

28 April 2026

Announcement to ASX

Electronic lodgement

MARCH 2026 QUARTERLY ACTIVITIES REPORT

Xstate Resources Limited (**ASX:XST**) (**Xstate, XST** or **the Company**) provides its Quarterly Activities Report for the quarter ending 31 March 2026.

ACTIVITIES

Over the past quarter, the Company, in conjunction with its joint venture partner in the Diona block, Elixir Energy Limited (ASX Code EXR) were focused on preparations for the upcoming of the Diona-1 well within the Taroom Trough on ATP 2077¹ in the Surat Bowen Basin of Queensland. The 3-stage stimulation program will target 3 hydrocarbon (gas-condensate) bearing formations in the overpressured Permian formations. Thereafter, a 14-day flow test will follow and, if the well flows commercial quantities of gas (and associated liquids) the intention is to connect the well to the pipeline via an above ground connection to the valve approximately 1km west of the well pad.

ACTIVITIES SUBSEQUENT TO QTR END

Subsequent to quarter end, the Company has completed a \$1.69m capital raising to sophisticated and professional investors, issuing a total of 51.277m shares, with 17.09m free-attaching options to be issued subject to shareholder approval. PAC Partners and Veritas Securities will be issued 12.82m options for their role as Joint Lead Managers to the placement, subject to shareholder approval. The funds raised will be utilized for any immediate capital requirements on the aforementioned production test and potential connection, as well as to ensure the Company is adequately funded moving forward. Managing Director Andrew Bald commented:

“The completion of the Diona-1 well is imminent and we are optimistic that the well will produce commercial quantities of gas. If it does, this will see us move rapidly to connect to the nearby pipeline. A connection will provide us with a rapid pathway to early sales and revenues within the coming months.”

FINANCIAL

The Company’s cash balance upon conclusion of the quarter decreased to A\$2.519m.

XSTATE TENEMENT LISTING

XSTATE RESOURCES LIMITED – TENEMENT LIST AS AT 31 DECEMBER 2025			
Project name	Region	Category	Working Interest (WI)
ATP2077	Surat Bowen Basin, Queensland	Exploration	51%

LISTING RULE 5 DISCLOSURES

LR 5.4.1: Exploration expenditure during the quarter totaled \$300km on the Company’s Diona-1 project.

¹ The Diona block is the largest block within ATP2077 with XST owning 51% and EXR 49%

LR 5.4.2: No production expenditure payments were incurred during the quarter.

LR 5.4.3:

- No petroleum tenements acquired or disposed during the quarter.
- Petroleum tenements held at quarter end identified in the above table;
- No farm-in or farm-out agreements entered into during the quarter; and
- There are no other farm-in or farm-out agreements current in earn-in stage.

LR 5.4.4: Use of funds for the quarter reported against the Company’s prospectus is as follows:

Use of funds	As per Prospectus dated 26-Jun-25	Actual expenditure 1-Jul-25 – 31-Mar-26
Diona-1 Well	2,650,000	4,237,000
Exploration and Development	120,000	-
Costs of the Offer	319,206	351,000
Working Capital	1,651,294	540,000
Total	4,740,500	5,128,000

LR 5.4.5: Payments to related parties totaled \$105k. These were in respect of Directors’ salaries and superannuation payments, for rent of office lease to a Director related entity and for additional consulting work performed on an ad hoc basis over and above normal Directors’ duties.

This release was approved by the Board of the Company

Andrew Bald
Managing Director
 Xstate Resources Limited
 Tel Office: +61 8 9435 3200

ABOUT XSTATE RESOURCES LIMITED

Xstate Resources (ASX:XST) is an ASX listed company focused on the oil and gas sector. In April 2025, the Company acquired its Diona project (ATP 2077 XST 51%, EXR 49%) located in the Surat Bowen basin of South-West Queensland.

COMPETENT PERSON

The technical information provided has been supervised and reviewed in detail by Xstate’s competent person, Mr Greg Channon, who is also a Non-Executive Director of the Company. Mr Channon is a qualified geoscientist with over 35 years of oil and gas industry experience and a member of the American Association of Petroleum Geologists and the South East Asian Exploration Society and is a graduate of the Australian Institute of Company Directors. He is qualified as a competent person in accordance with ASX listing rule 5.41. Mr Channon consents to the inclusion of the information in this report in the form and context in which it appears.

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Appendix 5B

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

Name of entity

Xstate Resources Limited

ABN

96 009 217 154

Quarter ended ("current quarter")

31 March 2026

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(67)	(67)
(e) administration and corporate costs ¹	171	171
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	22	22
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material) ²	(116)	(116)
1.9 Net cash from / (used in) operating activities	10	10

¹ Receipt of GST refund on December Qtr resulted in positive admin cash flow, primarily due to exploration program costs

² Payment of withholding taxes on intercompany transfer of funds from Canadian operations

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	(300)	(300)
(e) investments	-	-
(f) other non-current assets	-	-

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(300)	(300)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	23	23
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(124)	(124)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	(101)	(101)
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,914	2,914
4.2	Net cash from / (used in) operating activities (item 1.9 above)	10	10
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(300)	(300)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(101)	(101)

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(4)	(4)
4.6	Cash and cash equivalents at end of period	2,519	2,519

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	2,519	2,914
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,519	2,914

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	105
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7. Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities		
7.2 Credit standby arrangements		
7.3 Other (please specify)		
7.4 Total financing facilities		
7.5 Unused financing facilities available at quarter end		
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
8. Estimated cash available for future operating activities		\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)		10
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))		(300)
8.3 Total relevant outgoings (item 8.1 + Item 8.2)		(290)
8.4 Cash and cash equivalents at quarter end (item 4.6)		2,519
8.5 Unused finance facilities available at quarter end (item 7.5)		-
8.6 Total available funding (item 8.4 + item 8.5)		2,519
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)		8.69
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>		
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:		
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?		
Answer:		
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?		
Answer:		
8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?		
Answer:		
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>		

Compliance statement

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

Date: 28 April 2026

Authorised by: Board of Directors

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.