



New Funding Agreements Strengthen QPM's Balance Sheet

Highlights

- ✓ **New funding agreements with foundation customer, Dyno Nobel Ltd ("Dyno"), to refinance existing facilities and strengthen QPM's balance sheet.**
- ✓ **No change to the existing Development Funding Facility ("DFF") which is being used to fund drilling of new wells and other infrastructure optimisation and development projects at the MGP.**
- ✓ **The new funding agreements deliver a stable, funded platform that enables QPM to accelerate growth opportunities across the Company's gas supply and energy portfolio.**

QPM Energy Limited (ASX:QPM) ("QPM" or "the Company") is pleased to provide details of two new funding agreements which have been executed with Dyno.

The facilities will be used to fully repay QPM's Existing Working Capital Facility with Dyno, currently drawn to \$27m, and provide a stable, funded platform to underpin the growth of QPM's gas supply and energy portfolio. Details of the facilities are outlined below:

1. Prepayment Facility

QPM Counterparty	QPM Energy (MGP Upstream) Pty Ltd
Commencement Date	28 th May 2025
Prepayment Amount	Up to \$40m
Use of Funds	The Prepayment is for gas delivered under the New Gas Sales Agreement ("NGSA") from April 2026 to March 2033. An initial draw down amount of \$6m plus \$21m drawn under the Additional Funding Facility (see below) will be used to repay the Existing Working Capital Facility.
Interest Rate	From the Commencement Date to 31 st March 2027 - BBSY + 2% (interest accrued during this period) From the 1st April 2027 to the End of Term - BBSY + 6%
Fees	\$400,000 (capitalised)
End of Term	1 April 2033
Repayment Schedule	100% of principal (and capitalised interest and fees) repaid in

	equal monthly instalments over 72 months commencing in April 2027.
Termination	Customary events of default (e.g. non-payment, change of control, misrepresentations, insolvency etc.) with cure periods.

2. Additional Funding Facility

QPM Counterparty	QPM Energy (MGP Upstream) Pty Ltd
Commencement Date	28 th May 2025
Facility Limit	\$30m
Drawn Amount	\$21m
Use of Funds	Repayment of existing Working Capital Facility
Interest Rate	From the Commencement Date to 31 st March 2027 - BBSY + 2% (interest accrued during this period) From the 1st April 2027 to End of Term - BBSY + 6%
Fees	\$210,000 (capitalised)
End of Term	31 March 2033, with a four year extension if Dyno Nobel exercises its option to extend the New Gas Sales Agreement for 4 years (“NGSA Extension Option”).
Repayment Schedule	Repayments deferred until April 2027. 30% of the Drawn Amount (plus capitalised interest and fees) repaid in equal monthly instalments over 72 months commencing April 2027. Bullet repayment of 70% of Drawn Amount (plus capitalised interest and fees) on 1 April 2033, unless Dyno exercises its NGSA Extension Option, in which case remaining principal is repaid equally over the four year extension term.
Termination	Customary events of default (e.g. non-payment, change of control, misrepresentations, insolvency etc.) with cure periods.

Development Funding Facility (“DFF”)

QPM’s existing \$80m Development Funding Facility with Dyno Nobel, which may be increased to \$120m remains in place. As at the date of this announcement, QPM has drawn down \$38.3m under the DFF to fund:

- The Teviot Brook South 7 well drilling program;
- Existing well workovers; and
- MGP gas gathering infrastructure optimisation works.

QPM is currently finalising planning for a new production well drilling program which is targeted to commence later this year. It is QPM's intention to fund these wells under the Development Funding Facility.

As previously disclosed, the Development Funding Facility is not repaid in cash, but rather amortises as QPM delivers gas into the NGSA with Dyno Nobel.

NGSA Further Extension Option

QPM has agreed to grant Dyno a further option to extend the NGSA by another four years.

CEO Comment

CEO David Wrench commented,

"In just under two years, we have reinvigorated the MGP and developed an exciting integrated energy business. These funding agreements with Dyno Nobel represent another important step in this transformation. From July 2025, the business will transition to a much lower cost structure under the new contracts with Townsville Power Station and North Queensland Gas Pipeline. In combination with the new funding agreements announced today, QPM has established a stable and secure long-term business that is primed for growth."

This announcement has been authorised for release by the Board.



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