ul style="list-style-type: none"> <li>• the Company's share trading policy,</li> <li>• the Corporations Act insider trading provisions, and</li> <li>• temporary Specified Disposal Restriction of one (1) year from their date of issue.</li> </ul>
<p><b>STVR Board Discretion</b></p>	<p>The Board has discretion to vary awards upwards or downwards, including to nil, in the circumstance that the award would otherwise be likely to be viewed as inappropriate given the circumstances that prevailed over the Measurement Period (such as in the case of harm to the Company's stakeholders for which participants are accountable).</p>
<p><b>LTVR Settlement</b></p>	<p>The Rights are "Indeterminate Rights" which may be settled in the form of a Company Share, or cash equivalent, upon valid exercise.</p>
<p><b>LTVR Term and Lapse</b></p>	<p>The Term of the Performance Rights are 15 years from the Grant Date. If not exercised within the term, the Performance Rights will lapse.</p>
<p><b>LTVR Service condition &amp; Cessation of Employment</b></p>	<p>Under the Rules, in addition to the performance conditions, continued service during the Measurement Period is a requirement for all Rights to become eligible to vest. On termination, a portion of Performance Rights granted in the financial year in which the termination occurs will be forfeited. The proportion that will be forfeited will be equal to the remainder of the financial year following the termination as a proportion of the full financial year. This provision recognises that grants of Performance Rights are part of the remuneration for the year of grant and that if part of the year is not served then some of the Performance Rights will not have been earned.</p>
<p><b>LTVR Measurement Period Modifier</b></p>	<p>The BTLLRP Rules allow for the Measurement Period to be extended by 12 months, if an executive is still employed, and nil vesting occurred at the first test. The start of the Measurement Period would not be affected by this, and modification of the Measurement Period can only apply to vesting scales that are expressed on an annualised basis, which ensures the adjustment does not make vesting easier (i.e. will not apply to milestone conditions, only TSR). The Measurement Period would be extended from three years to four years. The purpose of this feature is to address short term anomalies that arise at the relevant calculation points. Examples of such anomalies being: delay of an essential permit not caused by the Company, unseasonal weather impacts outside the control of the Company. The purpose of an extension is to motivate management to strive for improvement if the LTI fails to vest at the end of the Measurement Period for reasons outside of Company control. The Measurement Period Modifier is not unreasonable given the stage and location of the project, delays to permits and approvals and working in a region with a Tropical Wet Season are a reality, whilst everything that can be done is done to minimize these risks</p>

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Directors' Report  
31 December 2025**

<p><b>LTVR Cessation of Employment</b></p>	<p>Unvested Performance Rights held at the date of termination and granted in the financial year of the termination will be forfeited in the proportion that the remainder of the financial year following the termination bears to the full financial year, unless otherwise determined by the Board.</p> <p>All other unvested Performance Rights will be retained for possible vesting based on performance during the Measurement Period, to be assessed following the completion of the Measurement Period. If at the time of vesting subsequent to termination of employment the share price is lower than at the date of cessation of employment the value of the Rights will be paid in cash only, not Shares, unless otherwise determined by the Board.</p>
<p><b>LTVR Corporation Actions</b></p>	<p><b>Change of Control</b> In the event of a Change of Control:</p> <ul style="list-style-type: none"> <li>• Unvested Performance Rights granted in the financial year of the Change of Control will lapse in proportion that the remainder of the financial year bears to the full financial year; and</li> <li>• For all remaining unvested Performance Rights, the number of Performance Rights to vest will be determined by the number of unvested Performance Rights multiplied by the change in share price at the commencement of the Measurement Period and the share price at Change of Control.</li> </ul> <p><b>Major Return of Capital to Shareholders</b> In the event of a major return of capital to shareholders, the Board has discretion to determine how unvested Performance Rights will be dealt with.</p>
<p><b>LTVR Board Discretion</b></p>	<p>The Board retains discretion to increase or decrease, including to nil, the vesting percentage in relation to each Tranche of Performance Rights if it forms the view that it is appropriate to do so given the circumstances that prevailed during the Measurement Period.</p>
<p><b>STVR/LTVR Gates</b></p>	<p>A 'Gate' of no major health, safety or environmental incidents occurring during the measurement period applies. A Gate is a performance hurdle which must be satisfied before any STVR/LTVR Performance Rights can vest.</p>

For personal use only

## 9. Executive KMP Remuneration – Worked Example for Managing Director

Table 3

FY25 Approach for MD	Fixed Pay	Short Term Variable Remuneration for FY25	Long Term Variable Remuneration for FY25								
	<p>Fixed Pay is set with reference to the median of tailored benchmarks designed around companies of comparator market capitalisation and market sector.</p> <p>MD Fixed Pay: \$600,000 inclusive of Superannuation</p>	<p>Opportunity as % of FP for Managing Director:</p> <table border="1" data-bbox="703 577 1010 651"> <thead> <tr> <th>Target</th> <th>Stretch</th> </tr> </thead> <tbody> <tr> <td>50%</td> <td>100%</td> </tr> </tbody> </table> <p>STVR are paid as cash, shares or a combination of both in early 2026.</p> <p>STVR KPIs: Target will include:</p> <ul style="list-style-type: none"> <li>- Cost within 10% of budget</li> <li>- 2025 funding secured</li> <li>- C5H production test successful</li> <li>- Beneficial Use of Test Gas approved</li> <li>- CGP + gas network constructed</li> <li>- Individual Growth and Effectiveness</li> </ul> <p>Stretch will include:</p> <ul style="list-style-type: none"> <li>- Costs within 5% of budget</li> <li>- Commence production</li> </ul> <p>Gate: No STVR is paid unless there are no major health, safety or environmental incidents occurring during the measurement period.</p>	Target	Stretch	50%	100%	<p>Intended opportunity as % of FR for Managing Director:</p> <table border="1" data-bbox="1153 577 1426 651"> <thead> <tr> <th>Target</th> <th>Stretch</th> </tr> </thead> <tbody> <tr> <td>40%</td> <td>80%</td> </tr> </tbody> </table> <p>LTVR are Granted as Rights at the FY26 AGM, the Rights will Vest on the LTVR Performance Measures:</p> <ul style="list-style-type: none"> <li>- 50% Absolute TSR</li> <li>- 50% Milestones</li> </ul> <p>Which are determined at 31 Dec 2028, measured over the period 1/01/25 to 31/12/2028</p> <p>Target TSR is 25%</p> <p>Target Milestones for LTVR will be consistent with the 3 year plan:</p> <ul style="list-style-type: none"> <li>- Commence production in FY26</li> <li>- Deliver 15TJ/d to customers in FY27</li> <li>- Grow production to 25TJ/d in FY28</li> </ul> <p>Stretch Milestones will include:</p> <ul style="list-style-type: none"> <li>- Growth to 45TJ/d and business expansion through exploration success and other means</li> </ul> <p>Gate: No LTVR is paid unless there are no major health, safety or environmental incidents occurring during the measurement period.</p>	Target	Stretch	40%	80%
Target	Stretch										
50%	100%										
Target	Stretch										
40%	80%										

Beetaloo Energy has in place an executive incentive plan named the Empire Energy Group Limited Rights Plan which was approved by shareholders at the 2019 Annual General Meeting and renewed by shareholders at the 2025 Annual General Meeting.

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Directors' Report  
31 December 2025**

The following diagram outlines the executive KMP remuneration structure and timing under the remuneration framework as applicable to FY25 where STVR is Short Term Variable Remuneration, and LTVR is Long Term Variable Remuneration.

Chart A

FY25	FY26	FY27	FY28
<b>Fixed Pay</b>			
<b>STVR Performance Period</b>	<b>Audit* &amp; STVR Assessment</b>		
	<b>Award Paid**</b>		
<b>LTVR Performance Period (50%) - Performance Rights with an Absolute TSR Vesting Condition</b>			<b>Vesting Assessments and Vesting</b>
<b>LTVR Performance Period (50%) - Performance Rights with a Milestone Vesting Condition</b>			

\*STVR awards are generally awarded soon after the release of the audited Annual Report

\*\*STVR awards can be paid in either cash or equity (Restricted Rights).

## 10. Annual Company Performance At-A-Glance

The following outlines the Company's performance in FY25 and previous 4 years, which is intended to assist in demonstrating the link between performance, value creation for shareholders, and executive reward:

Table 4 – Statutory Performance Disclosure

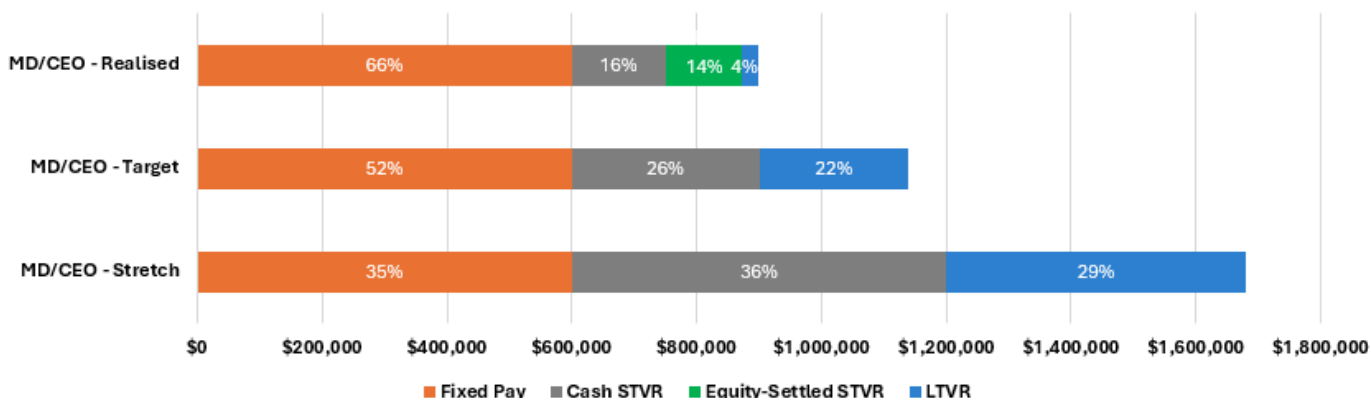
FY End Date	Share Price (beginning of period)	Share Price (end of period)	Change in Share Price \$	Dividends (paid during period)	Change in Shareholder Wealth (SP Change + Dividends)	
					Total Value	%
31/12/2025	\$0.225	\$0.290	\$0.065	\$0.000	\$0.065	29%
31/12/2024	\$0.195	\$0.225	\$0.030	\$0.000	\$0.030	15%
31/12/2023	\$0.200	\$0.195	-\$0.005	\$0.000	-\$0.005	-3%
31/12/2022	\$0.340	\$0.200	-\$0.140	\$0.000	-\$0.140	-41%
31/12/2021	\$0.355	\$0.340	-\$0.015	\$0.000	-\$0.015	-4%
31/12/2020	\$0.445	\$0.355	-\$0.090	\$0.000	-\$0.090	-20%

During the period TSR was positive and there will be a TSR component of the LTVR allocated for performance in FY25.

## 11. FY25 Executive Remuneration Opportunities and Outcomes At-A-Glance

The following charts outline the remuneration opportunities under executive remuneration structures, in this case specific to the MD, with the outcomes dependent on performance over FY25 for STVR and LTVR, and the "Realised" remuneration payable in respect of the completed FY25 year and performance delivered:

Chart B.



Note:

- "Realised" refers to Total Fixed Pay received during FY25, Cash STVR awarded in respect of FY25 outcomes, and LTVR that vested in FY25 and granted in FY23.

## 12. The Beetaloo Energy Variable Remuneration Framework

### 12.1 FY25 Short Term Variable Remuneration (STVR) for MD

The Managing Director's performance for FY25 was assessed slightly below Target (~46% of FP) overall, reflecting strong leadership through a year of significant operational and regulatory activity and progress toward the Company's development objectives.

During the year, the Managing Director maintained a clear focus on capital discipline, funding coverage and project execution, while progressing key regulatory approvals and development activities for the Carpentaria Gas Project. Performance outcomes reflected a combination of delivered results and material progress made toward major development milestones that extend beyond the financial year.

Some objectives were fully achieved during the period, while others were partially delivered as the Company navigated regulatory, technical and scheduling constraints. The Board considered that this balanced outcome appropriately reflected both execution performance and the inherent complexity of the development phase.

Safety and environmental performance remained a core expectation of the Managing Director's role. The hydraulic stimulation campaign at C-5H, subsequent flowback operations, and early works for the Carpentaria Gas Plant were all executed without reportable environmental or safety incidents, meeting the minimum performance standards set by the Board and reinforcing a strong safety and environmental culture.

Having regard to overall performance against FY25 objectives, the Board determined that a slightly below outcome for the Managing Director's FY25 Short-Term Variable Remuneration was appropriate.

## 12.2 FY25 Long Term Variable Remuneration (LTVR) for MD

A description of the LTVR plan, which is operated under the BTLLRP, is set out below:

Table 5

<b>Instrument</b>	Performance Rights granted under the BTLLRP
<b>Measurement Period</b>	1 January 2026 – 31 December 2028 (3-year Measurement Period)
<b>Performance Metrics and Weightings</b>	Tranche 1 (50% weight at Target) is to be subject to an Absolute Total Shareholder Return (ATSR) vesting condition. The vesting of such Performance Rights will be determined by comparing the Company's TSR over the Measurement Period according to the following vesting scale:

Performance Level	Beetaloo Energy's Absolute TSR (per annum)	% of Tranche Vesting
Stretch	≥ 40%	100%
Between Target and Stretch	> 25% & < 40%	Pro-rata
<b>Target</b>	<b>= 25%</b>	<b>50%</b>
Between Threshold and Target	> 10% & < 25%	Pro-rata
Threshold	= 10%	25%
Below Threshold	< 10%	0%

TSR is the sum of Share Price appreciation and dividends (assumed to be reinvested in Shares) during the Measurement Period. It is annualised for the purpose of the above vesting scale. The TSR of the Company over the Measurement Period will be calculated and converted to a compound annual growth rate (CAGR) value for the purpose of assessment against this scale. During periods of nil dividends being declared, TSR is equal to the change in Share Price.

Tranche 2 (50% weight at Target) is subject to meeting specific milestones being met over the Measurement Period

## 13. The Link Between Performance and Reward in FY25

### 13.1 Recent STVR Outcomes

The STVR plan is designed to reward executives for the achievement against annual performance objectives set by the Board at the beginning of the performance period. The payment of an STVR is dependent on the delivery of performance against a range of outcome metrics. The performance metrics and outcomes of assessment against those metrics are summarised below:

Table 6 - FY25 CEO STVR Performance Scorecard Outcomes

Metric/Measure	Weighting	Outcome (% of Target)	Weighted Outcome (% of Target)
Cost within 10% of budget (within 5% for Stretch)	15%	200%	30%
2025 funding secured	15%	100%	15%
Successful C5H extended production test	20%	50%	10%
Approval for sale of test gas (BUG)	20%	100%	20%
Construction of CGP + gas gathering system completed	20%	30%	7%
Individual Growth and Effectiveness	10%	100%	10%
<b>TOTAL</b>	<b>100%</b>		<b>91%</b>

Overall STVR outcomes for FY25 are determined through the Board's assessment of the business and Individual Outcomes. The actual outcomes are outlined below:

Table 7 – FY25 STVR Outcomes

Executive KMP	Opportunity as % of Fixed Pay		STVR Outcome as % of Target	Total STVR Awarded (\$)	Cash (\$)	Restricted Rights (\$)	% Maximum STVR	
	Maximum STVR	Target STVR					Awarded %	Forfeited %
Alex Underwood	100%	50%	91%	\$273,000	\$150,000	\$123,000	45.5%	54.5%
Alex Hunter	52.5%	35%	100%	\$87,500	\$87,500	-	66.5%	33.5%
Chris White	52.5%	30%	100%	\$111,780	\$111,780	-	52.9%	47.1%

In FY25, the Board determined that, in light of prevailing market conditions, it was appropriate to provide executives with the option to receive the STVR in either cash or Restricted Rights. The Managing Director elected a combination of cash and Restricted Rights, while the CFO and COO elected to receive their remuneration in cash.

### 13.2 Recent LTVR Outcomes

Table 8 – FY23 CEO LTVR Performance Scorecard for the 3 year period ending 31 December 2025

Metric/Measure	Rights Granted	Expected Number of Rights to Vest	Vesting%
<b>Tranche 1: TSR 25% p.a*</b>	1,609,838	660,034	<b>41%</b>
<b>Tranche 2: Milestones</b>	268,306	268,306	<b>100%</b>
<b>TOTAL Tranche 1 and Tranche 2</b>	1,878,144	928,340	<b>49%</b>

\* TSR exceeded Threshold but was less than Target. On a pro-rata basis 41% of Target was achieved.

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Directors' Report  
31 December 2025**

Table 9 - FY24 CEO LTVR Performance Rights, Granted in FY25

<b>Measurement Period</b>	1 January 2025 to 31 December 2027 (3 years).	
<b>Grant Calculation</b>	The number of Rights in a Tranche of LTVR to be granted are calculated via the application of the following formula: <b>Target LTVR \$ x Tranche Weight at Target ÷ Right Value ÷ % Vesting at Target</b> Where Right Value is the 2024 VWAP of \$0.21817	
<b>Opportunity &amp; Grant Value</b>	<b>Opportunity as % of Fixed Pay</b>	
	Target	Stretch
Managing Director	50%	100%
	Based on the Right Value of \$0.21817, the maximum/stretch level of grants to be made to the Managing Director, Alex Underwood for FY25 LTVR will be 2,200,120 Performance Rights. The same formula was applied to other KMPs, the number of Performance Rights will differ for each person due to their different FP.	
<b>Instrument</b>	The LTVR is in the form of Performance Rights with a nil Exercise Price, which are subject to performance and service vesting conditions.	

Table 10 – Eligible to Vest FY25 as Granted in FY23

Role	Tranche	Weighting	Number of Rights with Vesting Date in FY25	Target Performance	Actual Outcome	% of Tranche Vested	No. of Rights Eligible to Vest	Grant Date Valuation	\$ Value of LTVR that Vested (as per Grant Date Valuation)	Realisable Value (Number x Vesting Date SP net of Exercise Price)
Managing Director***	Absolute TSR*	50%	1,609,838	25% TSR p.a	45%	41%	660,034	30-May-23	\$6,600	\$191,410
	Milestones*	50%	268,306	Board Measured	100%	100%	268,306	30-May-23	\$20,123	\$77,809
CFO	<i>No eligible rights vested in the reporting period for FY25</i>									
CFO (retired)***	Absolute TSR*	50%	791,863	25% TSR p.a	45%	41%	324,664	20-Dec-23	\$6,006	\$94,153
	Milestone**	50%	250,000	Board Measured	100%	100%	250,000	04-Aug-25	\$61,250	\$72,500
COO	Milestone**	50%	602,228	Board Measured	100%	100%	602,228	2-Jul-24	\$104,336	\$174,646

\*Granted Performance Rights

\*\*Granted Service Rights

\*\*\*There are 2,670,007 Performance Rights that are due to vest at the end of the financial year subject to the Board's approval.

## 14. Achieved Total Remuneration Package for FY25

The following outlines "Achieved" (what became payable or vested in respect of FY25 performance completed) total remuneration, including the portions of maximum variable remuneration that was vested at the completion of 31 December 2025.

Table 11

Name	Role(s)	Year	Fixed Package (incl Super)	Total STVR Awarded Following Completion of the Financial Year (cash)*	Total STVR Awarded Following Completion of the Financial Year (equity-settled)	Value of LTVR that Vested Following Completion of the Measurement Period**	Total Remuneration Package (TRP)	Gains/Losses on Vested LTVR from Change in Value During Vesting Period***
Alex Underwood	Managing Director	2025	\$600,000	\$150,000	\$123,000	\$26,723	\$899,723	\$242,495
		2024	\$550,000	\$268,125	\$0	\$21,253	\$839,378	\$25,400
Alex Hunter <sup>^</sup>	CFO	2025	\$250,793 <sup>1</sup>	\$87,500	\$0	\$0	\$338,293	N/A
		2024	N/A	N/A	N/A	N/A	N/A	N/A
Robin Polson <sup>^^</sup>	CFO (retired)	2025	\$94,108	\$0	\$0	\$67,526	\$161,364	\$99,396
		2024	\$375,166	\$0	\$86,625	\$4,466	\$466,257	\$6,112
Chris White	COO	2025	\$402,533	\$111,780	\$0	\$104,336	\$618,649	\$70,310
		2024	\$200,000 <sup>2</sup>	\$0	\$65,205	\$0	\$265,205	N/A

\* This is the value of the total STVR award calculated following the end of the Financial Year.

\*\* This is the grant value of the LTVR that vested in the reporting period i.e. number that vested multiplied by the Monte-Carlo value at grant.

\*\*\* This is the difference between the Black-Scholes value at grant, and the realisable value based on the market value of a share at the time of vesting.

<sup>^</sup> Alex Hunter joined BTL on 1 June 2025.

<sup>^^</sup> Robin Polson retired on 31 March 2025.

## 15. Use of Board Discretion

During the financial year and to the date of this report, the Board did not exercise any discretions available to it to modify STVR or LTVR outcomes, vesting or awards.

<sup>1</sup> Pro-rata for 7 months employed, based on annual FY25 Salary of \$400,000 plus super

<sup>2</sup> Pro-rata for 6 months employed, based on annual FY24 Salary of \$400,000 incl super

## 16. Statutory Tables and Supporting Disclosures

### 16.1 Executive KMP Statutory Remuneration for FY25

The following table outlines the statutory remuneration of executive KMP:

Table 12			Fixed Pay				Short Term Remuneration		Share-Based Payments Benefits				
Name	Roles	Year	Salary	Super	Other Benefits ***	Total Fixed Pay	Cash STVR*	Change in Accrued Leave	Equity-Settled STVR*	LTVR**	Total Remuneration Package (TRP)	Variable Remuneration as % TRP	Termination Benefits
<b>Current Executive KMP</b>													
Alex Underwood	Managing Director	2025	\$570,068	\$29,932	\$5,779	\$605,779	\$150,000	\$(4,385)	\$123,000	\$229,345	\$1,103,739	45%	\$0
		2024	\$521,334	\$28,666	\$15,572	\$565,572	\$268,125	\$(10,425)	\$0	\$330,398	\$1,153,670	51%	\$0
Alex Hunter <sup>^</sup>	CFO	2025	\$233,333	\$17,460	\$0	\$250,793	\$87,500	\$4,362	\$0	\$23,477	\$366,132	32%	\$0
		2024	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0%	\$0
Robin Polson <sup>^^</sup>	CFO (retired)	2025	\$86,625	\$7,483	\$0	\$94,108	\$0	\$(13,620)	\$0	\$45,777	\$126,265	25%	\$61,250
		2024	\$346,500	\$28,666	\$0	\$375,166	\$0	\$(11,280)	\$86,625	\$0	\$450,511	17%	\$42,556
Chris White	COO	2025	\$372,601	\$29,932	\$0	\$402,533	\$111,780	\$1,472	\$0	\$184,960	\$700,745	43%	\$0
		2024	\$185,034	\$14,966	\$0	\$200,000	\$0	\$14,331	\$62,205	\$0	\$276,536	28%	\$0

\*Note that the STVR value reported in this table is the STVR that was paid during the reporting period, being the award earned during the previous period. Incentive outcomes for the reporting and previous period are outlined elsewhere in this report.

\*\* Note that the LTVR value reported in this table is the amortised accounting charge of all grants that have not lapsed or vested as at the start of the reporting period. Where a market-based measure of performance is used such as TSR, no adjustments can be made to reflect actual LTVR vesting.

\*\*\* Other benefits include car parking, car allowances, General Employee Share Schemes, FBT, insurance, some elements of which are non-cash items.

<sup>^</sup> Alex Hunter joined BTL on 1 June 2025.

<sup>^^</sup> Robin Polson retired on 31 March 2025.

## 17. FY25 Non-Executive Director (NED) Remuneration

### 17.1 Fee Policy

The following outlines the principles that BTL applies to governing NED remuneration:

Table 13

**Fee Policy** Remuneration of Non-executive Directors is determined by the Board based on recommendations from the Remuneration Committee and the maximum amount approved by shareholders from time to time. Non-executive Directors can participate in the Share Rights Plan.

The Board undertakes an annual review of its performance and the performance of the Board Committees against performance goals set. Details of the nature and amount of each element of the remuneration of each Director of Beetaloo Energy are set out in the following tables.

The following table outlines the current Fee Policy:

Role/Function	Main Board	All Committees
<b>Chair</b>	\$90,000	\$10,000
<b>Member</b>	\$60,000	\$5,000

*Fees are exclusive of superannuation.*

BTL's Non Executive Director fees have not increased since 2022, allocating as much cash as possible to the Carpentaria project. In the process director's fees have drifted well below that of comparable companies. Analysis of the fees paid to comparable ASX listed oil and gas companies indicate increases are justified.

Note: Non-executive Directors are also reimbursed for reasonable out-of-pocket expenses that are directly related to BTL's business. Equity grants, if any, are deducted from the foregoing fees.

**Aggregate Board Fees** The total amount of fees paid to Non-executive Directors in the year ended 31 December 2025 is within the aggregate fee limit of \$400,000 which was last approved by shareholders on 30 May 2019. Grants of equity approved by shareholders are excluded from counting towards the aggregate Board Fees, in accordance with the ASX Listing Rules.

**17.2 FY25 NED Equity Grants**

A description of the terms Non-executive Director (NED) equity grants for FY25 is described below:

*Table 14*

<b>Purpose</b>	The purpose of NED equity grants in FY25 is to allow Non-executive Directors to exchange cash Board Fees for grants of equity in respect of FY25 remuneration.
<b>Opportunity</b>	NEDs may elect to receive equity up to 100% of their Board Fees including superannuation in lieu of cash payment.
<b>Instrument</b>	The FY25 NED Equity Plan grant is to be in the form of Restricted Rights.
<b>Price and Exercise Price</b>	The Price is nil, because it forms part of the remuneration of the Participant, however grants are generally based on an agreement to forego cash Board Fees. The Exercise Price is nil.
<b>Allocation method</b>	The Rights are valued using the following method: $\text{Right Value} = \text{Share Price at Grant Date} - (\text{Dividends expected to be lost before first exercise date})$  $\text{The Number of Rights to be granted} = \text{Sacrificed\$} \div \text{Right Value}$  $\text{Share Price} = \text{3-month Volume Weighted Average Price during each quarter}$  Sacrificed \$ represents the gross amount of Director fees otherwise payable in cash for the relevant period that the Director has elected to forgo and instead receive in the form of Restricted Rights. The fair value of the Restricted Rights granted is determined by reference to the value of fees foregone, allocated based on the Right Value at the date of grant.
<b>Vesting Conditions, Exercise Restrictions</b>	In order to ensure NED independence is not compromised, and to recognise that the instruments are an alternative to cash remuneration, the Rights are not subject to any vesting conditions.  Rights may not be exercised within 90 days of the Grant Date.
<b>Disposal Restriction</b>	The Director Fee Restricted Rights may not be disposed of at any time, but can be exercised following vesting, up to the end of their Term. Shares acquired on exercise of vested Director Fee Restricted Rights ("Restricted Shares") will be subject to disposal restrictions until all of the following cease to restrict disposals: a) the Company's share trading policy, b) the Corporations Act insider trading provisions, and c) Specified Disposal Restriction of one (1) year from their date of issue.
<b>Term and Lapse</b>	Director Fee Restricted Rights will have a term of 15 years and if not exercised within the term the Rights will lapse. On exercise, each Director Fee Restricted Right will convert into one ordinary share.
<b>Fraud, Gross Misconduct etc.</b>	In the event that the Board forms the opinion that a Director has committed an act of fraud, defalcation or gross misconduct in relation to the Company, the Director will forfeit all unvested Director Fee Restricted Rights.

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Directors' Report  
31 December 2025**

**17.3 Non-executive Director (NED) KMP Statutory Remuneration for FY25**

The following table outlines the statutory and audited remuneration of NEDs (\$, except where otherwise indicated):

Table 15

Name	Role(s)	Year	Board Fees	Committee Fees	Superannuation	Other Benefits	Fair value of the Equity Grants*	Termination Benefits	Total
Peter Cleary (a)	Non-Executive Chairman	2025	\$0	\$0	\$0	\$11,206	\$80,063	\$0	\$91,269
	Non-Executive Director	2024	\$0	\$0	\$0	\$0	\$99,900	\$0	\$99,900
Louis Rozman (b)	Non-Executive Director	2025	\$0	\$0	\$0	\$0	\$66,717	\$0	\$66,717
	Non-Executive Director	2024	\$0	\$0	\$0	\$0	\$83,252	\$0	\$83,252
John Warburton (c)	Non-Executive Director	2025	\$60,000	\$15,000	\$8,813	\$245	\$0	\$0	\$84,058
	Non-Executive Director	2024	\$60,000	\$15,000	\$8,438	\$0	\$0	\$0	\$83,438
Karen Green (d)	Non-Executive Director	2025	\$60,000	\$15,000	\$8,813	\$7,802	\$0	\$0	\$91,615
	Non-Executive Director	2024	\$30,000	\$7,500	\$4,312	\$0	\$51,890	\$0	\$93,702

\* The balance represents the fair value share-based payments (Restricted Rights) received by the Board members in lieu of the approved \$100,352 and \$83,624 fixed remuneration approved at the 2025 AGM.

(a) Peter Cleary elected to take his Director Fees in Restricted Rights in lieu of a cash payment. The \$100,352 were approved at the 2025 AGM and relate to director fees from July 2024 to June 2025.

(b) Louis Rozman elected to take his Director Fees in Restricted Rights in lieu of a cash payment. The \$83,624 were approved at the 2025 AGM and relate to director fees from July 2024 to June 2025.

(c) John Warburton elects to take his fees in cash.

(d) Karen Green elects to take her fees in cash.

## 18. KMP Equity Interests and Changes During FY25

Movements in equity interests held by executive KMP during the reporting period, including their related parties, are set out below:

Table 16

Name	Instrument	Number Held at Open FY25	Granted FY25		Lapsed during FY25	Vested during FY25	FY25 Exercised (or Shares received from Exercising)	FY25 Purchased / Other	FY25 Sold	Number Held at Close 2025
			Date Granted	Number						
Alex Underwood	Shares	2,750,000	-	-	-	-	-	167,178	-	2,917,718
	Vested Rights	4,236,015	-	-	-	207,344	-	-	-	4,443,359
	Unvested Rights	8,297,935*	29/05/2025	2,220,120	(1,244,065)	(207,334)	-	-	-	9,046,646
	Options	-	-	-	-	-	-	83,589	-	83,589
Alex Hunter	Shares	-	-	-	-	-	-	-	-	-
	Vested Rights	-	-	-	-	-	-	-	-	-
	Unvested Rights	-	23/10/2025	561,488	-	-	-	-	-	561,488
Robin Polson	Shares	-	-	-	-	-	-	-	-	-
	Vested Rights	1,335,845	04/08/2025	250,000	-	-	(1,585,845)	-	-	-
	Unvested Rights**	1,891,379	-	-	-	-	-	-	-	1,891,379
Chris White	Shares	-	-	-	-	-	-	-	-	-
	Vested Rights	299,004	-	-	-	-	-	-	-	299,004
	Unvested Rights***	2,981,109	23/10/2025	768,531	-	-	-	-	-	3,749,640

\*The above figure includes FY23 Performance Rights (1,878,144) with a vesting date of 31 December 2025, of which 928,340 vested on 17 February 2026 following Board approval.

\*\*For the FY25 Unvested Rights held by former CFO, 791,863 relate to FY23 Performance Rights of which 324,664 vested on 17 February 2026 and 1,099,516 relate to FY24 Performance Rights which lapsed in full on 15 January 2026 due to service conditions not met.

\*\*\*It was mutually agreed between the Board and Mr White to reduce the number of Performance Rights granted post year-end. The number presented above represents the balance prior to modification.

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Directors' Report  
31 December 2025**

Movements in equity interests held by non-executive KMP during the reporting period, including their related parties, are set out below:

Table 17

Name	Instrument	Number Held at Open FY25	Granted FY25		Expired during FY25	Vested during FY25	FY25 Exercised (or Shares received from Exercising)	FY25 Purchased /Other	FY25 Sold	Number Held at Close 2025
		Number	Date Granted	Number	Number	Number	Number	Number	Number	Number
John Warburton	Shares	1,397,815	-	-	-	-	-	369,194	-	1,767,009
	Vested Rights	1,200,000	-	-	-	-	-	-	-	1,200,000
	Unvested Rights	-	-	-	-	-	-	-	-	-
	Options	159,091	-	-	(159,091)	-	-	184,597	-	184,597
Peter Cleary	Shares	1,669,546	-	-	-	-	-	369,194	-	2,038,740
	Vested Rights	1,327,160	29/05/2025	485,233	-	-	-	-	-	1,812,393
	Unvested Rights	-	-	-	-	-	-	-	-	-
	Options	-	-	-	-	-	-	184,597	-	184,597
Louis Rozman	Shares	839,796	-	-	-	-	-	312,500	-	1,152,296
	Vested Rights	478,722	29/05/2025	404,347	-	-	-	-	-	883,060
	Unvested Rights	-	-	-	-	-	-	-	-	-
	Options	-	-	-	-	-	-	156,250	-	156,250
Karen Green	Shares	625,000	-	-	-	-	-	792,178	-	1,417,178
	Vested Rights	274,927	-	-	-	-	-	-	-	274,927
	Unvested Rights	-	-	-	-	-	-	-	-	-
	Options	-	-	-	-	-	-	396,089	-	396,089

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Directors' Report  
31 December 2025**

The following outlines the accounting values and potential future costs of equity remuneration granted during FY25 for executive KMP:

Table 18

2025 Equity Grants Name	Tranche	Grant Type	Vesting Conditions	Grant Date	Fair Value of Grant per Right	Total value of Grant	Value Expensed in FY 25	Max Value to be Expensed in Future Years
Alex Underwood	FY25 LTVR Performance Rights - T1	LTVR	Absolute TSR	29/05/2025	\$0.021	\$23,376	\$7,778	\$15,598
	FY25 LTVR Performance Rights - T2	LTVR	Milestones	29/05/2025	\$0.165	\$187,010	\$62,223	\$56,310
Alex Hunter	FY25 LTVR Performance Rights	LTVR	Absolute TSR	23/10/2025	\$0.067	\$24,967	\$8,307	\$16,660
	FY25 LTVR Service Rights	LTVR	Milestones	23/10/2025	\$0.290	\$45,593	\$15,170	\$30,423
Robin Polson	FY25 LTVR Service Rights (vested and exercised)	LTVR	Milestones	04/08/2025	\$0.245	\$61,250	\$0	\$0
Chris White	FY25 LTVR Performance Rights	LTVR	Absolute TSR	23/10/2025	\$0.067	\$34,174	\$11,370	\$22,803
	FY25 LTVR Service Rights	LTVR	Absolute TSR	23/10/2025	\$0.290	\$62,405	\$20,764	\$41,641
<b>Totals</b>						<b>\$438,775</b>	<b>\$186,863</b>	<b>\$251,912</b>

*Note: the minimum value to be expensed in future years for each of the above grants made in FY25 is nil. A reversal of previous expense resulting in a negative expense in the future may occur in the event of an executive KMP departure or failure to meet non-market-based conditions including failure for Gate to open.*

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Directors' Report  
31 December 2025**

The following outlines the accounting values and potential future costs of equity remuneration granted during FY25 for Non-executive KMP:

Table 19

2025 Equity Grants	Tranche	Grant Type	Vesting Conditions	Grant Date	Value of Grant per Right	Total Value at Grant	Value Expensed in FY 25**	Max Value to be Expensed in Future Years
Name								
Peter Cleary	Restricted Rights	Fee Sacrifice	n/a*	29/05/2025	\$0.165	\$80,063	\$80,063	-
Louis Rozman	Restricted Rights	Fee Sacrifice	n/a*	29/05/2025	\$0.165	\$66,717	\$66,717	-

\*Pursuant to Section 300A (1)(d) of the Corporations Act, The Restricted Rights to Mr Peter Cleary and Mr Louis Rozman are not subject to the satisfaction of a performance condition as the Restricted Rights have been granted in lieu of cash payments for the fulfilment of their roles as Non-Executive Directors.

\*\*Directors have elected Restricted Rights instead of sacrificed value of \$100,575 for Mr Cleary and \$83,813 for Mr Rozman.

## 19. KMP Service Agreements

### 19.1 Executive KMP Service Agreements

The following outlines current executive KMP service agreements:

Table 20

Name	Position Held at Close of FY25	Employing Company	Duration of Contract	Period of Notice		Termination Payments*
				From Company	From KMP	
Alex Underwood	Managing Director	Beetaloo Energy Australia Limited	Permanent	12 months	12 months	12 months of salary in lieu of notice
Alex Hunter	Chief Financial Officer	Beetaloo Energy Australia Limited	Permanent	3 months	3 months	3 months of salary in lieu of notice
Chris White	Chief Operating Officer	Beetaloo Energy Australia Limited	Permanent	3 months	3 months	3 months of salary in lieu of notice

\*Note: Under the Corporations Act the Termination Benefit Limit is 12 months average Salary (over prior 3 years) unless shareholder approval is obtained.

### **19.2 Non-Executive Directors (NEDs) Service Agreements**

The appointment of Non-executive Directors is subject to a letter of engagement. Under this approach NEDs are not eligible for any termination benefits following termination of their office, nor any payments other than those required under law such as in respect of superannuation. There are no notice periods applicable to either party under this approach

## **20. Other Statutory Disclosures**

### **20.1 Loans to KMP and their related parties**

During the financial year and to the date of this report, the Company made no loans to directors and other KMP and none were outstanding as at 31 December 2025 (2024: Nil).

### **20.2 Other transactions with KMP**

During FY25, the Company engaged a consultant who is a related party of the Managing Director, with total payments for these services amounting to \$227,063.

## **End of Audited Remuneration Report**



Ernst & Young  
200 George Street  
Sydney NSW 2000 Australia  
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555  
Fax: +61 2 9248 5959  
ey.com/au

**Shape the future  
with confidence**

## **Auditor's independence declaration to the directors of Beetaloo Energy Australia Limited**

As lead auditor for the audit of the financial report of Beetaloo Energy Australia Limited for the financial year ended 31 December 2025, I declare to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit;
- b. No contraventions of any applicable code of professional conduct in relation to the audit; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Beetaloo Energy Australia Limited and the entities it controlled during the financial year.

Ernst & Young

Siobhan Hughes  
Partner  
Sydney  
31 March 2026

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Consolidated statement of profit or loss and other comprehensive income  
For the year ended 31 December 2025**

	Note	Consolidated 2025 \$'000	2024 \$'000
<b>Income from continuing operations</b>			
Income	6	24	1,022
Finance income	6	520	1,525
<b>Expenses</b>			
Exploration expenses		(6,503)	(12,186)
General and administration expenses	7	(10,648)	(9,178)
Depreciation, depletion and amortisation	7	(278)	(281)
Finance costs	7	(2,355)	(1,279)
<b>Loss before income tax expense from continuing operations</b>		(19,240)	(20,377)
Income tax expense	8	(151)	(177)
Loss after income tax expense from continuing operations		(19,391)	(20,554)
Profit after income tax expense from discontinued operations		-	6,126
<b>Loss after income tax expense for the year attributable to the owners of Beetaloo Energy Australia Limited</b>		(19,391)	(14,428)
<b>Other comprehensive income</b>			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Transfer of foreign currency reserve on disposal of US subsidiary		-	(63)
Translation of foreign operations		-	352
Other comprehensive income for the year, net of tax		-	289
<b>Total comprehensive loss for the year attributable to the owners of Beetaloo Energy Australia Limited</b>		<u>(19,391)</u>	<u>(14,139)</u>
Total comprehensive loss for the year is attributable to:			
Continuing operations		(19,391)	(19,954)
Discontinued operations		-	5,815
		<u>(19,391)</u>	<u>(14,139)</u>

*The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes*

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Consolidated statement of profit or loss and other comprehensive income  
For the year ended 31 December 2025**

		Cents	Cents
<b>Earnings per share for loss from continuing operations attributable to the owners of Beetaloo Energy Australia Limited</b>			
Basic earnings per share	9	(1.69)	(2.20)
Diluted earnings per share	9	(1.69)	(2.20)
<b>Earnings per share for profit from discontinued operations attributable to the owners of Beetaloo Energy Australia Limited</b>			
Basic earnings per share	9	-	0.66
Diluted earnings per share	9	-	0.66
<b>Earnings per share for loss attributable to the owners of Beetaloo Energy Australia Limited</b>			
Basic earnings per share	9	(1.69)	(1.54)
Diluted earnings per share	9	(1.69)	(1.54)

*The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes*

For personal use only

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Consolidated statement of financial position  
As at 31 December 2025**

	Note	Consolidated 2025 \$'000	2024 \$'000
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	10	17,763	25,438
Trade and other receivables	11	993	2,728
Other assets	12	16,402	9,594
Financial assets	13	895	-
Total current assets		<u>36,053</u>	<u>37,760</u>
<b>Non-current assets</b>			
Property, plant and equipment	15	10,379	2,823
Exploration and evaluation assets	16	144,814	123,711
Right-of-use assets	17	206	424
Financial assets	13	1,472	2,284
Total non-current assets		<u>156,871</u>	<u>129,242</u>
<b>Total assets</b>		<u>192,924</u>	<u>167,002</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	18	9,912	23,854
Borrowings	19	25,445	1,827
Lease liabilities	20	209	256
Provisions	21	269	256
Total current liabilities		<u>35,835</u>	<u>26,193</u>
<b>Non-current liabilities</b>			
Lease liabilities		10	196
Provisions	21	4,208	4,169
Total non-current liabilities		<u>4,218</u>	<u>4,365</u>
<b>Total liabilities</b>		<u>40,053</u>	<u>30,558</u>
<b>Net assets</b>		<u>152,871</u>	<u>136,444</u>
<b>Equity</b>			
Contributed equity	22	328,245	293,401
Reserves	23	3,700	12,272
Accumulated losses		<u>(179,074)</u>	<u>(169,229)</u>
<b>Total equity</b>		<u>152,871</u>	<u>136,444</u>

The above consolidated statement of financial position should be read in conjunction with the accompanying notes

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Consolidated statement of changes in equity  
For the year ended 31 December 2025**

<b>Consolidated</b>	<b>Issued Capital \$'000</b>	<b>Reserves \$'000</b>	<b>Accumulated losses \$'000</b>	<b>Total equity \$'000</b>
Balance at 1 January 2024	255,946	11,177	(154,819)	112,304
Loss after income tax expense for the year	-	-	(14,428)	(14,428)
Other comprehensive income for the year, net of tax	-	289	-	289
Total comprehensive income/(loss) for the year	-	289	(14,428)	(14,139)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs (note 22)	37,455	-	-	37,455
Share-based payments (note 35)	-	824	-	824
Transfer to/from accumulated losses	-	(18)	18	-
Balance at 31 December 2024	<u>293,401</u>	<u>12,272</u>	<u>(169,229)</u>	<u>136,444</u>

<b>Consolidated</b>	<b>Issued Capital \$'000</b>	<b>Reserves \$'000</b>	<b>Accumulated losses \$'000</b>	<b>Total equity \$'000</b>
Balance at 1 January 2025	293,401	12,272	(169,229)	136,444
Loss after income tax expense for the year	-	-	(19,391)	(19,391)
Total comprehensive loss for the year	-	-	(19,391)	(19,391)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs (note 22)	34,844	-	-	34,844
Share-based payments (note 35)	-	974	-	974
Transfer to/from accumulated losses*	-	(9,546)	9,546	-
Balance at 31 December 2025	<u>328,245</u>	<u>3,700</u>	<u>(179,074)</u>	<u>152,871</u>

\* During FY25, approximately \$9.5 million was reclassified from share-based payments reserve to accumulated losses, relating to lapsed or cancelled rights. The reclassification is non-cash and does not affect total equity or profit/(loss).

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Consolidated statement of cash flows  
For the year ended 31 December 2025**

	Note	Consolidated 2025 \$'000	2024 \$'000
<b>Cash flows from operating activities</b>			
Receipts from other income (inclusive of GST)		1,011	(57)
Payments to suppliers and employees (inclusive of GST)		(16,705)	(15,025)
R&D tax incentive		-	3,968
Interest received		520	1,528
Interest and other finance costs paid		(2,549)	(1,494)
Income taxes paid		(151)	(177)
Net cash used in operating activities	36	(17,874)	(11,257)
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment		(9,116)	(942)
Payments for exploration and evaluation assets		(39,065)	(26,073)
Proceeds from deferred consideration		151	-
Proceeds from release of security deposits		-	4,398
Sale of royalties for exploration and evaluation assets	16	-	7,757
Proceeds from the sale of discontinued operation	30	-	8,101
Net cash used in investing activities		(48,030)	(6,759)
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares	22	36,212	39,000
Proceeds from interest-bearing liabilities		25,445	-
Share issue transaction costs		(1,367)	(1,545)
Repayments of interest-bearing liabilities		(1,827)	(7,061)
Repayment of lease liabilities		(233)	(585)
Net cash from financing activities		58,230	29,809
Net (decrease)/increase in cash and cash equivalents		(7,674)	11,793
Cash and cash equivalents at the beginning of the financial year		25,438	12,971
Effects of exchange rate changes on cash and cash equivalents		(1)	674
Cash and cash equivalents at the end of the financial year	10	17,763	25,438

*The above consolidated statement of cash flows should be read in conjunction with the accompanying notes*

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Notes to the consolidated financial statements  
31 December 2025**

**Note 1. General information**

The financial statements cover Beetaloo Energy Australia Limited as a Group consisting of Beetaloo Energy Australia Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Beetaloo Energy Australia Limited's functional and presentation currency.

Beetaloo Energy Australia Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 5  
6 - 10 O'Connell Street  
Sydney NSW 2000

A description of the nature of the Group's operations and its principal activities are included in the Directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 31 March 2026. The Directors have the power to amend and reissue the financial statements.

**Note 2. Material accounting policy information**

**New or amended Accounting Standards and Interpretations adopted**

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

**Basis of preparation**

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards Accounting Standards as issued by the International Accounting Standards Board ('IASB').

*Historical cost convention*

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss and derivative financial instruments.

*Critical accounting estimates*

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

**Parent entity information**

In accordance with the Corporations Act 2001, these financial statements present the results of the Group. Supplementary information about the parent entity is disclosed in note 33.

**Principles of consolidation**

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Beetaloo Energy Australia Limited ('Company' or 'parent entity') as at 31 December 2025 and the results of all subsidiaries for the year then ended. Beetaloo Energy Australia Limited and its subsidiaries together are referred to in these financial statements as the 'Group'.

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Notes to the consolidated financial statements  
31 December 2025**

**Note 2. Material accounting policy information (continued)**

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the Group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

**Operating segments**

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

**Foreign currency translation**

*Foreign currency transactions*

Foreign currency transactions are translated into the Company's 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 financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

*Foreign operations*

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

**Income**

*Finance income*

Finance income comprises interest income on funds invested as well as fair value gains on oil and gas derivatives the Group is party to. Interest income is recognised as it accrues, using the effective interest method.

*Government grants*

Government grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Government grants related to assets, including non-monetary grants at fair value, are presented in the statement of financial position by deducting the grant in arriving at the carrying amount of the asset.

**Note 2. Material accounting policy information (continued)**

**Income tax**

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- when the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits and does not give rise to equal taxable and deductible differences; or
- when the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

**Discontinued operations**

A discontinued operation is a component of the Group that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately on the face of the statement of profit or loss and other comprehensive income.

**Tax consolidation**

Beetaloo Energy Australia Limited and its wholly-owned Australian resident entities form a tax-consolidated Beetaloo Group. As a consequence, all members of the tax-consolidated Beetaloo Group have been taxed as a single entity since 1 July 2003. The head entity within the tax-consolidated Beetaloo Group is Beetaloo Energy Australia Limited.

Current tax expense/income, deferred tax liabilities and deferred tax assets arising from temporary differences of the members of the tax-consolidated Beetaloo Group are recognised in the separate financial statements of the members of the tax-consolidated Beetaloo Group using the 'separate taxpayer within Beetaloo Group' approach by reference to the carrying amounts of assets and liabilities in the separate financial statements of each entity and the tax values applying under tax consolidation.

Any current tax liabilities (or assets) and deferred tax assets arising from unused tax losses of the subsidiaries are assumed by the head entity in the tax-consolidated Beetaloo Group and are recognised by the Beetaloo Group as amounts payable/(receivable) to/from other entities in the tax-consolidated Beetaloo Group in conjunction with any tax funding arrangement amounts (refer below). Any difference between these amounts is recognised by the Beetaloo Group as an equity contribution or distribution.

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Notes to the consolidated financial statements  
31 December 2025**

**Note 2. Material accounting policy information (continued)**

The Beetaloo Group recognises deferred tax assets arising from unused tax losses of the tax consolidated Beetaloo Group to the extent that it is probable that future taxable profits of the tax consolidated Beetaloo Group will be available against which the asset can be utilised.

Any subsequent period adjustments to deferred tax assets arising from unused tax losses as a result of revised assessments of the probability of recoverability is recognised by the head entity only.

*Nature of tax funding arrangements and tax sharing arrangements*

The head entity, in conjunction with other members of the tax-consolidated Beetaloo Group, has entered into a tax funding arrangement which sets out the funding obligations of members of the tax-consolidated Beetaloo Group in respect of tax amounts.

The tax funding arrangements require payments to/from the head entity equal to the current tax liability/(asset) assumed by the head entity and any tax-loss deferred tax asset assumed by the head entity, resulting in the head entity recognising an inter-entity receivable/(payable) equal in amount to the tax liability/(asset) assumed. The inter-entity receivables/(payables) are at call. Contributions to fund the current tax liabilities are payable as per the tax funding arrangement and reflect the timing of the head entity's obligation to make payments for tax liabilities to the relevant tax authorities.

The head entity in conjunction with other members of the tax-consolidated Beetaloo Group, has also entered into a tax sharing agreement. The tax sharing agreement provides for the determination of the allocation of income tax liabilities between the entities should the head entity default on its tax payment obligations. No amounts have been recognised in the financial statements in respect of this agreement as payment of any amounts under the tax sharing agreement is considered remote.

**Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**Trade and other receivables**

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

An estimate of expected credit loss is made based on historic data on collectability and consideration of the credit worthiness of customers. Bad debts are written-off when identified.

The Group has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

**Customer acquisition costs**

Customer acquisition costs are capitalised as an asset where such costs are incremental to obtaining a contract with a customer and are expected to be recovered. Customer acquisition costs are amortised on a straight-line basis over the term of the contract.

Costs to obtain a contract that would have been incurred regardless of whether the contract was obtained or which are not otherwise recoverable from a customer are expensed as incurred to profit or loss. Incremental costs of obtaining a contract where the contract term is less than one year is immediately expensed to profit or loss.

**Property, plant and equipment**

Property, plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Notes to the consolidated financial statements  
31 December 2025**

**Note 2. Material accounting policy information (continued)**

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as outlined below, except for land which is not depreciated:

Buildings	40 years
Leasehold improvements	3-10 years
Plant and equipment	3-7 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Group. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

**Exploration and Evaluation Assets**

Exploration and appraisal expenditure is expensed as incurred or accumulated and capitalised as an exploration and evaluation asset in respect of each area of interest, being an individual permit or group of permits that are considered to represent a single project.

Such costs are carried forward only where the relevant area of interest is current and where:

- the expenditure is expected to be recouped through successful future development and exploitation of the area of interest or by its sale; or
- exploration and appraisal activities have not yet progressed to a stage that permits a reasonable assessment of the existence of economically recoverable resources, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets continue to be recognised while appraisal activities, pilot production programs and associated technical and commercial assessments are undertaken to determine the economic viability of the resource.

Capitalised exploration and evaluation expenditure is assessed for impairment where facts and circumstances indicate that the carrying amount may exceed its recoverable amount. If an area of interest is relinquished or the Directors determine that the expenditure is not expected to be recoverable, the accumulated costs are written off in the period of that assessment.

Exploration and evaluation assets are reclassified to development assets when technical feasibility and commercial viability of extracting hydrocarbons for commercial production are demonstrable. This is evidenced when all key regulatory approvals, funding arrangements and development plans necessary to commence commercial production are in place.

Upon reclassification, the relevant assets are transferred to development assets within property, plant and equipment. Subsequent expenditure directly attributable to field development is capitalised, and depreciation commences when the assets are ready for their intended use, being upon commencement of commercial production.

**Note 2. Material accounting policy information (continued)**

**Impairment of exploration assets**

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. Where a potential impairment is indicated, assessment is performed for each area of interest in conjunction with the group of operating assets (representing a Cash Generating Unit) to which the exploration and evaluation is attributable. To the extent that capitalised exploration and evaluation is not expected to be recovered, it is charged to profit or loss

**Right-of-use assets**

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

**Trade and other payables**

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

**Borrowings**

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

**Lease liabilities**

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

**Finance costs**

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

## **Note 2. Material accounting policy information (continued)**

### **Provisions**

Provisions are recognised when the Group has a present (legal or constructive) obligation as a result of a past event, it is probable the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

#### *Provision for rehabilitation*

A provision has been made for the present value of anticipated costs for future site restoration. The Group's extraction and exploration activities are subject to various laws and regulations governing the protection of the environment and Traditional Owners.

### **Employee benefits**

#### *Short-term employee benefits*

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

#### *Other long-term employee benefits*

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

#### *Share-based payments*

Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using the Black-Scholes or Monte-Carlo option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Group receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

**Note 2. Material accounting policy information (continued)**

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the Group or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Group or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

**Fair value measurement**

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

**Issued capital**

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**Earnings per share**

*Basic earnings per share*

Basic earnings per share is calculated by dividing the profit attributable to the owners of Beetaloo Energy Australia Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Notes to the consolidated financial statements  
31 December 2025**

**Note 2. Material accounting policy information (continued)**

*Diluted earnings per share*

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of additional ordinary shares that would have been outstanding assuming conversion of all dilutive potential ordinary shares.

**Rounding of amounts**

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

**New Accounting Standards and Interpretations not yet mandatory or early adopted**

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 31 December 2025. The Group's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Group, are set out below.

*AASB 18 Presentation and Disclosure in Financial Statements*

This standard is applicable to annual reporting periods beginning on or after 1 January 2027 and early adoption is permitted. The standard replaces AASB 101 'Presentation of Financial Statements', with many of the original disclosure requirements retained and there will be no impact on the recognition and measurement of items in the financial statements. But the standard will affect presentation and disclosure in the financial statements, including introducing five categories in the statement of profit or loss and other comprehensive income: operating, investing, financing, income taxes and discontinued operations.

The standard introduces two mandatory sub-totals in the statement: 'Operating profit' and 'Profit before financing and income taxes'. There are also new disclosure requirements for 'management-defined performance measures'. The standard provides enhanced guidance on grouping of information (aggregation and disaggregation), including whether to present this information in the primary financial statements or in the notes. The Group will adopt this standard from 1 July 2027 and it is expected that there will be a significant change to the layout of the statement of profit or loss and other comprehensive income.

The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

**Note 3. Critical accounting judgements, estimates and assumptions**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

*Provision for rehabilitation*

A provision has been made for the present value of anticipated costs for future site restoration. The Group's extraction and exploration activities are subject to various laws and regulations governing the protection of the environment and Traditional Owners.

The Group recognises management's best estimate for site rehabilitations in the period in which they are incurred. Actual costs incurred in the future periods could differ materially from the estimates. Additionally, future changes to environmental laws and regulations, life of well estimates and discount rates could affect the carrying amount of this provision.

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Notes to the consolidated financial statements  
31 December 2025**

**Note 3. Critical accounting judgements, estimates and assumptions (continued)**

*Recoverability of exploration and evaluation assets*

Assessment of the indicators of impairment of capitalised exploration and evaluation expenditure requires certain estimates and assumptions to be made as to future events and circumstances, particularly in relation to whether economic quantities of reserves have been discovered. Such estimates and assumptions may change as new information becomes available. If, after expenditure is capitalised, information becomes available indicating that the recovery of expenditure is unlikely, the amount capitalised is written off in the consolidated statement of comprehensive income in the period when the new information becomes available. The recoverability of the carrying amount of exploration and evaluation assets is dependent on the successful development and commercial exploitation or sale of the respective areas of interest.

*Share-based payment transactions*

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Monte-Carlo or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

**Note 4. Going concern**

The consolidated financial statements have been prepared on a going concern basis, which assumes the Group will continue its normal business activities and realise its assets and settle its liabilities in the ordinary course of business.

As at 31 December 2025, the Group held cash and cash equivalents of \$17.7 million and had undrawn borrowing facilities of \$6.8 million, comprising \$4.5 million under the R&D Facility and \$2.3 million under the Bonding Facility. Current liabilities comprised primarily \$25.5 million of external debt due under the R&D Facility and \$9.9 million of trade payables.

As a result, the Group was in a net current asset position of \$0.2 million, with current assets of \$36.1 million exceeding current liabilities of \$35.8 million.

In addition to cash, current assets as at 31 December 2025 included a refundable Research and Development (R&D) tax incentive receivable of \$14.9 million relating to eligible R&D expenditure incurred during the year ended 31 December 2024. Subsequent to year end, the Australian Taxation Office has advised that the R&D tax incentive refund, including applicable interest, has been processed and an electronic funds transfer has been initiated. The Group expects to receive the funds in the near term. Upon receipt, the funds will strengthen the Group's liquidity position and will be applied to support repayment of the R&D Loan Facility.

The Group's financing arrangements include facilities with Macquarie Bank, which are subject to customary covenant requirements, including minimum liquidity and financial ratio obligations. The Group has demonstrated its ability to agree amendments and waivers with its lenders when required.

The Directors have prepared cash flow forecasts covering the period to 31 March 2027, which indicate that the Group expects to have sufficient liquidity to meet its obligations as they fall due. These forecasts assume the continued availability of existing financing arrangements, repayment of R&D Loan Facility through obtaining a tax incentive rebate for eligible R&D expenditure incurred during the year ended 31 December 2025, access to additional funding under the Macquarie Infrastructure (Midstream) Facility (subject to satisfaction of customary conditions precedent), the commencement of positive cash flows from pilot project activities from Q3/Q4 2026, and the ability to reduce or defer discretionary expenditure if required.

At the time of the report there is uncertainty that each of the matters above can be achieved in a sufficiently timely manner and funds raised to meet these obligations. This indicates the existence of a material uncertainty, which casts significant doubt over the Group's ability to continue as a going concern and, therefore, it may be unable to realise its assets and discharge its liabilities in the normal course of business. The financial statements do not include adjustments that would result if the Group was unable to continue as a going concern.

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Notes to the consolidated financial statements  
31 December 2025**

**Note 4. Going concern (continued)**

The Directors are confident in the Group's ability to achieve these outcomes, based on its history of successfully raising capital, planned R&D activities for the forecast period, and established and constructive relationships with its lenders, including prior amendments to covenant requirements.

After considering the Group's cash flow forecasts and the mitigating actions available to management, the Directors are satisfied that the Group will have access to sufficient liquidity to continue its operations for at least 12 months from the date of approval of the financial report. Accordingly, the financial statements have been prepared on a going concern basis.

**Note 5. Operating segments**

*Identification of reportable operating segments*

The Group is organised into two operating segments:

- (1) Northern Territory - includes all exploration and drilling activity of the Group in the Northern Territory, conducted through Imperial Oil & Gas Pty Limited and Imperial Oil & Gas A Pty Limited; and
- (2) Corporate - includes all centralised administration costs, minor other income and investments/loans in Imperial Oil & Gas Pty Limited and Imperial Oil & Gas A Pty Limited (eliminated on consolidation).

These operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

Intersegment revenue relates to Corporate overhead charges only. Included in Other income are gains disclosed separately on the face of the Statement of Profit or Loss and Other Comprehensive Income. Information reported to the CODM allows resources to be allocated and subsequent performance to be analysed. This is reviewed on a monthly basis.

Other operating expenses represents the profit/(loss) earned by each segment without allocation of central administration costs and share-based payments, finance income and finance expense, gains or losses on disposal of associates and discontinued operations. This is the measure reported to the CODM for the purposes of resource allocation and assessment of segment performance.

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Notes to the consolidated financial statements  
31 December 2025**

**Note 5. Operating segments (continued)**

*Operating segment information*

	Northern Territory \$'000	Corporate \$'000	Total \$'000
<b>Consolidated - 2025</b>			
<b>Revenue</b>			
Intersegment charges	(6,985)	6,985	-
Intersegment interest	10,121	(10,121)	-
<b>Total revenue</b>	<b>3,136</b>	<b>(3,136)</b>	<b>-</b>
Other income	24	-	24
Interest income (external)	-	520	520
Depreciation, depletion and amortisation	(7)	(271)	(278)
Share-based payments expense	-	(974)	(974)
Finance costs (net)	(2,344)	(11)	(2,355)
Other operating expenses	(8,428)	(7,749)	(16,177)
<b>Loss before income tax expense</b>	<b>(10,755)</b>	<b>(8,485)</b>	<b>(19,240)</b>
Income tax expense			(151)
<b>Loss after income tax expense</b>			<b>(19,391)</b>
<b>Assets</b>			
Segment assets	176,093	16,831	192,924
<b>Total assets</b>			<b>192,924</b>
<b>Liabilities</b>			
Segment liabilities	36,150	3,903	40,053
<b>Total liabilities</b>			<b>40,053</b>
<b>Consolidated - 2024</b>			
<b>Revenue</b>			
Intersegment charges	(6,620)	6,620	-
Intersegment interest	7,031	(7,031)	-
<b>Total revenue</b>	<b>411</b>	<b>(411)</b>	<b>-</b>
Other income	-	1,022	1,022
Interest income (external)	7	1,518	1,525
Depreciation, depletion and amortisation	(20)	(261)	(281)
Share-based payments expense	-	(824)	(824)
Finance costs (net)	(1,262)	(17)	(1,279)
Other operating expenses	(13,161)	(7,379)	(20,540)
<b>Loss before income tax expense</b>	<b>(14,436)</b>	<b>(5,941)</b>	<b>(20,377)</b>
Income tax expense			(177)
<b>Loss after income tax expense</b>			<b>(20,554)</b>
<b>Assets</b>			
Segment assets	138,045	28,957	167,002
<b>Total assets</b>			<b>167,002</b>
<b>Liabilities</b>			
Segment liabilities	25,724	4,834	30,558
<b>Total liabilities</b>			<b>30,558</b>

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Notes to the consolidated financial statements  
31 December 2025**

**Note 5. Operating segments (continued)**

All the Group's exploration oil and gas tenements are in the Northern Territory, Australia.

**Note 6. Finance and other income**

Finance income

	<b>Consolidated</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$'000</b>	<b>\$'000</b>
Interest from bank	736	1,144
Fair value movement on deferred consideration	(216)	107
Unwind of discount of solar financial asset	-	274
	520	1,525

Other income

	<b>Consolidated</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$'000</b>	<b>\$'000</b>
Deferred US payments (note 13)	-	1,022
Net gain on disposal of property, plant and equipment	24	-
	24	1,022

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Notes to the consolidated financial statements  
31 December 2025**

**Note 7. Expenses**

	<b>Consolidated</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$'000</b>	<b>\$'000</b>
Loss before income tax from continuing operations includes the following specific expenses:		
<i>Depreciation and depletion</i>		
Depreciation - property, plant and equipment (note 15)	60	44
Depreciation - right-of-use assets (note 17)	218	237
	<hr/>	<hr/>
Total depreciation and depletion	278	281
<i>General and administration expenses</i>		
Salaries and wages - Australia	3,237	2,875
Other advisory fees	1,860	1,980
Other overhead	3,781	3,296
Insurance including NT work programs	796	203
Shared based payments expense*	974	824
	<hr/>	<hr/>
	10,648	9,178
<i>Finance costs</i>		
Interest and finance charges paid/payable on lease liabilities	10	17
Interest paid/payable on financial liabilities	1,634	312
Commitment fees (Facility - AU)	297	522
Establishment fees (Facility - AU)	375	428
Unwind on rehabilitation provision	39	-
	<hr/>	<hr/>
Finance costs expensed	2,355	1,279
<i>Employee costs</i>		
Defined contribution superannuation expense	190	186
Salaries and wages	3,047	2,689
	<hr/>	<hr/>
Total employee costs	3,237	2,875

\* There were no changes to the Beetaloo Energy Australia Limited Rights Plan as compared to the prior period. During the period 3,086,799 Unvested Performance Rights, 1,664,379 Restricted Rights and 1,236,665 Service Rights were granted to employees and independent directors. Refer to note 35.

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Notes to the consolidated financial statements  
31 December 2025**

**Note 8. Income tax**

	<b>Consolidated</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$'000</b>	<b>\$'000</b>
<i>Income tax expense</i>		
Current tax	151	177
Aggregate income tax expense	<u>151</u>	<u>177</u>
<i>Numerical reconciliation of income tax expense and tax at the statutory rate</i>		
Loss before income tax expense from continuing operations	(19,240)	(20,377)
Profit before income tax expense from discontinued operations	-	6,126
	<u>(19,240)</u>	<u>(14,251)</u>
Tax at the statutory tax rate of 30%	(5,772)	(4,275)
Difference in overseas tax rates	-	(77)
Changes in Australian tax rate	-	493
Withholding tax paid	151	177
Deferred tax asset in relation to tax losses and temporary differences not recognised	<u>5,772</u>	<u>3,859</u>
Income tax expense	<u>151</u>	<u>177</u>

	<b>Consolidated</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$'000</b>	<b>\$'000</b>
<i>Deferred tax assets not recognised</i>		
Deferred tax assets not recognised comprises temporary differences attributable to:		
Tax losses	44,988	45,045
Other	(10,100)	7,293
Total deferred tax assets not recognised	<u>34,888</u>	<u>52,338</u>

The above potential tax benefit, which excludes tax losses, for deductible temporary differences has not been recognised in the statement of financial position as the recovery of this benefit is uncertain.

The tax loss balance has remained broadly consistent with the prior year despite the Group incurring an accounting loss, primarily due to the recognition of refundable research and development (R&D) tax offsets, which reduce the amount of tax losses available to be carried forward.

The potential benefit of the deferred tax asset attributable to tax losses will only be obtained if:

- (i) the Group derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deduction for the loss to be realised; or
- (ii) the Group continues to comply with the conditions for deductibility imposed by the law; and
- (iii) no changes in tax legislation adversely affect the Group in realising the asset.

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Notes to the consolidated financial statements  
31 December 2025**

**Note 8. Income tax (continued)**

	<b>Consolidated</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$'000</b>	<b>\$'000</b>
<i>Deferred tax asset</i>		
Deferred tax asset comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Accrued asset retirement obligation	-	21,201
Other	(166)	5,109
Deferred tax asset in relation to temporary differences not recognised	10,100	(7,293)
Set-off of deferred tax liabilities pursuant to set-off provisions	(9,934)	(19,017)
	<u>-</u>	<u>-</u>
Deferred tax asset	<u>-</u>	<u>-</u>

	<b>Consolidated</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$'000</b>	<b>\$'000</b>
<i>Deferred tax liability</i>		
Deferred tax liability comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Oil and gas properties and property, plant and equipment	9,953	16,463
Other	(19)	2,553
Set-off of deferred tax liabilities pursuant to set-off provisions	(9,934)	(19,016)
	<u>-</u>	<u>-</u>
Deferred tax liability	<u>-</u>	<u>-</u>

**Note 9. Earnings per share**

	<b>Consolidated</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$'000</b>	<b>\$'000</b>
<i>Earnings per share for loss from continuing operations</i>		
Loss after income tax attributable to the owners of Beetaloo Energy Australia Limited	<u>(19,391)</u>	<u>(20,554)</u>
	<b>Number</b>	<b>Number</b>
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>1,150,310,593</u>	<u>935,213,554</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>1,150,310,593</u>	<u>935,213,554</u>
	<b>Cents</b>	<b>Cents</b>
Basic earnings per share	(1.69)	(2.20)
Diluted earnings per share	(1.69)	(2.20)

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Notes to the consolidated financial statements  
31 December 2025**

**Note 9. Earnings per share (continued)**

	<b>Consolidated</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$'000</b>	<b>\$'000</b>
<i>Earnings per share for profit from discontinued operations</i>		
Profit after income tax attributable to the owners of Beetaloo Energy Australia Limited	-	6,126
	<b>Number</b>	<b>Number</b>
Weighted average number of ordinary shares used in calculating basic earnings per share	1,150,310,593	935,213,554
Weighted average number of ordinary shares used in calculating diluted earnings per share	1,150,310,593	935,213,554
	<b>Cents</b>	<b>Cents</b>
Basic earnings per share	-	0.66
Diluted earnings per share	-	0.66

	<b>Consolidated</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$'000</b>	<b>\$'000</b>
<i>Earnings per share for loss</i>		
Loss after income tax attributable to the owners of Beetaloo Energy Australia Limited	(19,391)	(14,428)
	<b>Number</b>	<b>Number</b>
Weighted average number of ordinary shares used in calculating basic earnings per share	1,150,310,593	935,213,554
Weighted average number of ordinary shares used in calculating diluted earnings per share	1,150,310,593	935,213,554
	<b>Cents</b>	<b>Cents</b>
Basic earnings per share	(1.69)	(1.54)
Diluted earnings per share	(1.69)	(1.54)

103,140,091 Options (2024: nil), 17,109,807 Performance Rights (2024: 14,350,433), 5,573,748 Service Rights (2024: 4,993,336) and 7,253,546 Restricted Rights (2024: 7,621,250) have been excluded from the above calculation as their inclusion would be anti-dilutive.

**Note 10. Cash and cash equivalents**

	<b>Consolidated</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$'000</b>	<b>\$'000</b>
<i>Current assets</i>		
Cash at bank	17,763	25,438

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Notes to the consolidated financial statements  
31 December 2025**

**Note 11. Trade and other receivables**

	<b>Consolidated</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$'000</b>	<b>\$'000</b>
<i>Current assets</i>		
Trade receivables	3	-
Other receivables	-	3
GST receivable	990	2,725
	<u>993</u>	<u>2,728</u>

**Note 12. Other assets**

	<b>Consolidated</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$'000</b>	<b>\$'000</b>
<i>Current assets</i>		
Carpentaria-5H consumables*	-	8,128
Prepayments	1,250	1,255
Security deposits**	181	181
Term deposits	30	30
R&D receivable***	14,941	-
	<u>16,402</u>	<u>9,594</u>

\* Consumables made up of sand and chemicals bought but not yet used for hydraulic stimulation expected mid-2025.

\*\* Security deposits comprise of cash payments to secure leasing.

\*\*\* As at 31 December 2025, the Company has recognised a refundable R&D tax incentive receivable of \$14.9 million, relating to eligible R&D expenditure incurred during the year ended 31 December 2024.

**Note 13. Financial assets**

	<b>Consolidated</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$'000</b>	<b>\$'000</b>
<i>Current assets</i>		
Deferred solar payments	708	-
Deferred consideration	187	-
	<u>895</u>	<u>-</u>
<i>Non-current assets</i>		
Deferred solar payments	-	657
Deferred consideration	1,472	1,627
	<u>1,472</u>	<u>2,284</u>
	<u>2,367</u>	<u>2,284</u>

Deferred solar payments refer to all remaining payments of US\$500,000 due to Empire E&P pursuant to the 2022 Mutual Use Agreement with ConnectGen Chautauqua Country LLC for the Ripley Solar Project to be received by the Company.

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Notes to the consolidated financial statements  
31 December 2025**

**Note 13. Financial assets (continued)**

The deferred consideration is payable under the following terms:

- The deferred consideration is paid in monthly instalments due on the first day of each month commencing 1 June 2024, until such amount is paid in full (i.e. the "Deferred Payment")
- The monthly Deferred Payment amount shall be based on the Henry Hub settlement price from the second preceding month. It shall constitute a single payment determined by the maximum amount, based on the following tiered payment amounts that depend on the gas price, as shown below:

Gas price (US dollar per million Btu)	Amount payable (US dollar)
3.50 - 3.99	25,000
4.00 - 4.49	50,000
4.50 - 4.99	750,000
5.00 - 5.49	100,000
5.50 - 5.99	125,000
6.00 and above	150,000

**Note 14. Oil and gas properties**

*Reconciliations*

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

<b>Consolidated</b>	Oil and gas - Producing \$'000	Oil and gas - Non Producing \$'000	Total \$'000
Balance at 1 January 2024	35,023	3,183	38,206
Disposals	(34,923)	-	(34,923)
Exchange differences	158	(3,183)	(3,025)
Depreciation	(258)	-	(258)
Balance at 31 December 2024	-	-	-
Additions	-	-	-
Disposals	-	-	-
Depreciation	-	-	-
Balance at 31 December 2025	-	-	-

Estimates of recoverable amounts for producing assets are based on an asset's value in use or fair value less costs to sell, using a discounted cash flow method.

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Notes to the consolidated financial statements  
31 December 2025**

**Note 15. Property, plant and equipment**

	<b>Consolidated</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$'000</b>	<b>\$'000</b>
<i>Non-current assets</i>		
Equipment - at cost	370	324
Less: Accumulated depreciation	(370)	(313)
	<u>-</u>	<u>11</u>
Motor vehicles - at cost	140	140
Less: Accumulated depreciation	(140)	(139)
	<u>-</u>	<u>1</u>
Plant and equipment - at cost	10,379	2,811
Less: Accumulated depreciation	-	-
	<u>10,379</u>	<u>2,811</u>
	<u>10,379</u>	<u>2,823</u>

*Reconciliations*

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

<b>Consolidated</b>	<b>Land</b>	<b>Buildings</b>	<b>Equipment</b>	<b>Motor</b>	<b>Plant and</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>vehicles</b>	<b>equipment</b>	<b>\$'000</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Balance at 1 January 2024	7	199	143	206	-	555
Additions	-	-	9	-	933	942
Disposals	(7)	(199)	(117)	(141)	-	(464)
Transfer from exploration and evaluation assets (note 16)	-	-	-	-	3,227	3,227
R&D rebate	-	-	-	-	(1,349)	(1,349)
Exchange differences	-	-	(11)	(33)	-	(44)
Depreciation expense	-	-	(13)	(31)	-	(44)
Balance at 31 December 2024	-	-	11	1	2,811	2,823
Additions	-	-	48	-	6,219	6,267
Reclassification	-	-	-	-	1,349	1,349
Depreciation expense	-	-	(59)	(1)	-	(60)
Balance at 31 December 2025	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,379</u>	<u>10,379</u>

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Notes to the consolidated financial statements  
31 December 2025**

**Note 16. Exploration and evaluation assets**

	<b>Consolidated</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$'000</b>	<b>\$'000</b>
<i>Non-current assets</i>		
Capitalised exploration and evaluation assets	<u>144,814</u>	<u>123,711</u>

*Reconciliations*

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

<b>Consolidated</b>	<b>Capitalised exploration and evaluation assets \$'000</b>
Balance at 1 January 2024	111,514
Additions	26,073
Change in Provision on rehabilitation	(273)
Government grants and R&D tax incentive	(2,619)
Transfer to plant and equipment (note 15)	(3,227)
Private Royalties*	<u>(7,757)</u>
Balance at 31 December 2024	123,711
Additions	37,692
Government grants and R&D tax incentive	(14,940)
Disposal	(300)
Reclass of 2023 R&D offset from PPE	<u>(1,349)</u>
Balance at 31 December 2025	<u>144,814</u>

- \* On 17 April 2024, Daly Waters Royalty, LP (“Daly Waters”) and Liberty Energy Australia Pty. Limited (“Liberty Energy”) each acquired a 2.25% royalty interest in the gross value of petroleum produced from the 52 blocks that make up Exploration permit 187 (“EP187”) for a consideration of US\$2.5m per party. Under the terms of the royalty interest, a 2.25% royalty interest in the gross value of petroleum produced from the ORRI Lands shall be paid to each party within 60 days of the end of each quarter. The ORRI shall be calculated in largely the same manner as the 10% royalty payable to the Northern Territory government (“NT Government”) as set forth in the Petroleum Royalty Act (“the Act”). The sale of royalty has been treated as an effective sale of a portion of rights in EP187 to Liberty Energy and Daly Waters as both Royalty holders will bear the economic risks and benefits related to the success of the project.

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Notes to the consolidated financial statements  
31 December 2025**

**Note 17. Right-of-use assets**

	<b>Consolidated</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$'000</b>	<b>\$'000</b>
<i>Non-current assets</i>		
Plant and equipment - right-of-use	947	947
Less: Accumulated depreciation	(741)	(523)
	<u>206</u>	<u>424</u>
Motor vehicles - right-of-use	748	748
Less: Accumulated depreciation	(748)	(748)
	<u>-</u>	<u>-</u>
	<u>206</u>	<u>424</u>

*Reconciliations*

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

<b>Consolidated</b>	<b>Right-of-use assets \$'000</b>
Balance at 1 January 2024	983
Disposals	(322)
Depreciation expense	<u>(237)</u>
Balance at 31 December 2024	424
Depreciation expense	<u>(218)</u>
Balance at 31 December 2025	<u>206</u>

The Company currently leases its Australian corporate headquarters in Sydney under a 4-year operating lease recognised as a right-of-use asset and lease liability, with monthly payments approximately \$24,000. The rental agreement has a 3.75% fixed rent review on the anniversary of the commencement date of the lease being 3 November 2022.

The Group leases a photocopier under a 4-year operating agreement which commenced in October 2024. Monthly lease payments are \$359.

*For AASB 16 Lease disclosures refer to:*

- note 7 for depreciation and interest expenses;
- note 20 for lease liabilities; and
- consolidated statement of cash flows for repayment of lease liabilities.

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Notes to the consolidated financial statements  
31 December 2025**

**Note 18. Trade and other payables**

	<b>Consolidated</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$'000</b>	<b>\$'000</b>
<i>Current liabilities</i>		
Trade payables	4,560	18,525
Accruals	2,648	3,483
Other payables	2,704	1,846
	<u>9,912</u>	<u>23,854</u>

Refer to note 25 for further information on financial instruments.

**Note 19. Borrowings**

	<b>Consolidated</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$'000</b>	<b>\$'000</b>
<i>Current liabilities</i>		
Bank loans - secured	<u>25,445</u>	<u>1,827</u>

*Classification of borrowings*

All borrowings have been classified as current liabilities on the basis that the Group does not have the right to defer payment for at least 12 months after the reporting date.

*Australian Operations*

The Group established new credit facilities totalling \$65 million AUD with Macquarie Bank Limited to support its activities in the Northern Territory, of which Facility C is not yet available due to conditions precedent to first utilisation. Key terms of this credit facility are set out below:

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Notes to the consolidated financial statements  
31 December 2025**

**Note 19. Borrowings (continued)**

Principal amount	\$65 million comprising: - Facility A (R&D Facility, \$30.0 million) - Facility B (Performance Bond Facility, \$5 million) - Facility C (Midstream Infrastructure Facility, \$30 million)
Borrowers	Imperial Oil & Gas Pty Limited Imperial Oil & Gas A Pty Limited
Guarantor	Beetaloo Energy Australia Limited, Imperial Oil & Gas Pty Limited and Imperial Oil & Gas A Pty Limited
Security	First ranking security over assets of each Borrower First ranking security over the Guarantor's shares in each Borrowings and intercompany loans, plus featherweight security over the Guarantor's other assets
Fees	Utilisation Fee (Facility A): 1.5% of utilisation Commitment Fee (Facility A and B): 40% of margin Margin (Facility A): (5.5% p.a.), Facility B (10% p.a.) Tolling Fee (Facility C): (\$0.70 / GJ * 25 TJ / day + CPI)
Interest rate	Margin plus BBSW (Facility A)
Financial covenants	- Ratio of current assets to current liabilities of at least 1.00 to 1.00 - Minimum cash balance in the Borrowers and Guarantor of at least \$10 million (or its equivalent in any other currency or currencies)
Repayment date	31 December 2026 (Facility A + B) 31 December 2034 (Facility C)
Repayment arrangements	Facility A: on receipt of relevant annual R&D Tax Incentive payment Facility B: on maturity date Facility C: Beetaloo Energy may elect to prepay the Midstream Infrastructure Facility at any time by making payment of an amount representing a 15% IRR for the Midstream Infrastructure Facility cashflows up to the date of prepayment including all tolls paid up to the date of prepayment
Conditions precedent to first utilisation (Facility C)	- All regulatory and indigenous approvals in place to allow for sale of gas from the Carpentaria Pilot Project under the Beneficial Use of Test Gas provisions of the NT Petroleum Act - C-5H to be drilled to a lateral length of at least 2,700 metres with at least 50 fracture stimulation stages placed - Evidence of funding for the Carpentaria Gas Plant exceeding costs to complete - Issue of the Options to Macquarie
Options (Facility C)	- Beetaloo Energy shall issue 50 million options to Macquarie with an exercise price of \$0.24 for Tranche A Options and an exercise price of \$0.28 for Tranche B Options and an expiry date of 31 December 2029 as the final Conditions Precedent to First Utilisation - Options shall vest upon satisfaction of conditions precedent to first utilisation

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Notes to the consolidated financial statements  
31 December 2025**

**Note 19. Borrowings (continued)**

*Financing arrangements*

Unrestricted access was available at the reporting date to the following lines of credit:

	<b>Consolidated</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$'000</b>	<b>\$'000</b>
Total facilities		
Bank loan - Australia Operations - Facility A*	30,000	30,000
Bank loan - Australia Operations - Facility C**	30,000	30,000
	<u>60,000</u>	<u>60,000</u>
Used at the reporting date		
Bank loan - Australia Operations - Facility A*	25,445	1,827
Bank loan - Australia Operations - Facility C**	-	-
	<u>25,445</u>	<u>1,827</u>
Unused at the reporting date		
Bank loan - Australia Operations - Facility A*	4,555	28,173
Bank loan - Australia Operations - Facility C**	30,000	30,000
	<u>34,555</u>	<u>58,173</u>

\* The Group has a \$30 million R&D Facility (Facility A) with Macquarie Bank which provides Beetaloo Energy with additional liquidity and will allow Beetaloo Energy to better manage its working capital requirements. Funds can be applied to Northern Territory exploration, appraisal and development activities including C-5H and construction of infield infrastructure.

\*\* The Group has a \$30 million Midstream Infrastructure Facility (Facility C) with Macquarie Bank where proceeds can be applied to the refurbishment and construction of the Carpentaria Pilot Gas Plant. Repayment of the Midstream Infrastructure Facility will be via a tolling fee with a repayment date of 31 December 2034.

The Group has a \$5 million Performance Bond Facility (Facility B) with Macquarie Bank to meet Beetaloo Energy Northern Territory environmental bonding obligations through Macquarie bank guarantees in favour of the Northern Territory Government on a non-cash-backed basis. As at 31 December 2025, \$2.3 million was undrawn under the Performance Bond Facility.

**Note 20. Lease liabilities**

	<b>Consolidated</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$'000</b>	<b>\$'000</b>
<i>Current liabilities</i>		
Lease liability	<u>209</u>	<u>256</u>
<i>Non-current liabilities</i>		
Lease liability	<u>10</u>	<u>196</u>
	<u>219</u>	<u>452</u>

Refer to note 25 for maturity analysis of lease liabilities.

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Notes to the consolidated financial statements  
31 December 2025**

**Note 21. Provisions**

	<b>Consolidated</b>	
	<b>2025 \$'000</b>	<b>2024 \$'000</b>
<i>Current liabilities</i>		
Employee benefits	269	256
<i>Non-current liabilities</i>		
Lease make good	44	44
Provision for rehabilitation (Northern Territory)	4,164	4,125
	4,208	4,169
	4,477	4,425

*Movements in provisions*

Movements in provision for rehabilitation and asset retirement obligations during the current financial year, are set out below:

<b>Consolidated</b>	<b>Lease make good \$'000</b>	<b>Provision for rehabilitation \$'000</b>	<b>Total \$'000</b>
Carrying amount at the start of the year	44	4,125	4,169
Unwind/discount	-	39	39
Carrying amount at the end of the year	44	4,164	4,208

*Lease make good*

The provision represents the present value of the estimated costs to make good the premises leased by the Group at the end of the respective lease terms.

*Provision for rehabilitation (NT)*

A provision has been made for the present value of anticipated costs for future NT site restoration.

Rehabilitation obligations arise for future removal and environmental restoration costs of exploration, appraisal and development activities. The cost to abandon wells, remove facilities and rehabilitate affected areas is based on the extent of work required under current legal requirements. Provisions for the cost of each rehabilitation are recognised at the time that the environmental disturbance occurs and capitalised as part of the associated asset cost.

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Notes to the consolidated financial statements  
31 December 2025**

**Note 22. Contributed equity**

	2025 Shares	Consolidated 2024 Shares	2025 \$'000	2024 \$'000
Ordinary shares - fully paid	1,244,076,668	1,017,303,219	328,245	293,401

*Movements in ordinary share capital*

Details	Date	Shares	Issue price	\$'000
Balance	1 January 2024	773,121,148		255,946
Issue of shares on the exercise of performance rights	1 March 2024	276,275	\$0.000	-
Issue of shares on raising capital	24 April 2024	193,321,700	\$0.160	30,931
Issue of shares on raising capital	5 June 2024	50,428,300	\$0.160	8,069
Issue of shares on the exercise of restricted rights	18 September 2024	137,885	\$0.000	-
Issue of shares on the exercise of vested performance rights	18 September 2024	17,911	\$0.000	-
Share issue transaction costs, net of tax				(1,545)
Balance	31 December 2024	1,017,303,219		293,401
Issue of shares	22 May 2025	173,437,500	\$0.160	27,750
Issue of shares	13 June 2025	43,750,041	\$0.160	7,000
Issue of shares on exercise of performance rights	8 August 2025	47,015	\$0.000	-
Issue of shares on exercise of restricted rights	8 August 2025	1,086,181	\$0.000	-
Issue of shares on exercise of service rights	8 August 2025	452,649	\$0.000	-
Issue of shares	8 August 2025	1,562,500	\$0.160	250
Issue of shares on exercise of restricted rights	25 August 2025	194,564	\$0.000	-
Issue of shares on exercise of options	3 September 2025	193,690	\$0.240	46
Issue of shares on exercise of options	9 September 2025	522,093	\$0.240	125
Issue of shares on exercise of options	15 September 2025	75,522	\$0.240	18
Issue of shares on exercise of options	17 September 2025	892,682	\$0.240	214
Issue of shares on exercise of options	22 September 2025	468,260	\$0.240	112
Issue of shares on exercise of options	29 September 2025	946,643	\$0.240	227
Issue of shares on exercise of options	8 October 2025	392,663	\$0.240	94
Issue of shares on exercise of options	13 October 2025	375,949	\$0.240	90
Issue of shares on exercise of options	20 October 2025	686,247	\$0.240	165
Issue of shares on exercise of options	27 October 2025	81,822	\$0.240	20
Issue of shares on exercise of options	3 November 2025	42,883	\$0.240	10
Issue of shares on exercise of options	24 November 2025	62,218	\$0.240	15
Issue of shares on exercise of options	9 December 2025	277,339	\$0.240	67
Issue of shares on exercise of service rights	18 December 2025	1,224,988	\$0.000	-
Exercise of options (not issued)	31 December 2025	-	\$0.000	8
Share issue transaction costs, net of tax				(1,367)
Balance	31 December 2025	1,244,076,668		328,245

**Note 22. Contributed equity (continued)**

*Ordinary shares*

Ordinary shares entitle the holder to participate in any dividends declared and any proceeds attributable to shareholders should the Company be wound up, in proportions that consider both the number of shares held and the extent to which those shares are paid up. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

*Share buy-back*

There is no current on-market share buy-back.

*Capital risk management*

The Group's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

The capital risk management policy remains unchanged from the 2024 Annual Report.

The Company considers its capital to comprise its ordinary share capital and reserves.

In managing its capital, the Company's primary objective is to maintain a sufficient funding base to enable the Company to meet its working capital and strategic operation needs.

In making decisions to adjust its capital structure to achieve these aims, either through altering its dividend policy, new share issues, or consideration of debt the Company considers not only its short-term position but also its long-term operational and strategic objectives.

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Notes to the consolidated financial statements  
31 December 2025**

**Note 23. Reserves**

	<b>Consolidated</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$'000</b>	<b>\$'000</b>
Foreign currency translation reserve	(35)	(35)
Share-based payment reserve	3,735	12,307
	<u>3,700</u>	<u>12,272</u>

*Foreign currency translation reserve*

The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars. It is also used to recognise gains and losses on hedges of the net investments in foreign operations.

*Share-based payment reserve*

The reserve is used to recognise the value of equity benefits provided to employees and Directors as part of their remuneration, and other parties as part of their compensation for services.

*Movements in reserves*

Movements in each class of reserve during the current and previous financial year are set out below:

<b>Consolidated</b>	<b>Foreign currency translation \$'000</b>	<b>Share- based payment reserve \$'000</b>	<b>Fair value \$'000</b>	<b>Total \$'000</b>
Balance at 1 January 2024	(324)	11,321	180	11,177
Foreign currency translation	352	-	-	352
Share-based payments	-	824	-	824
Transfer to accumulated losses	-	162	(180)	(18)
Transfer to profit or loss	(63)	-	-	(63)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Balance at 31 December 2024	(35)	12,307	-	12,272
Share-based payments	-	974	-	974
Transfer to accumulated losses	-	(9,546)	-	(9,546)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Balance at 31 December 2025	<u>(35)</u>	<u>3,735</u>	<u>-</u>	<u>3,700</u>

**Note 24. Dividends**

*Dividends*

There were no dividends paid, recommended or declared during the current or previous financial year.

*Franking credits*

There are no franking account credits available as at 31 December 2025 and 31 December 2024.

**Note 25. Financial instruments**

***Financial risk management objectives***

The Beetaloo Group's principal financial instruments, other than derivatives, comprise bank loans, financial assets, and cash and cash equivalents. The main purpose of these financial instruments is to raise finance for the Beetaloo Group's operations. The Beetaloo Group has various other financial assets and liabilities such as trade receivables and payables, which arise from its operations. The Beetaloo Group also enters derivative transactions, principally commodity hedges.

The Board has overall responsibility for the determination of the Beetaloo Group's risk management objectives and policies and has the responsibility for designing and operating processes that ensure the effective implementation of the objectives and policies to the Beetaloo Group's finance function.

The Board receives monthly reports through which it reviews the effectiveness of the processes put in place and appropriateness of the objectives and policies it sets.

The overall objective of the board is to set policies that seek to reduce risk as far as possible without unduly affecting the Beetaloo Group's competitiveness and flexibility.

The Beetaloo Group is exposed to risks that arise from its use of financial instruments. The main risks arising from the Beetaloo Group's financial instruments are interest rate risk, commodity price risk, liquidity risk, equity risk and credit risk. This note describes the Beetaloo Group's objectives, policies and processes for managing those risks and methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Beetaloo Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

Further details regarding these policies are set out below:

***Market risk***

***Foreign currency risk***

The Group undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

The Beetaloo Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when expenditure is denominated in a foreign currency).

The risk is measured using sensitivity analysis and cash flow forecasting.

The foreign currency risk exposure is not material as at the statement of financial position date.

***Interest rate risk***

The Group's main interest rate risk arises from long-term borrowings.

The Beetaloo Group is constantly monitoring its exposure to trends and fluctuations in interest rates in order to manage interest rate risk. The Beetaloo Group's exposure to interest rate risk at 31 December 2025 is set out in 'liquidity and interest rate risk management' below.

The Beetaloo Group's policy is to continually review the portion of its borrowings that are either at floating or fixed rates of interest. To manage this mix in a cost-efficient manner, the Beetaloo Group previously entered into interest rate swaps, in which Beetaloo agrees to exchange, at specified intervals, the difference between fixed and variable interest rate amounts calculated by reference to an agreed upon notional principal amount. These swaps were designated to hedge underlying debt obligations. There are no interest rate swaps at 31 December 2025.

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Notes to the consolidated financial statements  
31 December 2025**

**Note 25. Financial instruments (continued)**

The Beetaloo Group monitors forecasts and actual cash flows and the maturity profiles of financial assets and liabilities to manage its liquidity risk.

**Credit risk**

Credit risk is the risk that the other party to the financial instrument will fail to discharge their financial obligation in respect of that instrument resulting in the Beetaloo Group incurring a financial loss. The Beetaloo Group's exposure to credit risk arises from potential default of the counter party with the maximum exposure equal to the carrying amount of these instruments. There are no significant concentrations of credit risk within the Beetaloo Group.

The maximum exposure to credit risk at balance date is as follows:

	<b>Consolidated</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$'000</b>	<b>\$'000</b>
Trade receivables	3	-
Other receivables	990	2,728
Security deposits	181	181
	1,174	2,909

**Liquidity risk**

Liquidity risk is the inability to access funds, both anticipated and unforeseen, which may lead to the Beetaloo Group being unable to meet its obligations in an orderly manner as they arise. Beetaloo seeks to maintain sufficient available liquidity (cash and available debt facilities) at all times.

The Beetaloo Group's liquidity position is managed to ensure sufficient funds are available to meet financial commitments in a timely and cost-effective manner. The Beetaloo Group is primarily funded through ongoing cash flow, debt funding and equity capital raisings, as and when required.

Funding is in place with reputable financial institutions in the US and Australia. Bank compliance reporting is undertaken quarterly and adherence to covenants checked regularly. Management also regularly monitors actual and forecast cash flows to manage liquidity risk.

**Remaining contractual maturities**

The following tables detail the Group's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

<b>Consolidated - 2025</b>	<b>Weighted average interest rate %</b>	<b>1 year or less \$'000</b>	<b>Between 1 and 2 years \$'000</b>	<b>Between 2 and 5 years \$'000</b>	<b>Over 5 years \$'000</b>	<b>Remaining contractual maturities \$'000</b>
<b>Non-derivatives</b>						
<i>Non-interest bearing</i>						
Trade and other payables	-	9,912	-	-	-	9,912
<i>Interest-bearing - variable</i>						
Bank loans - NT	8.54%	25,445	-	-	-	25,445
<i>Interest-bearing - fixed rate</i>						
Lease liability	3.87%	209	10	-	-	219
Total non-derivatives		35,566	10	-	-	35,576

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Notes to the consolidated financial statements  
31 December 2025**

**Note 25. Financial instruments (continued)**

<b>Consolidated - 2024</b>	<b>Weighted average interest rate %</b>	<b>1 year or less \$'000</b>	<b>Between 1 and 2 years \$'000</b>	<b>Between 2 and 5 years \$'000</b>	<b>Over 5 years \$'000</b>	<b>Remaining contractual maturities \$'000</b>
<b>Non-derivatives</b>						
<i>Non-interest bearing</i>						
Trade and other payables	-	23,854	-	-	-	23,854
<i>Interest-bearing - variable</i>						
Bank loans - NT	8.54%	1,827	-	-	-	1,827
<i>Interest-bearing - fixed rate</i>						
Lease liability	3.87%	256	196	-	-	452
<b>Total non-derivatives</b>		<b>25,937</b>	<b>196</b>	<b>-</b>	<b>-</b>	<b>26,133</b>

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

The fair value of financial instruments classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs (future Henry Hub price - refer to note 13). The fair value of financial asset classified as level 3 as at 31 December 2025 is \$1,110,000 (2024: 1,627,000).

**Note 26. Fair value measurement**

*Fair value hierarchy*

The following tables detail the Group's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: Unobservable inputs for the asset or liability

<b>Consolidated - 2025</b>	<b>Level 1 \$'000</b>	<b>Level 2 \$'000</b>	<b>Level 3 \$'000</b>	<b>Total \$'000</b>
<i>Assets</i>				
Derivative financial instruments	-	-	-	-
Deferred consideration	-	-	1,659	1,659
<b>Total assets</b>	<b>-</b>	<b>-</b>	<b>1,659</b>	<b>1,659</b>
<b>Consolidated - 2024</b>	<b>Level 1 \$'000</b>	<b>Level 2 \$'000</b>	<b>Level 3 \$'000</b>	<b>Total \$'000</b>
<i>Assets</i>				
Derivative financial instruments	-	-	-	-
Deferred consideration	-	-	1,627	1,627
<b>Total assets</b>	<b>-</b>	<b>-</b>	<b>1,627</b>	<b>1,627</b>

There were no transfers between levels during the financial year.

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature.

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Notes to the consolidated financial statements  
31 December 2025**

**Note 26. Fair value measurement (continued)**

The fair value of financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial liabilities.

*Valuation techniques for fair value measurements categorised within level 2 and level 3*

Derivative financial instruments have been valued using quoted market rates. This valuation technique maximises the use of observable market data where it is available and relies as little as possible on entity specific estimates.

*Level 3 assets and liabilities*

Movements in level 3 assets and liabilities during the current and previous financial year are set out below:

<b>Consolidated</b>	<b>Deferred Consideration \$'000</b>
Balance at 1 January 2024	1,627
Gains recognised in profit or loss	<u>32</u>
Balance at 31 December 2024	<u>1,659</u>
Balance at 31 December 2025	<u><u>1,659</u></u>

**Note 27. Key management personnel disclosures**

*Directors*

The following persons were Directors of Beetaloo Energy Australia Limited during the financial year:

Peter Cleary  
Alexander Underwood  
Louis Rozman  
Prof John Warburton  
Karen Green

The following person were other Key Management Personnel of the Company at any time during the financial year:

Alex Hunter - Chief Financial Officer (appointed 1 June 2025)  
Chris White - Chief Operating Officer  
Robin Polson - Chief Financial Officer (retired 31 March 2025)

*Compensation*

The aggregate compensation made to Directors and other members of key management personnel of the Group is set out below:

	<b>Consolidated 2025 \$</b>	<b>2024 \$</b>
Short-term employee benefits	1,775,546	1,450,332
Post-employment benefits (Superannuation)	102,433	85,047
Share-based payments	<u>701,654</u>	<u>1,063,588</u>
	<u><u>2,579,633</u></u>	<u><u>2,598,967</u></u>

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Notes to the consolidated financial statements  
31 December 2025**

**Note 27. Key management personnel disclosures (continued)**

*Other transactions with key management personnel and their related parties*

	<b>Consolidated</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$'000</b>	<b>\$'000</b>
Payment for contracting services from Melissa Underwood (Spouse of Managing Director, Alex Underwood)	<u>227,063</u>	<u>189,195</u>

**Note 28. Remuneration of auditors**

During the financial year the following fees were paid or payable for services provided by Ernst & Young, the auditor of the Company, its network firms and unrelated firm:

	<b>Consolidated</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
<i>Audit services - Ernst &amp; Young</i>		
Audit or review of the financial statements	<u>222,480</u>	<u>161,720</u>

**Note 29. Contingent assets**

There are no contingent assets as at the date of this annual report (31 December 2024: nil).

**Note 30. Contingent liabilities**

The Beetaloo Group is subject to various federal, state, territory and local laws and regulations relating to the protection of the environment. The Beetaloo Group has established procedures for the ongoing evaluation of its operations, to identify potential environmental exposures and to comply with regulatory policies and procedures.

Beetaloo Energy Australia Limited together with its subsidiaries Imperial Oil & Gas Pty Limited and Imperial Oil & Gas A Pty Limited have granted Macquarie Bank Limited security over their assets as guarantors of the Australian credit facility.

Environmental expenditures that relate to current operations are expensed or capitalised as appropriate. Expenditures that relate to an existing condition caused by past operations, and do not contribute to current or future revenue generation, are expensed. Liabilities are recorded when environmental assessment and or clean-up is probable, and the costs can be reasonably estimated. The Beetaloo Group maintains insurance that may cover in whole or in part certain environmental expenditures. At 31 December 2025, the Beetaloo Group had bank guarantees from Macquarie Bank for the total amount of \$2,749,000 (31 December 2024: \$4,398,000) under facility B (refer to note 19).

There have been no other changes in contingent liabilities since the last reporting period.

**Note 31. Commitments**

*Exploration and petroleum tenement leases*

In order to maintain current rights of tenure to exploration and mining tenements, the Company and the companies in the Group are required to outlay lease rentals and to meet the minimum expenditure requirements of the various Government Authorities. These obligations are subject to re-negotiation upon expiry of the relevant leases or when application for a mining licence is made. No expenditure commitment exists at 31 December 2025 (2024: nil).

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Notes to the consolidated financial statements  
31 December 2025**

**Note 32. Related party transactions**

*Parent entity*

Beetaloo Energy Australia Limited is the parent entity.

*Subsidiaries*

Interests in subsidiaries are set out in note 34.

*Key management personnel*

Disclosures relating to key management personnel are set out in note 27 and the remuneration report included in the Directors' report.

*Transactions with related parties*

There were no transactions with related parties during the current and previous financial year, other than those identified with key management personnel in note 27

*Receivable from and payable to related parties*

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

*Loans to/from related parties*

During the year the Company advanced and received loans and provided accounting and administrative services to other companies in the Beetaloo Group. These balances, along with associated charges, are eliminated on consolidation.

*Terms and conditions*

All transactions were made on normal commercial terms and conditions and at market rates.

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Notes to the consolidated financial statements  
31 December 2025**

**Note 33. Parent entity information**

Set out below is the supplementary information about the parent entity.

*Statement of profit or loss and other comprehensive income*

	Parent	
	2025 \$'000	2024 \$'000
Profit after income tax	8,636	6,097
Total comprehensive income	8,636	6,097

*Statement of financial position*

	Parent	
	2025 \$'000	2024 \$'000
Total current assets	14,258	26,240
Total assets	149,200	140,980
Total current liabilities	3,859	4,595
Total liabilities	3,913	4,835
Equity		
Contributed equity	328,245	293,401
Other reserves	3,592	12,271
Accumulated losses	(186,550)	(169,527)
Total equity	<u>145,287</u>	<u>136,145</u>

*Guarantees entered into by the parent entity in relation to the debts of its subsidiaries*

Refer to note 30 for details on the guarantee the parent entity has in place in relation to the debts of its subsidiaries as at 31 December 2025 and 31 December 2024.

*Contingent liabilities*

Refer to note 30 for details no contingent liabilities as at 31 December 2025 and 31 December 2024.

*Capital commitments - Property, plant and equipment*

The parent entity had no capital commitments for property, plant and equipment as at 31 December 2025 and 31 December 2024.

*Material accounting policy information*

The accounting policies of the parent entity are consistent with those of the Group, as disclosed in note 2, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Notes to the consolidated financial statements  
31 December 2025**

**Note 34. Interests in subsidiaries**

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 2:

Name	Principal place of business / Country of incorporation	Ownership interest	
		2025 %	2024 %
Imperial Oil & Gas Pty Limited	Australia	100%	100%
Imperial Oil & Gas A Pty Limited	Australia	100%	100%
Empire Energy Holdings, LLC <sup>(1)</sup>	USA	100%	100%
Empire Energy USA, LLC <sup>(2)</sup>	USA	100%	100%
Empire Energy (MidCon), LLC <sup>(3)</sup>	USA	100%	100%

(1) Holds a bank account only, not dormant as held for US tax purposes as carries all the tax losses.

(2) Holds bank account and intercompany loan.

(3) Dormant entity

**Note 35. Share-based payments**

Share-based payment are issued to:

- enable the Company to provide variable remuneration including both an at-risk component and an incentive component, that is performance focused and linked to long-term value creation for shareholders;
- enable the Company to compete effectively for the calibre of talent required for it to be successful;
- ensure that Participants have commonly shared goals; and
- assist Participants to become Shareholders.

**Performance Rights**

*2025 issue*

During the 2025 financial year, the Company issued 3,086,799 Performance Rights to the Managing Director and employees under the terms of the Company's Rights Plan and was approved by Shareholders on 29 May 2025 and by the Board on 23 October 2025.

Set out below are summaries of the Performance Rights (unvested) granted under the plan:

**2025**

Grant date	Expiry date	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
09/09/2013		250,000*	-	-	-	250,000
30/05/2023	31/12/2038	1,878,144	-	-	-	1,878,144
20/12/2023	31/12/2038	791,863	-	-	-	791,863
28/05/2024	31/12/2038	4,968,382	-	-	-	4,968,382
02/07/2024	31/12/2038	1,806,684	-	-	-	1,806,684
20/12/2024	31/12/2039	1,570,737	-	-	-	1,570,737
29/05/2025	31/12/2040	-	2,200,120	-	-	2,200,120
23/10/2025	31/12/2040	-	886,679	-	-	886,679
		<u>11,265,810</u>	<u>3,086,799</u>	-	-	<u>14,352,609</u>

\*During the 2013 financial year the Company issued 2,500,000 Performance Rights (pre-consolidation) over fully paid ordinary shares in the Company as part consideration for the buyback of the minority interest equity holder in Empire Energy USA LLC. The minority interest holder also received 400,000 (on a post-consolidation bias) fully paid ordinary shares in the issued capital of Beetaloo Energy Australia Limited. The Performance Rights are exercisable at no cost under the following events:

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Notes to the consolidated financial statements  
31 December 2025**

**Note 35. Share-based payments (continued)**

- Lifting of the current moratorium on oil and/or natural gas fracking in New York State;
- If the Company sells, transfers or assigns all or substantially all of its property interests in Chautauqua and Cattaraugus Counties in the State of New York to an unaffiliated third party then the Performance Rights will vest in accordance with the following schedule:

Fair market value of consideration received by the Company	Performance Rights exercisable
Less than \$25.0 million	0.0%
At least \$25.0 million but less than \$45.0 million	Percentage calculated by dividing fair market value of consideration received by the Company by \$45.0 million
\$45.0 million or more	100.0%

- If the holder of the Performance Rights in any way disposes of more than 75% of the 4 million ordinary shares assigned as part of the minority interest buy back transaction prior to either the moratorium being terminated or a third party sale being consummated then the Performance Rights will be cancelled.
- The holder of the Performance Rights is an associated entity of a former senior executive of the Company's US subsidiaries, Mr Allen Boyer.
- At the Company's Annual General Meeting conducted on 30 May 2019, Shareholders approved the consolidation of the Company's equity on a 1 for 10 basis. The effect of the Share Consolidation during the period reduced the 2,500,000 Performance Rights to 250,000 Performance Rights.

There are 2,670,007 Performance Rights that are due to vest at the end of the financial year subject to the Board's approval.

The milestone required for the performance rights for Tranche 1, being the Company's Absolute Total Shareholder Return (TSR), fell between the Threshold (10%) and Target (25%) performance levels. As such, the number of rights for Tranche 1 to vest is determined on a straight-line pro-rata basis.

The weighted average remaining time to Vesting Date of Performance Rights (unless extended in accordance with the rights Plan Rules) granted during the financial year and outstanding at the end of the financial year was 1.3 years (2024: 2 years).

Set out below are summaries of the Performance Rights (vested) granted under the plan:

**2025**

Grant date	Expiry date	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
03/08/2021	30/06/2034	1,300,500	-	-	-	1,300,500
30/03/2022	30/12/2034	563,859	-	(144,200)	-	419,659
27/01/2023	31/12/2035	548,234	-	(89,195)	-	459,039
15/03/2024	31/12/2036	281,058	-	(47,015)	-	234,043
31/12/2024	31/12/2036	390,972	-	(47,015)	-	343,957
		3,084,623	-	(327,425)	-	2,757,198

For the Performance Rights granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Expiry date	Share price at grant date	Expected annual volatility	Dividend yield	Fair value at grant date
29/05/2025	31/12/2040	\$0.165	69.38%	-	\$23,376
29/05/2025	31/12/2040	\$0.165	-	-	\$181,510
23/10/2025	31/12/2040	\$0.290	71.80%	-	\$59,141

Performance Rights have a nil exercise price.

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Notes to the consolidated financial statements  
31 December 2025**

**Note 35. Share-based payments (continued)**

As there are no market-based performance/vesting conditions attached to the Tranche 2 FY25 LTI Performance Rights, the fair value of each Right on the date of grant would be equal to the Share Price on the date of grant (ie \$A0.165), since the Rights have a zero exercise price.

**Restricted Rights**

Set out below are summaries of the Restricted Rights granted under the plan:

2025

Grand Date	Expiry date	Balance at the start of the year	Granted	Exercised	Expired/forfeited/other	Balance at the end of the year
07/08/2020	31/12/2035	1,019,753	-	-	-	1,019,753
23/12/2020	23/12/2035	455,820	-	(259,700)	-	196,120
01/06/2021	01/06/2036	617,979	-	-	-	617,979
02/07/2021	02/07/2036	94,908	-	-	-	94,908
21/12/2021	21/12/2036	531,465	-	(322,948)	-	208,517
17/06/2022	17/06/2037	509,198	-	-	-	509,198
17/06/2022	17/06/2037	275,360	-	-	-	275,360
09/09/2022	09/09/2037	131,493	-	-	-	131,493
22/12/2022	22/12/2037	574,792	-	(574,792)	-	-
21/07/2023	21/07/2038	604,141	-	-	-	604,141
21/12/2023	21/12/2038	477,417	-	(477,417)	-	-
28/05/2024	28/05/2039	1,328,102	-	-	-	1,328,102
12/07/2024	12/07/2039	304,592	-	-	-	304,592
20/12/2024	20/12/2039	696,230	-	(397,226)	-	299,004
29/05/2025	29/05/2040	-	889,580	-	-	889,580
04/08/2025	04/08/2040	-	774,799	-	-	774,799
		7,621,250	1,664,379	(2,032,083)	-	7,253,546

Restricted Rights have a nil exercise price.

Restricted Rights are all exercisable at the end of the financial year noting trading terms for Rights held by Company employees and directors are subject to the Company's Share Trading Policy.

For the Restricted Rights granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Expiry date	Share price at grant date	Expected annual volatility	Dividend yield	Fair value at grant date
29/05/2025	29/05/2040	\$0.165	-	-	\$146,781
04/08/2025	04/08/2040	\$0.245	-	-	\$167,131

Restricted Rights have a nil exercise price.

As there are no market-based performance/vesting conditions attached to the FY25/FY24 Restricted Rights, the fair value of each Right on the date of grant would be equal to the Share Price on the date of grant, since the Rights have a zero exercise price.

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Notes to the consolidated financial statements  
31 December 2025**

**Note 35. Share-based payments (continued)**

**Service Rights**

Set out below are summaries of the Service Rights (vested) granted under the plan:

2025

Grand Date	Expiry date	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
14/06/2019	30/06/2034	1,000,000	-	-	-	1,000,000
04/08/2020	31/12/2035	838,558	-	-	-	838,558
01/06/2021	31/12/2036	600,000	-	-	-	600,000
20/12/2024	31/12/2039	395,889	250,000	(645,889)	-	-
		<u>2,834,447</u>	<u>250,000</u>	<u>(645,889)</u>	<u>-</u>	<u>2,438,558</u>

Service Rights (vested) have a nil exercise price.

During the 2025 financial year, the Company issued 474,491 of Service Rights that vested to the Company's employees under the terms of the Company's Rights Plan Terms.

Set out below are summaries of the Service Rights (unvested) granted under the plan:

2025

Grand Date	Expiry date	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
22/12/2023	31/12/2038	789,958	-	-	(260,364)	529,594
01/07/2024	31/12/2038	602,228	-	-	-	602,228
20/12/2024	31/12/2039	766,703	-	-	-	766,703
23/10/2025	31/12/2040	-	1,236,665	-	-	1,236,665
		<u>2,158,889</u>	<u>1,236,665</u>	<u>-</u>	<u>(260,364)</u>	<u>3,135,190</u>

Service Rights (unvested) have a nil exercise price.

There are 1,131,822 Unvested Service Rights exercisable at the end of the financial year as they are subject to the Board's approval.

The weighted average remaining time to Vesting Date of Service Rights granted during the year and outstanding at the end of the financial year was 1 year (2024: 2 years service).

For the Service Rights granted during the current financial year, the valuation model inputs used to determine the fair value at the grants date, are as follows:

Grant date	Expiry date	Share price at grant date	Expected annual volatility %	Dividend yield* %	Fair value at grant date
23/10/2025	31/12/2040	\$0.290	-	-	\$301,252

Service Rights have a nil exercise price.

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Notes to the consolidated financial statements  
31 December 2025**

**Note 35. Share-based payments (continued)**

As there are no market-based performance/vesting conditions attached to the FY25/FY24 Restricted Rights, the fair value of each Right on the date of grant would be equal to the Share Price on the date of grant, since the Rights have a zero exercise price.

**Note 36. Cash flow information**

*Reconciliation of loss after income tax to net cash used in operating activities*

	<b>Consolidated</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$'000</b>	<b>\$'000</b>
Loss after income tax expense for the year	(19,391)	(14,428)
Adjustments for:		
Depreciation, depletion and amortisation	278	607
Net gain on disposal of assets of discontinued operations	-	(6,891)
Share-based payments	974	824
R&D Tax Rebate /Government grant offset against oil and gas properties	-	3,968
Other non-cash expenses	39	(129)
Finance costs - non cash	(233)	797
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	1,737	(2,383)
Increase in inventories	-	(15)
Decrease/(increase) in other assets	648	(9,103)
(Decrease)/increase in trade and other payables	(1,939)	15,511
Increase/(decrease) in employee benefits	13	(15)
Net cash used in operating activities	<u>(17,874)</u>	<u>(11,257)</u>

*Changes in liabilities arising from financing activities*

<b>Consolidated</b>	<b>Bank loan</b>	<b>Lease</b>	<b>Total</b>
	<b>\$'000</b>	<b>liabilities</b>	<b>\$'000</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Balance at 1 January 2024	8,771	975	9,746
Net cash used in financing activities	-	(585)	(585)
Repayment of borrowings	(7,061)	-	(7,061)
Disposal of leases	-	(299)	(299)
Exchange differences	117	361	478
Balance at 31 December 2024	1,827	452	2,279
Net cash used in financing activities	-	(233)	(233)
Repayment of borrowings	(1,827)	-	(1,827)
Proceeds of borrowings	25,445	-	25,445
Balance at 31 December 2025	<u>25,445</u>	<u>219</u>	<u>25,664</u>

**Note 37. Events after the reporting period**

No matter or circumstance has arisen since 31 December 2025 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Consolidated entity disclosure statement  
As at 31 December 2025**

<b>Entity name</b>	<b>Entity type</b>	<b>Place formed / Country of incorporation</b>	<b>Ownership interest %</b>	<b>Tax residency</b>
Beetaloo Energy Australia Limited	Body Corporate	Australia	N/A	Australia
Imperial Oil & Gas Pty Limited	Body Corporate	Australia	100%	Australia
Imperial Oil & Gas A Pty Limited	Body Corporate	Australia	100%	Australia
Empire Energy Holdings, LLC	Body Corporate	USA	100%	USA
Empire Energy USA, LLC	Body Corporate	USA	100%	USA
Empire Energy (MidCon), LLC	Body Corporate	USA	100%	USA

For personal use only

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Directors' declaration  
31 December 2025**

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards Accounting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 31 December 2025 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

The Directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of Directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the Directors



---

Alexander Underwood  
Managing Director

31 March 2026  
Sydney



Ernst & Young  
200 George Street  
Sydney NSW 2000 Australia  
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555  
Fax: +61 2 9248 5959  
ey.com/au

**Shape the future  
with confidence**

## **Independent auditor's report to the members of Beetaloo Energy Australia Limited**

### **Report on the audit of the financial report**

#### **Opinion**

We have audited the financial report of Beetaloo Energy Australia Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 31 December 2025, the consolidated statement of profit and loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the consolidated financial position of the Group as at 31 December 2025 and of its consolidated financial performance for the year ended on that date; and
- b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

#### **Basis for opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Material Uncertainty Related to Going Concern**

We draw attention to Note 4 of the financial report which describes the principal conditions that raise doubt about the Group's ability to continue as a going concern. These conditions indicate that material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

#### **Key audit matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report. For each matter below, our description of how our audit addressed the matter is provided in that context.

For personal use only



Ernst & Young  
 200 George Street  
 Sydney NSW 2000 Australia  
 GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555  
 Fax: +61 2 9248 5959  
 ey.com/au

**Shape the future  
 with confidence**

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.

**Carrying value of Exploration and Evaluation Assets**

Why significant	How our audit addressed the key audit matter
<p>The Group's exploration and evaluation assets of \$144.8 million as at 31 December 2025 represented 75% of the total assets of the Group.</p> <p>Exploration and evaluation assets are measured at cost and expenditure incurred during the year was capitalised in accordance with the requirements of the Australian Accounting Standards and the Group's accounting policy as disclosed in Note 2.</p> <p>The Directors assess the Group's exploration and evaluation assets for indicators of impairment in accordance with Australian Accounting Standards including whether: the rights to tenure for the areas of interest are current; the Group's ability and intention to continue to evaluate and develop the area of interest; and, whether the results of the Group's exploration and evaluation work to date are sufficiently progressed for a decision to be made as to the commercial viability or otherwise of the area of interest.</p> <p>We considered this to be a Key Audit Matter due to the size of the Group's exploration and evaluation assets relative to its total assets, the significant of the balance to users of the financial statements, and the judgement involved in the assessment of indicators of impairment.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• Agreeing a sample of costs capitalised during the year to supporting documentation and assessing whether these costs met the capitalisation requirements of Australian Accounting Standards and the Group's accounting policy.</li> <li>• Assessing the appropriate classification of costs incurred between exploration assets, PP&amp;E and Oil &amp; Gas Properties based on nature of costs and status of the respective areas of interest.</li> <li>• Evaluating whether the methodology used and outcomes reached by the Group in identifying indicators of impairment met the requirements of Australian Accounting Standards, including:             <ul style="list-style-type: none"> <li>• Understanding the Group's current exploration program.</li> <li>• Assessing the Group's right to explore in the relevant exploration area, which included obtaining and assessing supporting documentation such as license agreements.</li> <li>• Considering the Group's intention to carry out significant exploration and evaluation activity in the relevant areas of interest, which included an assessment of the Group's budgets, cash-flow forecast models and inquiries of management as to the intentions and strategy of the Group.</li> <li>• Assessing whether exploration and evaluation data exists to indicate that the carrying amount of capitalised exploration and evaluation is unlikely to be recovered through development or sale.</li> <li>• Considering whether any other information was present which would suggest the carrying amount may not be recoverable.</li> </ul> </li> <li>• Performing a cross check of the Group's net assets to market capitalisation.</li> <li>• Assessing the adequacy of the disclosures included in the Notes to the financial report including those made with respect to judgments and estimates.</li> </ul>

For personal use only



Ernst & Young  
200 George Street  
Sydney NSW 2000 Australia  
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555  
Fax: +61 2 9248 5959  
ey.com/au

**Shape the future  
with confidence**

### **Information other than the financial report and auditor's report thereon**

The directors are responsible for the other information. The other information comprises the information included in the Company's 2025 annual report but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of the directors for the financial report**

The directors of the Company are responsible for the preparation of:

- ▶ The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- ▶ The consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*; and

for such internal control as the directors determine is necessary to enable the preparation of:

- ▶ The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- ▶ The consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence

For personal use only



Ernst & Young  
200 George Street  
Sydney NSW 2000 Australia  
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555  
Fax: +61 2 9248 5959  
ey.com/au

## Shape the future with confidence

that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- ▶ Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- ▶ Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial report. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on the audit of the Remuneration Report

### Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 37 to 60 of the directors' report for the year ended 31 December 2025.

For personal use only



Ernst & Young  
200 George Street  
Sydney NSW 2000 Australia  
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555  
Fax: +61 2 9248 5959  
ey.com/au

**Shape the future  
with confidence**

In our opinion, the Remuneration Report of Beetaloo Energy Australia Limited for the year ended 31 December 2025, complies with section 300A of the *Corporations Act 2001*.

**Responsibilities**

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

A stylized signature of the Ernst &amp; Young logo, written in a cursive script.

Ernst & Young

A handwritten signature in cursive script, reading 'Siobhan Hughes'.

Siobhan Hughes  
Partner  
Sydney  
31 March 2026

For personal use only

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Shareholder information  
31 December 2025**

The shareholder information set out below was applicable as at 11 March 2026.

**Number of securityholders**

At the specified date, there were 4,411 holders of ordinary shares (quoted). There were seven classes of unquoted rights on issue as detailed below. There were no other classes of equity securities on issue.

**Shareholding Distribution**

There were 1,244,091,930 quoted fully paid ordinary shares on issue held as follows:

**Distribution of equitable securities**

Analysis of number of equitable security holders by size of holding:

	<b>Ordinary shares</b>	
	<b>Number</b>	<b>% of total</b>
	<b>of holders</b>	<b>shares</b>
		<b>issued</b>
1 to 1,000	201	0.01
1,001 to 5,000	1,075	0.26
5,001 to 10,000	568	0.36
10,001 to 100,000	1,725	5.44
100,001 and over	842	93.93
	<u>4,411</u>	<u>100.00</u>

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Shareholder information  
31 December 2025**

**Equity security holders**

*Twenty largest quoted equity security holders*

The names of the twenty largest security holders of quoted equity securities are listed below:

	<b>Number held</b>	<b>Ordinary shares % of total shares issued</b>
Citicorp Nominees Pty Limited	144,945,761	11.65
Elphinstone Holdings Pty Ltd	78,625,000	6.32
Pangaea (NT) Pty Ltd < Pangaea (NT) Unit A/C>	53,060,000	4.27
HSBC Custody Nominees (Australia) Limited - A/C 2	51,722,670	4.16
Liberty Oilfield Services LLC	48,076,923	3.86
Robmar Investments Pty Limited	36,518,341	2.94
Global Energy and Resources Development Limited	32,294,969	2.60
Berne No 132 Nominees Pty Ltd <759792 A/C>	31,250,000	2.51
EMG Northern Territory Holding Pty Ltd	26,515,152	2.13
Macquarie Bank Limited <Metals Mining and Ag A/C>	26,451,367	2.13
All-States Finance Pty Limited	26,000,000	2.09
HSBC Custody Nominees (Australia) Limited	23,853,448	1.92
Liangrove Media Pty Limited	21,724,678	1.75
Molbek Pty Limited <Bruck Family Super Fund A/C>	19,800,000	1.59
Grosvenor Equities Pty Ltd <No 2 A/C>	16,079,964	1.29
Bishanpur Regency Pty Limited <Shukla Financial A/C>	16,000,000	1.29
Bell Potter Nominees Ltd <BB Nominees A/C>	14,534,391	1.17
Margetic & Sitzler Consolidated Holdings P/L	12,500,000	1.00
WHSP Holdings Pty Limited	11,762,380	0.95
BNP Paribas Nominees Pty Ltd <IB AU Noms Retailclient>	9,571,589	0.77
	<u>701,286,633</u>	<u>56.39</u>

**Substantial holders**

Substantial holders as disclosed in substantial holding notices given to the Company were as follow:

	<b>Number held</b>	<b>Ordinary shares % of total shares issued</b>
Macquarie Group Limited & its controlled bodies corporate	62,280,902	5.01
Elphinstone Group	81,677,719	6.86
Pangaea (NT) Pty Limited	140,572,611	13.80

**Unquoted Unvested Performance Rights**

There were 11,682,601 unquoted Unvested Performance Rights on issue held as follows:

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Shareholder information  
31 December 2025**

	Numbers of holders	%
1 to 1,000	-	-
1,001 to 5,000	-	-
5,001 to 10,000	-	-
10,001 to 100,000	-	-
100,001 and over	5	100.00
Total	<u>5</u>	<u>100.00</u>

**Unquoted Vested Performance Rights**

There were 4,010,201 unquoted Vested Performance Rights on issue held as follows:

	Number of holders	%
1 to 1,000	-	-
1,001 to 5,000	1	0.11
5,001 to 10,000	-	-
10,001 to 100,000	1	1.21
100,001 and over	4	98.68
Total	<u>6</u>	<u>100.00</u>

**Unquoted Unvested Service Rights**

There were 2,003,368 unquoted Unvested Service Rights on issue held as follows:

	Numbers of holders	%
1 to 1,000	-	-
1,001 to 5,000	-	-
5,001 to 10,000	-	-
10,001 to 100,000	3	7.42
100,001 and over	5	92.58
Total	<u>8</u>	<u>100.00</u>

**Unquoted Vested Service Rights**

There were 3,570,379 unquoted Vested Service Rights on issue held as follows:

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Shareholder information  
31 December 2025**

	Number of holders	%
1 to 1,000	-	-
1,001 to 5,000	-	-
5,001 to 10,000	-	-
10,001 to 100,000	-	-
100,001 and over	6	100.00
Total	6	100.00

**Unquoted Restricted Rights**

There were 7,253,546 unquoted Restricted Rights held as follows:

	Number of holders	%
1 to 1,000	-	-
1,001 to 5,000	-	-
5,001 to 10,000	-	-
10,001 to 100,000	-	-
100,001 and over	10	100
Total	10	100

*Unquoted equity securities as at 11 March 2026*

**Class of unquoted securities**

	Number on issue	Number of holders
Unlisted Performance Rights	11,682,601	5
Unlisted Performance Rights (Vested)	4,010,201	6
Unlisted Service Rights	3,570,379	6
Unlisted Service Rights (Unvested)	2,003,368	8
Unlisted Restricted Rights	7,253,546	10

**Voting rights**

Ordinary shares (including partly paid shares) carry voting rights on a one for one basis and unlisted options and rights do not carry voting rights.

**Ordinary shares**

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

There are no other classes of equity securities.

**Unmarketable parcels**

As at 12 March 2026, there are 1,852 holders of an unmarketable parcel of shares based on a share price of \$0.27.

**Other ASX Information**

**On-market buy-back**

The Company is not currently conducting an on-market buy-back.

**Beetaloo Energy Australia Limited and its controlled entities  
(Formerly known as Empire Energy Group Limited)  
Shareholder information  
31 December 2025**

**Corporate Governance**

The Company's Corporate Governance Statement as at 31 March 2026 as approved by the Board can be viewed on the Company's website here: <https://beetalooenergy.com/company/corporate-governance/>

**Stock Exchange on which the Company's Securities are quoted**

The Company's listed equity securities are quoted on the Australian Securities Exchange.

**Review of Operations**

A review of operations is contained in the Directors Report.

**Annual General Meeting**

The Company advises that the Annual General Meeting ('AGM') of the Company is scheduled for 29 May 2026.

In accordance with Listing Rule 3.13.1, Listing Rule 14.3 and clause 51.2 of the Company's Constitution, nominations for the election of directors at the AGM must be received not less than 35 Business days before the AGM, being no later than 10 April 2026.

For personal use only