



Echelon Resources Limited

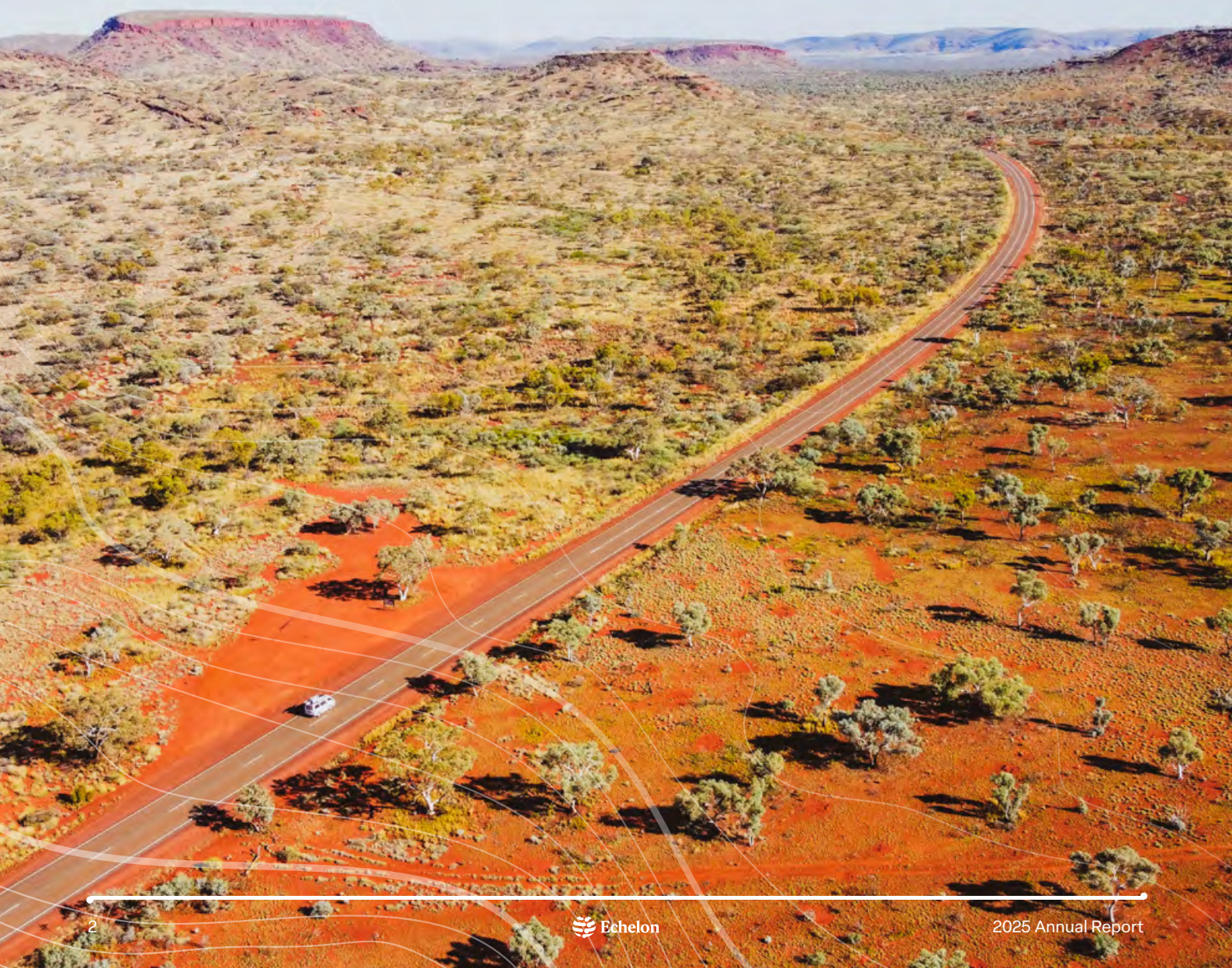
# Annual Report 2025

ASX:ECH





# The Energy Explorers.



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Signed on behalf of the Board of Echelon Resources Limited (Echelon)  
on 28 August 2025.



**Samuel Kellner**  
Chairman



**Alastair McGregor**  
Director



## Operating Cashflow

↑ 62% to **A\$54.1m**  
 ↑ up from \$33.4m in FY24

## Revenue

↑ 34% to **A\$115.3m**  
 ↑ up from \$85.9m in FY24

## Net Profit After Tax

including impairment and exploration expenditure

**A\$3.2m**  
 ↑ up from \$0.2m in FY24

excluding impairment and exploration expenditure

**A\$16.5m**  
 ↑ up 42% from previous year

## Total dividends declared

**AUD2.25 cents**  
 per share

## Profit of

**AUD1.4 cents**  
 per share

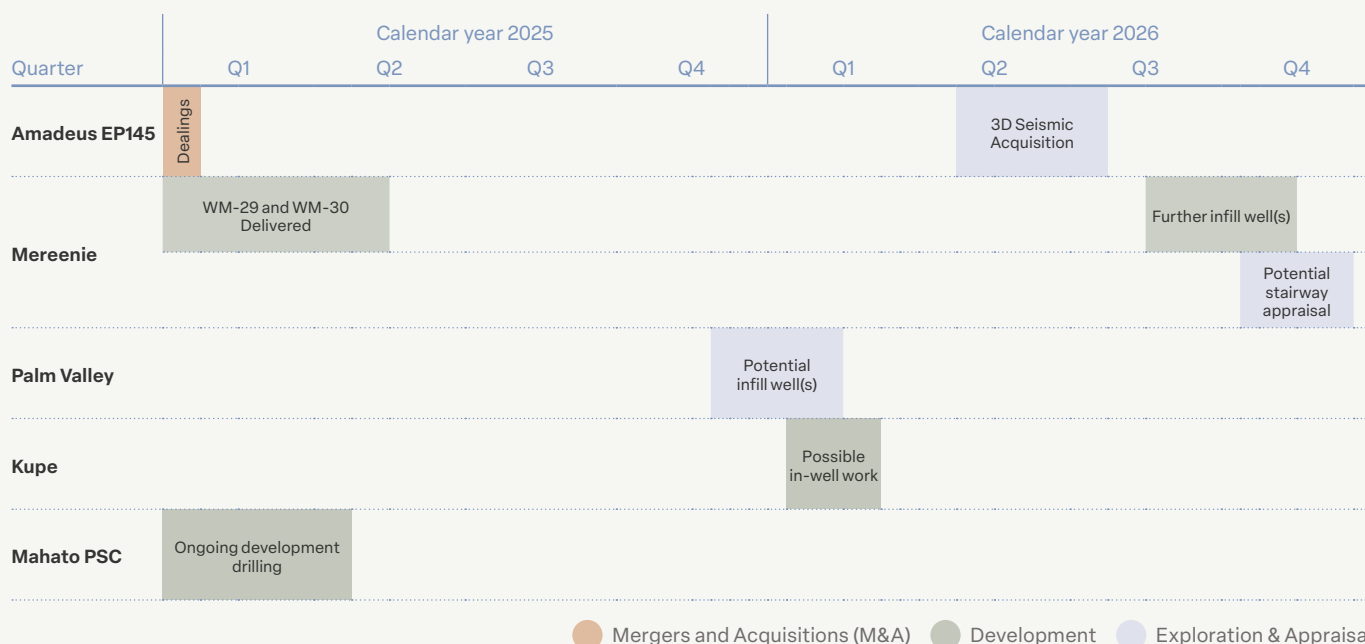
↑ up from 0.1 cents in FY24

## Production of

**1.7mmboe**

↑ up 26% including Cue share

## Activities Timeline



# Our Values



## Tikanga

The right things the right way

- We operate safely, and do what we say we will do.
- We display respect and understanding for other people, opinions and cultures.
- We respect values, rules and laws.



## Mahi Tahi

Work together, collaborate, coöperate, with teamwork

- We are open, honest and transparent.
- We actively pitch in and help.
- We have fun and work with passion.
- We put big issues on the table so they can be resolved.



## Pākiki

Consumed with curiosity

- We seek to better understand ourselves, and the world, with the goal of constantly improving.
- We explore new areas to add value to our work.
- We work with initiative and imagination.



## Tauhokohoko

Barter, bargain, trade

- We continually seek to add value through the application of skills, brains and hard work.
- We develop mutually beneficial relationships with key stakeholders and partners.
- We deliver excellent commercial outcomes.

**We see natural gas assets providing security of supply to an energy-constrained world as it undergoes decades-long energy transformation**

**We will pursue quality investment opportunities**

#### WHO WE ARE

**We are an oil and gas company with an Australasian focus. We are ethical, values based, and nimble.**

**We are an experienced, Wellington based exploration and production company, and we are growth ready.**

**Industry experts trusted by our stakeholders, providing support and advice.**

#### WHERE WE ARE GOING

### Growing

Efficiently deploy our resources purchasing additional production that has development upside and exploration that fits our asset base.

### Improving

Use our skill sets, optimising our processes, and extracting additional value from our physical assets and the wider group.

### Realising

Support our operating partners, Cue Energy Resources (Cue) subsidiary, and stakeholders, to identify mutual value add.

#### HOW WE WILL GET THERE

**We use our capital resources, technical capability, relationships, values, shareholder support and flexibility to create opportunities. We execute reliably and in a way that makes us proud, so that high quality people want to work with us.**



New Zealand  
production  
through Kupe  
and Maari

Indonesia  
production  
through our  
Cue subsidiary

Australia  
exploration,  
production and  
development in the  
Northern Territory  
Amadeus Basin

Ambition  
to acquire  
opportunities  
with support from  
our global-scale  
parent



**Natural gas assets offer stability in supplying  
energy to a world facing energy constraints  
amid a prolonged transformation**



# Shaping Our Future

Dear shareholder,

**This year, we took significant steps to shape our future—both as a business and as a team. At the heart of it was progress across our Amadeus Basin assets and a sharpened focus on what we do best: value-led, technically sound, disciplined energy investment.**

In March, we completed drilling of two new development wells at Mereenie. Both exceeded pre-drill expectations, lifting field production capacity beyond 32 TJ/per day. These results underscore the technical and economic strength of the asset, which now sits more centrally than ever in our portfolio, with stable offtake agreements into both the Northern Territory and East Coast gas markets.

Our momentum in the Amadeus Basin extended with the acquisition of a 100% interest and operatorship in EP145—an exploration permit adjacent to Mereenie, with significant upside. EP145 represents a return to operatorship for Echelon, and it's an exciting one: near infrastructure, in a basin we know well, and in a market that needs new gas supply. We've already engaged Fleet Space to conduct what will be the largest 3D seismic acquisition in the Amadeus Basin using their ExoSphere technology. Field work is scheduled for mid-2026, and we are well into early-stage planning.

We also drilled the Becos exploration well in the Perth Basin in April 2025. Although the well did not return commercial hydrocarbons, it was delivered safely and under budget. The data we gathered is always useful for future activities. We have now withdrawn from the Perth Basin. Across all assets, our approach has been to make confident, smart decisions—staying attuned to risk while still positioning ourselves for growth.

The Group's production, which includes Cue, this year increased to 1.7 million barrels of oil equivalent (boe), up from 1.3 million boe last year. The Company paid dividends of AUD 2.25 cents per share during the year, demonstrating our ongoing commitment to capital discipline and shareholder returns.

Underpinning this year's activity is our sharpened identity as Echelon—a values-based Australasian energy company that is technical, capable, and growth-ready. The launch of our new name and brand was more than symbolic. It reflects our strategic commitment to the ASX, to Australia as a core region, and to operating in a way that earns trust and support from customers, communities, partners, and shareholders.





We also continue to invest in sustainability initiatives that align with our role in the energy transition. These include our longstanding support for the Salk Institute's Harnessing Plants Initiative, the Dunedin Curtain Bank, and our growing community engagement in the Northern Territory and New Zealand. Our commitment is to deliver energy the right way—reliable, lower-emission, and responsibly managed.

Looking ahead, our focus will be:

- Advancing EP145 seismic planning and regulatory workstreams as Operator
- Pursuing further infill drilling at Mereenie based on the success of our development wells
- Continuing disciplined capital allocation across our exploration and development portfolio
- Maintaining dividend payments where prudent, consistent with our policy
- Delivering strong operational performance through our Cue subsidiary and joint ventures (JV's)

We remain confident in our strategy—backed by high-quality assets, strong technical execution, and a clear sense of where we can add value. We thank our people across the business, especially our Wellington-based team, whose work this year has been exceptional.

And to our shareholders—thank you for your continued support. Echelon is focused, active, and future-facing. We look forward to delivering on the next chapter together.

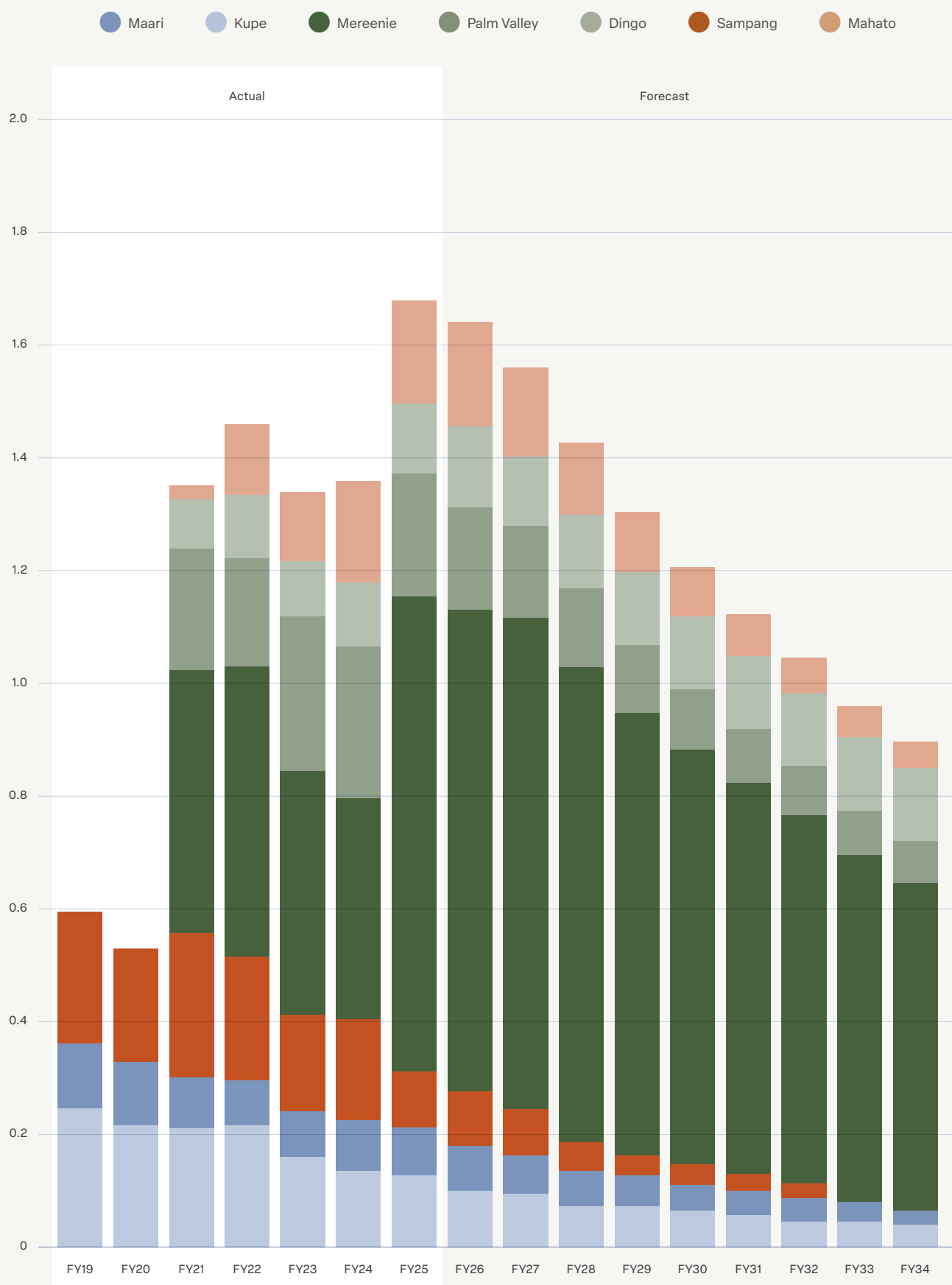
Kind regards,

**Samuel Kellner**  
Chair

**Andrew Jefferies**  
Chief Executive

## Actual and Forecast 2P Production

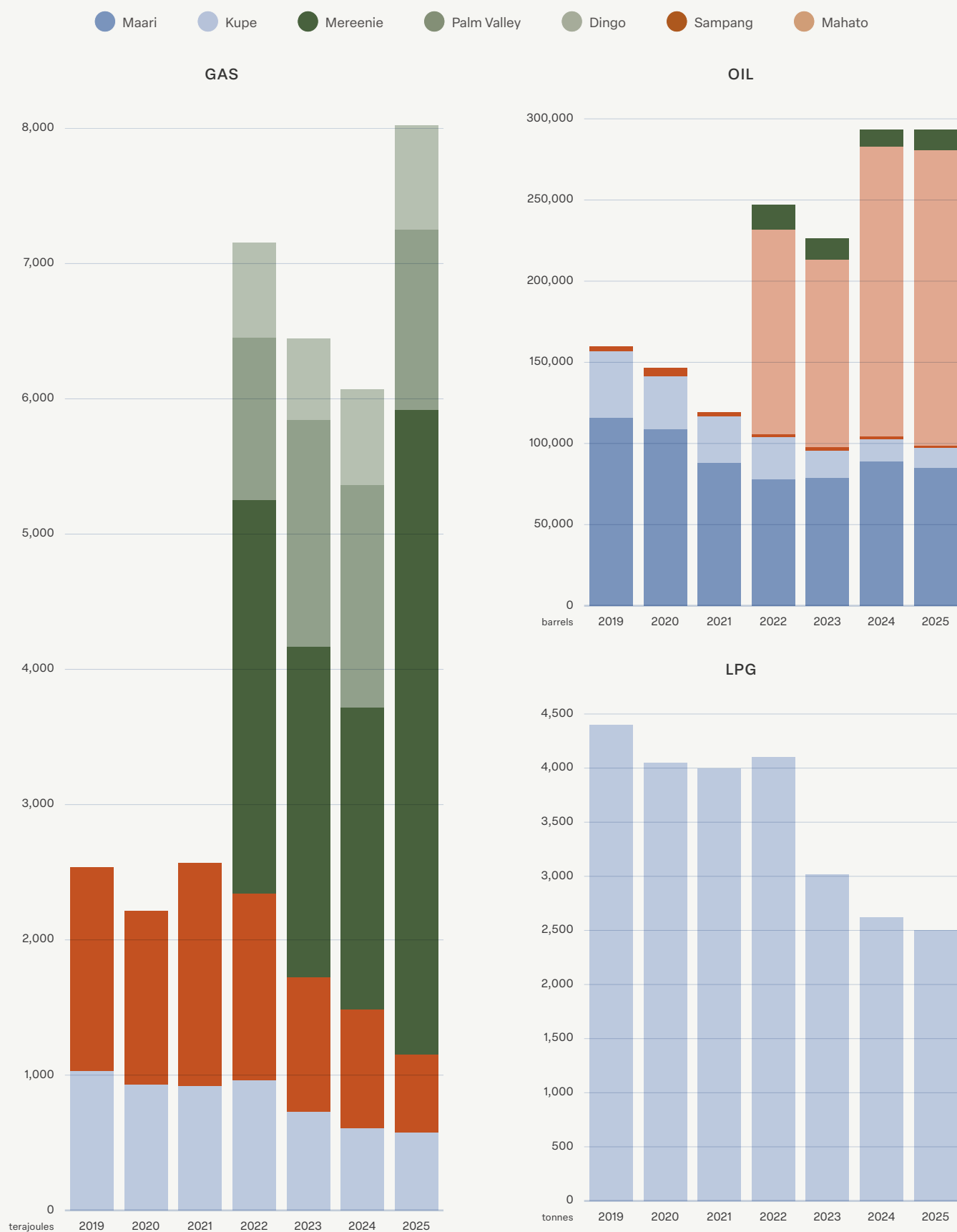
millions of barrels of oil equivalent (mmboe)





## Production

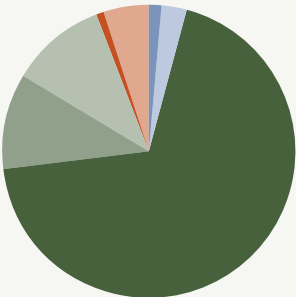
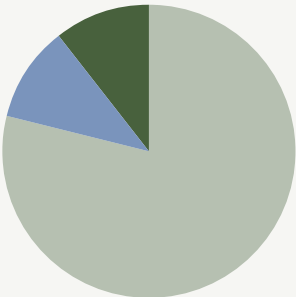
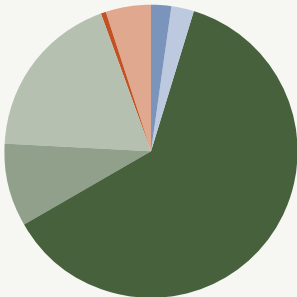
Echelon share (net)



Echelon's interest in Mahato, Maari and Sampang is held through Cue of which Echelon has a 49.97% interest. The Mahato field is currently under development. This graph shows Cue's full interest, some rounding is present. Production from the Amadeus assets is from 1 October 2021 to 30 June 2025.

## Reserves

### PROVED (1P) RESERVES AT 1 JULY 2025

	DEVELOPED				UNDEVELOPED				TOTAL			
Geographic area	Gas (PJ)	LPG (kt)	Oil & Condensate (mmb)	Total (mmboe)	Gas (PJ)	LPG (kt)	Oil & Condensate (mmb)	Total (mmboe)	Gas (PJ)	LPG (kt)	Oil & Condensate (mmb)	Total (mmboe)
NEW ZEALAND												
Maari*	0.0	0.0	0.2	0.2	0.0	0.0	0.2	0.2	0.0	0.0	0.4	0.4
Kupe	1.9	8.2	0.0	0.4	0.0	0.0	0.0	0.0	1.9	8.2	0.0	0.4
AMADEUS BASIN, AUSTRALIA												
Mereenie**	56.5	0.0	0.6	9.8	1.4	0.0	0.0	0.2	57.9	0.0	0.6	10.1
Palm Valley**	9.4	0.0	0.0	1.5	0.0	0.0	0.0	0.0	9.4	0.0	0.0	1.5
Dingo**	9.2	0.0	0.0	1.5	9.3	0.0	0.0	1.5	18.4	0.0	0.0	3.0
INDONESIA												
Sampang PSC*	0.7	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.7	0.0	0.0	0.1
Mahato*	0.0	0.0	0.7	0.7	0.0	0.0	0.0	0.0	0.0	0.0	0.8	0.8
TOTAL	77.7	8.2	1.6	14.4	10.6	0.0	0.2	2.0	88.3	8.2	1.8	16.3
												

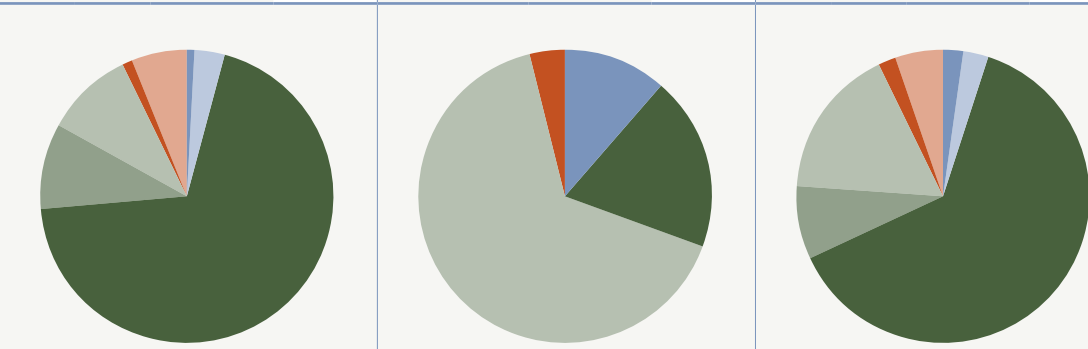
\*At 100% of Cue equity in these Assets      \*\*Echelon plus Cue equity

All figures as at evaluation date, some rounding is present. Includes 100 per cent of Cue's interests, Echelon has a 49.97% interest in Cue. Our reserves statement is available on page 15.





# PROVED (2P) RESERVES AT 1 JULY 2025

Geographic area	DEVELOPED				UNDEVELOPED				TOTAL			
	Gas (PJ)	LPG (kt)	Oil & Condensate (mmb)	Total (mmboe)	Gas (PJ)	LPG (kt)	Oil & Condensate (mmb)	Total (mmboe)	Gas (PJ)	LPG (kt)	Oil & Condensate (mmb)	Total (mmboe)
<b>NEW ZEALAND</b>												
Maari*	0.0	0.0	0.2	0.2	0.0	0.0	0.3	0.3	0.0	0.0	0.5	0.5
Kupe	2.9	12.6	0.1	0.6	0.0	0.0	0.0	0.0	2.9	12.6	0.1	0.6
<b>AMADEUS BASIN, AUSTRALIA</b>												
Mereenie**	73.2	0.0	0.7	12.7	2.7	0.0	0.0	0.5	75.9	0.0	0.8	13.2
Palm Valley**	10.3	0.0	0.0	1.7	0.0	0.0	0.0	0.0	10.3	0.0	0.0	1.7
Dingo**	11.0	0.0	0.0	1.8	10.7	0.0	0.0	1.7	21.6	0.0	0.0	3.5
<b>INDONESIA</b>												
Sampang PSC*	1.2	0.0	0.0	0.2	0.9	0.0	0.0	0.1	2.1	0.0	0.0	0.4
Mahato*	0.0	0.0	1.1	1.1	0.0	0.0	0.0	0.0	0.0	0.0	1.1	1.1
<b>TOTAL</b>	<b>98.6</b>	<b>12.6</b>	<b>2.1</b>	<b>18.3</b>	<b>14.2</b>	<b>0.0</b>	<b>0.4</b>	<b>2.7</b>	<b>112.8</b>	<b>12.6</b>	<b>2.4</b>	<b>21.0</b>
												

# REMAINING PROVEN & PROBABLE (2P) OIL & GAS RESERVES CHANGE (MMBOE)

Geographic area	EOFY24	Acquisition	FY25 Production	EOFY24 Adjusted	In Year Revisions	EOFY25
<b>NEW ZEALAND</b>						
Maari*	0.5		0.1	0.4	0.2	0.5
Kupe	0.8		0.1	0.7	-0.1	0.6
<b>AMADEUS BASIN, AUSTRALIA</b>						
Mereenie**	12.9		0.8	12.1	1.1	13.2
Palm Valley**	1.9		0.2	1.7	0.0	1.7
Dingo**	3.4		0.1	3.3	0.2	3.5
<b>INDONESIA</b>						
Sampang PSC*	0.9		0.1	0.7	-0.4	0.4
Mahato*	1.5		0.2	1.3	-0.2	1.1
<b>TOTAL</b>	<b>21.9</b>	<b>0.0</b>	<b>1.7</b>	<b>20.2</b>	<b>0.8</b>	<b>21.0</b>

\*At 100% of Cue equity in these Assets

\*\*Echelon plus Cue equity

All figures as at evaluation date, some rounding is present. Includes 100 per cent of Cue's interests, Echelon has a 49.97% interest in Cue. Our reserves statement is available on page 15.



# Powering a Sustainable Transition.



### **Oil and gas reserves, are reported as at 1 July 2025 and follow the SPE PRMS Guidelines (2018).**

This resources statement is approved by, based on, and fairly represents information and supporting documentation prepared by Echelon Resources General Manager Assets & Engineering Daniel Leeman. Daniel is a Chartered Engineer with Engineering New Zealand and holds Masters' degrees in Petroleum and Mechanical Engineering as well as a Diploma in Business Management and has over 15 years of experience. Daniel is also an active professional member of the Society of Petroleum Engineers. Echelon reviews reserves holdings twice a year by reviewing data supplied from the field operator and comparing assessments with this and other information supplied at scheduled Operating and Technical Committee Meetings.

Daniel is currently an employee of Echelon whom, at the time of this report, are a related party to Cue Energy. Daniel has been retained under a services contract by Cue to prepare an independent report on the current status of the entity's reserves. As of the 1-July-2025, Echelon held an equity of 49.97% of Cue.

In the Amadeus Basin, Echelon hold 42.5% equity and Cue currently holds 7.5% equity in the Mereenie field and 35% and 15% equity respectively in each of the Dingo and Palm Valley fields. The operator here is Central Petroleum.

Kupe technical forecasts are determined by deterministic reservoir simulation modelling conducted by the operator Beach Energy, the operator at Kupe where Echelon hold 4% equity.

Cue currently holds an equity position of 5%, 11.25% and 15% in the Maari (operated by OMV), Mahato and Sampang assets respectively, though Production Sharing Contract adjustments at the Mahato (operated by Texcal) and Sampang (operated by Medco) fields affect the net equity differently across the various reserve categories.

Estimates are based on all available production data, the results of well intervention campaigns, seismic data, analytical and numerical analysis methods, sets of deterministic reservoir simulation models provided by the field operators (Beach Energy, OMV, Texcal, Medco and Central Petroleum), and analytical and numerical analyses. Forecasts are based on deterministic methods.

Net reserves are net of equity portion, royalties, taxes and fuel and flare (as applicable).

Developed reserves are expected to be recoverable from existing wells and facilities. Undeveloped reserves will be recovered through future investments (e.g. through installation of compression, new wells into different but known reservoirs, or infill wells that will increase recovery). Total reserves are the sum of developed and undeveloped reserves at a given level of certainty.

For undeveloped reserves, the following project maturity sub-classes are assumed- at Mahato PSC, Undeveloped- Approved for Development, at Sampang PSC- Justified for Development, at Maari- Justified for Development, at Mereenie and Dingo- Justified for Development.

At all fields, economic modelling has been conducted to determine the economically recoverable quantities. For the conversion to equivalent units, standard industry factors have been used of 6Bcf to 1mmboe, 1Bcf to 1.05PJ, 1 tonne of LPG to 8.15 boe and 1TJ of gas to 163.4 boe. All reserves and resources reported refer to hydrocarbon volumes post-processing and immediately prior to point of sale. The volumes refer to standard conditions, defined as 14.7psia and 60°F.

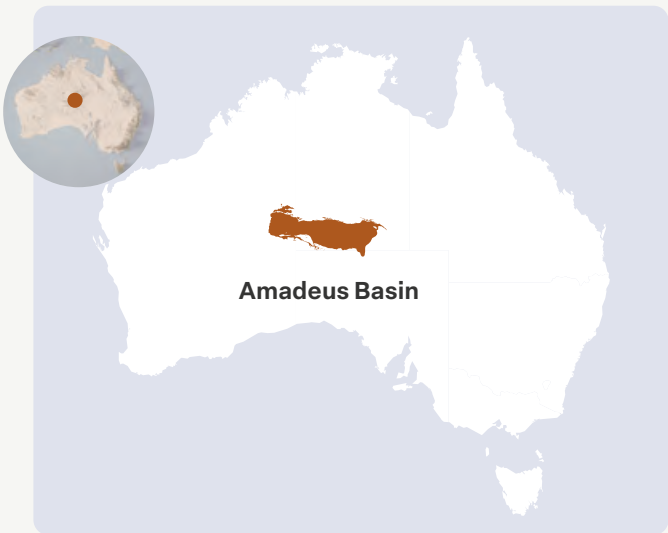
The extraction methods are as follows; at Kupe gas is produced to the processing plant and onwards sale to domestic market, LPG is trucked from site to local markets, condensate is trucked from site and sold internationally, for Maari oil is produced to the FPSO Raroa and directly exported to international oil markets, at Mahato, it is via EPF facilities which includes an oil and water separation system, with the oil then piped 6km to the CPI operated Petapahan Gathering Station, at Sampang, gas is gathered from the Wortel and Oyong fields and piped to shore where it is sold into the Grati power station, at the Mereenie and Palm Valley gas fields gas is gathered from the wells and ultimately collated into the Amadeus Gas Pipeline where sales vary to different customers within the region and further afield and at Dingo, gas is sold into Alice Springs and the Owen Springs power plant.

Tables combining reserves have been done arithmetically and some differences may be present due to rounding.

Echelon holds interests in various regions, including:

Australia

Operations in the Amadeus Basin in the Northern Territory (exploration and production).

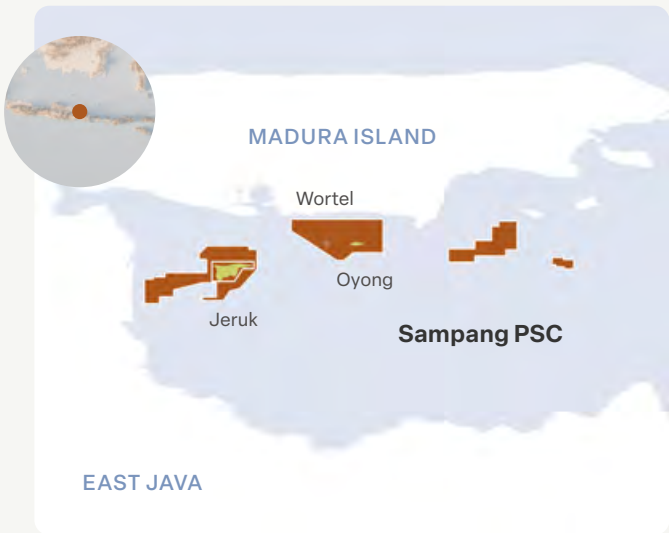


Amadeus Basin, Northern Territory

MEREENIE OL4 & OL5	ECH 42.5%, Cue Energy 7.5%*
PALM VALLEY OL3	ECH 35%, Cue Energy 15%*
DINGO L7	ECH 35%, Cue Energy 15%*
EP 145 EXPLORATION PERMIT	ECH 100%

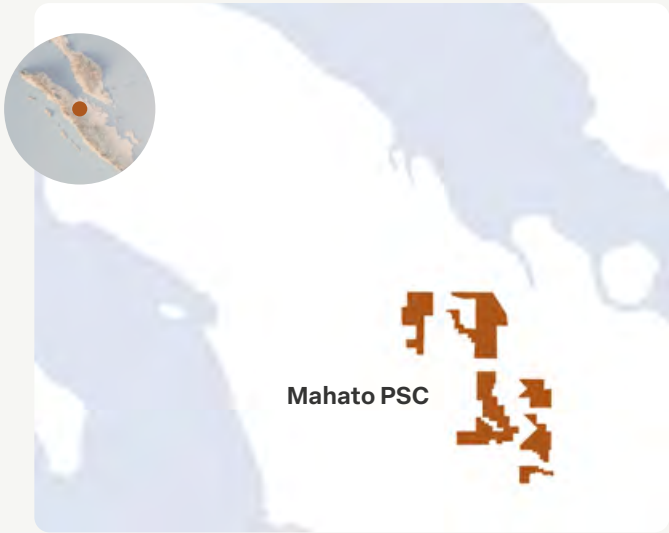
Indonesia

Production activities in Sumatra and East Java, through our 49.97% subsidiary, Cue.



East Java

SAMPANG PSC	Cue Energy 15%*
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Sumatra

MAHATO	Cue Energy 11.25%*
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\*Echelon has a 49.97% interest in Cue. Cue's full interest is shown.



# New Zealand

Production and exploration activities within the South Taranaki Basin.



## Taranaki

KUPE	ECH 4%
MAARI	Cue Energy 5%*

These operations adhere to the environmental approval procedures established by the relevant state and national authorities.

Echelon is a company domiciled in New Zealand, registered under the Companies Act 1993 and listed on the Australian Stock Exchange (ASX). We have adapted to climate reporting, and published our Sustainability Environmental, Social and Governance (ESG) actions for our business activity. Please see our Sustainability report for more information.

## Our supply chain

The oil and gas supply chain covers a broad spectrum of activities, from the exploration and production of gas and crude oil to the manufacturing and processing of products, through our JV partners. We are part of this supply chain that connects companies and people throughout the world.



\*Echelon has a 49.97% interest in Cue. Cue's full interest is shown.



**The Company publishes a separate sustainability report. It also maintains a sustainability section on its website at**

[echelonresources.com/sustainability](https://echelonresources.com/sustainability)

TCFD RISK DISCLOSURE

**Taskforce on Climate-Related Financial Disclosure (TCFD) risks, and the framework for managing climate risks, are comprehensively reported in the Sustainability Report. TCFD reporting is also maintained on our website.**







## Supporting tree planting

# 6,147

## Native trees funded

545

2022

555

2023

513

2024

520

2025



# 1,360<sub>tCO<sub>2</sub>e</sub>

## Expected to be removed

Equivalent to 3,000 one-way flights  
from Auckland to Sydney

# 1.78<sub>ha</sub>

## Land to be restored

Our emissions reduction this year equates to an area of  
forest cover roughly the size of 1.78 hectares — that's like  
planting trees across more than two and a half rugby fields  
or filling 25 Olympic swimming pools with forest





## MĀKINO STREAM REINSTATEMENT

# A Legacy of Restoration and Conservation

In the heart of South Taranaki, Echelon proudly supports the Mākino Stream Reinstatement project, a remarkable initiative that blends sustainable land management with a deep commitment to restoring native habitats. Located in Alton, this 300-hectare farm is dedicated to returning land to its natural state, with 175 hectares actively farmed and the remaining land being carefully retired and replanted with native species. To date, over 28 hectares have been restored, with eco-sourced native trees cultivated at the property's small nursery, producing 5,000 trees annually.

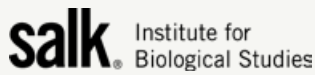
The project borders the Tarere Conservation Park, creating a vital link to the expansive Whanganui National Park. Its focus is on the Mākino Stream area, where an 80–100-hectare block of mature pines, managed by a syndicate, is set to be harvested in 2025/26. While this provides an opportunity for regeneration, it also presents a challenge: erosion risk. The proposed solution is the innovative seed island approach—planting native species such as tarata, tōtara, five finger, kōhūhū, and rātā in strategic pockets, fostering natural regeneration across the landscape.



In addition to reforestation, the project will include the development of a Grade 1/2 walkway, offering access to the Mākino Stream's breathtaking views and showcasing the farm's journey towards regeneration. Through active predator control efforts, in collaboration with the Pātea River Catchment Group and Taranaki Kiwi Trust, the project aims to prepare the area for the return of kiwi, with the first release of these iconic birds anticipated within two years.

The Mākino Stream Reinstatement project is not only enhancing water quality and biodiversity but also creating a sanctuary for endangered species. This conservation effort stands as a meaningful legacy, ensuring the land will thrive for generations to come.





SALK INSTITUTE

## Supporting Advancing Science-Driven Initiatives

As a science-based organisation, Echelon continues to support the Salk Institute because of its vital role in advancing scientific research. The Institute's work in areas like aging, cancer, immunology, brain science, and plant biology aligns with our commitment to science-driven initiatives. We still support the Harnessing Plants Initiative (HPI), which addresses Climate Change by developing plants that store more carbon in the soil. By enhancing root mass, depth, and suberin content in crops and wetland plants, HPI works to keep carbon stored longer.

Find out more here [salk.edu/harnessing-plants-initiative/](https://salk.edu/harnessing-plants-initiative/)

**“If we can optimise plants’ natural ability to capture and store carbon, we can develop plants that not only have the potential to reduce carbon dioxide in the atmosphere but that can also help enrich soils and increase crop yields.”**

JOANNE CHORY

SALK PROFESSOR AND HARNESSING PLANTS INITIATIVE FOUNDING DIRECTOR







CHILDREN'S GROUND

## Empowering First Nations Communities Through Children's Ground

In remote First Nations communities across the Northern Territory, education, health, and economic opportunities are often limited. Children's Ground is transforming the future for Indigenous families by providing bilingual education, health services, and job opportunities tailored to their cultural and community needs.

In 2023, Children's Ground engaged over 1,350 families in programs that strengthened physical health, while 272 children participated in a bilingual education system integrating both First Nations knowledge and Western learning. The impact goes beyond the classroom—over 110 First Nations adults gained employment through the program, many for the first time.

Echelon's partnership with Children's Ground supports this long-term vision of self-determination and opportunity, ensuring Indigenous children grow up with access to education and healthcare that respects and upholds their heritage.



ANGLICARE NT

## Supporting Independent Living for Older Territorians

For many seniors in the Northern Territory, aging at home presents challenges, from mobility limitations to the need for daily support. Anglicare NT's Home Care Packages are changing this by offering essential services that allow elderly individuals to live independently while staying connected to their communities.

Last year alone, Anglicare NT provided critical care to thousands of older Territorians, ensuring they had access to personal care, home maintenance, transportation, and social activities. These services are particularly vital for Aboriginal and Torres Strait Islander elders, who often face additional barriers to accessing aged care.

By contributing to Anglicare NT's Home Care Packages, Echelon is helping seniors maintain their dignity, independence, and quality of life—one household at a time.



### **Echelon Resources Limited is a New Zealand incorporated and domiciled limited liability company registered under the New Zealand Companies Act 1993.**

The Company comprises of both Echelon and our subsidiary Cue. The Company is listed and its shares quoted on the official list of the Australian Securities Exchange (ASX) - the Company's code is "ECH". From a regulatory perspective this means that, while the ASX Listing Rules apply to the Company, certain provisions of the Australian Corporations Act 2001 (Cth) do not. The Company is not subject to chapters 6, 6A, 6B, and 6C of the Cth dealing with the acquisition of shares (including substantial holdings and takeovers). The Companies Act 1993 (NZ) applies to the Company, as do certain provisions of the Financial Markets Conduct Act 2013 (NZ) (including in relation to financial reporting, but not including provisions relating to substantial shareholdings). Key limitations on the acquisition of shares in the Company are imposed by the following New Zealand legislation: Commerce Act 1986, Overseas Investment Act 2005, and Takeovers Act 1993, together with various regulations and codes promulgated under such legislation.

This statement sets out the main corporate governance practices adopted by the Company.

#### **CORPORATE GOVERNANCE BEST PRACTICE CODES**

The Company reviews and assesses governance processes, policies, and its compliance with corporate governance best practice at least annually.

This includes assessing compliance with the ASX Listing Rules, the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th Edition) 2019 (ASX Principles and Recommendations).

Under Listing Rule 4.10.3, ASX listed entities are required to benchmark corporate governance practices against the ASX Principles and Recommendations and, where they do not conform, to disclose that fact and the reasons why.

This section of the report is structured to report performance against the ASX Principles and Recommendations.

This Corporate Governance Statement is current to, and was approved by the Board on, 28 August 2025.







CHAIRMAN

### Samuel Kellner

**Samuel Kellner has held a variety of senior executive positions with the Ofer Global Group since joining the Group in 1980.**

He has been deeply involved in various Ofer Global Group's business lines, with a particular emphasis on offshore oil and gas, shipping and real estate, and has advised the Ofer Global Group companies on investments in a variety of investment managers, hedge funds and private equity funds. Most recently, Mr Kellner served as president of Global Holdings Management Group (US) Inc, where he led North American real estate acquisition, development and financing activities. Mr Kellner serves as a director of O.G. Energy, O.G. Oil & Gas and Cue. He is also an executive director of the main holding companies for the Zodiac shipping group and Omni Offshore Terminals, a leading provider of Floating Production, Storage and Offloading (FSO and FPSO) solutions to the offshore oil and gas industry. As a member of the O.G. Energy Senior Management Committee, he helps drive the strategy for the Ofer Global Group's energy activities.

Mr Kellner graduated with a BA degree from Hebrew University in Jerusalem. He has an MBA from the University of Toronto, and taught at the University of Toronto while working toward a PhD in Applied Economics. Mr Kellner was appointed in December 2017. He is the Chairman of the Board of Directors and a member of the Nomination and Remuneration Committee.



INDEPENDENT DIRECTOR

### Dr Rosalind Archer

**Dr Rosalind Archer joined the Board of Echelon in November 2014.**

Dr Archer is Dean (Academic) - Griffith Sciences Group, Griffith University in Queensland. Dr Archer is a former President of Engineering New Zealand. She runs a consulting practice as a reservoir engineer with clients locally and internationally. She regularly speaks on reservoir engineering topics at international conferences.

Dr Archer graduated with a BE from University of Auckland. She holds a PhD in Petroleum Engineering, and PhD minor in Geological and Environmental Studies from Stanford University.



MANAGING DIRECTOR

## Andrew Jefferies

### **Andrew joined Echelon in 2013.**

He started his career with Shell in Australia and has worked in oil and gas in Australia, Germany, the United Kingdom, Thailand and Holland. Mr Jefferies is also a graduate of the Australian Institute of Company Directors (GAICD), and a Certified Petroleum Engineer with the Society of Petroleum Engineers.

After graduating with a BE Hons (Mechanical) from the University of Sydney, Mr Jefferies earned an MBA in technology management from Deakin University in Australia, and an MSc in petroleum engineering from Heriot-Watt University in Scotland.



INDEPENDENT DIRECTOR

## Rod Ritchie

### **Rod Ritchie joined the Board in 2013.**

He began his career as a petroleum engineer with Schlumberger for 28 years and then joined OMV, where he worked for a further twelve years. Mr Ritchie has more than 40 years of global experience in leadership roles and as a Health, Safety, Environmental and Security (HSSE) executive in the oil and gas industry, including serving as corporate Senior Vice President of HSSE and Sustainability at OMV in Vienna, Austria.

Mr Ritchie has worked closely with the International Association of Oil and Gas Producers (IOGP) to create industry best practice standards for the oil and gas sector. He is an active leadership and cultural change consultant, and an author on the subject of safety leadership and several Society of Petroleum Engineers papers on the subject of HSSE and safety leadership.



DIRECTOR

## Alastair McGregor

### **Alastair has been actively involved in the oil and gas sector since 2003.**

He is currently chief executive of O.G. Energy, which holds the Offer Global Group's broader energy interests, and O.G. Oil & Gas Limited, a company that holds directly or indirectly oil & gas exploration and production interests onshore and offshore. He leads the O.G. Energy Senior Management Committee, driving the strategy for the Offer Global Group's energy activities.

Mr McGregor is also the Chair of Cue. In addition, he is Chief Executive of Omni Offshore Terminals Limited, a leading integrated provider of FPSO & FSO solutions to the offshore oil & gas industry. Omni's operations span the globe from New Zealand, Australia, South East Asia, Middle East and South America. Prior to entering the oil and gas industry, Mr McGregor spent twelve years as a banker with Citigroup and Salomon Smith Barney.

Mr McGregor holds a BEng (hons) in Aeronautical Engineering and an MSc in Transport Management, Economics and Finance. Mr McGregor joined the Board in October 2017.





DIRECTOR

# Marco Argentieri

**Marco Argentieri is Executive Vice President and General Counsel for O.G. Energy, and a member of the Board of Directors of both O.G. Energy and O.G. Oil & Gas.**

As a member of the O.G. Energy Senior Management Committee, he helps drive the strategy for the Ofer Global Group’s energy activities. Mr Argentieri serves as the chief legal counsel for the O.G. Energy Group, where he advises on financing activities, acquisitions, and other commercial and corporate matters. Mr Argentieri has worked for the Ofer Global Group since 2006, where he previously served as chief legal counsel responsible for Ofer Global Group finance activities, with a particular focus on the Group’s offshore oil services and shipping businesses. Prior to joining Ofer Global, Mr Argentieri was an attorney at the New York offices of Latham & Watkins LLP and Skadden, Arps, Slate, Meagher & Flom LLP.

He holds a B.A. from the University of Rochester, a J.D. from New York University, and an MBA from Columbia University. Mr Argentieri joined the Board in July 2018.

## Composition of the Board

The number of directors is specified in the constitution as a minimum of three and up to a maximum of seven.

With our ASX listing, two directors must be ordinarily resident in Australia. Dr Archer and Mr Ritchie are ordinarily resident in Australia.

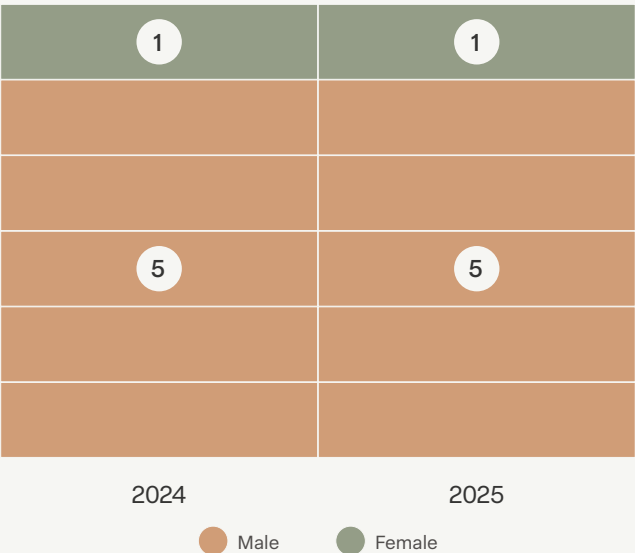
The NZ Companies Act requires one director to live in New Zealand (or in an enforcement country and be a director of a company there e.g., Australia). Mr Jefferies lives in New Zealand.

The Company’s constitution requires directors to retire at the third Annual Meeting since their last appointment, or every three years (whichever is longer). If eligible, each retiring director may offer themselves for re-election.

Directors holding office during 1 July 2024 to 30 June 2025.

Directors	Date elected	Year first appointed
Dr Rosalind Archer	29 November 2024	2014
Marco Argentieri	29 November 2024	2018
Andrew Jefferies	29 November 2024	2017
Samuel Kellner	29 November 2024	2017
Alastair McGregor	12 December 2023	2017
Rod Ritchie	2 November 2022	2013

## Board Gender Composition



## Directors Interests Policy

Directors are required to recognise that the possibility of conflict of interest exists, and are expected to declare potential conflict of interest situations to the Board and manage conflicts of interest in accordance with the Directors Interests Policy, the Code of Business Conduct and Ethics, and the Company's Constitution.

The Company maintains an interests register in compliance with the Companies Act 1993, which records particulars of certain transactions and matters involving directors.

The Directors' Interests Policy is available in the corporate governance section of the Company's website at



[backend.echelonresources.com/assets/Reports/Corporate-Governance/Echelon-Policies/2024-06-Directors-Interest-Policy.pdf](https://backend.echelonresources.com/assets/Reports/Corporate-Governance/Echelon-Policies/2024-06-Directors-Interest-Policy.pdf)

## Directors' Securities Interests

The interests of Directors in securities of the Company at 30 June 2025 were:

Directors	Direct Interest	Indirect Interest
Mr A Jefferies	50,000	-
	3,044,883 share options	-

## Directors' Interests Register

Directors' interests recorded in the Interests Register of the Company as at 30 June 2025 are detailed below.

Notices given or adjusted during the financial year ended 30 June 2025 are marked with an asterisk (\*).

Each such Director will be regarded as interested in all transactions between the Company and the disclosed entity.

### MR S KELLNER

O.G. Oil & Gas Ltd	Director
O.G. Energy Holdings Ltd	Director
Omni Holdings Ltd	Director
Cue Energy Resources Ltd	Director

### MR M ARGENTIERI

O.G. Energy Holdings Ltd	Director
O.G. Oil & Gas Ltd	Director
OGOG (Kohatukai) Ltd	Director
OGOG (Otway) Holdings Pty Ltd	Director
OGOG (Otway) Pty Ltd	Director
OGOG (1) Limited	Director
OGOG (2) Limited	Director
OGOG (K2) Inc	Director
OGOG (GOM1) Inc	Vice-President/Treasurer/Secretary/Director
GOM 1 Holdings Inc*	Vice President/Treasurer/Secretary/Director
OGOG (GOM Management) Inc.	Vice-President/Treasurer/Secretary/Director
OGOG (Management) Limited	Director
OGOG (Warrior) Inc	Director
Cue Energy Resources Ltd	Director
OGOG (K2) Squared LLC*	Director
OGOG (Buckskin) LLC*	Director
OGOG (Castile) LLC*	Director
OGOG (Leon) LLC*	Director
OGOG (East Coast) Pty Ltd	Director
OGOG (Athena) Pty Ltd*	Director
OGOG (GOM NZ) Limited	Director

### DR R ARCHER

Capricorn Solutions Ltd	Director
Contact Energy	Shareholder
Infratil	Shareholder
NZ Windfarms	Shareholder
Griffith University	Dean Academic - Griffiths Sciences Group
Whitebark Energy	Director
Engineering New Zealand	Former President



**MRA JEFFERIES**

88 Energy Ltd	Shareholder
Carnarvon Petroleum Limited	Shareholder
Central Petroleum	Shareholder
CGX Energy	Shareholder
Cue (Ashmore Cartier) Pty Ltd	Director
Cue Energy Resources Ltd	Director & Shareholder
Cue Exploration Pty Ltd	Director
Cue Mahakam Hilir Pty Ltd	Director
Cue Mahato Pty Ltd	Director
Cue Sampang Pty Ltd	Director
Cue Taranaki Pty Ltd	Director
Global Energy Ventures	Shareholder
Hartshead Resources	Shareholder
Melbana Energy	Shareholder
Pancontinental Resources	Shareholder
Tuatara Energy Limited	Director
Warrego	Shareholder
Povaris Energy	Shareholder

**MRR RITCHIE**

Cue Energy Resources Ltd	Director
Safety Leader	Consultant
Sparc (Aust) Pty Ltd	Shareholder
SacGasCo	Shareholder
Provaris Energy*	Shareholder

Consultancy work for Cue in respect of the Amadeus Basin assets (Risk and Operability Review regarding Central).

Consultancy for Central Petroleum in relation to incident investigation.

**MRA MCGREGOR**

Cue Energy Resources Ltd	Director
Cue Kalimantan Pte Ltd	Director
Omni Holdings Limited	Director
Omni Offshore Terminals Pte Ltd	Director/CEO
Gading Megah Sdn Bhd	Director
Omni Offshore Terminals (Operations) (Thailand) Co Ltd	Director
Omni Offshore Terminals (Brazil) B.V.	Director
Omni Offshore Terminals (Lay-Up) B.V.	Director
Aurora FSO Ltd	Director
Manora FSO Ltd	Director
O.G. Oil & Gas (Singapore) Pte Ltd	Director/CEO
O.G. Oil & Gas Ltd	Director
O.G. Energy Holdings Ltd	Director
OGOG (Kohatukai) Ltd	Director
OGOG (Otway) Pty Ltd	Director
OGOG (Otway) Holdings Pty Ltd	Director
OGOG (1) Limited	Director
OGOG (2) Limited	Director
O.G. Oil & Gas (Oceania) Pte. Ltd	Director
OGOG (K2) Inc.	President/Director
OGOG (GOM Management) Inc.	President/Director
OGOG (GOM NZ) Limited	Director
OGOG (Management) Limited	Director
OGOG (Warrior) Inc.	Director
OGOG (K2) Squared LLC	Director
OGOG (Buckskin) LLC	Director
OGOG (Castile) LLC	Director
OGOG (Leon) LLC	Director
OGOG (East Coast) Pty Ltd	Director
OGOG (Athena) Pty Ltd	Director
GOM 1 Holdings Inc	President/Director
LANCAR DAMAI SDN. BHD.	Director
OMNI OFFSHORE TERMINALS MALAYSIA SDN. BHD.	Director



CHIEF EXECUTIVE

Andrew Jefferies

See biographical note above.



GENERAL MANAGER ASSETS  
AND ENGINEERING

Daniel Leeman

Daniel was appointed General Manager Assets and Engineering in 2021 after joining Echelon in 2014. He has over 15 years of experience within the petroleum industry. Daniel began his career at Talisman Energy (UK) working within the Rotational Graduate Engineering Programme where he specialised as a Drilling Engineer. He later worked at Senergy (UK) as a Reservoir Engineer, then Conoco Phillips (UK), where he was a Senior Reservoir Engineer. Daniel is a Chartered Professional Engineer with Engineering New Zealand and holds Master’s degrees in Petroleum Engineering from Heriot-Watt University, and Mechanical Engineering with a Diploma in Business Management from the University of Aberdeen. Daniel is also an active professional member of the Society of Petroleum Engineers and the Royal Society of New Zealand.



GENERAL MANAGER  
EXPLORATION AND APPRAISAL

Alan Clare

Alan joined Echelon in March 2023. He started his career with Esso Australia in 1989 after graduating from Macquarie University with a BSc Hons (Earth Science) and later an MSc from University of NSW. Alan has worked in the energy sector for over 33 years in Australia, UK, USA, China, Egypt and New Zealand.

He has held both technical and managerial roles with ConocoPhillips, Apache and OMV.

The interests of the current Company Officers (excluding the Chief Executive) in securities of the Company at 30 June 2025 were:

Direct Interest	Indirect Interest
1,254,090 options to acquire ordinary shares*	-

Direct Interest	Indirect Interest
413,125 options to acquire ordinary shares*	-

\*Shares in accordance with Scheme Rules





CHIEF FINANCIAL OFFICER

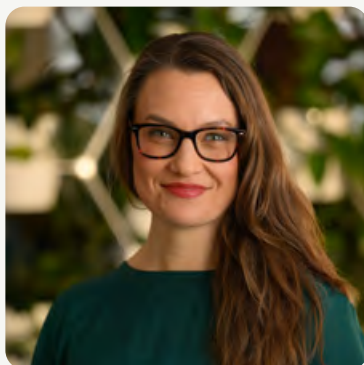
## Catherine McKelvey

Catherine was appointed Chief Financial Officer at Echelon in 2017. With over 30 years of experience in finance and executive management, including more than a decade in the energy sector, she plays a key role in overseeing the company's finance and business management functions.

Catherine began her career in London in the banking industry and later spent over ten years in New Zealand's international telecommunications industry, where she gained extensive experience in multinational finance, international tax, and M&A activity. These experiences have proven valuable in her current role, where she combines global expertise with local insights.

Catherine holds a BA (Hons) in Economics and is a member of the Chartered Institute of Management Accountants (ACMA, CGMA) and the Institute of Directors.

Direct Interest	Indirect Interest
10,214 directly held ordinary shares	-
1,231,552 options to acquire ordinary shares*	



GENERAL COUNSEL

## Paris Bree

Paris started as a lawyer with Echelon in 2010 after having been a solicitor in the Bell Gully Wellington and Herbert Smith Freehills London litigation departments. Paris has a law degree and an arts degree from Victoria University of Wellington and is admitted to the High Court of New Zealand as a Barrister and Solicitor. She is also a delegate of the University of Dundee Centre for Energy after completing the Petroleum and Mineral Law and Policy course on Petroleum Agreements and a delegate of CWC's Production Sharing Contracts-Advanced Master Class.

Paris was awarded the Anthony Harper Young In-House Lawyer of the Year at the 2019 New Zealand Law Awards. She was named as an In-House leader by NZ Lawyer magazine in 2020 and 2022 and NZ Lawyer Elite Women in 2021, 2022 and 2023. She was an Excellence Awardee of In-House Lawyer of the Year 2023.

Paris was appointed General Counsel in 2017.

Direct Interest	Indirect Interest
1,192,275 options to acquire ordinary shares*	-



GENERAL MANAGER COMMERCIAL

## Michael Wright

Michael joined Echelon in 2012 having worked in the energy sector for over 30 years. Michael started his career working on gas distribution networks before spending 11 years planning and developing power stations. In 2003 Michael joined OMV and subsequently joined Vector to manage the implementation of pipeline open access. Michael has also worked as a consultant advising companies in various parts of the energy sector.

Michael has a Master's degree in Mechanical Engineering from Cranfield University, UK.

Direct Interest	Indirect Interest
1,502,338 options to acquire ordinary shares*	-

## PRINCIPLE 1

# Lay solid foundations for management and oversight

## Clearly delineate the respective roles and responsibilities of its Board and management and regularly review their performance

### ASX PRINCIPLES AND RECOMMENDATIONS

## Role of the Board

The Board is responsible for the overall corporate governance of the Company including strategic direction, determining policy, and approving significant contracts, capital and operating costs, financial arrangements and investments.

In addition to statutory and constitutional requirements, the Board has a formal charter that sets out its functions and structure.

The Board Charter is available in the corporate governance section of the Company's website at

[backend.echelonresources.com/assets/Reports/Corporate-Governance/Echelon-Policies/2024-06-Audit-Committee-Charter.pdf](https://backend.echelonresources.com/assets/Reports/Corporate-Governance/Echelon-Policies/2024-06-Audit-Committee-Charter.pdf)

## Responsibilities of the Board

The Board operates under a written charter which sets out the roles and responsibilities of the Board. The Board Charter clearly distinguishes and discloses the respective roles and responsibilities of the Board and management.

The procedure for nomination and appointment of directors to the Board is set out in the Charter.

The Board is accountable for the performance of the Company. The specific responsibilities of the Board include:

- Approving corporate strategy and performance objectives;
- Establishing policies appropriate for the Company;
- Oversight of the Company, including its control and accountability systems;
- Approving major investments and monitoring the return of those investments;
- The overall risk management and control framework for the Company and ensuring appropriate risk management systems are established and applied;
- Appointing, removing and evaluating the performance of the Chief Executive;
- Reviewing the performance of senior management;
- Appointing and removing the company secretary;
- Setting broad remuneration policy;
- Reviewing implementation of strategy and ensuring appropriate resources are available;
- Nominating and appointing new directors to the Board;
- Evaluating the performance of the Board, committees of the Board, and individual directors;
- Reviewing and ratifying systems of risk management, internal compliance and control, codes of conduct, and legal compliance;
- Approving and monitoring the progress of any major capital expenditure, capital management and acquisitions and divestitures;
- Reviewing and ratifying HSSE Sustainability and Operational Risk policies, the HSSE Sustainability and Operational Risk Management System and monitoring its implementation and performance;
- Approving and monitoring financial and other reporting;
- Ensuring that the Company provides continuous disclosure of information such that shareholders and the investment community have available all information to enable them to make informed assessments of the Company's prospects;
- Overall corporate governance of the consolidated entity;
- Determining the key messages that the Company wishes to convey to the market from time to time; and
- Monitoring information commitments and continuous disclosure obligations.



## Performance reviews of the Board

The Board charter states: The Board shall undertake regular reviews of the operations and performance of the Board, its committees and individual directors. Where appropriate, the Board may engage external consultants to conduct this review. In addition to compliance with each committee's individual charter, the review shall consider:

- The skills required by the Board, including processes to satisfy any skill-gaps;
- How the required skills are best represented on the Board; and
- The process for identifying suitable candidates, for appointment to the Board.

Reviews are undertaken by way of a questionnaire submitted to directors. Responses are collated and reviewed by the Chair of the Nominations and Remuneration Committee.

The Chair of the Nominations and Remuneration Committee then undertakes an overall review on the outcomes and produces a written report which is reviewed by the full Board. Individual director performance is addressed by one-on-one review with the Chair of the Nominations and Remuneration Committee.

For the financial year, the Nominations and Remuneration Committee agreed that the above process that was followed.

The Directors' Interests Policy is available in the corporate governance section of the Company's website at

[backend.echelonresources.com/assets/Reports/Corporate-Governance/Echelon-Policies/2024-06-Directors-Interest-Policy.pdf](https://backend.echelonresources.com/assets/Reports/Corporate-Governance/Echelon-Policies/2024-06-Directors-Interest-Policy.pdf)

## Board Proceedings

The Board meets on a formal scheduled basis four times per year, and holds other meetings as required, including by video conference.

The Commercial Committee and the Company Secretary establish the agenda for each Board meeting.

The Chief Executive keeps the Board informed of material or potentially material matters between meetings and provides a weekly update to the Board on all relevant matters.

A report is prepared for each meeting, which includes:

- Updates on assets
- Updates on exploration and production activities and financial management;
- Summaries of new business opportunities;
- An update on human resources and facilities;
- An investor relations report;
- Updates on stakeholder engagement, media and sustainability; and
- Other reports as relevant.

Key strategic issues and opportunities are also presented to the Board by management as part of each meeting.

To ensure that independent judgement is achieved and maintained, the Board has adopted a number of processes in respect of its decision making.

These include:

- Any director may obtain independent advice at the Company's expense where the director considers it necessary to carry out their duties and responsibilities as a director, with the prior consent of the Chair of the Audit Committee (or in the case of the Audit Committee Chair's absence, the prior consent of the Chair of the Board). Such consent may not be withheld unreasonably; and
- Directors must comply with the Directors' Interests Policy. It addresses disclosable interests, conflicts of interest, director information obligations, Board review and determination obligations, and the rules for participation in Board deliberations in the event of a conflict of interest.

On appointment, each director has also acknowledged their individual disclosure obligations.

### BOARD AND COMMITTEE MEETING ATTENDANCE 1 JULY 2024 TO 30 JUNE 2025

Director	Board meetings	Audit Committee	Nominations and Remuneration Committee	Operational Risk and Sustainability Committee
Samuel Kellner	3/3		3/3	2/2
Dr Rosalind Archer	3/3	2/2	3/3	2/2
Marco Argentieri	3/3		3/3	2/2
Andrew Jefferies	3/3			2/2
Alastair McGregor	3/3	2/2	3/3	2/2
Rod Ritchie	3/3	2/2	3/3	2/2

## Delegation to Management

While the Board has overall and final responsibility for the business of the Company, it has delegated substantial responsibility for the conduct and administration of the Company's business and policy implementation to the chief executive and his management team.

Board approved policies and procedures are in place to set parameters for the delegated responsibilities, including:

- Health and Safety Policy;
- Environment Policy;
- Climate Change Policy;
- Community Engagement Policy;
- Capturing Local Economic Benefit Policy;
- Code of Business Conduct and Ethics;
- Communications, Market Disclosure and Social Media Policy;
- Dividend Policy;
- Securities Trading Policies for Directors, Employees and Dedicated Contractors;
- Directors' Interests Policy;
- Protected Disclosure (Whistleblower) Policy;
- Diversity Policy;
- Delegated Authorities Manual;
- Remuneration and Performance Appraisal Policy;
- Treasury Policy;

- Email and Internet Use Policy;
- Anti-Harassment Policy;
- Drugs and Alcohol Policy;
- Workplace Flexibility Policy;
- Paid Parental Leave Policy; and
- Modern Slavery Policy.

These policies are reviewed regularly. The Board may establish other policies and practices to ensure it fulfils its functions.

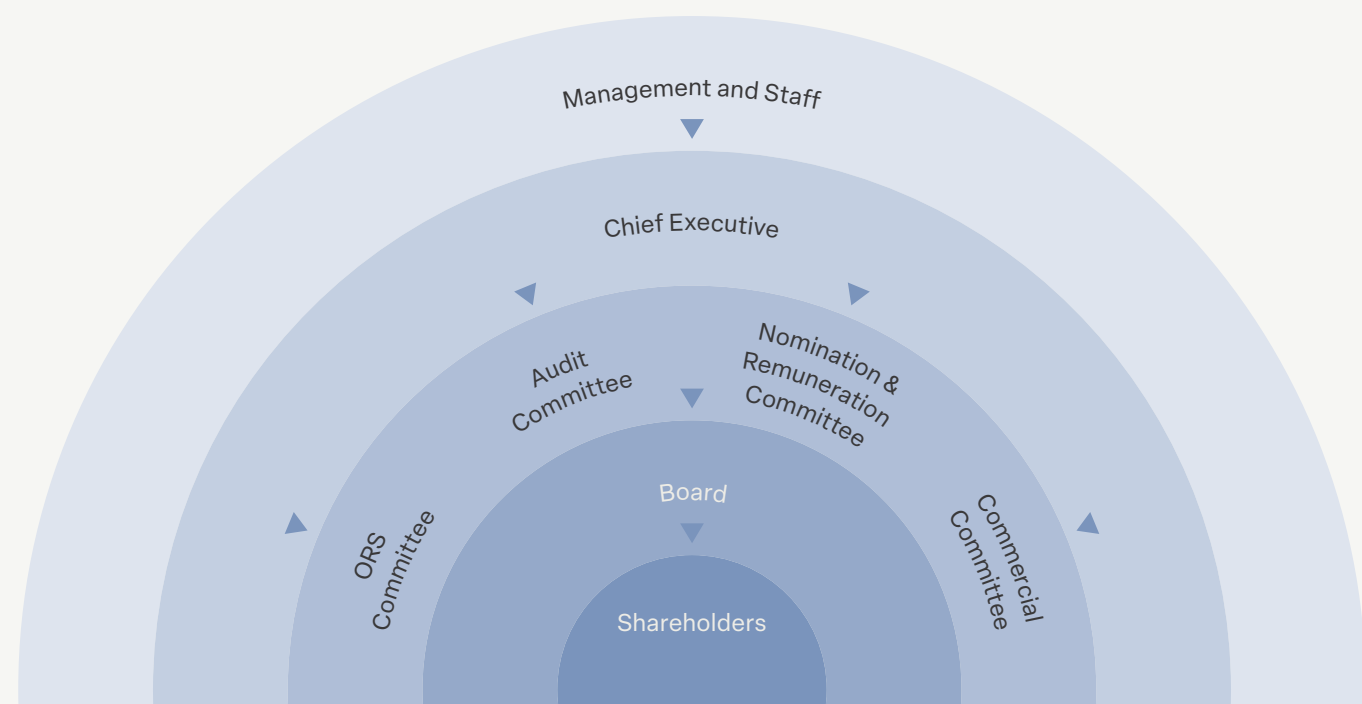
All of these policies are available in the corporate governance section of the Company's website at

[echelonresources.com/investors/company-reports/corporate-governance](https://echelonresources.com/investors/company-reports/corporate-governance)

## Delegated Authorities Manual

The Board has established formal limits of authority to provide clarity to the chief executive and management so that they are in a position to carry out the business of the Company efficiently and effectively within the parameters of proper corporate governance.

The Delegated Authorities Manual sets limits to financial commitments and other decision-making, and is monitored by the Board through the audit function.





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## PRINCIPLE 2

# Structure the Board to be effective and add value

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**The Board should be of an appropriate size and collectively have the skills, commitment, and knowledge of the entity and the industry in which it operates to enable it to discharge its duties effectively and to add value**

### ASX PRINCIPLES AND RECOMMENDATIONS

## Composition of the Board

The Board as a whole, supported by the Nomination and Remuneration Committee, undertakes the process for identifying suitable candidates for appointment to the Board and recommending directors for appointment, having reviewed its operations, the performance of individual directors, the qualifications of candidates for the Board, the skills required by the Board, and how the required skills are best represented.

The Board provides clear recommendations and relevant information in the Notice of Meeting at which candidate directors are put forward. Biographical information is presented in the Notice of Meeting, and further information about directors is presented on the Company's website.

Where possible, the process of vetting prospective directors includes background checks into character, education, criminal record, and bankruptcy. The Nomination and Remuneration Committee also undertakes other vetting procedures that it deems appropriate in the circumstances

As the Board has not recommended any new candidate since 2018, these checks have not been performed in the past year. Background checks have not been undertaken where directors are nominated by the major shareholder of the Company, reflecting the reality of the ownership structure of the Company.

Upon appointment to the Company's Board, directors are advised of salient requirements and policies. Obligations such as disclosure of interests, managing conflicts, and share trading are managed through policies. Directors have received training in health and safety governance. Further training about how to best perform their duties as directors was not required during the reporting period as the Company has robust policies around director duties and the Board's skills are appropriate.

When the Company converted its listing to being primary listed on the ASX, each director entered into individual written agreements with the Company consistent with ASX listing rule 3.19B.

The Company enters into an employment agreement with the managing director and the senior executives, the material terms of which are disclosed below.

The Company Secretary is Paris Bree, who is also the Company's General Counsel. She is appointed by the Board and accountable directly to the Board.

The company was not in the S&P/ASX 300 Index at the commencement of the reporting period, and is not a "relevant employer" under the Workplace Gender Equality Act.

## Board Skills

Board skills are set out in the accompanying chart.

The Board considers its composition brings together skill-sets that are highly valued in the industry. The Board has a balance of independence, skills, knowledge, experience, and perspectives.

In considering the appropriate Board composition, account is given to whether or not a shareholder owns a majority of the shares in the Company. The Board composition is a consequence of the Company's ownership structure.

Two out of six directors are independent. The Chair is not independent, reflecting the ownership structure of the Company. The Chair and CEO are not the same person.

The Board has determined that as at 30 June 2025, Dr Archer and Mr Ritchie are independent directors as they do not fall into any of the categories specified in the ASX Principles and Recommendations as being examples of interests, positions and relationships that might raise issues about the independence of a director.

Mr Kellner, Mr Argentieri, and Mr McGregor are not independent because of their association with O.G. Oil & Gas (Singapore) Pte Limited, which is a substantial shareholder in Echelon Resources Ltd.

Mr Jefferies is not independent because he is the managing director of Echelon.

Upon appointment to the Company's Board, directors are advised of salient requirements and responsibilities for directors of the Company.

## Committees of the Board

The Board has established the following committees to assist it by focusing on specific responsibilities, reporting back to the Board and making any necessary recommendations:

- Audit Committee,
- Nominations and Remuneration Committee,
- Operational Risk and Sustainability Committee,
- Commercial Committee.

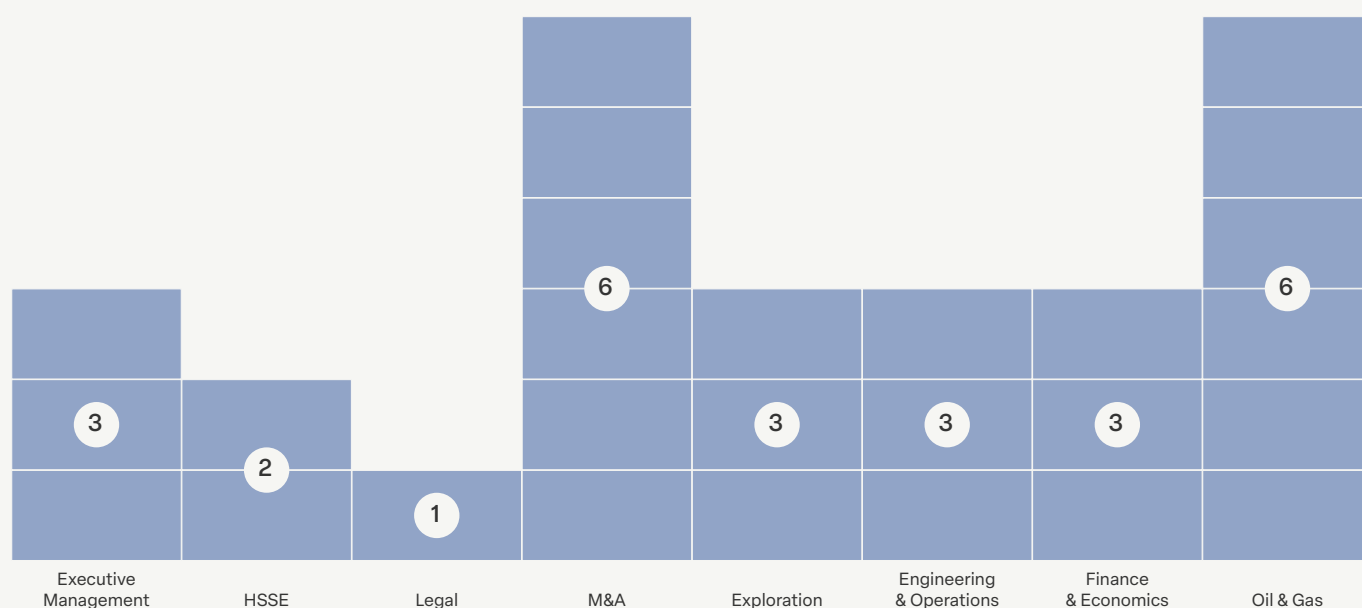
Each committee has a Charter, approved by the Board and reviewed regularly. The Board has sole responsibility for the appointment of directors to committees. Any director is entitled to attend a meeting of a committee if that director so wishes, except that members who are not members of the Audit Committee may only attend its meetings at the invitation of the Audit Committee.

More detail about the role and activities of these committees is reported under relevant headings below.

All Committee Charters are available on the Company's website at

[echelonresources.com/investors/company-reports/corporate-governance](https://echelonresources.com/investors/company-reports/corporate-governance)

### NUMBER OF DIRECTORS WITH SPECIFIC SKILLSET





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## PRINCIPLE 3

# Instill a culture of acting lawfully, ethically and responsibly

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## Instill and continually reinforce a culture across the organisation of acting lawfully, ethically and responsibly

### ASX PRINCIPLES AND RECOMMENDATIONS

Echelon practices the highest standards of corporate governance and aspires to continuous improvement in its governance performance.

The Board has adopted the following overarching governance objectives:

- Lay solid foundations for management and oversight.
- Achieve high standards of transparency and ethical and responsible decision-making.
- Structure itself to add value.
- Make timely and balanced disclosure.
- Respect the rights of its shareholders.
- Safeguard integrity in its financial reporting.
- Recognise and manage risks.
- Encourage enhanced performance.
- Promote a corporate culture that upholds agreed Company values.

The Company's values are displayed in the graphic on the inside front cover of this report.

## Code of Business Conduct and Ethics

The Company's Code of Business Conduct and Ethics sets out values and ethics expected of the Company's directors, management, employees and contractors.

The Company strives to create a strong culture of honesty, integrity, loyalty, fairness, forthrightness and ethical behaviour.

Company representatives are required to:

- Act with high standards of honesty, integrity, fairness, and equity in all aspects of their involvement with the Company;
- Comply fully with the content and spirit of all laws and regulations governing the Company's operations, business environment, and employment practices;
- Not knowingly participate in illegal or unethical activity;
- Actively promote compliance with laws, rules, regulations, and the Company's Code of Business Conduct and Ethics; and
- Not do anything that would be likely to negatively affect the Company's reputation.

The Code addresses in detail issues such as:

- Conflicts of interest and corporate opportunities;
- Protection and proper use of Company assets;
- Confidential and proprietary information;
- Intellectual property;
- Competition and fair dealing;
- Business entertainment and gifts;
- Anti-bribery and corruption;
- Cash koha;
- Insider trading or tipping; and
- Reporting Code violations.

The Code requires the Board to be informed of any material breaches.

## Modern Slavery Policy

Echelon is committed to eliminating modern slavery from its operations and supply chains. We believe that all people have the right to be free from exploitation and that no one should be forced to work in conditions of slavery or servitude.

This policy sets out our commitment to preventing modern slavery and outlines the steps we will take to ensure that our operations and supply chains are free from modern slavery.

The Code of Business Conduct and Ethics is available in the corporate governance section of the Company's website at

[backend.echelonresources.com/assets/Reports/Corporate-Governance/Echelon-Policies/2024-06-Code-of-Business-Conduct-and-Ethics.pdf](https://backend.echelonresources.com/assets/Reports/Corporate-Governance/Echelon-Policies/2024-06-Code-of-Business-Conduct-and-Ethics.pdf)

## Protected Disclosures

The Company has a Protected Disclosures (Whistleblower) Policy that provides a procedure for employees and contractors to raise concerns or make disclosures about what they observe happening at work.

The purpose is to facilitate disclosure and investigation of serious wrongdoing. It provides a mechanism for concerns being raised and dealt with at an early stage and in an appropriate manner. The person making the report is protected from any adverse consequences where the concern is raised in good faith. The Board is to be informed of any material incidents reported under this policy.

The protected Disclosures (Whistleblower) Policy is available in the corporate governance section of the Company's website at

[backend.echelonresources.com/assets/Reports/Corporate-Governance/Echelon-Policies/2024-06-Protected-Disclosures-Whistleblower-Policy.pdf](https://backend.echelonresources.com/assets/Reports/Corporate-Governance/Echelon-Policies/2024-06-Protected-Disclosures-Whistleblower-Policy.pdf)

## Anti-bribery and Corruption

The Company's anti-bribery and corruption policies are included as specific items within the Code of Business Conduct and Ethics.

The Code of Business Conduct and Ethics is available in the corporate governance section of the Company's website at

[backend.echelonresources.com/assets/Reports/Corporate-Governance/Echelon-Policies/2024-06-Code-of-Business-Conduct-and-Ethics.pdf](https://backend.echelonresources.com/assets/Reports/Corporate-Governance/Echelon-Policies/2024-06-Code-of-Business-Conduct-and-Ethics.pdf)





#### PRINCIPLE 4

## Safeguard the integrity of corporate reports

### Have appropriate processes to verify the integrity of corporate reports

#### ASX PRINCIPLES AND RECOMMENDATIONS

The Chief Executive and Chief Financial Officer (CFO) provide the Board with a letter affirming that, in their opinion, the financial records have been properly maintained, that the financial statements comply with the appropriate accounting standards and give a true and fair view of the Company's financial position and performance, and that they form their opinion on the basis of appropriate and effective controls.

Senior management review quarterly activity reports, cash flow reports and other formal reports to verify and confirm content.

The Managing Director, CFO and General Counsel approve reports prior to being circulated to the full Board for approval ahead of public release.

[The Audit Committee Charter is available here](#)



[backend.echelonresources.com/assets/Reports/Corporate-Governance/Echelon-Policies/2024-06-Audit-Committee-Charter.pdf](https://backend.echelonresources.com/assets/Reports/Corporate-Governance/Echelon-Policies/2024-06-Audit-Committee-Charter.pdf)

### Audit Committee

The Audit Committee, together with the Chief Executive, is responsible to the Board for overseeing the financial and internal controls, financial reporting and audit practices of the Company.

The Chair of the Audit Committee also oversees and authorises any trading in securities by directors, employees or contractors. Restrictions on trading are outlined in the Securities Trading Policy and Guidelines for Directors, and in the Securities Trading Policy and Guidelines for Employees and Dedicated Contractors.

In practice the Committee considers:

- Corporate reporting and internal controls,
- Whether financial statements reflect their understanding of the financial position and performance of the Company and otherwise provide a true and fair view,
- The appropriateness of the accounting judgements and choices exercised by management in preparing the financial statements,
- The appointment of the external auditor and rotation of the audit engagement partner;
- The fees payable to the auditor for audit and non-audit work,
- The scope and adequacy of the external audit, and
- The independence and performance of the external auditor.

## Audit Committee Composition

Alastair McGregor, Dr Rosalind Archer and Rod Ritchie comprise the Audit Committee. As Dr Archer and Mr Ritchie are independent, a majority of members of the Audit Committee are independent and none are executive directors.

The Chair of the Audit Committee, Mr McGregor, is not the Chair of the Board. Mr McGregor is not an independent director, which reflects the composition of the Board.

Mr McGregor has a financial background. Dr Archer and Mr Ritchie have gathered considerable experience about the Company's financial affairs through their service on the Board and on the Audit Committee. Further information about the skills and qualifications of the committee members are set out in the biography page (see pages 25 & 26).

The Committee met twice during the year by video conference, and all members attended both meetings.

The Chair of the Board, directors, the Chief Executive and other staff may be invited by the Audit Committee to attend meetings of the Committee.

The Audit Committee can meet with the external auditors and senior management in separate sessions. An annual process considers engagement of auditors, having regard to the auditors' independence and policies for rotation of partners.

The Company does not have an internal audit function, as the scale and complexity of the business and the nature of its financial management does not currently require it.

## Dividend Policy

Echelon's dividend policy aims to deliver sustainable returns to shareholders, with the Board evaluating the Company's financial position semi-annually. Factors considered include cash flow, capital needs, operating commitments, investment plans, debt, and external market conditions. Dividend payments are subject to compliance with the New Zealand Companies Act 1993 and the Board's discretion. The policy is regularly reviewed to ensure ongoing relevance.

The Securities Trading Policy and Guidelines for Employees and Contractors is available on the Company's website [here](#)



[backend.echelonresources.com/assets/Reports/Corporate-Governance/Echelon-Policies/2024-06-Securities-Trading-Policy-Guidelines-for-employees.pdf](https://backend.echelonresources.com/assets/Reports/Corporate-Governance/Echelon-Policies/2024-06-Securities-Trading-Policy-Guidelines-for-employees.pdf)



## PRINCIPLE 5

# Make timely and balanced disclosure

**Make timely and balanced disclosure of all matters that a reasonable person would expect to have a material effect on the price or value of the Company's securities**

ASX PRINCIPLES AND RECOMMENDATIONS

Echelon complies with Listing Rule 3.1, which requires a listed entity, subject to certain exceptions, to disclose to ASX immediately any information that a reasonable person would expect to have a material effect on the price or value of its securities.

The Board receives advance copies of all material announcements.

New presentations are released to the ASX market ahead of the presentation, and promptly posted to the Company website.

## Continuous Disclosure

The company releases to markets, promptly and without delay, information that a reasonable person would expect to have a material effect on the price of its securities. The only exceptions to this disclosure principle are those permitted under the Listing Rules.

The Board is responsible for monitoring commitments and continuous disclosure obligations and initiating action as warranted to ensure reporting is fair and reasonable.

The Company has a Communications, Market Disclosure and Social Media Policy. Its purpose is to:

- Reinforce the Company's commitment to the continuous disclosure obligations imposed by law and stock exchange rules,
- Describe the processes to ensure compliance,
- Outline the Company's general communications approach aimed at ensuring timely and accurate information is provided to shareholders, market participants and market observers, and
- Provide ground rules for the use of social media.

## Non-Financial Reporting

The Company publishes a Sustainability Report.

Sustainability reporting includes material exposure to environmental, economic and social sustainability risks and other key risks. It explains how the Company manages those risks and how operational or non-financial targets are measured.

Components of sustainability reported include:

- A summary of the Company's values;
- TCFD including Governance of climate risk, Company policies and the Company's climate change statement;
- Sustainability and climate risk strategy and risk management and corporate responsibility strategy;
- Diversity Statement, performance metrics and targets;
- A summary of the Company's approach to stakeholder engagement,
- Summary of the Company's contribution to local communities;
- A materiality matrix; and
- Relationship between business strategy and the UN's Sustainable Development Goals.

A copy of our Sustainability Reports are available on the Company's website, [here](#)

 [echelonresources.com/investors/company-reports/sustainability-report](https://echelonresources.com/investors/company-reports/sustainability-report)



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PRINCIPLE 6

## Respect the rights of security holders

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### **Provide security holders with appropriate information and facilities to allow them to exercise their rights as security holders effectively**

#### ASX PRINCIPLES AND RECOMMENDATIONS

### **Shareholder Participation**

The Company communicates openly with investors with the aim of growing understanding about the business, its activities and plans, governance, financial performance and prospects.

The Company encourages shareholder participation at the annual meeting by inviting questions in advance and discussion from the floor. Meeting agendas and supporting documents such as presentations are posted on the Company's website.

It makes directors and management available at annual meetings and provides an opportunity for conversation about the Company. Investor queries to the Company by phone and email are answered promptly by senior managers. For major Company events, management and directors reach out to larger minority holders to discuss issues and concerns.

The Company encourages participation in annual meetings. It holds meetings online as well as in person and provides extensive opportunities before and during meetings for questions, discussion and engagement. Questions may be submitted in advance by shareholders not present and answers are made available on the webcast recording on the website. Shareholders continue to avail these opportunities.

The Notice of Annual Meeting of Shareholders is posted when it is available and at least 20 working days prior to the meeting.

Shareholders can directly message the Company at any time through the website and management aims to respond promptly. The Company makes available key staff and directors to answer questions about major initiatives. The chief executive actively contacts shareholders who seek to engage.

Shareholders have the right to vote on major decisions that change the nature of the Company's activities. All shares participate equally with other shares on the basis of one share, one vote. There are no special voting rights attached to any stock. Voting is conducted by poll, not by show of hands, as recommended by shareholders' associations.

The Company accepts the principle of one share-one vote in the listing rules and agrees that a show of hands is inconsistent with this principle. The Company holds ballots with scrutineers present on all votes at all meetings.

The Company's offices and shareholder meetings are wheelchair accessible.

## Website

The Company maintains a website, [echelonresources.com](http://echelonresources.com), where comprehensive information is presented about its activities, governance and financial performance.

Shareholders and interested parties can subscribe via the website to receive notice of the Company's market announcements by email.

The dedicated investor relations section of the website makes available share price information, detail about shareholdings, statutory reports, corporate governance information, and market updates about the Company's activities.

The corporate governance landing page presents all relevant corporate governance documents, including policies, charters, and the constitution.

The Investors section provides links to:

- News, market announcements, and investor briefings;
- Policies, charters and other corporate governance documentation;
- Periodic reports, including annual and quarterly reports and sustainability reporting;
- Information about annual and special meetings, including notices of meeting, voting cards, CEO and Chair's addresses, results and webcasts, including historical records of past meetings;
- Shareholder information including the distribution of listed holdings, information about past dividends and a share price graph.

Recent reports are typically linked from the most prominent panel of the front page of the website.

The website provides detailed descriptions of current activities:

- Production and financial data
- The names, photographs and brief biographical information for each directors and senior executive;
- A statement of values;
- Sustainability and corporate responsibility information;
- Investor relations materials.

## Registry

The Company shifted registry management to Computershare Australia (from New Zealand) following its Annual Meeting of Shareholders in November 2022.

Any shareholder may receive all communications from Echelon and from the registry in electronic form. Contact Computershare to make arrangements:

### AUSTRALIA

#### **Computershare Investor Services Pty Ltd**

GPO Box 3329 Melbourne,  
VIC 8060 Australia

Freephone	1 800 501 366 (within Australia)
Telephone	+61 3 9415 4083
Facsimile	+61 3 9473 2500
Email	<a href="mailto:Web.Queries@computershare.com.au">Web.Queries@computershare.com.au</a>
Website	<a href="http://www.computershare.com.au">www.computershare.com.au</a>

### NEW ZEALAND

#### **Computershare Investor Services Ltd**

Level 2, 159 Hurstmere Road Takapuna,  
Private Bag 92119 Auckland, New Zealand

Telephone	+64 9 488 8777
Freephone	0800 467 335
Facsimile	+64 9 488 8787
Email	<a href="mailto:enquiry@computershare.co.nz">enquiry@computershare.co.nz</a>
Website	<a href="http://www.investorcentre.com">www.investorcentre.com</a>

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## PRINCIPLE 7

# Recognise and manage risk

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## Establish a sound risk management framework and periodically review the effectiveness of that framework

### ASX PRINCIPLES AND RECOMMENDATIONS

The Board allocates oversight of risk management in relation to health, safety and environment and company operations to the Operational Risk and Sustainability Committee (ORS) and oversight in relation to accounting standards and principles, financial statement compliance and reliability and the audit process to the Audit Committee.

## Operational Risk and Sustainability Committee

The ORS Committee is chaired by Rod Ritchie, who is independent. The other members are Dr Rosalind Archer, Andrew Jefferies, and Alastair McGregor.

The Committee met three times during the year by video conference, and all members were present for that meeting.

The ORS Committee's role is to advise and support the Board in meeting its responsibilities in relation to health, safety, security, environment, sustainability, operational risk and community engagement matters arising out of the activities and operations of the Group.

The committee's responsibilities include:


- Risk Management Framework: Monitor the performance and effectiveness of, and compliance with, the Company's Risk Management Framework and review the adequacy of risk controls.
- Approve policy and monitor progress: Set, review and agree ORS policies, practices, frameworks and targets, including performance against these, as recommended by management, including but not limited to:
  - › Sustainability performance framework, targets and reporting;
  - › Community and Iwi engagement;
  - › Environmental policies and programmes including Climate Change responses.
- Seek assurance of the Company's compliance with all ORS legislative requirements, licence conditions and stakeholder commitments.
- Support the Board and management in defining the Company's ORS objectives, taking into account legal obligations and industry best practice.
- Work with management to agree how ORS objectives will be achieved, monitored and reviewed.
- Support a culture of continuous improvement by reviewing significant incidents and system failures and monitoring actions and measures to minimise recurrence.
- Ensure the necessary skills are obtained and maintained within the Group to achieve ORS objectives.
- Provide leadership to the Board and support the Company in aspiring to proactively manage ORS issues.
- Ensure that significant issues are brought to the attention of the full Board



Company policies, frameworks and strategies relevant to this Committee:

- Health and Safety Policy
- Environment Policy
- Capturing Local Economic Benefits Policy
- Community Engagement Policy
- HSSE Management Framework and Management System - Risk Register
- Risk Management Procedure
- Sustainability Framework
- Climate Change Policy
- The Sustainability Report

[Read the Operational Risk and Sustainability Committee's charter here](#)

 [backend.echelonresources.com/assets/Reports/Corporate-Governance/Echelon-Policies/2024-06-Operational-Risk-and-Sustainability-Committee-Charter.pdf](https://backend.echelonresources.com/assets/Reports/Corporate-Governance/Echelon-Policies/2024-06-Operational-Risk-and-Sustainability-Committee-Charter.pdf)

## Health and Safety


The Company values the wellbeing of employees, contractors and communities in which we operate. It is fully committed to the provision of a safe and healthy environment for all employees, contractors and visitors to Echelon sites, and to achieving a health and safety aspiration of 'no one gets hurt' and 'no incidents'.

All employees, contractors and JV parties engaged in activities under the Company's operational control are responsible for the application of the Health and Safety Policy.

All employees are responsible for taking all practical steps to avoid harm to themselves or to others in the workplace. They must report any potentially hazardous situations, maintain good housekeeping in all areas and comply with safe work practices and procedures.

The Company's managers are responsible for promoting the Health and Safety Policy in non-operated joint ventures.

[The full Health and Safety Policy is available in the corporate governance section of the Company's website at](#)

 [backend.echelonresources.com/assets/Reports/Corporate-Governance/Echelon-Policies/2024-06-Health-Safety-Policy.pdf](https://backend.echelonresources.com/assets/Reports/Corporate-Governance/Echelon-Policies/2024-06-Health-Safety-Policy.pdf)

## Environment


The Company values our natural environment and is committed to responsible management practices that minimise environmental impacts arising from our activities, using soundly-based science as the basis for all of our environmental decisions.

All employees, contractors and JV's engaged in activities under the Company's operational control are responsible for applying the Environment Policy. The Company's managers are responsible for promoting the policy in non-operated JV's.

Management reviews the risk management framework twice per year and reports to the ORS Committee.

The full Board reviews the risk register annually.

[The full Environment Policy is available in the corporate governance section of the Company's website at](#)

 [backend.echelonresources.com/assets/Reports/Corporate-Governance/Echelon-Policies/2024-06-Environmental-Policy.pdf](https://backend.echelonresources.com/assets/Reports/Corporate-Governance/Echelon-Policies/2024-06-Environmental-Policy.pdf)

## Recognising and Managing Risk

The Company has a risk management system framework, which outlines the Company's approach to risk management. It provides a framework for applying consistent and comprehensive risk management practices across all functional areas of the business.

A central Company risk register, which considers the risks, reviews the controls, assigns ownership of a risk and tracks treatment plans, is maintained. Risk assurance is provided through a prioritised programme of audits and internal review.

The Board's accountabilities include:

- Overseeing the effectiveness of the risk management system framework,
- Monitoring compliance, and
- Approving policies and systems for the ongoing identification and management of risks.

The Board's responsibilities include:

- Approving the Company's risk capacity and appetite,
- Reviewing material risks, and
- Reviewing the risk register.

Responsibility for identifying, documenting and managing risks and opportunities is delegated to the appropriate level of management. The Chief Executive is responsible for such things as integrating risk management into core business processes, managing the Company's corporate strategic risks and opportunities, and regularly reviewing the Company's risk profile. The Chief Executive has ultimate responsibility to the Board for design, development and improvement of the risk management framework system and maintains the Company's risk register.

The Company does not have an internal risk function.

The process employed for evaluating and improving the effectiveness of risk management and internal control processes is:

- Risks are formally reviewed by risk owners;
- Management regularly reviews the risk register to ensure adherence and continuous improvement;
- The ORS Committee regularly reviews the risk register, with a particular emphasis on reducing key risks to as low as reasonably practicable;
- For specific operational activities (including seismic acquisition campaigns), the Board reviews the intended operational activity against activities related to elements of the Company's HSSE management framework to ensure a compliant work programme, achieving desired objectives safely; and
- After-action reviews of an operational phase of a project are undertaken by the HSSE Advisor and project team, to identify improvement in control processes. The after-action review is then reviewed by the ORS Committee.

The ORS Committee reviews specific risks at each meeting of the committee and, at least annually, reviews the risk register and framework document to satisfy itself that the system continues to be sound.

The process employed for evaluating and improving the effectiveness of risk management and internal control processes is:

- Risks are formally reviewed by risk owners;
- Management regularly reviews the risk register to ensure adherence and continuous improvement;
- The ORS Committee regularly reviews the risk register, with a particular emphasis on reducing key risks to as low as reasonably practicable;
- For specific operational activities (including seismic acquisition campaigns), the Board reviews the intended operational activity against activities related to elements of the Company's HSSE management framework to ensure a compliant work programme, achieving desired objectives safely; and
- After-action reviews of an operational phase of a project are undertaken by the HSSE Advisor and project team, to identify improvement in control processes. The after-action review is then reviewed by the ORS Committee.

The ORS Committee reviews specific risks at each meeting of the committee and, at least annually, reviews the risk register and framework document to satisfy itself that the system continues to be sound.

## TCFD Risk Disclosure

TCFD risks, and the framework for managing climate risks, are comprehensively reported in the Sustainability Report.

TCFD reporting is also maintained on our Company website.

A copy of our Sustainability Reports are available on the Company's website, [here](https://echelonresources.com/investors/company-reports/sustainability-report)

 [echelonresources.com/investors/company-reports/sustainability-report](https://echelonresources.com/investors/company-reports/sustainability-report)



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## Climate risk management

### How we identify, assess and manage climate-related risks

The Company's Risk Management System Framework applies consistent and comprehensive risk management practices.

Risk assurance and oversight of climate risk management is provided through internal review by the Board ORS committee.

Climate risks are identified on an ongoing basis and consideration is given to industry and peer information and expertise, shareholder and community feedback, regulatory changes, and analysis by our own staff and contractors.

Climate risks are recorded in the central risk register, which considers the risks, reviews the controls, assigns ownership of risk and tracks treatment plans.

### How we model climate risk

#### ● KUPE, NEW ZEALAND

The Kupe offshore platform, onshore coastal processing plant, and connecting pipeline face physical risks from extreme weather and environmental conditions. To mitigate these risks, Echelon ensures that all equipment is engineered to standards exceeding expected weather activity, and the Company carries comprehensive insurance coverage. Additionally, for our New Zealand Kupe asset, Echelon utilises the New Zealand Emissions Trading Scheme (ETS) market pricing for carbon emissions. The Company holds sufficient forward emissions credits to meet future demand. Since these credits were acquired at much lower carbon prices, the ETS represents a positive opportunity for competitive advantage.

#### ● AMADEUS BASIN, AUSTRALIA

For physical risks associated with our Amadeus Basin interests, the Company maintains comprehensive insurance coverage. Climate-related risks are thoroughly assessed during engineering planning to ensure resilience. Regarding price risk associated with production, the Company conducts impairment testing based on future market prices and contracts.

To evaluate the economics of investments, we use an internal pricing model that reflects market prices from other comparable international regimes. These future price expectations incorporate market consensus on potential carbon charges and demand levels. We also perform sensitivity testing to account for potential increases in carbon pricing or decreases in commodity prices.

During the reporting period, carbon prices have generally aligned with future curves, while oil and gas commodity prices have exceeded expectations due to concerns over energy security and actual gas shortages. Consequently, the financial risks related to Climate Change are currently assessed as neutral.

#### ● ASSETS HELD BY CUE

For assets held by its subsidiary, Cue Energy Resources, in New Zealand and Indonesia, risks are modelled by Cue, and the Cue Board manages the risk for those assets. The risk model is broadly similar to the one used by Echelon to manage assets held directly.

### Climate risk, drilling and discovering new resources

The risks associated with drilling and operating new oil and gas wells are managed by the field operator. Echelon does not operate any exploration or production site. The Company exercises active oversight of operator health, safety and environment risks and manage these through its risk management framework.

Oil and gas are fossil fuels that produce climate changing emissions. Our Statement on Climate Change can be read in this report. We target gas production in Australia, New Zealand and Indonesia, and evidence is clear that our production provides energy security and substitutes for much higher emitting alternatives. New discoveries do not materially alter demand for oil and gas products and so any production needs to be measured against the alternative energy source.

The Climate Change Policy is available here



[backend.echelonresources.com/assets/Reports/Corporate-Governance/Echelon-Policies/2024-06-Climate-Change-Policy.pdf](https://backend.echelonresources.com/assets/Reports/Corporate-Governance/Echelon-Policies/2024-06-Climate-Change-Policy.pdf)



## Echelon's simplified climate-related risk bow tie

### THREATS AND CAUSES



#### LITIGATION

including greenwashing



#### REPUTATION

failure to meet stakeholder expectations



#### MARKET AND TECHNOLOGY CHANGES

reduced gas demand



#### SUPPLY CHAIN DISRUPTION

extreme weather events



#### ETS OBLIGATIONS

increasing compliance costs



#### POLICY AND LEGAL

affecting options and pace of transition



#### CAPITAL ALLOCATION

affecting options and pace of transition

### PREVENTATIVE CONTROLS

#### ESG reporting

#### Delivery of Echelon's transition plan

#### Long-term gas demand model

#### Industry monitoring, relationships and engagement

#### Business planning and JV projects allocation

#### Physical climate risk modelling

**A failure to comprehend and adapt to Climate Change and the transition to a low-carbon economy.**

### CONSEQUENCES



#### FINANCIAL LOSS



#### REGULATORY PENALTIES AND FINES



#### LOSS OF SOCIAL LICENCE



#### DAMAGE TO BRAND REPUTATION



#### BUSINESS DISRUPTION

## Risk Assessment

The table uses the following time horizon categories:

Short (S): 0–5 years, Medium (M) 5–10 years, Long (L) 10+ years.

RISK TYPE	DESCRIPTION	TIME	CONTROL
<b>NON PHYSICAL RISKS</b>			
Policy and legal risks	<p>Litigation against companies and/or directors on climate grounds (claiming causation or seeking greater action to mitigate effects) could have reputational, development and operating cost impacts.</p> <p>Changing regulations including bans and restrictive regulations, taxes and emissions limits across all jurisdictions risk viability of projects.</p>	S M L	<p>Board and management understand their fiduciary duties around climate change risk.</p> <p>Internal processes, including due diligence and joint venture processes, identify and manage climate risk.</p> <p>Monitor jurisdictions where we undertake activities. Look to diversify jurisdictions to mitigate changes to any individual regulatory environment.</p> <p>Participate in New Zealand's environmental regulation framework through reputable industry advocacy bodies, including Energy Resources Aotearoa, Business New Zealand and the Business Energy Council.</p> <p>Develop evidence for the role of natural gas in a net carbon-zero future.</p>
Reputational and social license risks	<p>Stakeholder disengagement and oppositional activism. Loss of social license, leading to project delays or stoppages.</p> <p>Recruitment and retention risk.</p> <p>Risk of partner misalignment from divergent approaches to carbon management.</p>	S M L	<p>Manage environmental performance through sustainability framework.</p> <p>Promote corporate values, including our pride in our work.</p> <p>Due diligence screening of commercial opportunities and joint ventures.</p>
Financial risks	<p>Divestment movement increases, affecting availability and cost of capital.</p> <p>Insurance premiums increase. Potential for classes of assets and locations to become uninsurable.</p> <p>Capital cost increases if new environmental standards require more expensive supplies relative to alternatives.</p> <p>Carbon pricing adopted across jurisdictions, or inconsistently between them.</p> <p>Changes to price and cost forecasts result in stranded assets or reserves.</p>	<p>S M L</p> <p>S M L</p> <p>M L</p> <p>S M L</p> <p>S M L</p>	<p>Incorporation of a shadow price on carbon in sensitivity testing for investment decisions.</p> <p>Due diligence screening of commercial opportunities and JV processes. Assurance of insurance forecasts.</p> <p>Access to a range of funding options.</p> <p>Reporting on environmental, social, and governance (ESG) matters, including TCFD compliant reporting.</p> <p>Jurisdictional diversification to mitigate the impact of sudden, unilateral changes, confiscation, or value destruction by regulation.</p>
<b>PHYSICAL RISKS</b>			
Acute & Chronic	<p>Physical assets, especially our coastally-located gas production plant, may be subject to increased frequency and intensity of extreme weather events such as storms, flooding, coastal inundation, lack of water availability, or slips.</p> <p>Offshore drilling and production delayed or shut in by increased weather events.</p>	M L	<p>Engineering anticipates environmental conditions.</p> <p>Carbon policy provides for review of climate issues in strategic and operational decisions.</p>
<b>OPPORTUNITIES</b>			
Commercial	Global reduction in high carbon sources such as coal is increasing demand for natural gas as a lower carbon partner to renewables.	S M L	<p>Strategic preference for natural gas.</p> <p>Support for our JV partners pursuing low carbon innovations on sites.</p> <p>Ongoing investigation of investment opportunities in lower emission technologies, including carbon capture and storage.</p>
Reputational	Partnering with local communities to support low carbon initiatives.	S M L	Local relationships and discussions about contributing to socially desirable low carbon outcomes.

## PRINCIPLE 8

# Remunerate fairly and responsibly

**Pay director remuneration sufficient to attract and retain high quality directors and design executive remuneration to attract, retain and motivate high quality senior executives and to align their interests with the creation of value for security holders and with the Company's values and risk appetite**

ASX PRINCIPLES AND RECOMMENDATIONS

## Nomination and Remuneration Committee

The Company has a Nomination and Remuneration Committee comprising Dr Rosalind Archer (Chair), Marco Argentieri, Samuel Kellner, Alastair McGregor and Rod Ritchie.

The Committee charter requires that it comprises at least three non-executive directors of the Board. The Chair, Dr Archer, is independent.

Principle 2.1 of the ASX Principles and Recommendations recommends that a majority of the nomination committee should be independent directors. A majority of the Board is not independent and the composition of the committee also reflects this.

Nomination and Remuneration Committee Member	Meetings attended during the year
Dr Rosalind Archer (Chair)	3
Marco Argentieri	3
Samuel Kellner	3
Alastair McGregor	3
Rod Ritchie	3

The Nomination and Remuneration Committee is responsible to the Board for:

- Providing recommendations to the Board in relation to the director selection and appointment practices of the Company;
- Evaluation and remuneration of directors and Board succession;
- Chief Executive remuneration, appointment, performance criteria and review;
- Reviewing and providing recommendations to the Board in relation to:
  - › Senior executive and key staff succession plans;
  - › The Company's remuneration, recruitment, retention and termination policies and procedures for all employees;
  - › Implementing the Company's Diversity Policy and achieving any associated measurable objectives; and
  - › Other relevant matters identified from time to time by the Board.

## Remuneration and Performance Appraisal

The Company aims to attract, retain and motivate professional staff capable of achieving the goals of the Company.

To achieve this, the Company wants to encourage and reward its staff fairly and appropriately within the market to reflect performance and contribution.

The Remuneration Policy sets out a process to assess the competitiveness of remuneration.

The Nomination and Remuneration Committee makes recommendations on remuneration policies for the Chief Executive and senior managers based on assessment of relevant market conditions and linking remuneration to the Company's financial and operational performance and individual performance.

Executive remuneration may comprise salary, short-term incentive payments and share options.

[Read the Committee's Charter here](#)

[backend.echelonresources.com/assets/Reports/Corporate-Governance/Echelon-Policies/2024-06-Remuneration-and-Performance-Appraisal-Policy.pdf](https://backend.echelonresources.com/assets/Reports/Corporate-Governance/Echelon-Policies/2024-06-Remuneration-and-Performance-Appraisal-Policy.pdf)



## Short Term Incentive

Officers of the Company may receive payments under a short term incentive scheme.

40% of the STI is based on company performance, 30% is Board discretion, and 30% on personal performance. 45% of the personal performance component is assessed on behaviours aligned with Company values, 10% on HSE performance, and 45% on the personal performance criteria agreed at the start of the financial year between the Chief Executive and the respective officers.

In 2024–25 the company factors affecting short term incentive payments were:

<b>Acquisitions</b>	Board approval to make a binding offer, execution of a sale and purchase agreement, achieve financial completion of a deal.
<b>Group Strategy</b>	Execute Board-agreed group strategy.
<b>Overheads</b>	Not exceeding budgeted overheads. Emphasis on achievement of meaningful cost reduction initiatives.
<b>Reserves replacement</b>	2P reserves replacement.
<b>HSSE</b>	Publish a sustainability report that is compliant with appropriate reporting standards. Influencing Process Safety with operating JV partners. Implement a new reporting and analysis system for incident management. Achieve a close out rate greater than 90% in three months.
<b>Corporate discretion</b>	Awarded on overall company performance, share price performance and oil and gas market conditions.

In the reporting period the Company has determined that the overall business performance outcome was 85%.

## Director's Remuneration

At the 2008 Company Annual Meeting, shareholders approved a resolution that director's fees be set at a maximum of \$600,000 per annum, being the combined total for all non-executive directors. There has been no increase in the fee level since 2008 and in March 2016 the Board and directors volunteered a reduction in their fees and this has not been adjusted since.

OGOG representative directors have not yet drawn any fees for their services.

Directors do not receive any performance-based remuneration. Mr Jefferies does not receive fees because he is the Chief Executive.

The total remuneration and other benefits to directors for services in all capacities during the year ended 30 June 2025 was:

Dr R Archer	\$84,969
Mr M Argentieri	-
Mr A Jefferies	\$1,118,095*
Mr S Kellner	-
Mr A McGregor	-
Mr R Ritchie	\$84,969

\*Includes remuneration received as Chief Executive

### CEO SALARY

Salary Paid	\$749,812
Benefits <sup>1</sup>	\$61,193
Cash STI <sup>2</sup>	\$ 250,000
LTI share options	\$57,090
<b>TOTAL</b>	<b>\$1,118,095</b>

- (1) Benefits include Kiwisaver at 3% and health insurance  
(2) STI for current period, paid out in August 2025

Options to acquire ordinary shares are issued in accordance with

[backend.echelonresources.com/assets/Reports/Corporate-Governance/Echelon-Policies/NZOG-Share-Option-Scheme-Rules-FINAL-adopted-11-December-2019-33303794-v-1.pdf](https://backend.echelonresources.com/assets/Reports/Corporate-Governance/Echelon-Policies/NZOG-Share-Option-Scheme-Rules-FINAL-adopted-11-December-2019-33303794-v-1.pdf)

### STAFF SALARY BANDS

\$100,000—\$110,000	1
\$120,000—\$130,000	2
\$150,000—\$160,000	1
\$160,000—\$170,000	1
\$190,000—\$200,000	1
\$200,000—\$220,000	1
\$220,000—\$230,000	1
\$240,000—\$250,000	1
\$250,000—\$260,000	1
\$260,000—\$270,000	1
\$280,000—\$290,000	1
\$350,000—\$360,000	1
\$430,000—\$440,000	1
\$440,000—\$450,000	1
\$460,000—\$470,000	1
\$500,000—\$510,000	1
\$520,000—\$530,000	1
\$1,110,000—\$1,120,000	1
<b>TOTAL</b>	<b>19</b>

## Securities Trading Policies

The Company's Securities Trading Policies set out procedures about when and how an employee, dedicated contractor or director can deal in Company securities.

These policies are consistent with New Zealand's Financial Markets Conduct Act 2013 and its insider trading procedures, and they comply with ASX listing rules.

The Board ensures that these policies are up-to-date and compliant at all times with changes to the law and to listing rules.

## Proudly Rainbow Inclusive

Echelon is proud to earn a Rainbow Tick and be a leader in our industry in accepting and valuing people in the workplace, embracing the diversity of sexual and gender identities.



The Tick certification process tests whether a workplace understands and welcomes sexual and gender diversity. The process involves an on-going quality improvement process.

Rainbow refers to people who identify as lesbian, gay, bisexual, transgender, takatāpui and intersex (LGBTQTIA+).

## Diversity Statement

The Company is committed to an inclusive workplace that embraces diversity.

The Company values, respects and leverages the unique contributions of people with diverse backgrounds, experiences and perspectives.

The Company recognises diversity is about commitment to equality and treating all individuals with respect, and includes, but is not limited to, gender, age, disability, ethnicity, marital or family status, religion, sexual orientation, gender identity or expression, and cultural background.

The Company commits to recruiting from a diverse pool of candidates, who will be considered with no conscious or unconscious bias that might discriminate against certain candidates.

The Company's employment practices and policies take into account the domestic responsibilities of employees and adopts flexible work practices. Examples of these are set out below, under Diversity Performance Metrics.

The Company supports the determination of self-identity by all employees including using the titles, names and pronouns of their choice. We seek advice from external organisations to appropriately support staff.

The Board establishes measurable objectives for achieving gender diversity. The Board may establish measurable objectives for other aspects of diversity, and assesses regularly both the set objectives and the progress in achieving them.

The Nomination and Remuneration Committee makes an annual assessment of success in achieving and implementing the policy and the set objectives, then reports to the Board with recommendations.

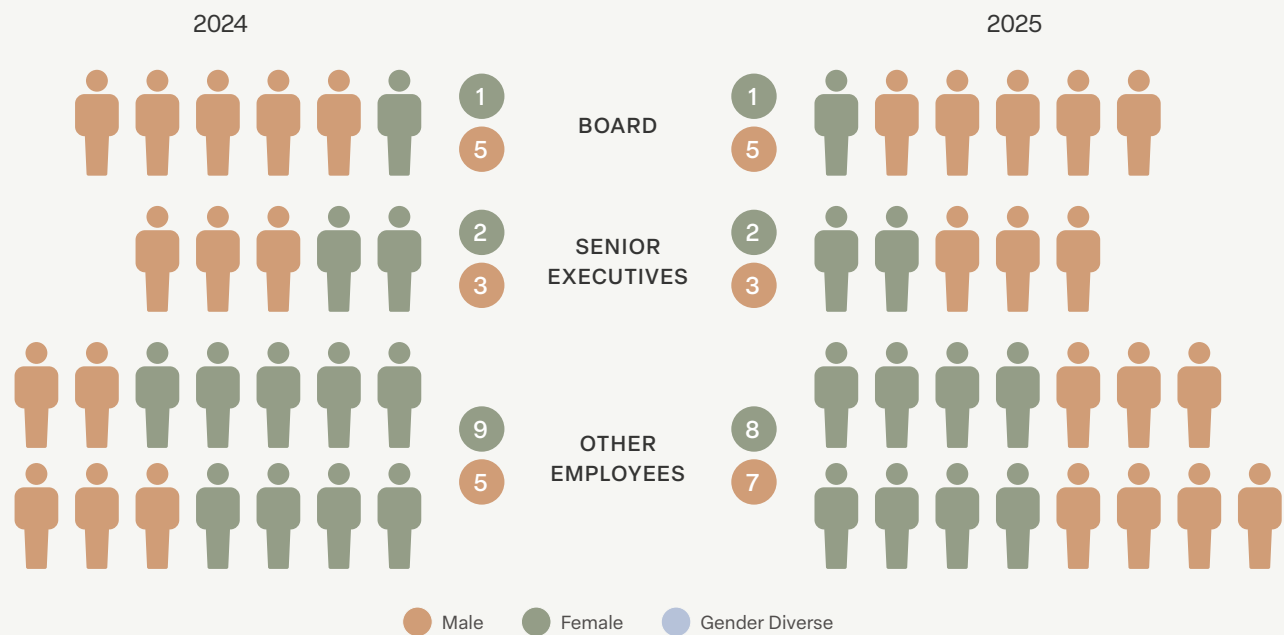
Our Diversity Policy is at

[backend.echelonresources.com/assets/Reports/Corporate-Governance/Echelon-Policies/2024-06-Diversity-Policy.pdf](https://backend.echelonresources.com/assets/Reports/Corporate-Governance/Echelon-Policies/2024-06-Diversity-Policy.pdf)



## Diversity Performance 2024–2025

The following charts show gender diversity across the company (excluding contractors) as at 30 June 2025, and compares that to numbers as at 30 June 2024.



## Compliance with the Diversity Policy

With respect to the provision of the diversity policy, the Board has determined that the Company has complied with the policy.

Objective	Progress
Promote ongoing engagement with diversity initiatives, policies and guidelines to ensure they are evolving appropriately.	<p>The Te Ata initiative carries this objective. Te Ata supports and nurtures the wellbeing of the whole team and includes coaching opportunities, training/upskilling opportunities, Dale Carnegie High Impact Presentations training, effective communication training, Stevie the ITP (a new internal training platform) and a monthly bookclub.</p> <p>Policies have been reviewed and retained to ensure they are not impacting our ability to maintain a diverse workplace.</p> <p>We have a flexible working guideline which compliments the family friendly policies and diversity policy (on our website). Candidates have commented positively on these initiatives when we have recruited.</p>
Providing talent management support for diverse and emerging leaders.	<p>Te Ata maintains a cultural calendar which celebrates cultural events that have meaning to our people and we have tied these into all staff gatherings and disseminated information e.g. Thanksgiving, St Patricks Day, Burns night, Dwali, Matariki, Christmas, Pride Month.</p> <p>The Company is a participant in Diversity Works and Staff have had the opportunity to participate in workshops, webinars and networking opportunities. This will continue in 2025–26.</p> <p>Development coaching has been made available to selected employees.</p> <p>Stevie the ITP is an initiative that was launched last year and continues to be developed ourselves, and is a hub for continual learning with spaces for each team and group training to be captured (retained and accessible to all). This showcases the continual learning and development individuals and groups undertake, and facilitates access to others and Coursera, and includes multiple media types.</p>
Retain Rainbow Tick	<p>This has been retained, including an audit and further full team training. Our continuing retention of this has also been commented on positively by recruitment candidates, and external stakeholders.</p>

## Diversity Performance Targets for 2025-26

- Promote ongoing engagement with diversity initiatives, policies and guidelines to ensure they are evolving appropriately
  - Providing talent management support for diverse and emerging leaders
- During any relevant Board selection process, the NARC must ensure at least one credible and suitably experienced female candidate is provided for consideration
  - Retain Rainbow Tick



# Consolidated Financial Statements

Authorised on behalf of the Echelon's  
Board of Directors on 28 August 2025:



**Samuel Kellner**  
Director



**Rosalind Archer**  
Director

## Consolidated Statement of Cash Flows

			Restated*
AUD\$000	Notes	2025	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Customer receipts		112,357	88,977
Production and marketing payments		(35,550)	(28,519)
Supplier and employee payments (inclusive of GST)		(14,295)	(12,763)
Interest received		1,206	1,360
Income tax paid		(4,151)	(8,066)
Royalties paid		(8,606)	(5,647)
Other		3,127	(1,968)
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>		<b>54,088</b>	33,374
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Exploration and evaluation expenditure		(7,832)	(2,220)
Oil and gas asset expenditure		(29,012)	(15,586)
Prospects acquired (net of cash)		-	(44,672)
Security deposits and bonds		(53)	289
Proceeds from sale of assets		2,000	-
Property, plant and equipment expenditure		(48)	(105)
Other		(12)	-
<b>NET CASH OUTFLOW FROM INVESTING ACTIVITIES</b>		<b>(34,957)</b>	(62,294)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
(Repayment of)/proceeds from loans and borrowings		(2,000)	49,300
Interest paid		(5,305)	-
Transaction costs relating to loans and borrowings		-	(1,115)
Dividends paid		(13,707)	(13,704)
Lease liabilities principal element payments		(278)	(260)
<b>NET CASH (OUTFLOW)/INFLOW FROM FINANCING ACTIVITIES</b>		<b>(21,290)</b>	34,221
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>(2,159)</b>	5,301
Cash and cash equivalents at the beginning of the year		38,621	33,444
Exchange rate effects on cash and cash equivalents		339	(124)
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	11	<b>36,801</b>	38,621

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

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

## Consolidated Statement of Cash Flows continued

Reconciliation of profit for the year to net cash inflow from operating activities

		Restated*
AUD\$000	2025	2024
<b>PROFIT FOR THE YEAR</b>	<b>6,390</b>	7,249
Depreciation and amortisation	21,455	13,810
Asset impairment	5,290	10,636
Deferred tax benefit	7,557	(393)
Contract liabilities non-cash	-	(3,142)
Exploration and evaluation expenditure	8,493	717
Emissions costs settled by units	167	93
Net foreign exchange differences	2,600	394
Unwind of discount on rehabilitation provision	2,053	1,584
Share based payments	421	422
Lease payments in financing	258	148
Gain on sale of asset	(1,969)	-
Other	23	(70)
<b>CHANGE IN OPERATING ASSETS AND LIABILITIES</b>		
Movement in receivables	(4,718)	(264)
Movement in contract assets	-	5,128
Movement in contract liabilities	-	(1,318)
Movement in inventories	1,400	(2,931)
Movement in payables	3,966	2,261
Movement in provisions	-	10
Movement in tax payable	702	(960)
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	<b>54,088</b>	33,374

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

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



## Consolidated Statement of Comprehensive Income

			Restated*
AUD\$000	Notes	2025	2024
Revenue	4	115,338	85,902
Operating costs	6	(43,617)	(27,160)
Exploration and evaluation expenditure		(8,493)	(945)
Other income	5	8,765	1,453
Other expenses	7	(13,047)	(15,452)
<b>Profit from operating activities excluding amortisation, impairment and net finance costs</b>		<b>58,946</b>	43,798
Amortisation of production assets	16	(21,128)	(13,652)
Impairment	8	(5,290)	(10,634)
Net finance costs	9	(8,586)	(509)
<b>Profit before income tax and royalties</b>		<b>23,942</b>	19,003
Income tax expense	10	(11,991)	(6,589)
Royalties expense	10	(5,561)	(5,165)
<b>Profit for the year</b>		<b>6,390</b>	7,249
<b>Profit for the year attributable to</b>			
Profit attributable to shareholders		3,230	159
Profit attributable to non-controlling interest (NCI)		3,160	7,090
<b>PROFIT FOR THE YEAR</b>		<b>6,390</b>	7,249
<b>OTHER COMPREHENSIVE INCOME</b>			
<b>Items that may be classified to profit or loss</b>			
Foreign currency translation reserve (FCTR) differences	23	3,514	233
<b>Items that will not be reclassified to profit or loss</b>			
Asset revaluation reserve	23	84	170
<b>Total other comprehensive income for the year</b>		<b>9,988</b>	7,652
<b>Total profit and total comprehensive income attributable to</b>			
Shareholders of the company		6,496	369
Non-controlling interest		3,492	7,283
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>9,988</b>	7,652
<b>Earnings per share</b>			
Basic earnings per share attributable to shareholders (cents)	25	1.4	0.1
Diluted earnings per share attributable to shareholders (cents)	25	1.4	0.1

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

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

## Consolidated Statement of Financial Position

			Restated*	Restated*
AUD\$000	Notes	2025	2024	2023
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	11	36,801	38,621	33,444
Receivables and prepayments	12	21,867	17,149	15,644
Contract assets		-	-	5,118
Inventories		3,951	5,351	2,453
<b>Total current assets</b>		<b>62,619</b>	<b>61,121</b>	<b>56,659</b>
<b>Non-current assets</b>				
Exploration and evaluation assets	15	400	3,669	2,413
Oil and gas assets	16	221,035	215,570	168,246
Property, plant and equipment		177	182	135
Right of use assets		1,328	1,458	435
Other intangible assets		1,451	1,400	1,307
Deferred tax assets	10	5,827	12,925	12,560
Other financial assets	17	7,833	7,419	7,637
<b>Total non-current assets</b>		<b>238,051</b>	<b>242,623</b>	<b>192,733</b>
<b>TOTAL ASSETS</b>		<b>300,670</b>	<b>303,744</b>	<b>249,392</b>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Payables	18	17,772	13,691	11,189
Lease liabilities		266	244	247
Contract liabilities		-	-	2,608
Rehabilitation provisions	20	908	-	-
Deferred consideration	5	-	4,000	751
Current tax liabilities		3,742	3,040	3,998
<b>Total current liabilities</b>		<b>22,688</b>	<b>20,975</b>	<b>18,793</b>
<b>Non-current liabilities</b>				
Contract liabilities	19	12,166	13,333	14,441
Rehabilitation provisions	20	61,696	60,111	50,668
Borrowings	21	46,553	48,391	-
Lease liabilities		1,072	1,241	238
<b>Total non-current liabilities</b>		<b>121,487</b>	<b>123,076</b>	<b>65,347</b>
<b>TOTAL LIABILITIES</b>		<b>144,175</b>	<b>144,051</b>	<b>84,140</b>
<b>NET ASSETS</b>		<b>156,495</b>	<b>159,693</b>	<b>165,252</b>
<b>EQUITY</b>				
Share capital	22	178,355	178,355	178,355
Reserves	23	33,582	30,302	30,192
Retained losses		(77,482)	(74,387)	(67,968)
<b>Attributable to shareholders of the Group</b>		<b>134,455</b>	<b>134,270</b>	<b>140,579</b>
Non-controlling interest in subsidiaries		22,040	25,423	24,673
<b>TOTAL EQUITY</b>		<b>156,495</b>	<b>159,693</b>	<b>165,252</b>
<b>Net asset backing per share (cents)</b>	24	<b>68.8</b>	<b>70.2</b>	<b>72.7</b>
<b>Net tangible asset backing per share (cents)</b>	24	<b>65.5</b>	<b>62.3</b>	<b>65.5</b>

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

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

## Consolidated Statement of Changes in Equity

AUD\$000	Share capital	Reserves	Retained earnings	Total	Non-controlling interest	Total equity
<b>RESTATED BALANCE AS AT 30 JUNE 2023*</b>	<b>178,355</b>	<b>30,192</b>	<b>(67,968)</b>	<b>140,579</b>	<b>24,673</b>	<b>165,252</b>
Profit for the year	-	-	159	159	7,090	7,249
Asset revaluation reserve	-	241	-	241	-	241
Asset revaluation reserve prior year	-	(71)	71	-	-	-
Share based compensation expense	-	41	-	41	381	422
Forfeited and expired share options	-	(76)	76	-	-	-
Issue of shares to NCI	-	-	-	-	127	127
Exercise of share options	-	(64)	-	(64)	(63)	(127)
Foreign currency translation differences	-	39	-	39	194	233
Dividends paid	-	-	(6,725)	(6,725)	(6,979)	(13,704)
<b>RESTATED BALANCE AS AT 30 JUNE 2024*</b>	<b>178,355</b>	<b>30,302</b>	<b>(74,387)</b>	<b>134,270</b>	<b>25,423</b>	<b>159,693</b>
Profit for the year	-	-	3,230	<b>3,230</b>	3,160	<b>6,390</b>
Asset revaluation reserve	-	185	-	<b>185</b>	-	<b>185</b>
Asset revaluation reserve prior year	-	(101)	101	-	-	-
Share based compensation expense	-	351	-	<b>351</b>	70	<b>421</b>
Forfeited and expired share options	-	(290)	290	-	-	-
Issue of shares to NCI	-	-	-	-	87	<b>87</b>
Exercise of share options	-	(44)	-	<b>(44)</b>	(44)	<b>(88)</b>
Foreign currency translation differences	-	3,179	3	<b>3,182</b>	332	<b>3,514</b>
Dividends paid	-	-	(6,719)	<b>(6,719)</b>	(6,988)	<b>(13,707)</b>
<b>BALANCE AS AT 30 JUNE 2025</b>	<b>178,355</b>	<b>33,582</b>	<b>(77,482)</b>	<b>134,455</b>	<b>22,040</b>	<b>156,495</b>

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

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



# Notes to the Financial Statements

## 1 BASIS OF ACCOUNTING

### Reporting entity

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

The financial statements presented are for Echelon, its subsidiaries and the interests in associates and jointly controlled operations (together referred to as the "Group").

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

### Basis of preparation

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

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

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

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

## Notes to the Financial Statements

### 1 BASIS OF ACCOUNTING (CONTINUED)

In restating the comparatives to AUD, a misallocation between profit attributable to NCI and shareholders was identified in the 30 June 2024 financial statements. This has been corrected in accordance with NZ IAS 21 – The Effects of Changes in Foreign Exchange Rates, NZ IFRS 10 – Consolidated Financial Statements, and NZ IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors. Comparative figures have been adjusted to reflect the change to Australian dollar presentation currency. The following table summarises the impacts on the Group's financial statements.

#### CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

As previously reported and restated on change in presentation currency <b>AUD\$000</b>	30 June 2024 Impact of misallocation		
	Reported	Correction	Restated
<b>Profit for the year attributable to</b>			
Profit attributable to shareholders	3,732	(3,573)	159
Profit attributable to non-controlling interest (NCI)	3,517	3,573	7,090
<b>PROFIT FOR THE YEAR</b>	<b>7,249</b>	<b>-</b>	<b>7,249</b>
<b>Earnings per share</b>			
Basic earnings per share attributable to shareholders (cents)	1.6	(1.5)	0.1
Diluted earnings per share attributable to shareholders (cents)	1.6	(1.5)	0.1

#### CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As previously reported and restated on change in presentation currency <b>AUD\$000</b>	30 June 2024 Impact of misallocation		
	Reported	Correction	Restated
<b>EQUITY</b>			
Share capital	178,355	-	178,355
Reserves	30,302	-	30,302
Retained losses	(70,814)	(3,573)	(74,387)
<b>Attributable to shareholders of the Group</b>	<b>137,843</b>	<b>(3,573)</b>	<b>134,270</b>
Non-controlling interest in subsidiaries	21,850	3,573	25,423
<b>TOTAL EQUITY</b>	<b>159,693</b>	<b>-</b>	<b>159,693</b>

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

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

The core business of the Group and activities carried out by each of the segments is disclosed in note 3.

## Notes to the Financial Statements

### 1 BASIS OF ACCOUNTING (CONTINUED)

#### Basis of consolidation

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

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

#### New accounting standards issued but not yet effective

The following new standards, amendments to standards and interpretations are issued but not yet effective and have not been applied in preparation of these consolidated financial statements.

##### IFRS 18 PRESENTATION AND DISCLOSURE IN FINANCIAL STATEMENTS

The International Accounting Standards Board (IASB) has issued IFRS 18, which becomes effective for annual reporting periods beginning on or after 1 January 2027. Echelon will adopt IFRS 18 in accordance with its effective date.

IFRS 18 introduces significant changes to the presentation and disclosure requirements in financial statements, replacing key aspects of IAS 1. The standard aims to enhance consistency and comparability across entities by:

- Introducing defined categories in the statement of profit or loss for operating, investing, and financing activities;
- Requiring disclosure and reconciliation of management-defined performance measures to IFRS-defined subtotals; and
- Strengthening principles for disaggregation to improve clarity and usefulness of financial information.

Echelon is currently assessing the impact of IFRS 18 on its financial reporting and disclosures. The Group anticipates that the new standard will improve transparency and provide users of the financial statements with more structured and comparable information.



## Notes to the Financial Statements

### 2 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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

- **Recoverability of deferred tax assets**, assessment of the ability of entities in the Group to generate future taxable income (refer to note 10).
- **Recoverability of exploration and evaluation assets and oil and gas assets**, assessment includes future commodity prices, future cash flows, estimated discount rates and estimates of reserves. Management performs an assessment of the carrying value of investments at each reporting date and considers objective evidence for impairment on each investment, taking into account observable data on the investment, the fair value, the status or context of capital markets, its own view of investment value and its long-term intentions (refer to notes 15 and 16).
- **Provision for rehabilitation obligations** includes estimates of future costs, timing of required rehabilitation and an estimated discount rate (refer to note 20).

### 3 SEGMENT INFORMATION

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

Intercompany loans between segments are excluded from segment assets and liabilities, as these balances are eliminated on consolidation. While such balances may be considered by management for internal performance monitoring, they are not presented in the segment disclosures in accordance with NZ IFRS 8 Operating Segments.

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

- **Exploration (previously Perth Basin):** Exploration interests in Perth Basin comprising Production licence L7 and Exploration Permit EP437; and exploration interests in the Amadeus Basin for Exploration Permit EP145. Refer to note 14 and 15.
- **Kupe oil & gas field (Kupe):** Development, production, and sale of natural gas, liquified petroleum gas (LPG) and condensate (light oil), located in the offshore Taranaki Basin, New Zealand.
- **Amadeus Basin oil & gas fields:** Comprising Echelon's share of the Mereenie oil and gas field, Palm Valley gas field and Dingo gas field, all located in the Amadeus Basin in Australia. Cue Energy Resources Limited ("Cue"), a partially owned subsidiary of Echelon, holds a participating interest in the Amadeus Basin assets. These are included in the Cue segment below.
- **Other & unallocated:** Unallocated items comprise corporate assets, overheads, income tax assets and liabilities.
- **Cue Energy Resources Limited:** The Group acquired a controlling interest in Cue during the 2015 financial year and from 1 October 2021 this segment includes Cue's participating interest in the Amadeus Basin oil and gas fields.

## Notes to the Financial Statements

### 3 SEGMENT INFORMATION (CONTINUED)

For the year ended 30 June 2025 AUD\$000	Exploration	Kupe oil & gas field	Amadeus Basin oil & gas fields	Other & unallocated	Cue Energy Resources Ltd	Total
<b>Sales to external customers</b>						
New Zealand	-	7,255	-	-	-	7,255
Australia	-	-	51,902	-	12,491	64,393
Indonesia	-	-	-	-	29,947	29,947
Other countries	-	1,341	-	-	12,402	13,743
<b>Total sales revenue</b>	-	<b>8,596</b>	<b>51,902</b>	-	<b>54,840</b>	<b>115,338</b>
Other income	-	-	6,181	3,082	(498)	8,765
<b>Total sales revenue and other income</b>	-	<b>8,596</b>	<b>58,083</b>	<b>3,082</b>	<b>54,342</b>	<b>124,103</b>
Operating costs	(68)	(2,236)	(19,424)	-	(21,889)	(43,617)
Exploration and evaluation	(6,887)	(40)	(500)	-	(1,066)	(8,493)
Other expenses	(371)	(108)	(2,216)	(7,466)	(2,887)	(13,048)
Amortisation	-	(2,419)	(9,856)	-	(8,852)	(21,127)
Impairment	(2,046)	(3,244)	-	-	-	(5,290)
<b>Earnings before income tax</b>	<b>(9,372)</b>	<b>549</b>	<b>26,087</b>	<b>(4,384)</b>	<b>19,648</b>	<b>32,528</b>
Other net finance expense						(8,586)
<b>Profit before income tax and royalties</b>					19,658	23,942
Income tax and royalties expense					(13,342)	(17,552)
<b>PROFIT FOR THE YEAR</b>					6,316	6,390
<b>Other comprehensive income</b>					663	
Current assets	358	3,132	22,599	12,928	23,603	62,620
Non current assets	400	13,742	134,808	11,140	77,960	238,050
<b>Segment assets</b>	<b>758</b>	<b>16,874</b>	<b>157,407</b>	<b>24,068</b>	<b>101,563</b>	<b>300,670</b>
Current liabilities	92	2,349	7,039	3,020	9,281	21,781
Non current liabilities	-	11,235	76,925	-	34,234	122,394
<b>Segment liabilities</b>	<b>92</b>	<b>13,584</b>	<b>83,964</b>	<b>3,020</b>	<b>43,515</b>	<b>144,175</b>
<b>NET CASHFLOW BY ACTIVITY**</b>						
Net cash inflow from operating activities					23,834	
Net cash outflow from investing activities					(15,396)	
Net cash outflow from financing activities					(14,052)	
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>					<b>(5,614)</b>	

\*\*Echelon cash flows are centrally managed, therefore net cash flows by activity are not presented by segment.

## Notes to the Financial Statements

### 3 SEGMENT INFORMATION (CONTINUED)

Restated\*

For the year ended 30 June 2024 AUD\$000	Exploration	Kupe oil & gas field	Amadeus Basin oil & gas fields	Other & unallocated	Cue Energy Resources Ltd	Total
<b>Sales to external customers</b>						
New Zealand	-	7,245	-	-	-	7,245
Australia	-	-	28,050	-	11,284	39,334
Indonesia	-	-	-	-	28,252	28,252
Other countries	-	948	-	-	10,123	11,071
<b>Total sales revenue</b>	-	<b>8,193</b>	<b>28,050</b>	-	<b>49,659</b>	<b>85,902</b>
Other income	-	104	13	1,330	6	1,453
<b>Total sales revenue and other income</b>	-	<b>8,297</b>	<b>28,063</b>	<b>1,330</b>	<b>49,665</b>	<b>87,355</b>
Operating costs	(8)	(2,141)	(10,809)	-	(14,202)	(27,160)
Exploration and evaluation	(345)	(71)	(301)	-	(228)	(945)
Other expenses	-	(78)	(661)	(11,923)	(2,791)	(15,453)
Amortisation	-	(2,571)	(4,772)	-	(6,308)	(13,651)
Impairment	-	(10,634)	-	-	-	(10,634)
<b>Earnings before income tax</b>	<b>(353)</b>	<b>(7,198)</b>	<b>11,520</b>	<b>(10,593)</b>	<b>26,136</b>	<b>19,512</b>
Other net finance expense						(509)
<b>Profit before income tax and royalties</b>					25,322	<b>19,003</b>
Income tax and royalties expense					(11,133)	(11,754)
<b>PROFIT FOR THE YEAR</b>					14,189	<b>7,249</b>
<b>Other comprehensive income</b>					388	
Current assets	37	3,152	13,586	17,681	26,665	61,121
Non current assets	3,671	17,052	132,839	11,870	77,191	242,623
<b>Segment assets</b>	<b>3,708</b>	<b>20,204</b>	<b>146,425</b>	<b>29,551</b>	<b>103,856</b>	<b>303,744</b>
Current liabilities	-	2,776	10,585	1,445	6,166	20,972
Non current liabilities	-	10,147	80,022	129	32,781	123,079
<b>Segment liabilities</b>	-	<b>12,923</b>	<b>90,607</b>	<b>1,574</b>	<b>38,947</b>	<b>144,051</b>
<b>NET CASHFLOW BY ACTIVITY**</b>						
Net cash inflow from operating activities					26,943	
Net cash outflow from investing activities					(7,735)	
Net cash outflow from financing activities					(18,051)	
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>					<b>1,157</b>	

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

\*\*Echelon cash flows are centrally managed, therefore net cash flows by activity are not presented by segment.

## Notes to the Financial Statements

### 4 REVENUE

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

#### (A) REVENUE FROM CONTRACTS WITH CUSTOMERS

		Restated*
AUD\$000	2025	2024
Crude oil and condensate	44,330	34,561
Natural gas and LPG	71,008	51,341
<b>TOTAL REVENUE FROM CONTRACTS WITH CUSTOMERS</b>	<b>115,338</b>	<b>85,902</b>

#### (B) TARIFFS INCLUDED IN REVENUE

Natural gas revenue includes charges for transportation costs incurred when the gas delivery point is not at the plant. The cost of the transportation for the period ending 30 June 2025 was \$1.5 million (30 June 2024: \$1.0 million).

#### (C) MAJOR CUSTOMERS

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

AUD\$000	2025	% of sales revenue
First largest	38,398	33.3%
Second largest	12,694	11.0%
Third largest	12,403	10.8%
Fourth largest	12,197	10.6%
<b>TOTAL REVENUE FROM MAJOR CUSTOMERS</b>	<b>75,692</b>	<b>65.6%</b>
AUD\$000	Restated* 2024	% of sales revenue
First largest	19,721	23.0%
Second largest	19,044	22.2%
Third largest	10,124	11.8%
Fourth largest	-	-
<b>TOTAL REVENUE FROM MAJOR CUSTOMERS</b>	<b>48,889</b>	<b>56.9%</b>

### 5 OTHER INCOME

		Restated*
AUD\$000	2025	2024
Derecognition of liability relating to deferred consideration	4,000	-
Gain on sale of asset	1,969	-
Other	2,796	1,453
<b>TOTAL OTHER INCOME</b>	<b>8,765</b>	<b>1,453</b>

On 11 June 2024, the Group acquired an additional 25% interest in the Mereenie gas field in the Northern Territory, Australia from Macquarie Bank. As part of the acquisition, a contingent payment of \$4 million was payable upon satisfaction of certain conditions being met in relation to a gas sales agreement (GSA) with Arafura Rare Earths. On 16 April 2025, the Group announced that the GSA had lapsed due to one of the condition precedents not being met. Following an assessment, it was determined that the liability no longer existed at balance date and accordingly, the liability has been derecognised and the resulting gain recognised in the profit and loss.

In April 2025 the Mereenie Joint Venture completed the sale of the non-core Brewer Estate oil terminal property, near Alice Springs, for consideration of \$4.0 million. The Group's 50 per cent share was \$2.0 million. The sale consideration exceeded the carrying value of the asset, and the purchaser assumed associated rehabilitation liabilities. After taking into account transaction costs and the transfer of rehabilitation obligations, a total gain on sale of \$2.0 million was recognised in the profit and loss.

Included in 'Other' is \$1.7 million (June 2024: \$1.2 million) of income related to the provision of technical services and related activities to subsidiaries of the ultimate parent company. Refer to note 27 Related party transactions.

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



## Notes to the Financial Statements

### 6 OPERATING COSTS

AUD\$000	Restated*	
	2025	2024
Production and sales marketing costs	38,361	25,613
Carbon emissions expenditure	381	365
Insurance expenditure	943	827
Movement in inventory	1,210	(1,170)
Royalties (i)	2,722	1,525
<b>TOTAL OPERATING COSTS</b>	<b>43,617</b>	<b>27,160</b>

(i) Royalties include private royalties with respect to the Amadeus Basin assets and Government royalties at the Maari oil field which are based on a gross revenue method of calculation.

### 7 OTHER EXPENSES

AUD\$000	Restated*	
	2025	2024
<b>CLASSIFICATION OF OTHER EXPENSES BY NATURE</b>		
Audit fees paid to the Group auditor - KPMG	730	740
Directors' fees	396	387
Legal fees	177	552
Consultants' fees	440	727
Employee expenses	7,335	6,338
Depreciation	327	304
Share based payment expense	421	422
IT and software expenses	1,155	1,013
Registry and stock exchange fees	413	338
Stamp duty on Mereenie acquisition	-	2,846
Other	1,653	1,785
<b>TOTAL OTHER EXPENSES</b>	<b>13,047</b>	<b>15,452</b>

Other expenses include costs incurred in relation to the provision of managed services to subsidiaries of the ultimate parent company during the year. While the Group received income of \$1.7 million (June 2024: \$1.2 million) for these services, the corresponding expenses have not been reduced or netted against that income. Instead, the related income is presented separately under Other Income. Refer to note 5.

AUD\$000	Restated*	
	2025	2024
<b>FEES PAID TO THE GROUP AUDITOR</b>		
Audit and review of financial statements	730	740
Tax compliance services	84	99
Tax advisory services	143	110
Other regulatory assurance services	25	60
<b>TOTAL FEES PAID TO GROUP AUDITOR</b>	<b>982</b>	<b>1,009</b>

No other services were provided by the auditor during the year, other than those set out above.

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

## Notes to the Financial Statements

### 8 IMPAIRMENT EXPENSE

AUD\$000	Restated*	
	2025	2024
Kupe - Oil and gas asset	3,244	10,634
Perth Basin Exploration asset	2,046	-
<b>TOTAL IMPAIRMENT</b>	<b>5,290</b>	10,634

During the year ended 30 June 2025, the Group recognised total impairment charges of \$5.3 million in the statement of profit and loss (2024: \$10.6 million).

These impairment charges relate to the production asset of the Kupe oil and gas and field and the exploration and evaluation assets at Perth Basin. Refer to notes 15 and 16.

### 9 FINANCE INCOME AND COSTS

Interest income or expense is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset or the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the financial liability.

AUD\$000	Restated*	
	2025	2024
Interest expense	(5,063)	(309)
Bank fees	(186)	(48)
Exchange (losses) on foreign currency balances	(2,601)	(139)
Unwind of discount	(2,058)	(1,455)
<b>TOTAL FINANCE COSTS</b>	<b>(9,908)</b>	(1,951)
Interest income	1,322	1,442
<b>TOTAL FINANCE INCOME</b>	<b>1,322</b>	1,442
<b>NET FINANCE (COSTS)/INCOME</b>	<b>(8,586)</b>	(509)

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

## Notes to the Financial Statements

### 10 TAX

Current and deferred tax is calculated on the basis of the laws enacted or substantively enacted at balance date.

Current tax is the expected tax payable on the taxable income for the year and any adjustment to tax payable in respect of previous years.

Current and deferred tax are recognised in profit and loss except when the tax relates to items recognised in other comprehensive income, in which case the tax is also recognised in other comprehensive income.

	Restated*	
AUD\$000	2025	2024
<b>INCOME TAX (EXPENSE)/BENEFIT</b>		
Current tax	(4,434)	(7,313)
Deferred tax	(7,557)	724
<b>(A) TOTAL INCOME TAX (EXPENSE)/BENEFIT</b>	<b>(11,991)</b>	<b>(6,589)</b>
<b>INCOME TAX (EXPENSE)/BENEFIT CALCULATION</b>		
Profit before income tax and royalties	23,942	19,003
Less: royalties expense	(5,561)	(5,165)
<b>Profit before income tax</b>	<b>18,381</b>	<b>13,838</b>
Tax at the New Zealand tax rate of 28%	5,147	3,875
<b>Tax effect of amounts which are taxable/(not deductible):</b>		
Difference in overseas tax rate	2,579	2,979
Non-deductible (income)/expenses	(498)	895
Foreign exchange adjustments	694	366
Unrealised timing differences	2,379	1,200
Recognition of deferred tax assets	1,702	(2,937)
Prior year tax losses (not recognised)/ recognised	(35)	216
Other	23	98
<b>Total tax effect of amounts which are taxable:</b>	<b>11,991</b>	<b>6,692</b>
Adjustment recognised for current tax in prior years	-	(103)
<b>TOTAL INCOME TAX BENEFIT</b>	<b>11,991</b>	<b>6,589</b>

Government royalty expenses incurred by the Group relate to petroleum royalty payments to the New Zealand and Australian Governments in respect of the Kupe and Amadeus oil and gas fields, and are recognised on an accrual basis.

At 30 June 2025, no imputation credits were held for subsequent years (2024: nil).

#### COMPONENT OF OTHER COMPREHENSIVE INCOME (OCI)

AUD\$000	Before Tax	Tax (Expense) / Benefit	Net of Tax
<b>2025</b>			
Asset revaluation reserve	84	-	84
Foreign currency translation differences	3,514	-	3,514
Share-based payments recognised in OCI	421	-	421
<b>TOTAL OCI</b>	<b>4,019</b>	<b>-</b>	<b>4,019</b>
<b>2024*</b>			
Asset revaluation reserve	170	-	170
Foreign currency translation differences	233	-	233
Share-based payments recognised in OCI	422	-	422
<b>TOTAL OCI</b>	<b>825</b>	<b>-</b>	<b>825</b>

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

## Notes to the Financial Statements

### 10 TAX (CONTINUED)

#### (B) CURRENT TAX LIABILITIES

AUD\$000	Restated*	
	2025	2024
Current tax liabilities	3,742	3,040

The Group has an ongoing Indonesian Tax matter relating to a notice of amended assessment which is being disputed by Cue Kalimantan Pte Ltd on behalf of SPC E&P Pte Ltd (SPC). Cue is indemnified by SPC for any losses arising from this disputed notice of assessment and has recognised a liability and receivable on the balance sheet.

#### (C) DEFERRED TAX

Deferred taxation is recognised in respect of temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets and future tax benefits are recognised where realisation of the asset is probable. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they probably will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse.

During the year ended 30 June 2025, the Group utilised \$2.1 million (30 June 2024: \$2.4 million) in previously recognised deferred tax assets on carry forward losses in offsetting against taxable profits generated. The Consolidated Entity recognised a deferred tax asset of \$6.1 million (30 June 2024: \$10.3 million) in respect of unutilised carried forward tax losses not previously recognised.

At 30 June 2025, the Group had \$77.8 million in unutilised carry forward losses, the tax effect of which is \$23.3 million. The aforementioned potential tax benefit has not been recognised in the statement of financial position as the recovery of this benefit is uncertain.

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

AUD\$000	Restated*	
	2025	2024
<b>THE BALANCE COMPRISES TEMPORARY DIFFERENCES ATTRIBUTABLE TO:</b>		
<b>Deferred Tax Assets</b>		
Non-deductible provisions	23,091	11,423
Carried forward tax losses	16,529	20,996
Other	580	319
<b>Total deferred tax assets</b>	<b>40,200</b>	32,738
<b>Deferred Tax Liabilities</b>		
Oil & gas assets	(34,354)	(19,813)
Other items (including lease assets)	(19)	-
<b>Total deferred tax (liabilities)</b>	<b>(34,373)</b>	(19,813)
<b>NET DEFERRED TAX ASSETS</b>	<b>5,827</b>	12,925
<b>MOVEMENTS:</b>		
Opening balance at the beginning of the year	12,925	12,560
Recognised in profit and loss	7,557	724
Recognised in other comprehensive income	(14,655)	(359)
<b>CLOSING BALANCE AT END OF YEAR</b>	<b>5,827</b>	12,925

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



## Notes to the Financial Statements

### 11 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash on hand, cash at bank, short-term deposits and deposits on call with an original maturity of three months or less.

		Restated*
AUD\$000	2025	2024
Cash at bank and in hand	27,298	36,540
Deposits at call	1,735	80
Short term deposits	5,103	1,089
Share of oil and gas interests' cash	2,665	912
<b>TOTAL CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>36,801</b>	<b>38,621</b>

\$000 By currency	Base Currency	AUD Equivalent
<b>2025</b>		
Australian dollar	26,754	26,754
New Zealand dollar	2,963	2,749
United States dollar	4,738	7,233
Indonesian rupiah	635,206	65
<b>TOTAL CASH AND CASH EQUIVALENTS AT END OF YEAR</b>		<b>36,801</b>
<b>2024*</b>		
Australian dollar	22,425	22,425
New Zealand dollar	2,553	2,317
United States dollar	9,190	13,794
Indonesian rupiah	877,376	85
<b>TOTAL CASH AND CASH EQUIVALENTS AT END OF YEAR</b>		<b>38,621</b>

### 12 RECEIVABLES AND PREPAYMENTS

		Restated*
AUD\$000	2025	2024
Trade receivables	10,613	9,243
Share of oil and gas interests' receivables	9,362	5,809
Prepayments	750	641
Other*	1,142	1,456
<b>TOTAL RECEIVABLES AND PREPAYMENTS AT END OF YEAR</b>	<b>21,867</b>	<b>17,149</b>

\$000 By currency	Base Currency	AUD Equivalent
<b>2025</b>		
Australian dollar	7,693	7,693
New Zealand dollar	4,045	3,751
United States dollar	6,825	10,418
Indonesian rupiah	48,000	5
<b>TOTAL RECEIVABLES AND PREPAYMENTS AT END OF YEAR</b>		<b>21,867</b>
<b>2024*</b>		
Australian dollar	5,947	5,947
New Zealand dollar	3,452	3,179
United States dollar	5,374	8,020
Indonesian rupiah	31,800	3
<b>TOTAL RECEIVABLES AND PREPAYMENTS AT END OF YEAR</b>		<b>17,149</b>

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

## Notes to the Financial Statements

### 13 INVESTMENTS IN SUBSIDIARIES

Subsidiaries are entities controlled by the Group. The Group controls an entity when it has power over the entity, has exposure or rights to variable returns from this involvement and when it has the ability to use its power to affect the amount of the returns.

At 30 June 2025, the Group held a 49.97% interest in Cue (30 June 2024: 50.03%) and was deemed to control it under NZ IFRS 10 due to Board representation and the dispersion of other shareholders. The Cue entities below reflect the Group's 49.97% interest in Cue's subsidiaries.

During the year, some of Cue's share options were exercised, this resulted in a decrease in Echelon's interest in Cue (refer to note 28).

Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of Comprehensive Income and Consolidated Statement of Financial Position respectively.

The financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The functional currency of the subsidiaries within the Group are shown below.

The consolidated financial statements incorporate the assets, liabilities and results of the following entities:

Name of entity	Principal place of business	Equity Holding 2025	Equity Holding 2024	Functional Currency
<b>ECHELON RESOURCES LIMITED*</b>				
Echelon Petroleum Limited	New Zealand	<b>100%</b>	100%	NZD
Echelon Onshore Limited	New Zealand	<b>100%</b>	100%	NZD
Echelon Canterbury Limited	New Zealand	<b>100%</b>	100%	NZD
Echelon 2013 O Limited	New Zealand	<b>100%</b>	100%	NZD
NZOG Bohorok Pty Limited	Australia	<b>100%</b>	100%	USD
Echelon Devon Limited	New Zealand	<b>100%</b>	100%	NZD
Echelon GNA Trustee Limited	New Zealand	<b>100%</b>	100%	NZD
Echelon 2013 T Limited	New Zealand	<b>100%</b>	100%	NZD
Echelon Energy Limited	New Zealand	<b>100%</b>	100%	NZD
Echelon Offshore Limited	New Zealand	<b>100%</b>	100%	NZD
Echelon Pacific Holdings Pty Limited	Australia	<b>100%</b>	100%	AUD
Echelon Pacific Limited	New Zealand	<b>100%</b>	100%	NZD
Echelon Services Limited	New Zealand	<b>100%</b>	100%	NZD
Echelon Taranaki Limited	New Zealand	<b>100%</b>	100%	NZD
Echelon Resources Limited	New Zealand	<b>100%</b>	100%	NZD
NZOG MNK Bohorok Pty Limited	Australia	<b>100%</b>	100%	USD
Echelon (Ironbark) Pty Limited	Australia	<b>100%</b>	100%	AUD
Echelon Mereenie Pty Limited	Australia	<b>100%</b>	100%	AUD
Echelon Palm Valley Pty Limited	Australia	<b>100%</b>	100%	AUD
Echelon Dingo Pty Limited	Australia	<b>100%</b>	100%	AUD
Echelon Goanna Pty Limited	Australia	<b>100%</b>	100%	AUD
Echelon Acacia Pty Limited	Australia	<b>100%</b>	100%	AUD
Echelon Compass Pty Limited	Australia	<b>100%</b>	100%	AUD

## Notes to the Financial Statements

### 13 INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Name of entity	Principal place of business	Equity Holding 2025	Equity Holding 2024	Functional Currency
<b>CUE ENERGY RESOURCES<sup>°°</sup></b>				
Cue Energy Resources Limited	Australia	<b>49.97%</b>	50.03%	AUD
Cue Mahakam Hilir Pty Ltd <sup>°</sup>	Australia	<b>49.97%</b>	50.03%	AUD
Cue (Ashmore Cartier) Pty Ltd	Australia	<b>49.97%</b>	50.03%	AUD
Cue Sampang Pty Ltd	Australia	<b>49.97%</b>	50.03%	USD
Cue Taranaki Pty Ltd	Australia	<b>49.97%</b>	50.03%	USD
Cue Kalimantan Pte Ltd	Singapore	<b>49.97%</b>	50.03%	USD
Cue Mahato Pty Ltd	Australia	<b>49.97%</b>	50.03%	USD
Cue Exploration Pty Ltd	Australia	<b>49.97%</b>	50.03%	AUD
Cue Palm Valley Pty Ltd	Australia	<b>49.97%</b>	50.03%	AUD
Cue Mereenie Pty Ltd	Australia	<b>49.97%</b>	50.03%	AUD
Cue Dingo Pty Ltd	Australia	<b>49.97%</b>	50.03%	AUD

<sup>°</sup> Mahakam Hilir Profit Sharing Contract (PSC) exploration permit has expired and regulatory processes for surrender are ongoing as at 30 June 2025.

<sup>°°</sup> Echelon's shareholding in Cue reduced by 0.06% during the year as a result of Cue issuing 720,342 shares as part of Cue's share option scheme.

## Notes to the Financial Statements

### 14 OIL AND GAS INTERESTS

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

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

Name	Entity	Country of permit	Interest 2025	Interest 2024
<b>ECHELON RESOURCES LIMITED</b>				
PML 38146 – Kupe	Echelon Taranaki Ltd	New Zealand	4.0%	4.0%
OL4 and OL5 - Mereenie	Echelon Mereenie Pty Ltd	Australia	42.5%	42.5%
OL3 - Palm Valley	Echelon Palm Valley Pty Ltd	Australia	35.0%	35.0%
L7 - Dingo	Echelon Dingo Pty Ltd	Australia	35.0%	35.0%
EP145*	Echelon Goanna Pty Ltd	Australia	100.0%	0.0%
L7 Production licence**	Echelon Acacia Pty Ltd	Australia	25.0%	25.0%
EP437 Exploration Permit**	Echelon Compass Pty Ltd	Australia	25.0%	25.0%
<b>CUE ENERGY RESOURCES*</b>				
Mahato PSC	Cue Mahato Pty Ltd	Indonesia	11.25%	11.25%
PMP 38160 – Maari	Cue Taranaki Pty Ltd	New Zealand	5.0%	5.0%
Sampang PSC	Cue Sampang Pty Ltd	Indonesia	15.0%	15.0%
OL4 and OL5 - Mereenie	Cue Mereenie Pty Ltd	Australia	7.5%	7.5%
OL3 - Palm Valley	Cue Palm Valley Pty Ltd	Australia	15.0%	15.0%
L7 - Dingo	Cue Dingo Pty Ltd	Australia	15.0%	15.0%

\* On 9 June 2025, Echelon completed the acquisition of a 100% interest and assumed operatorship of EP145 in the Amadeus Basin, Northern Territory, in a transaction with Mosman Oil & Gas.

\*\* On 20 June 2025, Echelon withdrew from its interests in L7 and EP437 permits in the Perth Basin, with effect from 31 July 2025.

° represents the percentage interest held by Cue. The Group interest is 49.97% (June 2024: 50.03%) of the Cue interest.



## Notes to the Financial Statements

### 15 EXPLORATION AND EVALUATION ASSETS

The Group uses the successful efforts method of accounting for oil and gas exploration costs. All general exploration and evaluation costs are expensed as incurred except the direct costs of acquiring the rights to explore, drilling exploratory wells, and evaluating the results of drilling. These direct costs are capitalised as exploration and evaluation assets pending the determination of the success of the well. If a well does not result in a successful discovery, the previously capitalised costs are immediately expensed.

#### Key judgement: recoverability of exploration and evaluation assets

Assessment of the recoverability of capitalised exploration and evaluation expenditure requires certain estimates and assumptions to be made for future events and circumstances, particularly in relation to whether economic quantities of reserves that have been discovered. Therefore, such estimates and assumptions may change as new information becomes available. If it is concluded that the carrying value of an exploration and evaluation asset is unlikely to be recovered by future development or sale, the relevant amount is then expensed in the profit and loss.

Capitalised exploration and evaluation assets, including expenditure to acquire mineral interests in oil and gas properties, related to wells that find proven reserves are classified as development assets within oil and gas assets at the time of sanctioning the development project.

		Restated*
AUD\$000	2025	2024
Opening balance	3,669	2,413
Expenditure capitalised during the year	5,584	1,259
Exploration expensed to the profit and loss	(6,809)	-
Exploration asset impairment	(2,046)	-
Revaluation of foreign currency exploration and evaluation assets	2	(3)
<b>TOTAL EXPLORATION AND EVALUATION ASSETS AT END OF YEAR</b>	<b>400</b>	<b>3,669</b>

In the current year, the Group participated in drilling two exploration wells in the Perth Basin, Australia. In August 2024 the Group drilled the Booth-1 well in production permit L7 and in April 2025 drilled the Becos-1 well in exploration permit EP437. Both wells were subsequently assessed as unsuccessful, then plugged and abandoned. In line with the Group's accounting policy, the costs associated with drilling the unsuccessful wells were expensed. A total of \$6.2 million was expensed, \$4.1 million relating to the Booth-1 well and \$2.1 million relating to the Becos-1 well.

On 20 June 2025, Echelon withdrew from its interests in the L7 and EP437 permits in the Perth Basin, with effect from 31 July 2025. The previously capitalised Farm Out Agreement acquisition costs of \$2.1 million have been fully impaired and expensed in the profit and loss.

On 9 June 2025 the Group completed the acquisition of exploration permit EP145, taking on 100% operatorship. Acquisition costs of \$0.4 million have been capitalised as an exploration asset.

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

## Notes to the Financial Statements

### 16 OIL AND GAS ASSETS

#### DEVELOPMENT

Development assets include construction, installation and completion of infrastructure facilities such as pipelines and development wells. No amortisation is provided in respect of development assets until they are reclassified as production assets.

#### PRODUCTION ASSETS

Production assets capitalised represent the accumulation of all development expenditure incurred by the Group in relation to areas of interest in which petroleum production has commenced. Expenditure on production areas of interest and any future estimated expenditure necessary to develop proven and probable reserves are amortised using the units of production method on a basis consistent with the recognition of revenue. Where it is possible to separately identify tangible assets, they are depreciated on a straight line basis in line with their economic life.

#### SUBSEQUENT COSTS

Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the asset will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are expensed in the Consolidated Statement of Comprehensive Income during the financial year in which they are incurred.

#### IMPAIRMENT

The carrying value is assessed for impairment each reporting date. An impairment loss is recognised if the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. A cash generating unit is the smallest identifiable asset group that generates cash flows that are largely independent from other assets and groups. Impairment losses are recognised in the profit and loss, and in respect of cash generating units, are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

The recoverable amount of an asset or cash generating unit is the greater of its value in use and its fair value less costs to sell. In assessing recoverable amount, the estimated future cash flows are discounted to their present value using a post-tax discount rate, that reflects current market assessments of the time value of money, and the risks specific to the asset.

Impairment losses recognised in prior years are reassessed at each reporting date and the loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised previously.

During the year, the Mereenie Joint Venture drilled two development wells, West Mereenie 29 (WM29) and West Mereenie 30 (WM30). Both wells were successful, producing above pre-drill expectations. The costs of both wells have been capitalised to Oil and Gas assets.

The carrying value of oil and gas assets at 30 June 2025 was \$442.6 million (30 June 2024: \$410.0 million), with total accumulated amortisation of \$221.5 million (30 June 2024: \$194.4 million).

The carrying value of oil and gas assets is presented net of total accumulated amortisation.

	Restated*	
AUD\$000	2025	2024
Opening balance	215,570	168,246
Additions - acquisition 25% interest in Mereenie asset	-	47,554
Make up gas forfeited/(utilised)	(1,226)	537
Expenditure capitalised	30,712	15,240
Impairment of Kupe asset	(3,244)	(10,634)
Disposal - Sale of Brewer Estate Oil Terminal	(825)	-
Amortisation for the year	(21,128)	(13,652)
Rehabilitation provision movement (refer to note 20)	1,402	8,154
Revaluation of foreign currency oil and gas assets	(226)	125
<b>TOTAL OIL AND GAS ASSETS AT END OF THE YEAR</b>	<b>221,035</b>	<b>215,570</b>

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

## Notes to the Financial Statements

### 16 OIL AND GAS ASSETS (CONTINUED)

Hydrocarbon reserves are estimates of the amount of hydrocarbons that can be economically extracted from the Groups' oil and gas permits. The Group estimates its reserves based on all available production data, the results of well intervention campaigns, seismic data, analytical and numerical analysis methods, sets of deterministic reservoir simulation models provided by the field operators and analytical and numerical analyses. Forecasts are based on deterministic methods. Reserves are reported in line with the principles contained in the Society of Petroleum Engineers Petroleum Resources Management Reporting System. As the economic assumptions used may change and as additional geological information is obtained during the operation of the field, estimates of recoverable resources may change impacting the Group's financial results.

Climate-related risks have been considered with respect to the evaluation of the estimated recoverable amounts associated with oil and gas assets.

Estimates of recoverable amounts are based on the assets' fair value less cost to sell, determined by discounting each asset's estimated future cash flows at asset specific discount rates. The discount rates applied ranged from 9.39% to 10.84% (2024: 10.10% to 10.38%). Commodity price assumptions were based on consensus estimates of forward market prices unless contracted prices were available.

At 30 June 2025 the Group assessed each oil and gas asset to determine whether an indicator of impairment existed. Indicators of impairment include changes in future selling prices, future costs and reserves. The recoverable amount of each oil and gas asset was estimated and compared to its carrying amount. There were no indicators of impairment relating to any oil and gas assets other than the Kupe gas field which showed impairment indicators resulting from a reserves downgrade.

#### KUPE IMPAIRMENT

As at 30 June, impairment testing was performed due to an indication that the asset may be impaired, resulting in an impairment expense of \$3.2 million (2024: \$10.6 million) following a 10% reduction in recoverable 2P developed reserves. The impairment is recognised in Asset impairment in the Consolidated Statement of Comprehensive Income. The recoverable amount was determined based on fair value less costs of disposal using discounted cash flow projections. Following the reserves

downgrade, field trials conducted by the operator and a reduction in minimum plant throughput are expected to extend the field's life by six months to 31 December 2035.

Following the impairment loss recognised, the recoverable amount is in line with the carrying amount of \$12.4 million. Any adverse movement in a key assumptions could lead to further impairment.

The estimate of fair value was determined using a post tax discount rate of 10.31% (June 2024: 10.38%) based on 10 year government bonds issued by the New Zealand Government adjusted for a risk premium to reflect both the increased risk of investing in equities generally and the systematic risk of the specific asset. Ten and a half years of cash flows were included in the discounted cashflow model. A long term inflation rate assumption of 1.82% (June 2024: 3.00%) was used. Commodity price assumptions for LPG and condensate were based on consensus estimates of forward market prices; LPG pricing is assumed to correlate to the oil price consensus estimates. Gas price assumptions used the contracted gas price for the duration of the contract and thereafter a long term gas price in line with industry data.

Four key assumptions have been identified as reasonably possible risks that could result in further impairment or reversal of impairment. The following table shows the impact of individual changes in these assumptions on the estimated recoverable amount.

#### SENSITIVITY IMPACT ON KUPE RECOVERABLE AMOUNT (AUD\$ MILLIONS)

Risk area	Sensitivity % change	2025
Discount rate or weighted average cost of capital	+10%	(0.3)
	-10%	0.3
Gas Price	+10%	1.2
	-10%	(1.2)
Oil Price	+10%	0.8
	-10%	(0.8)
Reserves	-10%	(2.2)

## Notes to the Financial Statements

### 17 OTHER FINANCIAL ASSETS

Other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets which are measured at fair value through profit and loss. Such assets are subsequently measured at amortised cost.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

AUD\$000	Restated*	
	2025	2024
<b>BY FINANCIAL ASSET</b>		
Security deposits	1,444	1,349
Abandonment and Site Restoration Fund (ASR) - Cue Sampang rehabilitation	6,389	6,070
<b>TOTAL OTHER FINANCIAL ASSETS AT END OF YEAR</b>	<b>7,833</b>	<b>7,419</b>
<b>MOVEMENT</b>		
Opening balance	7,419	7,637
Security deposits	286	(347)
Abandonment and Site Restoration Fund (ASR) - Cue Sampang rehabilitation	82	82
Revaluation of foreign currency financial assets	46	47
<b>TOTAL OTHER FINANCIAL ASSETS AT END OF YEAR</b>	<b>7,833</b>	<b>7,419</b>

In accordance with legislative obligations in the respective jurisdictions in which the Group operates, contributions are made to funds established for the purpose of financing future rehabilitation and restoration of sites. As at 30 June 2025, \$6.4 million (2024: \$6.1 million) has been contributed to such funds in respect of the Sampang assets in Indonesia.

### 18 PAYABLES

AUD\$000	Restated*	
	2025	2024
Trade payables	7,859	5,811
Royalties payable	414	740
Share of oil and gas interests' payable	6,441	3,903
Other payables <sup>o</sup>	3,058	3,237
<b>TOTAL PAYABLES AT END OF THE YEAR</b>	<b>17,772</b>	<b>13,691</b>

<sup>o</sup>Other Payables includes a grossed up carbon emission liability of \$1.2 million (June 2024: \$1.6 million) related to the New Zealand Emissions Trading Scheme (ETS). This liability is partially offset by a carbon emission receivable associated with gas sales contracts held with our customers (refer to note 12).

\$000 By currency	Base Currency	AUD Equivalent
<b>2025</b>		
Australian dollar	9,810	9,810
New Zealand dollar	6,011	5,575
United States dollar	1,562	2,385
Indonesian rupiah	20,132	2
<b>TOTAL PAYABLES AT END OF YEAR</b>		<b>17,772</b>
<b>2024*</b>		
Australian dollar	8,453	8,453
New Zealand dollar	4,630	4,237
United States dollar	672	997
Indonesian rupiah	41,393	4
<b>TOTAL PAYABLES AT END OF YEAR</b>		<b>13,691</b>

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



## Notes to the Financial Statements

### 19 CONTRACT LIABILITIES

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

AUD\$000	Restated*	
	2025	2024
Non-current	12,166	13,333
<b>TOTAL CONTRACT LIABILITIES AT THE END OF THE PERIOD</b>	<b>12,166</b>	<b>13,333</b>

As part of the acquisition of the Amadeus Basin assets in May 2021, the Group assumed performance obligations for the delivery of 'gas not taken' by its sole customer in the Dingo asset. Under the take or pay arrangement, the Group has the obligation to provide make up gas (MUG) within the contractually defined volumes, which were not previously taken by the customer. The customer must take the future delivery of gas by 2035.

### 20 REHABILITATION PROVISIONS

Provisions for rehabilitation have been recognised where the Group has an obligation, due to its operating activities, to restore sites to their original condition. Although the timing and amount of future expenditure are uncertain, it is expected to occur between 1 July 2025 and 2055 based on the estimated end of field life or progressive rehabilitation requirements. The provision is measured at the present value of expected costs. The initial provision and subsequent re-measurements are included in the cost of the related asset. The unwind of the discount is recognised in finance costs in profit and loss. The current portion of the rehabilitation provision for the year is \$0.9 million (30 June 2024: nil).

AUD\$000	Restated*	
	2025	2024
Opening balance	60,111	50,668
Change in provision recognised	896	(1,786)
Addition in provision from acquisition of 25% interest in Mereenie	-	9,506
Derecognition of provision - Brewer Estate Oil Terminal	(794)	-
Payments made	(324)	-
Unwind of discount on Provision	2,209	1,758
Revaluation of foreign currency provision	506	(35)
<b>TOTAL REHABILITATION PROVISION AT END OF THE YEAR</b>	<b>62,604</b>	<b>60,111</b>

The discount rate used is the risk-free interest rate obtained from the country related to the currency of the expected expenditure. The discount rates used to determine the provision ranged from 1.48% to 4.79% (30 June 2024: 2.09% to 4.83%).

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

## Notes to the Financial Statements

### 21 BORROWINGS

Loans and borrowings are initially recognised at the fair value of the consideration received, net of any directly attributable transaction costs. They are subsequently measured at amortised cost using the effective interest method. The effective interest rate amortisation is included in finance costs in profit and loss.

On 11 June 2024, the Group executed a \$63.0 million loan facility to 30 June 2031, specifically to facilitate the acquisition of a 25% interest in the Mereenie gas field, Amadeus Basin and additional development as required. As at 30 June 2025, the group has external loan borrowings at 30 June 2025 is \$47.5 million (30 June 2024 \$48.3 million).

The \$63.0 million loan facility is secured by the assets of Echelon Mereenie Pty Ltd, Echelon Palm Valley Pty Ltd and Echelon Dingo Pty Ltd. These three companies hold the Amadeus Basin assets on behalf of the Company. All remaining unused amounts are unrestricted as at the reporting date. An unsecured guarantee is provided by Echelon over of the external loan borrowing as parent entity of the Group, and a featherweight guarantee provided by Echelon Pacific Limited, a New Zealand registered entity. Refer to note 26 for further information on financial instruments.

The loan is repayable in tranches within seven years of first utilisation. There are no loan principal repayments required for 24 months from the initial first utilisation date, being 11 June 2026. As at 30 June 2025, the loan is less than the maximum facility permitted at 10 June 2026, hence no loan repayment is required in the year ahead.

At 30 June 2025, the Group has undrawn letters of credit totalling \$0.8 million (2024: nil), which remain contingent liabilities and are not recognised as borrowings.

Certain subsidiaries of the Group are subject to fulfilment of covenants relating to certain subsidiaries' balance sheet ratios on an ongoing basis in connection with their banking facilities undertaken. The Group regularly monitors its compliance with these covenants. The Group has complied with these covenants throughout the period and expects to comply with them for at least twelve months after reporting date. Accordingly, loans are classified as non-current liabilities as at 30 June 2025. Any failure to comply with these covenants may result in loans becoming payable on demand.

At 30 June 2025, the Group is compliant with loan covenants.

### 22 SHARE CAPITAL

	AUD\$000	Number of shares 000s
<b>RESTATED BALANCE AT 30 JUNE 2024*</b>	178,355	227,369
Share capital issued	-	-
<b>BALANCE AT 30 JUNE 2025</b>	<b>178,355</b>	<b>227,369</b>
<b>Comprised of:</b>		
Fully paid shares	178,345	223,951
Partly paid shares	10	3,418
<b>TOTAL SHARES ON ISSUE</b>	<b>178,355</b>	<b>227,369</b>

The Group retains 3.4 million (2024: 3.4 million) of unallocated partly paid shares that have not yet been cancelled. All fully paid shares have equal voting rights and share equally in dividends and equity.

On 26 September 2024, Cue paid a final dividend of 1 cent per fully paid ordinary share, totalling approximately \$7 million. This final dividend was declared as a Conduit Foreign Income (CFI), unfranked dividend.

On 4 October 2024 Echelon paid a final unimputed dividend of 1.5 cents per fully paid ordinary share.

On 26 March 2025, Cue paid an interim dividend of 1 cent per fully paid ordinary share, totalling approximately \$7 million. This interim dividend was declared as a Conduit Foreign Income (CFI), unfranked dividend.

On 31 March 2025, Echelon paid an interim dividend of 1.5 cents per fully paid ordinary share. This returned \$3.4 million to shareholders. The dividend was not imputed or franked.

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

## Notes to the Financial Statements

### 23 RESERVES

#### (A) RESERVES

		Restated*
AUD\$000	2025	2024
Asset revaluation reserve	1,010	926
Share based payments reserve	1,532	1,515
Foreign currency translation reserve	31,040	27,861
<b>TOTAL RESERVES AT END OF YEAR</b>	<b>33,582</b>	<b>30,302</b>
<b>MOVEMENTS:</b>		
<b>i) Asset revaluation reserve</b>		
Opening balance	926	756
Asset revaluation reserve revaluation	185	241
Asset revaluation reserve prior year	(101)	(71)
<b>CLOSING BALANCE AT END OF YEAR</b>	<b>1,010</b>	<b>926</b>
<b>ii) Share based payments reserve</b>		
Opening balance	1,515	1,614
Share based payment expense	351	41
Forfeited and expired share options	(290)	(76)
Share options exercised by Cue	(44)	(64)
<b>CLOSING BALANCE AT END OF YEAR</b>	<b>1,532</b>	<b>1,515</b>
<b>iii) Foreign currency translation reserve</b>		
Opening balance	27,861	27,822
Foreign currency translation differences for the year	3,179	39
<b>CLOSING BALANCE AT END OF YEAR</b>	<b>31,040</b>	<b>27,861</b>

#### (B) NATURE AND PURPOSE OF RESERVES

##### ASSET REVALUATION RESERVE

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

##### SHARE BASED PAYMENTS RESERVE

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

##### FOREIGN CURRENCY TRANSLATION RESERVE

Exchange differences arising on translation of companies within the Group with a different functional currency to the Group are taken to the foreign currency translation reserve. The reserve is recognised in other comprehensive income when the net investment is disposed of. With the change in presentation currency to Australian dollars, foreign currency translation still arises on consolidation, as not all companies are functional in the presentation currency.

### 24 NET ASSET BACKING PER SHARE

Net asset backing per share is a non-GAAP measure that shows the Group's net assets attributable to each ordinary share. It is provided as it may assist investors in assessing the per-share value of the Group's net assets.

Management monitors this measure as part of its regular financial review processes.

	Restated*	
	2025	2024
Number of shares on issue (000s)	227,369	227,369
Net assets (\$000s)	156,495	159,693
Net tangible assets (\$000s)	148,828	141,726
<b>NET ASSET BACKING PER SHARE (CENTS)</b>	<b>68.8</b>	<b>70.2</b>
<b>NET TANGIBLE ASSET BACKING PER SHARE (CENTS)</b>	<b>65.5</b>	<b>62.3</b>

The basis for the calculation of the net asset backing per share is the carrying value of the assets held on the Statement of Financial Performance divided by the number of shares on issue at balance date.

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

## Notes to the Financial Statements

### 25 EARNINGS PER SHARE

	Restated*	
	2025	2024
Profit after tax attributable to the shareholders of Echelon (\$000s)	3,230	159
Weighted average number of ordinary shares (000s)	227,369	227,369
Weighted average number of ordinary shares including share options (000s)	227,369	227,369
<b>BASIC EARNINGS PER SHARE ATTRIBUTABLE TO SHAREHOLDERS OF THE GROUP (CENTS)</b>	<b>1.4</b>	<b>0.1</b>
<b>DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO SHAREHOLDERS OF THE GROUP (CENTS)</b>	<b>1.4</b>	<b>0.1</b>

The potentially dilutive effects of employee share options have not been considered in the diluted profit per share calculation for the year ended 30 June 2025. In the current reporting period, the exercise price of the employee share options are lower than the average market price, therefore are anti-dilutive.

### 26 FINANCIAL RISK MANAGEMENT

The Group's risk management policies are designed to identify and assess risks, set appropriate limits and controls, and monitor compliance. These policies are reviewed regularly to reflect changes in the business and market environment.

Risk exposure to market, credit, liquidity, capital management, sensitivity, financial instruments arises in the normal course of the Group's business.

#### (A) MARKET RISK

##### (I) FOREIGN EXCHANGE RISK

The Group is exposed to foreign currency risk on cash and cash equivalents, oil sales, recoverable value of oil and gas assets and capital commitments that are denominated in foreign currencies. The Group manages its foreign currency risk by monitoring its foreign currency cash balances and future foreign currency cash requirements. The Group may enter into foreign currency hedge transactions in circumstances where the risk-adjusted returns to shareholders are enhanced as a consequence.

##### (II) COMMODITY PRICE RISK

Commodity price risk is the risk that the Group's sales revenue and recoverable value of oil and gas assets will be impacted by fluctuations in world commodity prices. The Group is exposed to commodity prices through its petroleum interests. The Group may enter into oil price hedge transactions in circumstances where the risk-adjusted returns to shareholders are enhanced as a consequence. The Group had no call option contracts at 30 June 2025 (2024: nil).

##### (III) CONCENTRATIONS OF INTEREST RATE EXPOSURE

The Group's main interest rate risk arises from long-term borrowings. The Group's long-term borrowings are obtained at variable rates and expose the Group to interest rate risk with the variable element being the BBSW (Bank Bill Swap Rates) as at utilisation of each loan tranche drawn down. The margin on each loan borrowing utilised is fixed at 5% in accordance with the terms of the debt facility.

The minimum principal repayments of \$nil (2024: \$nil) are due during the next year, which reflects the repayment maturity of loan. The first principal repayment is due 24 months after first utilisation of the loan, being 10 June 2026. As at 30 June 2025, the loan is less than the maximum facility permitted at 10 June 2026, hence no loan repayment is required in the year ahead.

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



## Notes to the Financial Statements

### 26 FINANCIAL RISK MANAGEMENT (CONTINUED)

#### (B) CREDIT RISK

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with credit worthy counterparties and obtaining sufficient collateral where appropriate as a means of minimising the risk of financial defaults. Financial instruments which potentially subject the Group to credit risk consist primarily of securities and short-term cash deposits, trade receivables and short-term funding arrangements. The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings, with funds required to be invested with a range of separate counterparties. The Group's maximum exposure to credit risk for trade and other receivables is its carrying value.

The Group may be exposed to financial risk if one or more of their joint venture partners is unable to meet their obligation in relation to the rehabilitation costs for jointly owned oil and gas assets. Under the joint venture operating agreement if one or more partners fails to meet their financial obligation, the other partners may become proportionately liable for their share of the financial obligations but would have contractual rights of recovery against the defaulting party.

As at 30 June 2025 the exposure to credit risk for trade receivables and contract assets by type was as follows:

AUD\$000	Restated*	
	2025	2024
Trade receivables	10,613	9,243
Share of oil and gas interests' receivables	9,362	5,809
Other	1,142	1,456
<b>TOTAL CREDIT RISK EXPOSURE TO RECEIVABLES AT END OF YEAR</b>	<b>21,117</b>	<b>16,508</b>

#### (C) LIQUIDITY RISK

Liquidity risk represents the Group's ability to meet its contractual obligations. The Group evaluates its liquidity requirements on an ongoing basis. In general, the Group generates sufficient cash flows from its operating activities to meet its obligations arising from its financial liabilities and has liquid funds to cover potential shortfalls, utilising and available borrowing facilities to be able to pay debts as and when they become due and payable.

A loan facility of \$63.0 million, as described in note 21. The unused borrowings at reporting date were:

AUD\$000	Restated*	
	2025	2024
Bank loans - unused borrowings	16,447	14,609

The loan utilisations may be drawn at any time, with the loan facility maturing 7 years from the initial first utilised loan draw down date completed as at 11 June 2024.

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

## Notes to the Financial Statements

### 26 FINANCIAL RISK MANAGEMENT (CONTINUED)

The following table sets out the undiscounted contractual cash flows for all non-derivative financial liabilities and for derivatives that are settled on a gross cash flow basis:

AUD\$000	6 months or less	6–12 months	1–2 years	2–5 years	More than 5 years	Contractual cash flows
<b>30 JUNE 2025</b>						
Non-interest bearing Payables	17,772	-	-	-	-	17,772
Interest-bearing - fixed rate Bank Loans*	2,395	2,349	4,604	34,984	25,140	69,472
<b>TOTAL NON-DERIVATIVE LIABILITIES</b>	<b>20,167</b>	<b>2,349</b>	<b>4,604</b>	<b>34,984</b>	<b>25,140</b>	<b>87,244</b>

\*The weighted average interest rate was 9.35%.

<b>RESTATED AS AT 30 JUNE 2024*</b>						
Non-interest bearing Payables	13,691	-	-	-	-	13,691
Interest-bearing - fixed rate Bank Loans*	2,732	2,436	4,906	30,234	36,774	77,082
<b>TOTAL NON-DERIVATIVE LIABILITIES</b>	<b>16,423</b>	<b>2,436</b>	<b>4,906</b>	<b>30,234</b>	<b>36,774</b>	<b>90,773</b>

\*The weighted average interest rate was 9.38%.

At 30 June 2025 the Group had no derivatives to settle (2024: nil).

The Group's secured external bank loan contains a loan covenants. A future breach of covenant may require the Group to repay the loan earlier than indicated in the above table.

The interest payments on the variable interest rate loan component in the table above reflect market forward interest rates at the reporting date and these amounts may change as market interest rates change.

The interest expense cost recognised in the period to 30 June 2025 was \$5.1 million (2024: \$0.3 million). The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above. It is noted that in measuring the fair value, the loan is assessed as Level 2 in the fair value hierarchy, with the input for the loan interest based on observable inputs.

#### FAIR VALUE OF FINANCIAL INSTRUMENTS

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

#### (D) CAPITAL MANAGEMENT

The Group manages its capital through the use of cash flow and corporate forecasting models to determine its future capital requirements and maintains a flexible capital structure which allows access to debt and equity markets to draw upon and repay capital as required. The Group has an adequate capital base and significant cash reserves.

#### (E) SENSITIVITY ANALYSIS

The Group's reporting result at the end of each year is sensitive to financial risks from fluctuations in interest rates, commodity prices and foreign currency exchange rates. The sensitivity table below shows the impact of exchange rate changes on current assets and liabilities and the impact of interest rate changes on current cash balances.

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

## Notes to the Financial Statements

### 26 FINANCIAL RISK MANAGEMENT (CONTINUED)

The 200 basis point (BPS) change is based on the expected volatility of interest rates using market data and analysts forecasts.

AUD\$m	Risk area	Sensitivity	Restated*	
			2025	2024
Impact on Group profit before tax	Exchange rate	+5%	0.5	0.2
		-5%	(0.5)	(0.2)
Impact on foreign currency translation reserves in equity	Exchange rate	+5%	(0.7)	(0.6)
		-5%	0.7	0.6
Impact on interest income	Interest rate	+200BPS	0.7	0.7
		-200BPS	(0.7)	(0.7)
Impact on interest expense	Interest rate	+200BPS	(0.9)	(0.1)
		-200BPS	0.9	0.1

#### (F) FINANCIAL INSTRUMENTS BY CATEGORY

AUD\$000	Restated*	
	2025 carrying value	2024 carrying value
<b>ASSETS</b>		
Cash and cash equivalents	36,801	38,621
Trade and other receivables	21,117	16,508
<b>TOTAL ASSETS</b>	<b>57,918</b>	55,129
<b>LIABILITIES</b>		
Payables	17,772	13,691
Borrowings	46,553	48,391
<b>TOTAL LIABILITIES</b>	<b>64,325</b>	62,082

The fair value and amortised cost of financial instruments is equivalent to their carrying value.

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

## Notes to the Financial Statements

### 27 RELATED PARTY TRANSACTIONS

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

During the year certain activities were undertaken between the Group and OGE. The inter-group services agreement, which was entered into on 21 June 2019, allows the Group to provide technical services and related activities to OGE. Income of \$1.7 million has been included in 'Other income' in the profit and loss (30 June 2024: \$1.2 million).

The following persons were directors of Cue during the financial year:

#### CUE DIRECTORS

Alastair McGregor	Non-Executive Chairman*
Andrew Jefferies	Non-Executive Director*
Marco Argentieri	Non-Executive Director*
Peter Hood AO	Non-Executive Director
Richard Malcolm	Non-Executive Director
Rod Ritchie	Non-Executive Director
Samuel Kellner	Non-Executive Director*

\*Commencing 1 July 2023, Directors' fees were invoiced by Echelon and paid on a quarterly basis. The Directors' fees are retained by Echelon and not personally received by the Directors. During the year, Directors' fees of \$0.3 million (2024: \$0.3 million) were paid by Cue to Echelon in relation to these Directors.

The following persons were directors of Echelon during the financial year:

#### ECHELON DIRECTORS

Alastair McGregor	Non-Executive Director <sup>o</sup>
Andrew Jefferies	Managing Director and CEO <sup>oo</sup>
Marco Argentieri	Non-Executive Director <sup>o</sup>
Rod Ritchie	Non-Executive Director
Rosalind Archer	Non-Executive Director
Samuel Kellner	Non-Executive Chairman*

<sup>o</sup> As in previous years these Directors declined to receive compensation for the provision of directorial services from Echelon, nor was any compensation paid to any related parties on their behalf. The deemed compensation for the year ending 30 June 2025 was \$0.3 million (2024: \$0.3 million) reflects the estimated compensation for the services provided and is disclosed for financial reporting purposes only.

<sup>oo</sup>The directorial services provided by Andrew Jefferies are included in remuneration received as Chief Executive of Echelon.

The Group's related parties also include key management personnel, which have been defined as the Directors, the Chief Executive Officer and the Executive team for the Group. Key Cue management personnel are included.

	Restated*	
AUD\$000	2025	2024
Short term employee benefits	4,206	3,923
Share based payments	213	228
Post employment benefits	132	128
<b>KEY MANAGEMENT PERSONNEL RELATED COSTS</b>	<b>4,551</b>	<b>4,279</b>
Deemed Directors' compensation for related party Directors	260	254
<b>TOTAL KEY MANAGEMENT PERSONNEL RELATED COSTS</b>	<b>4,811</b>	<b>4,533</b>

During the year, the Group paid consultancy fees of \$0.05 million (2024: \$nil) to Rod Ritchie, for health and safety advisory services provided. These services are considered part of the director's total compensation and are included within short-term employee benefits.

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



## Notes to the Financial Statements

### 28 SHARE-BASED PAYMENTS

The Group provides share-based payments to employees through equity-settled option schemes. The fair value of options is measured at grant date using the Black-Scholes option pricing model and is expensed over the vesting period, with a corresponding credit to the share-based payment reserve. The expense recognised reflects the fair value of options expected to vest, taking into account service and non-market performance conditions. Market conditions are incorporated in the fair value at grant date and are not subsequently adjusted.

Equity transactions are recognised as an expense with the corresponding increase in equity over the vesting period. The cumulative charge to a profit and 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.

If the non-vesting condition is within the control of the consolidated Group or the employee, the failure to satisfy the condition is considered a cancellation. If the condition is not within the control of the consolidated 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. Cancellations are accounted for on the date of cancellation, as if it had vested.

In accordance with NZ IAS 1 Presentation of Financial Statements, certain disclosures have been reduced or omitted due to the low level of materiality.

The Group operates two share option schemes. Key changes to these schemes during the year are summarised below:

#### ECHELON SHARE OPTION SCHEME ESTABLISHED MARCH 2020

On 29 November 2024, 4,354,827 unlisted options were granted to employees at an exercise price of \$0.445, vesting on 1 July 2026 and expiring on 1 July 2030.

#### CUE ENERGY SHARE OPTION SCHEME ESTABLISHED JULY 2019

On 15 October 2024, 3,411,549 options were granted at an exercise price of \$0.12, vesting on 1 July 2026 and expiring on 1 July 2029.

During the year, 2,647,549 options with an expiry date of 22 July 2026 and an exercise price of \$0.078 per fully paid ordinary share were exercised on a cashless basis, as a result of which 720,342 fully paid ordinary shares in the Cue were issued.

Share-based payment expense recognised in profit and loss.

Restated*		
AUD\$000	2025	2024
Share-based payment expense	421	422

Set out below are summaries of options granted under the plan:

	Weighted average exercise price	Opening balance	Granted	Exercised	Forfeited/ expired	Closing balance
<b>2025</b>						
Echelon Scheme	\$0.476	11,823,061	4,354,827	-	(2,869,764)	13,308,124
Cue Energy Scheme	\$0.100	16,819,854	3,411,549	(2,647,549)	(1,370,361)	16,213,493
<b>2024</b>						
Echelon Scheme	\$0.509	9,163,689	2,788,983	-	(129,611)	11,823,061
Cue Energy Scheme	\$0.087	17,805,402	4,640,759	(2,512,654)	(3,473,653)	16,819,854

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

## Notes to the Financial Statements

### 29 COMMITMENTS AND CONTINGENT ASSETS AND LIABILITIES

#### (A) DEVELOPMENT AND EXPLORATION EXPENDITURE

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

Commitments at EP145 are \$2.3 million in relation to 3D seismic.

The majority of Cue's commitments are in relation to drilling and infrastructure works at the Mahato PSC \$5.2 million (30 June 2024 \$18.1 million).

#### (B) CONTINGENT ASSETS AND LIABILITIES

The Directors are not aware of any contingent assets or liabilities at 30 June 2025.

### 30 EVENTS OCCURRING AFTER BALANCE DATE

On 22 August 2025, Cue declared a final dividend of 0.5 cents per share, totalling approximately \$3.5 million. This final dividend has been declared as a Conduit Foreign Income, unfranked dividend and is scheduled to be paid on 25 September 2025.

On 28 August 2025, Echelon declared a final dividend of 0.75 cents per fully paid ordinary share, with a record date of 11 September 2025, to be paid on 30 September 2025. The dividend will not be imputed or franked.

# Independent Auditor's Report



To the shareholders of Echelon Resources Limited

## Report on the audit of the consolidated financial statements

### Opinion

We have audited the accompanying consolidated financial statements which comprise:

- the consolidated statement of financial position as at 30 June 2025;
- the consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended; and
- notes, including material accounting policy information and other explanatory information.

In our opinion, the accompanying consolidated financial statements of Echelon Resources Limited (the Company) and its subsidiaries (the Group) on pages 54 to 88 present fairly in all material respects:

- the Group's financial position as at 30 June 2025 and its financial performance and cash flows for the year ended on that date;
- In accordance with New Zealand Equivalents to International Financial Reporting Standards (**NZ IFRS**) issued by the New Zealand Accounting Standards Board and the International Financial Reporting Standards issued by the International Accounting Standards Board.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (**ISAs (NZ)**). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of Echelon Resources Limited in accordance with Professional and Ethical Standard 1 International Code of Ethics for Assurance Practitioners (Including International Independence Standards) (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (**IESBA Code**), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with Professional and Ethical Standards 1 and the IESBA Code.

Our responsibilities under ISAs (NZ) are further described in the **Auditor's responsibilities for the audit of the consolidated financial statements** section of our report.

Our firm has provided other services to the Group in relation to tax compliance and advisory, and regulatory assurance services. Subject to certain restrictions, partners and employees of our firm may also deal with the Group on normal terms within the ordinary course of trading activities of the business of the Group. These matters have not impaired our independence as auditor of the Group. The firm has no other relationship with, or interest in, the Group.



## Materiality

The scope of our audit was influenced by our application of materiality. Materiality helped us to determine the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and on the consolidated financial statements as a whole. The materiality for the consolidated financial statements as a whole was set at \$2.37 million determined with reference to a benchmark of the Group's total assets. We chose the benchmark because, in our view, this is a key measure of the Group's performance.

## Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements in the current period. We summarise below those matters and our key audit procedures to address those matters in order that the Shareholders as a body may better understand the process by which we arrived at our audit opinion.

Our procedures were undertaken in the context of and solely for the purpose of our audit opinion on the consolidated financial statements as a whole and we do not express discrete opinions on separate elements of the consolidated financial statements.

The key audit matter	How the matter was addressed in our audit
<b>RECOVERABILITY OF OIL AND GAS ASSETS</b>	
<p>Refer to Note 16 within the financial statements.</p>	<p>Our audit procedures to assess the reasonableness of the recoverable value of the oil and gas assets included.</p>
<p>The recoverability of oil and gas assets is a key audit matter due to the judgement involved in assessing the recoverable value of the oil and gas assets. Key assumptions include:</p>	<ul style="list-style-type: none"> <li>• Evaluating the Group's impairment indicator assessment, utilising our knowledge of the Group and the Oil and Gas industry, in which the Group operates.</li> <li>• For the Kupe Asset, where an indicator of impairment was identified, in conjunction with our valuation specialists, we evaluated the key inputs and assumptions included in management's valuation model. Our procedures included:               <ul style="list-style-type: none"> <li>› Assessing whether the valuation methodology applied was in accordance with the requirements of accounting standards;</li> <li>› Challenging the feasibility of reserve and resource estimates and production profiles by comparing for consistency with other internal and external information, including reports prepared by management's experts;</li> <li>› Comparing management's forecast of oil and gas prices to observable market data and contracted prices;</li> <li>› Using our valuation specialist to assess the reasonableness of the discount rate used;</li> <li>› Reviewing operator budgets and forecasts of operating costs and capital programmes for reasonableness; and</li> <li>› Performing sensitivity analysis over key assumptions included in the Group's impairment assessments.</li> </ul> </li> <li>• Comparing the carrying amount of the net assets of the group to its market capitalisation and evaluating whether any differences would suggest further impairments are required.</li> </ul>
<ul style="list-style-type: none"> <li>• future oil and gas prices;</li> <li>• oil and gas reserves, and future production levels;</li> <li>• discount rate; and</li> <li>• future operating and capital costs</li> </ul>	
<p>During the period management recorded a \$3.2 million impairment of the Kupe assets and our testing focused on this asset.</p>	





## Other information

The directors, on behalf of the Group, are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover any other information and we do not express any form of assurance conclusion thereon.

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

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors.

## Use of this independent auditor's report

This independent auditor's report is made solely to the Shareholders. Our audit work has been undertaken so that we might state to the Shareholders those matters we are required to state to them in the independent auditor's report and for no other purpose. To the fullest extent permitted by law, none of KPMG, any entities directly or indirectly controlled by KPMG, or any of their respective members or employees, accept or assume any responsibility and deny all liability to anyone other than the Shareholders for our audit work, this independent auditor's report, or any of the opinions we have formed.

## Responsibilities of the Directors for the consolidated financial statements

The directors, on behalf of the Group, are responsible for:

- the preparation and fair presentation of the consolidated financial statements in accordance with NZ IFRS issued by the New Zealand Accounting Standards Board and the International Financial Reporting Standards issued by the International Accounting Standards Board;
- implementing the necessary internal control to enable the preparation of a consolidated set of financial statements that is free from material misstatement, whether due to fraud or error; and
- assessing the ability of the Group to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate or to cease operations or have no realistic alternative but to do so.



## **Auditor's responsibilities for the audit of the consolidated financial statements**

Our objective is:

- to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and
- to issue an independent auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but it is not a guarantee that an audit conducted in accordance with ISAs NZ will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They 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 the consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is located at the External Reporting Board (XRB) website at:

<https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-1-1/>

This description forms part of our independent auditor's report. The engagement partner on the audit resulting in this independent auditor's report is Gavin Silva.

For and on behalf of:

A stylized, handwritten-style signature of the letters 'KPMG' in blue ink.

KPMG  
Wellington  
28 August 2025

## Stock Exchange Listing

The Company is listed and its shares quoted on the official list of the Australian Securities Exchange (ASX), the Company's code is "ECH".

### DISTRIBUTION OF SECURITY HOLDERS AS AT 1 SEPTEMBER 2025

Range	Total Holders	Units	% Units
1–1,000	1,269	853,988	0.38
1,001–5,000	1,648	3,872,574	1.73
5,001–10,000	394	2,870,093	1.28
10,001–100,000	506	14,949,440	6.68
100,001 Over	70	201,404,743	89.93
<b>TOTAL</b>	<b>3,887</b>	<b>223,950,838</b>	<b>100.00</b>

### UNMARKETABLE PARCELS

	Minimum Parcel Size	Holders	Units
Minimum \$500 parcel at \$0.4050 per unit	1,389	1,639	1,290,558

## Securities On Issue

As at 31 August 2025 Echelon Resources Limited had the following securities

Listed Ordinary Shares	Options to acquire ordinary shares
223,950,838	13,308,124

Option holders will be able to exercise the Options within a three year period, three years post issue. The Board fixes the exercise price of the Option. To date, there have been four tranches of options issued.

	Award Date*	Exercise price AUD
Tranche 2	30/06/2020	\$0.61
Tranche 3	30/06/2021	\$0.48
Tranche 4	30/06/2022	\$0.48
Tranche 5	30/06/2023	\$0.43
Tranche 6	30/06/2024	\$0.45

\*Exercise price is based on award date.

Shares issued on the exercise of Options will be issued on the same terms and will rank equally in all respects with ordinary shares currently on issue. Options do not carry voting rights or any entitlement to receive dividends unless and until exercised and converted to shares. In the event of a change of control event, generally the vesting date of Options will accelerate and the Options will become exercisable. Options are generally forfeited by a participant on the occurrence of a lapse event, which includes when the participant ceases to be an employee of the Company.

## Substantial Shareholders

Substantial Product Holder Notices are received pursuant to the Financial Markets Conduct Act 2013. Shareholders are required to disclose their holding to the issuer and the issuer's registered exchanges when:

- They have a substantial holding (5% or more of the listed voting securities);
- Subsequent movements of 1% or more in a substantial holding from prior notification;
- Any change is made in the nature of any relevant interest in the substantial holding; and
- They cease to have a substantial holding.

According to the Company's records and Substantial Product Holding Notices previously released to the ASX, as at 30 June 2025, no Substantial Product Holder Notice, has been received since the date of the last Annual Report.

#### TOP 20 SHAREHOLDERS AS AT 14 AUGUST 2025

	Security Holder	Units	% Units
1	O.G. OIL AND GAS SINGAPORE PTE. LTD	160,583,035	71.70
2	SIK-ON CHOW	6,000,000	2.68
3	LAWRENCE HERD	3,692,024	1.65
4	SHARESIES AUSTRALIA NOMINEE PTY LIMITED	3,668,094	1.64
5	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	2,943,403	1.31
6	CITICORP NOMINEES PTY LIMITED	2,114,180	0.94
7	MEHASU PTY LTD <WTMS SUPER FUND A/C>	2,050,000	0.92
8	RIUO HAURAKI LIMITED	1,750,000	0.78
9	TRIBAL NOMINEES LIMITED	1,504,507	0.67
10	RADFORD SFT PTY LTD	1,340,000	0.60
11	AOTEAROA RENTAL ENTERPRISES LIMITED	1,273,593	0.57
12	ZILSTAME NOMINEES PTY LTD	1,075,188	0.48
13	CHIN-YI LIN + YU-CHING LIN-CHAO	810,000	0.36
14	MR RICHARD BRUCE LEES	768,162	0.34
15	DR STELLA JANG	666,400	0.30
16	ASB NOMINEES LIMITED <317253 A/C>	514,585	0.23
17	JANET BACKHOUSE	494,000	0.22
18	NEIL DOUGLAS WAITES	439,928	0.20
19	DYLAN LANCE SCHISCHKA	410,835	0.18
20	ROY ANTHONY RADFORD	393,000	0.18
TOTALS: TOP 20 HOLDERS OF ORDINARY SHARES (TOTAL)		192,490,934	85.95
TOTAL REMAINING HOLDERS BALANCE		31,459,904	14.05

## Share buy-backs


No shares were bought back in the period.

#### TRADING STATISTICS FOR THE 12 MONTHS ENDED 30 JUNE 2025

	High	Low
ASX (trading Code ECH) AUD	0.41	0.33

ASX closing price 30 June 2025: AUD 0.35

Track the share price and volumes at

 [echelonresources.com/investors/investor-dashboard](https://echelonresources.com/investors/investor-dashboard)

## Dividends

An AUD 1.5 cents per ordinary share interim dividend was paid out to shareholders on 31 March 2025.

An AUD 0.75 cents per ordinary share final dividend was declared on 28 August 2025 and will be paid out on 30 September 2025.



### Registered and Head Office

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New Zealand

Telephone	+64 4 495 2424
Email	enquiries@echelonresources.com

### Auditors

#### KPMG

KPMG Centre, 44 Bowen Street  
PO Box 996  
Wellington, New Zealand

### Share Registry

#### AUSTRALIA

##### Computershare Investor Services Pty Ltd

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VIC 8060 Australia

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Telephone	+61 3 9415 4083
Facsimile	+61 3 9473 2500
Email	Web.Queries@computershare.com.au
Website	www.computershare.com.au

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Website	www.investorcentre.com

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