

26<sup>th</sup> August 2024

Announcement to ASX

Electronic lodgement

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## SHAREHOLDER UPDATE

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Xstate Resources Limited (**ASX:XST**) (**Xstate** or **the Company**) provides the following update to shareholders in relation to the Company's efforts to secure a new project and the suspension of its shares from official quotation.

On the 29<sup>th</sup> February 2024, the Company announced that it had agreed to dispose of its Red Earth Assets in Alberta, Canada to Blue Sky Resources Limited for cash consideration of US\$2.73m (approximately A\$4.17m). The Company's announcement went on to advise that:

*"Under section 4.7 of ASX Guidance Note 12, Xstate has an ongoing obligation to satisfy ASX that its level of forward operations and its financial condition is sufficient to warrant the continued listing and quotation of its securities. ASX generally continues quotation of an entities securities for a period of up to six months from the date of agreement to dispose of its main undertaking. The ASX has advised that Xstate has until 26 August 2024 from the date of the sale agreement to ensure it is compliant with this Guidance Note."*

Xstate completed the disposal of the Red Earth Assets on 8 July 2024.

The Company has been assessing a number of exciting new opportunities over the past 6 months and is in continuing negotiations in respect of potential acquisitions. However, as an acquisition has not been completed within the 6-month period referred to above, the Company's securities will be suspended from official quotation whilst it determines the optimal path forward for all shareholders.

The Board will continue working to secure high quality assets and will keep shareholders updated and in accordance with the ASX Listing Rules.

**This release was approved by the Board of the Company**

**Andrew Childs**

*Executive Chairman*

Xstate Resources Limited

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**About Xstate Resources Limited:**

*Xstate Resources (ASX Code: XST) is an ASX listed company focused on the oil and gas sector. The Company has oil production interests in Alberta Canada and Austria, and exploration assets located in the Sacramento Basin, California. Xstate is presently pursuing new opportunities in the oil and gas sector globally.*