

12 September 2025

XSTATE RESOURCES LIMITED – PRE-QUOTATION DISCLOSURE

Xstate Resources Limited (ACN 009 217 154) (**ASX:XST**) (**Xstate** or the **Company**) provides the following information to satisfy the conditions to re-quotations of its Shares on the ASX. Capitalised terms have the same meaning as given to those terms in the Company's Prospectus dated 26 June 2025 (**Prospectus**).

1 Confirmation of Completion of Offer

The Company confirms the conditions to the Offer under the Prospectus have been satisfied and the Company has issued 107,200,000 fully paid ordinary shares (**Shares**) at an issue price of \$0.02 each to raise \$2,144,000 before costs.

The Company confirms that, as set out in the Prospectus, it has issued 16,440,000 unquoted options (\$0.04 exercise price, expiring 5 March 2027, being eighteen (18) months from their date of issue) to PAC Partners Securities Pty Ltd and BW Equities Pty Ltd and their nominees.

2 Capital Structure

The Company's capital structure as at the date of re-admission is as follows.

Securities	Number
Fully paid, ordinary Shares	251,380,863
Unquoted Options (\$0.067 exercise price each, expiring 30 June 2026)	6,614,351
Unquoted Options (\$0.04 exercise price each, expiring 5 March 2027)	16,440,000

3 Restricted Securities

The Company confirms the following securities are subject to restriction under the ASX Listing Rules.

Securities	Number	%	Restriction Period
Options*	16,440,000	100	24 months from re-quotations

* Unquoted, \$0.04 exercise price, expiring 5 March 2027.

4 Updated Pro forma Statement of Financial Position

Set out below is an updated pro forma statement of financial position as at 31 December 2024 based on the actual amount raised under the Offer of \$2,144,000.

Statement of Financial Position	Reviewed as at 31-Dec-24	Pro-forma adjustments 31-Dec-24	Pro-forma after Offer 31-Dec-24
	\$	\$	\$
CURRENT ASSETS			
Cash and cash equivalents	3,555,128	1,561,947	5,116,947
Trade and other receivables	10,524	-	10,524
Prepayments	26,405	-	26,405]
Non-current assets held for sale	61,691	(61,691)	-
TOTAL CURRENT ASSETS	3,653,748	1,500,128	5,153,876
NON-CURRENT ASSETS			
Oil & Gas assets	781,408	(531,408)	250,000
Deferred tax asset	91,199	-	91,199
Other receivables	-	11,715	11,715
TOTAL NON-CURRENT ASSETS	872,607	519,693	352,914
TOTAL ASSETS	4,526,355	980,435	5,506,790
CURRENT LIABILITIES			
Trade and other payables	(893,393)	633,090	(260,303)
Current tax liability	(34,719)	-	(34,719)
Employee benefits	(1,547)	-	(1,547)
Liabilities associated with non-current assets held for sale	(49,843)	49,843	-
TOTAL CURRENT LIABILITIES	(979,502)	682,933	(296,569)
NON-CURRENT LIABILITIES			
Site restoration provision	(144,801)	79,130	(65,671)
TOTAL NON-CURRENT LIABILITIES	(144,801)	79,130	(65,671)
TOTAL LIABILITIES	(1,124,303)	762,063	(362,240)
NET ASSETS	3,402,052	1,742,498	5,144,550
EQUITY			
Share capital	58,083,830	1,814,244	59,898,074
Reserves	365,900	64,116	430,016
Accumulated losses	(55,047,678)	(135,862)	(55,183,540)
TOTAL EQUITY	3,402,052	1,742,498	5,144,550

5 Updated Commitments

The table below sets out the statement of commitments based on the actual amount raised under the Offer, being \$2,144,000.

Item	Funds raised (\$2.144 million)	
	\$	%
Available funds		
Existing cash reserves ⁽¹⁾	2,740,500	56
Funds from the Offer	2,144,000	44
Total	4,884,500	100
Use of Funds		
Diona-1 Well ⁽²⁾	2,650,000	54
Exploration and Development	120,000	3
Costs of the Offer	332,181	7
Working Capital ⁽³⁾	1,782,319	36
Total	4,884,500	100

Notes:

(1) Based on cash and cash equivalents at 31 May 2025.

(2) Includes \$2.0m cash backed Conditional Performance Bond (CPB) in favour of Elixir.

(3) Residual working capital will be used to fund follow up exploration and development activities at the Diona Project (to be determined post drilling of the Diona-1 well), corporate and administrative costs, and on-going operating costs for its existing global exploration and production interests. If the Diona-1 well is successful, working capital will be used to meet Xstate's 51% share of JOA expenditure to complete and production test the Diona-1 well (Xstate's share estimated at ~\$500,000 as at the date of the Prospectus).

The above table is a statement of current intentions. Investors should note that, as with any budget, the allocation of funds set out in the above table may change depending on a number of factors.

6 Consolidation of Securities

The Company confirms that it has undertaken and completed a consolidation of its securities on a 2.23:1 basis with effect from 6 August 2025.

7 ASX Listing Rule Waivers

The Company has received the following waivers from ASX in respect of its re-admission to quotation on the ASX:

- (a) a waiver of Listing Rule 1.1 Condition 12 to allow the Company to issue up to 25,000,000 lead manager options, exercisable at A\$0.04, expiring 18 months from the date of issue (**Lead Manager Options**), subject to the following conditions (which have been complied with):
 - (i) the exercise price of the Lead Manager Options is not less than A\$0.02 each;
 - (ii) the terms of this waiver and the terms and conditions of the Lead Manager Options are clearly disclosed in both the notice of meeting (**Notice**) and the Prospectus; and
 - (iii) the Company's shareholders approve the issue of the Lead Manager Options and the other resolutions proposed in connection with its re-admission;

- (b) a waiver of Listing Rule 2.1 Condition 2 to allow the Company to issue Shares at an issue price of \$0.02 each (**Capital Raising Shares**), subject to the following conditions (which have been complied with):
 - (i) the issue price of the Capital Raising Shares is not less than A\$0.02 per Share;
 - (ii) the terms of this waiver and the terms and conditions of the Capital Raising Shares, are clearly disclosed in both the Notice and the Prospectus;
 - (iii) the Company's Shareholders approve the issue price of the Capital Raising Shares in conjunction with the other resolutions proposed in connection with its re-admission; and
 - (iv) the Company completes a consolidation of its capital structure in connection with its re-admission such that its securities are consolidated at a ratio that will be sufficient, based on the lowest price at which the Company's securities traded over the 20 trading days preceding the date of suspension of the Company's securities from official quotation, to achieve a market value for its securities of not less than the offer price; and
- (c) a waiver of Listing Rule 10.13.5 to allow the Notice seeking shareholder approval for, amongst other things, the issue of up to 2,500,000 Shares each to the Company's directors Mr Andrew Childs, Mr Andrew Bald and Mr Greg Channon (together, the **Related Party Securities**) not to state that the Related Party Securities will be issued no later than one (1) month after the date of the shareholder meeting (**Meeting**), on the following conditions:
 - (i) the terms of this waiver and the terms and conditions of the Related Party Securities are clearly disclosed in both the Notice and the Prospectus;
 - (ii) the Company's shareholders approve the issue of Related Party Securities in conjunction with the other resolutions in the Notice proposed in connection with the re-admission;
 - (iii) the Related Party Securities are issued by no later than the date on which the Capital Raising Shares are issued which must be no later than three (3) months after the date of the Meeting; and
 - (iv) the circumstances of the Company, as determined by the ASX, have not materially changed since the Company's shareholders approved the issue of the Related Party Securities at the Meeting.

8 Acquisition Agreement

The Company confirms the satisfaction of the conditions precedent and the completion on 4 September 2025 of the acquisition agreement between Xstate and Elixir Energy Limited (**Elixir**) dated 4 April 2025 (**Acquisition Agreement**).

9 Joint Operating Agreement

The Company confirms the joint operating agreement between Xstate and Elixir dated 4 April 2025 is unconditionally in effect and the joint venture established as at 4 September 2025 with participating interests of XST and Elixir of 51% and 49%

respectively.

10 Ministerial Consent to acquisition

The Company confirms the relevant Queensland Minister (being the Minister for Department of Natural Resources and Mines) has given an indication for approval to the transfer of a 51% interest in ATP 2077 from Elixir to Xstate subject only to the condition that a duly executed transfer agreement stamped under the *Duties Act 2001* is provided. A duly executed and stamped Acquisition Agreement was duly provided to the Department on 8 September 2025 and the Company expects the unconditional Ministerial consent to the transfer to be provided in the coming weeks. The Company confirms that, while the Minister's consent has not yet been obtained, the Company has sufficient contractual rights to undertake its planned activities on ATP 2077 as disclosed in its Re-listing Prospectus from the date of its re-listing on ASX.

11 Working Capital

The Company confirms that it will have sufficient working capital to complete drilling at the Diona Project for any additional costs required, including additional costs of up to A\$1,000,000 to be paid in proportion to XST's 51% working interest as disclosed in the Prospectus.

12 Confirmation of No Legal, Regulatory, Statutory or Contractual Impediments

The Company confirms that there are no legal, regulatory, statutory or contractual impediments to the Company entering and carrying out exploration activities on the Diona Sub-Block within Queensland petroleum exploration permit ATP 2077 (the "Diona Project") (tenement disclosed on pages 75 to 85 including Schedule 1 of the Annexure A "*Independent Solicitor's Report – ATP 2077*" of the Prospectus) such that the Company will be able to spend its cash in accordance with its commitments for the purposes of Listing Rule 1.3.2(b).