



ASX Announcement

OMNIBUS SETTLEMENT AGREEMENT UPDATE

Highlights

- Transaction consideration increased by A\$135k
- Tranche 2 consideration receivable by 25 November 2024
- Amendment to timetable for residual consideration

Australian Oil Company Limited (**Australian Oil** or the **Company**) (**ASX: AOK**) is pleased to provide an update regarding the divestment of its Red Earth Assets. In negotiation with Blue Sky Resources Limited (**Blue Sky**), the Company has agreed to an amendment in the timetable scheduled for receipt of payments, in addition to negotiating an increase in the consideration for the Omnibus Settlement Agreement (**Omnibus**) of A\$134,592.50.

The agreement reached between the parties is considered to be mutually beneficial, with an increase in consideration being achieved for Australian Oil, whilst accepting a marginal deferral in payment timing through to January 2025.

The following is a summary of the key changes to terms and conditions agreed between the parties on the further revised Omnibus:

Consideration

Under the revision to the Omnibus, an additional consideration payment of \$134,592.50 by Blue Sky has been included, to be effected by way of disposal of Blue Sky's shareholding in Australian Oil by a nominee appointed by Blue Sky (Sanlam Private Wealth) with the proceeds of that sale being conveyed to Australian Oil in satisfaction of that payment. The consideration payment represents the value of 38,455,000 fully paid ordinary shares, at a deemed disposal value of A\$0.0035.

For the purposes of implementing the sale, Blue Sky has agreed to transfer its AOK shares to a nominated broker (Sanlam Private Wealth) to undertake the orderly sale of those shares over a three month period and to remit the proceeds from that sale to AOK in satisfaction of the additional consideration payment.

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AUSTRALIAN OIL CO.

Timetable of Residual Cash Payments

The parties have agreed to a revision in the timing of the residual \$2,250,000 that is receivable under the terms of the original Omnibus. As such, the residual consideration will be received on the following timetable:

- A\$750,000 receivable on or before 25 November 2024 (**Tranche 2 payment**);
- A\$750,000 receivable on or before 27 December 2024 (**Tranche 3 payment**); and
- A\$750,000 receivable on or before 27 January 2025 (**Tranche 4 payment**).

Under the previous agreement, the Tranche 2 payment was due and payable on or before close of business 14 November 2024, Mountain Daylight Time [GMT – 6] in Canada.

Management Comment

Kane Marshall, Managing Director of Australian Oil Co said:



This further revision to the Omnibus Settlement Agreement enables Australian Oil to be adequately funded to continue to progress its near-term operations in pursuing development and execution of its global exploration strategy whilst enabling a more amenable payment timetable for our counterparty, Blue Sky Resources Ltd.



- ENDS -

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



AUSTRALIAN OIL CO.

About Australian Oil Co

Australian Oil is an Australian-based energy company focused on under-explored, recently overlooked, world class oil and gas opportunities near under-supplied markets.

The Company is currently focused on conventional oil and gas exploration and production in the Sacramento Basin in California. Australian Oil has a portfolio of natural gas and oil producing wells, in addition to prospects and discoveries at various exploration and appraisal stages.

AOK is in process of evaluating the acquisition of oil and gas producing and exploration assets to enhance the Company's strategic needs and delivering shareholder value.

Australian Oil Company Limited

ACN: 114 061 433

ASX Code: AOK

Shares on Issue

1,001,782,997

Unlisted Options

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

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

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

125,37,937 exercisable \$0.008 on or before 30-Jun-2026