

Equus Energy Limited **(formerly Copper Strike Limited)**

Half-Year Report

For the Six Months Ended 31 December 2025

Corporate Information

Directors

Brendan Jesser – Non-Executive Chairman

William Barker – Managing Director

Chris Bath – Executive Director and Chief Financial Officer

Andrew Leibovitch – Executive Director

Company Secretary

Chris Bath

Registered Office and Principal Place of Business

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Perth WA 6000

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Securities Exchange Listing

Equus Energy Limited securities are listed on the Australian Securities Exchange (ASX Code EQU).

Share Registry

Automic Group

Level 5, 126 Philip Street

Sydney NSW 2000

Tel: +61 2 8072 1463

Email: hello@automicgroup.com.au

Auditors

William Buck

Level 20, 181 William Street

Melbourne Victoria 3000

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Equus Energy Limited

ABN 16 108 398 983

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Directors' Report

The Directors present their report together with the consolidated financial statements of the Group comprising Equus Energy Limited (formerly Copper Strike Ltd) (the **Company** or **Equus**) and its subsidiaries (the **Group**) for the six months ended 31 December 2025.

Directors

The names of the Company's Directors in office during the six months ended 31 December 2025 and until the date of this report, unless otherwise indicated, are set out below:

Name	Position	Date of Appointment	Date of Resignation
Brendan Jesser ²	Non-Executive Chairman	6 June 2014	-
William Barker ¹	Managing Director	16 December 2025	-
Chris Bath ²	Executive Director	18 June 2025	-
Andrew Leibovitch ¹	Executive Director	16 December 2025	-
Phil Hoskins ³	Non-Executive Director	28 February 2025	16 December 2025

¹ Appointed on 16 December, prior to this date, the individuals were directors of Western Gas Corporation Pty Ltd.

² Directors of the legal parent entity for the full financial period.

³ Director of the legal parent entity until resignation.

Principal activities

On 6 June 2025, the Company entered into a binding Acquisition Agreement (**Acquisition**) to directly acquire 100% of the issued shares in Western Gas Corporation Pty Ltd and its wholly owned subsidiaries, Western Gas (70 R) Pty Ltd and Western Gas (474 P) Pty Ltd (collectively referred to as **Western Gas**). Western Gas is a company domiciled and incorporated in Australia. These subsidiaries hold the gas retention lease and exploration permits which comprise the Equus Gas Project. Further details regarding the acquisition are provided in note 4.

The acquisition was implemented as a scrip-for-scrip transaction, whereby the Company issued 56,200,000, 8,175,000 and 15,312,500 ordinary shares to Western Gas shareholders, lenders and noteholders, respectively to acquire all issued share capital of Western Gas. The transaction was completed on 12 December 2025 (the **Acquisition date**).

During the period, Copper Strike Limited changed its name to Equus Energy Limited. Following completion of the transaction, Western Gas was identified as the accounting acquirer for the purposes of preparing the consolidated financial statements. As a result, the comparative information presented reflects the results of Western Gas and its controlled entities for the six-month comparative period, with the Company (legal parent) consolidated from the acquisition date.

In conjunction with the Acquisition, the Company completed a capital raise of \$15 million (before costs) and was re-admitted to the Australian Securities Exchange (**ASX**), recommencing trading on 18 December 2025 under the ticker (**EQU**).

The funds raised are being used to advance development activities at the Equus Gas Project, including engineering studies, regulatory approvals, and strategic partnerships. The Project is considered a significant opportunity in a region facing medium to long-term gas supply shortfalls.

Overview of the Equus Gas Project

The Equus Gas Project is located approximately 200 kilometres north-west of Onslow, in the northern Carnarvon Basin on the North West Shelf (**NWS**) of Western Australia (**WA**).

The Equus Gas Project is a large-scale discovered and appraised gas resource on the NWS, WA. The Equus Project remains one of the largest undeveloped gas resources on the NWS, located between Woodside's Scarborough Gas Project and Chevron's Gorgon Gas Project.

Directors Report (continued)

Principal activities (continued)

The Equus Project resource has been independently certified at 1,702 Bscf of gas and 38 MMstb condensate.

Net Equus Energy		Unit	1C	2C	3C
Equus Gas Project preliminary development plan					
GIIP (Connected GIIP)		Bscf	1,338	2,675	4,784
Contingent Resources	Export Gas	Bscf	1,258	1,702	2,694
	Export Gas	PJ	1,367	1,860	2,953
	Condensate	MMstb	28	38	57

Source: Independent Technical Specialist's Report, RISC Advisory Pty Ltd 2025, Equus Energy Prospectus 2025.

The Company considers the Equus Gas Project to be a highly strategic resource, capable of supplying a vital new source of gas for WA's existing LNG plants and the domestic gas market.

The Project is designed as a modular, phased development that leverages existing offshore and onshore infrastructure to accelerate delivery and provide a capital efficient development.

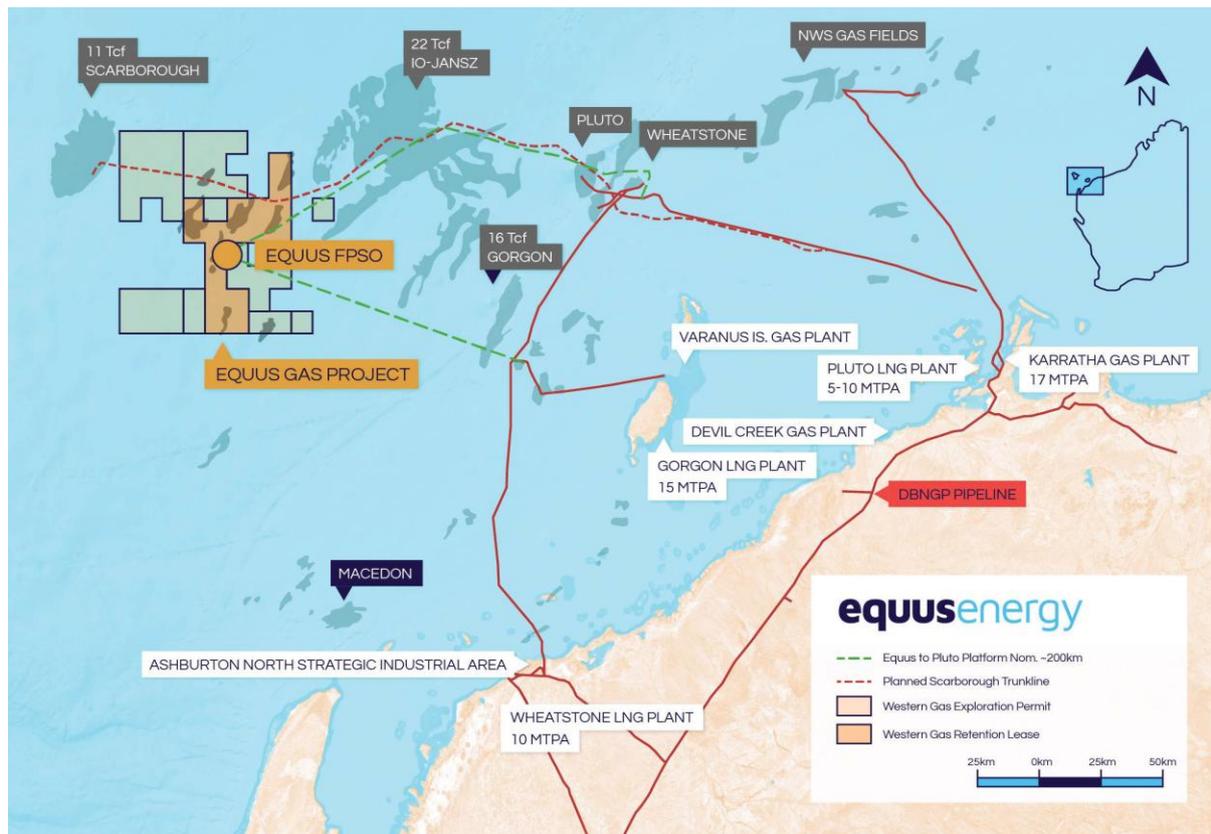


Figure 1: Equus Gas Project on the North West Shelf

The Project is well positioned with multiple opportunities to backfill existing gas and LNG processing infrastructure on the NWS. With both international and WA gas markets facing likely gas supply shortfalls, the Project is strategically timed to realise the value of its large, discovered resource base.

Directors Report (continued)

Principal activities (continued)

Alcoa Funding & Gas Sales Agreement

On 4 September 2025, Alcoa signed a binding Funding and Gas Sales (**Alcoa Agreement**) for the Project, providing conditional funding of up to US\$30 million to support pre-Front-End Engineering Design (**pre-FEED**) and Front-End Engineering Design (**FEED**) studies, and subject to the studies' outcome, progression of regulatory approvals and project partnering.

Subject to the satisfaction of various conditions, and the Project moving to production, the Alcoa Agreement has committed to make available to Alcoa about 50 terajoules of gas per day for a period of 10 years, equivalent to about 182 petajoules over the contract life. This would cover approximately 25 per cent of Alcoa's long-term gas requirements for its WA alumina processing operations.

Overview of the Australian Gas Industry

Western Australia is one of the world's most established LNG hubs, supported by a network of large-scale offshore and onshore infrastructure. WA currently has five operating LNG export projects including the Karratha Gas Plant, Pluto, Gorgon and Wheatstone LNG projects.

Within WA, the majority of domestic natural gas demand (approximately 76%) comes from major industrial customers with retail gas distribution accounting for only 7% of the market. These users are primarily supplied via the Dampier to Bunbury Natural Gas Pipeline, WA's critical energy transmission corridor that delivers gas from the north-west to population centres and industrial regions in the south-west.

The medium to long-term outlook indicates WA may face domestic gas shortfalls from 2030, reaching approximately 145 TJ per day by 2036.

Shell, via its LNG Outlook 2025¹, forecasts global demand for LNG to rise by around 60% by 2040, largely driven by economic growth in Asia, emissions reductions in heavy industry and transport and the increasing energy demand associated with artificial intelligence. At the same time, NWS' LNG exports are decreasing after more than 30 years of production due to declining reserves on the NWS.

With both international and WA gas markets facing likely gas supply shortfalls, the Project is strategically timed to realise the value of its large, discovered resource base.

Review of financial results

The net loss after tax of the Company for the half-year ended 31 December 2025 amounted to \$9.4 million (31 December 2024: net loss of \$1.1 million). The net loss after tax reflects the impact of the reverse acquisition of Western Gas Corporation Pty Ltd (**Acquisition**), which was completed during the period. For accounting purposes, Western Gas is deemed the accounting acquirer, while Equus retains legal title and is the listed entity and is deemed the legal acquirer and legal parent. As a result of the Acquisition, Equus incurred approximately \$7.6 million in listing (non-cash transactions) costs and \$0.9 million in transaction costs associated with the Acquisition and relisting process, refer note 4 for further information.

The Acquisition has been accounted for as a reverse acquisition in accordance with the principles of AASB 3, *Business Combinations* from a consolidated perspective. The consolidated financial statements are presented as a continuation of Western Gas, the accounting acquirer, except for the capital structure, which has been restated to reflect the equity structure of the Company, the legal parent. The comparative figures for the prior period reflect the financial performance of Western Gas as the accounting acquirer, whereas the current period includes the consolidated results of the combined group from the acquisition date. The share capital of \$27.6 million, comprising the issue of 204,643,730 shares, is that of Equus, while the accumulated losses prior to the acquisition date reflect those of Western Gas.

¹ Refer to the [Shell LNG Outlook 2025 Report](#)

Directors Report (continued)

Principal activities (continued)

As at 31 December 2025, the net assets of the Company were \$15.1 million (30 June 2025: net liabilities of \$5 million), with the movement primarily arising from the acquisition and associated adjustments. Cash and cash equivalents at 31 December 2025 amounted to \$16.5 million (30 June 2025: \$0.1 million), reflecting primarily the inflows from capital raising and the outflows related to listing and integration activities.

Significant changes in the state of affairs

As discussed above, during the half-year ended 31 December 2025, the Company underwent a significant transformation following the completion of the Acquisition of Western Gas.

This Acquisition marked a strategic shift in the Company's activities, transitioning into the oil and gas sector through the acquisition of the Equus Gas Project in Western Australia.

Likely developments

The Group will continue to focus on advancing the Equus Gas Project through Pre-FEED and FEED activities. These efforts are aimed at optimising project design, cost estimates, execution strategies and project partnering to support the transition toward the final investment decision and development phase.

Matters subsequent to the end of the financial half-year

Subsequent to the reporting date and in accordance with the terms of the Option Agreement dated 2 October 2025 between the Company, Western Gas (518 P) Pty Ltd, and Goshawk Holdings Pty Ltd (**Goshawk**), the Group has paid \$250,000 to Goshawk as an option funding amount to be applied toward agreed exploration expenditure and activities under the work program for Exploration Permit WA-518-P. Refer to note 4 for details.

Other than the matters noted above, there were no other matters or circumstances which have arisen since 31 December 2025 that have significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in subsequent financial years.

Auditors independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the *Corporations Act 2001*.

On behalf of the directors



Brendan Jesser

Chair

10 March 2026

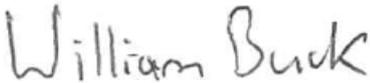
Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the directors of Equus Energy Ltd

As lead auditor for the review of Equus Energy Ltd (formerly known as Copper Strike Ltd) for the half-year ended 31 December 2025, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Equus Energy Ltd and the entities it controlled during the period.



William Buck Audit (Vic) Pty Ltd

ABN 59 116 151 136



R. P. Burt

Director

Melbourne, 10 March 2026

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 31 December 2025

	Note	2025 \$	2024 \$
Income			
Other income	6	1,422,475	100,128
Expenses			
Administration and corporate expenses		(471,559)	(312,728)
Consultancy fees, including directors' fees and other benefits		(155,405)	26,217)
Exploration and evaluation costs	7	(1,556,650)	(180,180)
Transaction costs of reverse listing	4	(7,630,548)	-
Share-based payments expense	12	(670,754)	-
Finance costs and other expenses		(324,627)	(668,472)
Net loss before tax		(9,387,068)	(1,087,469)
Income tax expense		-	-
Net loss for the period		(9,387,068)	(1,087,469)
Other comprehensive loss for the period, net of tax		-	-
Total comprehensive loss for the period		(9,387,068)	(1,087,469)
Net loss and other comprehensive loss attributable to:			
Owners of the Company		(9,387,068)	(979,639)
Non-controlling interests		-	(107,830)
		(9,387,068)	(1,087,469)
Basic and diluted loss per share (cents per share)	10	(7.46)	(1.52)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes to the consolidated interim financial statement.

Consolidated Statement of Financial Position

As at 31 December 2025

	Notes	31 December 2025 \$	30 June 2025 \$
Assets			
Current assets			
Cash at banks		16,519,972	143,907
Trade and other receivables		176,992	12,834
Prepayments		495,825	126,440
Total current assets		17,192,789	283,181
Non-current assets			
Security deposit		73,839	-
Total non-current assets		73,839	-
Total assets		17,266,628	283,181
Liabilities			
Current liabilities			
Trade and other payables		1,174,892	315,434
Loans and borrowings		119,118	2,810,908
Contract settlement obligations	4	422,344	-
Contract liability	5	463,689	-
Convertible loan notes		-	578,340
Derivative liabilities		-	415,837
Total current liabilities		2,180,043	4,120,519
Non-current liabilities			
Convertible loan notes		-	552,753
Derivative liabilities		-	606,285
Total non-current liabilities		-	1,159,038
Total liabilities		2,180,043	5,279,557
Net assets/ (liabilities)		15,086,585	(4,996,376)
Equity/ (Deficit on equity)			
Issued share capital	9	28,799,375	100
Share-based payment reserve	12	670,754	-
Accumulated losses		(14,383,544)	(4,996,476)
Total equity/ (deficit on equity)		15,086,585	(4,996,376)

The above consolidated statement of financial position should be read in conjunction with the accompanying notes to the consolidated interim financial statement.

Consolidated Statement of Changes in Equity

For the six months ended 31 December 2025

	Issued share capital \$	Share-based payment reserve \$	Accumulated losses \$	Total deficit on equity \$
Balance at 1 July 2025	100	-	(4,996,476)	(4,996,376)
Net loss for the period	-	-	(9,387,068)	(9,387,068)
Total comprehensive loss for the period	-	-	(9,387,068)	(9,387,068)
Transactions with owners in their capacity as owners:				
Shares issued on reverse acquisition (note 4)	9,991,246	-	-	9,991,246
Shares issued on conversion of loans and borrowings (note 9)	1,635,000	-	-	1,635,000
Shares issued on Public Offer (note 9)	15,000,000	-	-	15,000,000
Share issue costs	(889,471)	-	-	(889,471)
Shares issued under the note exchange offer (note 9)	3,062,500	-	-	3,062,500
Share-based payment expense	-	670,754	-	872,773
Total transactions with owners in their capacity as owners	28,799,275	670,754	-	29,470,029
Balance at 31 December 2025	28,799,375	670,754	(14,383,544)	15,086,585

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes to the consolidated interim financial statement.

Consolidated Statement of Changes in Equity

For the six months ended 31 December 2025

	Issued share capital \$	Accumulated losses \$	Non- controlling interests \$	Total deficit on equity \$
Balance at 1 July 2024	100	(19,610,749)	8,542,604	(11,068,045)
Net loss for the period	-	(979,639)	(107,830)	(1,087,469)
Total comprehensive loss for the period	-	(979,639)	(107,830)	(1,087,469)
Balance at 31 December 2024	100	(20,590,388)	8,434,774	12,155,514

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes to the consolidated interim financial statement.

Consolidated Statement of Cash Flows

For the six months ended 31 December 2025

	Note	31 December 2025 \$	31 December 2024 \$
Cash flows from operating activities			
Payments to suppliers and employees		(659,276)	(367,295)
Payments of exploration and evaluation costs		(1,618,543)	(441,238)
Financing costs paid		(148,472)	(84,325)
Interest received		4,007	-
Net cash used in operating activities		(2,422,284)	(892,858)
Cash flows from investing activities			
Receipt of cash from the Company resulting from reverse acquisition	4	1,305,424	-
Net cash from investing activities		1,305,424	-
Cash flows from financing activities			
Proceeds from loan from the Company to Western Gas Corporation Pty Ltd prior to reverse acquisition		1,324,445	-
Funding received from Alcoa of Australia Limited	5	1,770,946	-
Proceeds from convertible loan notes		-	1,250,000
Proceeds from loans and borrowings		156,500	166,255
Repayments of loans and borrowings		(116,853)	(114,080)
Proceeds from issue of shares	9	15,000,000	-
Share issue costs paid	9	(844,470)	-
Net cash from financing activities		17,290,568	1,302,175
Net increase in cash and cash equivalents		16,173,708	409,317
Effects of foreign exchange changes in cash at banks		202,357	-
Cash and cash equivalents at the beginning of the period		143,907	285,385
Cash and cash equivalents at the end of the half year		16,519,972	694,702

The above consolidated statement cash flows should be read in conjunction with the accompanying note to the consolidated interim financial statement.

Notes to the Consolidated Interim Financial Statements

For the six months ended 31 December 2025

1. General Information

The financial statements of Equus Energy Limited (formerly Copper Strike Ltd) were authorised for issue in accordance with a resolution of the directors on 10 March 2026. The Company is a for-profit company limited by shares, incorporated and domiciled in Australia and whose shares are publicly traded on the Australian Securities Exchange.

The nature of the operations and principal activities of the Company are described in the Directors Report. The registered office is at Level 20, 140 St Georges Terrace, Perth WA 6000.

2. Material accounting policy information

(a) Basis of preparation

The interim financial statements have been prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134 *Interim Financial Reporting*. These interim financial statements do not include all notes of the type normally included in the annual financial statements. Accordingly, these interim financial statements are to be read in conjunction with:

- The financial statements contained within the annual report for the year ended 30 June 2025, prepared by Western Gas Corporation Pty Ltd (as the accounting acquirer);
- The Company's most recent annual financial statements; and
- Any public announcements made by the Company during the half-year ended 31 December 2025.

During the half-year ended 31 December 2025, the Group completed a reverse acquisition transaction (the **Reverse Acquisition**) whereby the Company or the legal parent acquired Western Gas Corporation Pty Ltd, Western Gas (70 R) Pty Ltd and Western Gas (474 P) Pty Ltd. (together **Western Gas Group**) or the accounting acquirer. As a result, the consolidated financial statements have been prepared using the principles of reverse acquisition accounting under AASB 3 *Business Combinations (AABS 3)*. Accordingly:

- The comparative figures for the half-year ended reflect the financial performance and position of Western Gas Group only.
- The current period includes the results of Western Gas Group for the full period and the Company from the acquisition date.

Following the Reverse Acquisition, Western Gas Group that were previously non-listed and whose financial statements were not publicly available have been consolidated for the first time. The inclusion of these entities represents a significant change in the composition of the Group.

The financial statements have been prepared on a historical cost basis, and all amounts are presented in Australian dollars unless otherwise noted.

The accounting policies applied in this interim financial report are consistent with those disclosed in the Company's most recent annual financial statements, except for:

- New policies introduced as a result of the Reverse Acquisition and consolidation of the Company and Western Gas Group; and
- The impact of new or amended standards and interpretations effective from 1 July 2025.

Notes to the Consolidated Interim Financial Statements

For the six months ended 31 December 2025

2. Material accounting policy information (continued)

New Accounting Standards and interpretations issued in the period

The accounting policies adopted in the preparation of the interim half-yearly financial statements are consistent with those followed in the preparation of the Western Gas Group's annual consolidated financial statements for the year ended 30 June 2025, except for the adoption of new standards effective as of 1 July 2025, which were not applicable to the Group. The consolidated entity has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

The interim financial statements comprise the financial results of the consolidated group for the half-year ended 31 December 2025.

(b) Basis of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of the Company as at 31 December 2025 and the results of all subsidiaries for the half-year then ended.

Subsidiaries are entities controlled by the Group. Control is achieved when the Group is exposed or has rights to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls and investee if, and only if, the Group has all of the following:

- power over the investee
- exposure or rights to variable returns from its involvement with the investee
- the ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights results in control. When the Group has less than a majority of the voting, or similar, rights of an investor, it considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- the contractual arrangements with the other vote holders of the investee
- rights arising from other contractual arrangements
- the Group's voting rights and potential voting rights.

The relevant activities are those which significantly affect the subsidiary's returns. The ability to approve the operating and capital budget of a subsidiary and the ability to appoint key management personnel are decisions that demonstrate that the Group has the existing rights to direct the relevant activities of a subsidiary.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from that date the Group gains control until the date the Group ceases to control the subsidiary. Where the Group's interest is less than 100 per cent, the interest attributable to outside shareholders is reflected in non-controlling interest (**NCI**).

Notes to the Consolidated Interim Financial Statements

For the six months ended 31 December 2025

2. Material accounting policy information (continued)

(b) Basis of consolidation (continued)

Profit or loss and each component of other comprehensive income (**OCI**) are attributed to the equity holders of the parent of the Group and to the NCIs, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intragroup assets and liabilities, equity, income expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary without a loss of control is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets, liabilities, non-controlling interest and other components of equity while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

(c) Other income

The Company may receive funding from third parties to support specific project development activities. These arrangements typically require the Company to perform certain activities or incur costs related to the funded project.

Funding received under such arrangements is recognised as a contract liability. The liability represents the Company's obligation to perform the funded activities before recognising an income.

Income from funding arrangements is recognised in profit or loss as the Company fulfills its obligations under the contract. Other income is recognised progressively over time because the funder benefits as work is performed and the work cannot be used for other purposes. Progress is measured based on costs incurred compared to total estimated costs, which provides the most accurate reflection of completion.

(d) Exploration and evaluation expenditures

The Group applies the immediate expense method for accounting for exploration and evaluation activities in accordance with AASB 6, *Exploration for and Evaluation of Mineral Resources*. Under this method:

- All costs associated with exploration and evaluation activities are expensed immediately when incurred in the consolidated statement of profit or loss.
- These costs include geological and geophysical studies, exploratory drilling, sampling, feasibility studies, and related overheads.
- No exploration and evaluation costs are capitalised as assets, regardless of whether they relate to areas where reserves have been discovered or not.

Costs incurred after the technical feasibility and commercial viability of extracting a mineral resource are demonstrable are classified as development costs and capitalised in accordance with AASB 116, *Property, Plant and Equipment* or AASB 138, *Intangible Assets*, as appropriate.

Change in Accounting Policy

During the current financial year, the Group changed its accounting policy for exploration and evaluation assets from the successful efforts method to the immediate expense method. Under the successful efforts method, certain exploration costs were capitalised when specific criteria were met. Under the immediate expense method, all exploration and evaluation costs are expensed as incurred.

Notes to the Consolidated Interim Financial Statements

For the six months ended 31 December 2025

2. Material accounting policy information (continued)

(d) Exploration and evaluation expenditures (continued)

The change was made to align the Group's accounting policy with its strategic approach to exploration activities and prevailing industry practice. The immediate expense method provides a more conservative and transparent reflection of exploration costs in the financial statements, particularly given the uncertainty inherent in exploration outcomes. This change is considered to result in more relevant and reliable information for users of the financial statements, consistent with AASB 108, *Accounting Policies, Changes in Accounting Estimates and Errors*.

Despite the change in accounting policy there is no retrospective impact on comparative consolidated statement of financial position, as the Group's exploration and evaluation assets were fully provided for with an allowance provision. Therefore, the effect of the change was limited to a reclassification of costs from "Impairment expense" to "Exploration and evaluation expense" within the consolidated statement of profit or loss and other comprehensive income, with no impact on net assets.

Under AASB 107, *Statement of Cash Flows*, exploration and evaluation costs expensed immediately are classified as operating activities. Previously, under the successful efforts method, these costs were classified as investing activities as they were capitalised. The change does not affect total net cash flows, only the classification.

(e) Provisions and Contingencies

Provisions are recognised when the Group has a present (legal or constructive) obligation as a result of a past event, it is probable the Group will be required to settle the obligation, and a reliable estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Contingent liabilities are not recognised in the statement of financial position but are disclosed unless the possibility of an outflow of resources is remote. These include obligations that are possible but not probable, or those that cannot be measured reliably. These would also include potential claims under contractual arrangements or regulatory requirements where uncertainty exists regarding timing or amount.

Contingent assets are not recognised in the financial statements but are disclosed when an inflow of economic benefits is probable. Recognition occurs only when the inflow becomes virtually certain, at which point the asset is recognised in the statement of financial position and the related income in profit or loss.

The Group reviews provisions and contingent items at each reporting date and adjusts estimates based on current information and circumstances.

Notes to the Consolidated Interim Financial Statements

For the six months ended 31 December 2025

2. Material accounting policy information (continued)

(f) Earnings Per Share (EPS)

Basic EPS is calculated as net profit attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends), divided by the weighted average number of ordinary shares outstanding during the period, adjusted for any bonus element.

Diluted EPS is calculated as net profit attributable to members of the parent, adjusted for the cost of servicing equity, the after-tax effect of dividends and interest associated with dilutive potential ordinary shares, and other non-discriminatory changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares. This amount is divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

To reflect the substance of the reverse acquisition and provide meaningful comparative information, the EPS is calculated as follows:

- For the current period, the weighted average number of shares is based on the Company's ordinary shares outstanding during the period, adjusted for any shares issued as part of the transaction.
- For the comparative period, EPS is calculated using the Western Gas Group's historical weighted average number of shares, adjusted to reflect the equity structure of the legal parent as if the shares had been issued from the beginning of the comparative period.

(g) Segment reporting

The Company has identified its operating segments based on the internal reports that are reviewed and used by the chief operating decision maker. The chief operating decision maker, who is responsible in assessing the performance and determining the allocation of resources of the operating segments, is considered to be the Board of Directors.

Discrete financial information is presented for the Company as a whole. Accordingly, the Board of Directors considers that its business operates in one segment, being that of oil and gas exploration.

3. Significant judgement and estimates

In preparing these financial statements, management has made judgements and estimates that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

(a) Judgement

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following note:

- Note 4: Reverse Acquisition of Western Gas

(b) Estimates

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is included in the following notes:

- Note **Error! Reference source not found.**: Share-based payment arrangements
- Notes 8 and 13: Provisions and contingencies
- Note 4: Reverse Acquisition of Western Gas

Notes to the Consolidated Interim Financial Statements

For the six months ended 31 December 2025

3. Significant judgement and estimates (continued)

(c) Measurement of fair values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date.

For the Company's financial assets and liabilities, certain accounting policies and disclosures require the measurement of fair value.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When one is available, the Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Company uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction. The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received.

Considerable judgement is required to determine what is the appropriate fair value to apply specifically when Level 3 fair values is required. When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 12: Share-based payment arrangements
- Note 4: Reverse Acquisition of Western Gas

Notes to the Consolidated Interim Financial Statements

For the six months ended 31 December 2025

4. Acquisition of Western Gas Group

On 12 December 2025 (the **Completion Date**), the Company completed the acquisition of Western Gas Corporation Pty Ltd (**Western Gas**) and its subsidiaries, namely Western Gas (70 R) Pty Ltd and Western Gas (474 P) Pty Ltd (**Western Gas Group**) through the issuance of equity instruments. Although the Company is the legal acquirer, the transaction has been accounted for as a reverse acquisition, with Western Gas identified as the accounting acquirer and the Company as the accounting acquiree (collectively, the **Acquisition**).

Following an assessment of the acquired entities and assets transferred, the Acquisition did not meet the definition of a business combination under AASB 3 and has been accounted for as a share-based payment transaction.

The determination that the transaction is a reverse acquisition reflects the substance of the arrangement, including the post-transaction ownership structure, composition of the governing body, and the party directing the relevant activities. In accordance with the control principles in AASB 3, Western Gas is considered to have obtained control of the combined group despite being the legal acquiree.

The transaction is accounted for under AASB 2, *Share-based Payment*, as equity instruments were issued to non-employees in exchange for the net assets of Western Gas. The fair value of the equity instruments granted is measured by reference to their fair value at the Completion Date.

Transaction costs associated with the Acquisition have been recognised as listing expenses, rather than capitalised. Identifiable assets acquired and liabilities assumed have been recognised at their relative fair values as at the Completion Date.

The Acquisition has therefore been accounted for as a share-based payment transaction via reverse acquisition, consistent with the applicable accounting standards, with the following outcomes:

- Based on the binding agreement entered between the Company and Western Gas in June 2025, the Company issued:
 - 56,200,000 shares to Western Gas shareholders and 8,175,000 for conversion of loans and borrowings; and
 - 15,312,500 shares to Noteholders at a deemed issue price of \$0.20 per share (equivalent to the public offer price stated in the Prospectus).

The issuance of shares by the Company to Western Gas shareholders is treated as a share-based payment under AASB 2 and as the reverse acquisition transaction is not a business combination, there is no “*purchase consideration*” based on AASB 3. In addition, as disclosed in note 7 (b) and for the purpose of presenting the comparative period, the Company’s share capital has been restated using 56,200,000 ordinary shares, being the number of ordinary shares issued by the Company to the shareholders of Western Gas as consideration in the reverse acquisition. These shares are treated as if they had been outstanding for the entire comparative period in order to present the share capital under the Company’s legal capital structure. The effective consideration paid to shareholders in Western Gas was \$9,991,246 measured at the fair value of the shares of the Company that were outstanding immediately before the transaction.

Accordingly, based on AASB 2, the difference between the consideration deemed to have been issued by Western Gas and the fair value of net assets acquired was recognised in the profit or loss of \$7,426,566 (49,956,230 pre-acquisition shares at \$0.20 per share less net assets acquired of \$1,240,235 and loan forgiveness of \$1,324,445), which ensured that the equity section of the consolidated financial statements reflects the substance of the transaction where the Western Gas (**accounting acquirer**) has effectively taken control of the Equus (**legal acquirer**) and the legal acquirer’s pre-existing equity is eliminated and replaced with the accounting acquirer’s equity.

Notes to the Consolidated Interim Financial Statements

For the six months ended 31 December 2025

4. Acquisition of Western Gas Group (continued)

- The identifiable assets acquired, and liabilities assumed are as follows:
 - Cash and cash equivalents: \$1,305,424
 - Trade and other receivables: \$83,559 (excluding short-term loan of \$1,324,445 settled on acquisition)
 - Other non-current assets: \$73,839
 - Trade and other payables: (\$222,587)
 - Net assets acquired: \$1,240,235

As part of the acquisition and relisting process, the Group undertook the following IPO-related transactions that impacted the financial position and equity structure of the consolidated group:

- The Company issued 75,000,000 ordinary shares at \$0.20 per share, raising gross proceeds of \$15,000,000 under the initial public offering.
- Western Gas entered into three Debt Conversion Deeds with B&A Enterprises (Australia) Pty Ltd, Redknot Energy Pty Limited, and Essefex Pty Ltd (as trustee for the Essefex Family Trust and its nominee SSFXW Pty Ltd) (together, the **Debt Conversion Parties**). Under these agreements, the Debt Conversion Parties agreed to convert \$1,635,000 of outstanding debt into equity in lieu of cash repayment on short-term loans totalling \$2,409,362 as at 11 December 2025.

On 12 December 2025, the Debt Conversion Parties became shareholders of the Company as part of the reverse acquisition. These conversions were treated as settlements of pre-existing financial liabilities and were excluded from the acquisition consideration.

- In June 2025, the Company and Western Gas Group, entered into Note Exchange Deeds with each noteholder to convert all outstanding convertible loan notes into 15,312,500 fully paid ordinary shares of the Company at a deemed issue price of \$0.16 per share.

Convertible notes with embedded derivatives with a total carrying amount of \$2,058,717, were converted into equity of \$3,062,500 through the issuance of the Company's shares. The conversion was treated as a settlement of pre-existing financial liabilities and was excluded from the acquisition consideration for the reverse acquisition.

- Western Gas Group recognised contract settlement obligations of \$422,344 (US\$282,368) arising from change-of-control clauses in contractor agreements. These obligations were triggered at the Completion Date and were reliably measurable.
- Western Gas Group has ongoing royalty arrangement and an additional royalty deed with various holders which is discussed in detail in note 14.
- Share-based payments comprised:
 - Options: 5,000,000 options were granted to certain current and former directors with an exercise price of \$0.20 per share, expiring on 15 December 2028. These were valued at \$659,699 using the Black-Scholes model and vested immediately.
 - Performance Rights: 4,500,000 (Class A: 2,500,000 and Class B: 2,000,000) performance rights were granted to Mr Will Barker and Mr Andrew Leibovitch (or their nominees) at nil exercise price, subject to market-based vesting conditions which will effectively start after admission to the ASX.
 - Total capital raising-related costs amounted to \$889,471, while other costs incurred in connection with the reverse acquisition, totalling \$7,630,548, inclusive of \$203,982 debt settlement and costs recognised as part of the transaction, were recognised as transaction costs of reverse listing in profit or loss.

Notes to the Consolidated Interim Financial Statements

For the six months ended 31 December 2025

4. Acquisition of Western Gas Group (continued)

Summary of Key Judgments

In preparing the financial statements, management has made a number of critical accounting judgments in applying the relevant accounting standards to the acquisition of Western Gas Group. These judgments were necessary to determine the appropriate classification, measurement, and presentation of the transaction, and reflect the economic substance of the arrangement.

- Reverse Acquisition Determination: Judgement was applied based on control indicators, including board composition and shareholder voting rights, confirming Western Gas as the accounting acquirer.
- Asset vs Business Acquisition: Determined through application of the concentration test and substantive process test. The absence of outputs and substantive processes resulted in classification as an asset acquisition.

Contract settlement obligations: Recognised based on contractual obligations triggered by change-of-control clauses, with amounts reliably measurable at the Completion Date.

5. Alcoa Australia Limited Agreement

On 4 September 2025, Western Gas (70R) Pty Ltd (**W70R**), a wholly-owned subsidiary of the Group, entered into a Binding Gas Sales and Funding Agreement (**Funding Arrangements**) with Alcoa of Australia Limited (**Alcoa**). The agreement provides for conditional funding of Pre-Front-End Engineering Design (**Pre-FEED**) and FEED phases of Equus Gas Project and includes a long-term Gas Sales Agreement (**Alcoa GSA**), which remains subject to satisfaction of certain conditions (**Gate 3 Conditions**).

(a) Funding Arrangements

As at the reporting date, the Group received the first tranche of funding (**T1**) amounting to \$1.8 million or US\$1.2 million under the Funding Arrangements. Upon receipt, this amount was initially recognised as “Contract liability” in the consolidated statement of financial position. As the funding is being utilised, the Group recognised this as other income in the consolidated statement of profit or loss.

As at and for the period ended 31 December 2025:

- The Group recognised \$1.4 million as Other Income from T1 funding for Pre-FEED services.
- The remaining contract liability of \$0.4 million will be recognised as income as work continues.
- Pre-FEED costs of \$1.4 million were expensed as incurred in accordance with AASB 6.

Under the Funding Agreements, the Group may receive additional funding tranches for project development, subject to milestone conditions and Alcoa’s internal approvals. These include:

- Tranche 2 (**T2**): up to US\$1.5 million
- Tranche 3 (**T3**): up to US\$2 million
- FEED Funding: up to US\$25 million

As at the reporting date, these amounts have not been recognised in the consolidated financial statements since the conditions for receipt have not been satisfied and are not yet virtually certain.

(b) Gate 3 Conditions

To progress the Equus Gas Project into the FEED phase, the Gate 3 Conditions require completion of key technical milestones, such as Pre-FEED development plans, basis of design for FEED entry and wells, National Offshore Petroleum Safety and Environmental Management Authority – Offshore Project Proposal or NOPSEMA OPP approval, and execution of FEED agreements with partners, as well as commercial milestones, including securing an operator, engaging an exploration and production partner, and entering binding processing agreements.

Notes to the Consolidated Interim Financial Statements

For the six months ended 31 December 2025

5. Alcoa Australia Limited Agreement (continued)

If these conditions are not satisfied or waived by the later of 12 months from 4 September 2027, or another date as agreed in writing, Alcoa may terminate the agreement.

6. Other income

	31 December 2025	31 December 2024
	\$	\$
Pre-FEED funding income	1,307,257	-
Interest income calculated using effective interest method	4,007	-
Foreign exchange gains – net	16,714	-
Fair value changes on embedded derivatives liabilities	94,497	100,128
	1,422,475	100,128

7. Exploration and Evaluation Costs

	31 December 2025	31 December 2024
	\$	\$
Salaries and wages, including consultancy costs	677,454	-
Information technology costs	26,407	-
Surf pipeline costs	341,925	-
Subsurface costs	186,718	-
Facilities and process costs	81,600	-
License, permits and other costs	242,546	180,180
	1,556,650	180,180

The expenses and costs incurred during the period relate to exploration and evaluation activities, which are expensed by the Group in accordance with AASB 6. Except for the license, permits and other costs and, consultancy costs amounting to \$272,546 (31 December 2024: \$180,180), these expenditures have been funded by Alcoa (31 December 2024: funded by the Group). Further details about the Alcoa funding is set out in note 5.

Exploration activities were conducted in the Carnarvon Basin, offshore Western Australia, where the Group holds a 100% interest in the Equus Gas Project, which remains in the exploration and evaluation phase and has not yet reached a Final Investment Decision (**FID**). The Project contains an independently certified 2C contingent resource of 1,702 billion standard cubic feet (**Bscf**) of gas and 38 million US stock tank barrels (**MMstb**) of condensate.

The Group's Equus Gas Project's tenure comprises:

Permit number	Permit registration date	Permit expiry	Registered holder
WA-70-R	14 October 2021	13 October 2026	Western Gas (70 R) Pty Ltd
WA-390-P	12 March 2025	11 March 2030	Western Gas (70 R) Pty Ltd
WA-474-P	12 November 2021	5 August 2024	Western Gas (474 P) Pty Ltd

Management has exercised significant judgement in determining that technical feasibility and commercial viability have not yet been established. Accordingly, all costs have been expensed rather than capitalised. Under the full expense method, no exploration and evaluation assets are recognised in the consolidated statement of financial position, and impairment testing under AASB 6 is therefore not applicable.

Notes to the Consolidated Interim Financial Statements

For the six months ended 31 December 2025

8. Rehabilitation and restoration provision

The Group is engaged in oil and gas exploration activities and is subject to legal and regulatory requirements to rehabilitate exploration sites upon completion of activities. In accordance with AASB 137, *Provisions, Contingent Liabilities and Contingent Assets*, a provision is recognised when the Group has a present legal or constructive obligation arising from past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

As at 31 December 2025, the Group has not recognised a provision for rehabilitation and restoration costs as the rehabilitation plans had not been finalised, and the information and data required to reliably estimate the associated costs were not available.

9. Share capital

	31 December 2025 Shares	30 June 2025 Shares¹	31 December 2025 \$	30 June 2025 \$
Ordinary shares – fully paid	204,643,730	56,200,000	28,799,375	100

(a) Movements in ordinary share capital

Details	Date	Shares	Issue Price	\$
Share capital at reverse acquisition ¹	12/12/2025	56,200,000	-	100
Shares issued on reverse acquisition ¹	12/12/2025	49,956,230	0.20	9,991,246
Shares issued on conversion of loans and borrowings ¹	12/12/2025	8,175,000	\$0.20	1,635,000
Shares issued on Public Offer ¹	12/12/2025	75,000,000	\$0.20	15,000,000
Share issue costs	Various	-	-	(889,471)
Shares issued under the note exchange offer ¹	18/12/2025	15,312,500	\$0.20	3,062,500
		204,643,730		28,799,375

¹Refer to note 4 for details.

Reverse acquisition presentation

In accordance with the principles of AASB 3, the consolidated financial statements are presented as a continuation of Western Gas, the accounting acquirer, except for the capital structure, which has been restated to reflect the equity structure of the Company, the legal parent.

For the purpose of presenting the comparative period, the Company's share capital has been restated using 56,200,000 ordinary shares, being the number of ordinary shares issued by the Company to the shareholders of Western Gas as consideration in the reverse acquisition. These shares are treated as if they had been outstanding for the entire comparative period in order to present the share capital under the Company's legal capital structure.

Notes to the Consolidated Interim Financial Statements

For the six months ended 31 December 2025

9. Share capital (continued)

(b) Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital. On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

10. Basic and diluted loss per share

	31 December 2025 \$	31 December 2024 \$
(a) Loss attributable to the ordinary equity holders of the Company used in calculating basic and diluted loss per share	<u>(9,387,068)</u>	<u>(979,639)</u>
(b) Weighted average number of ordinary shares used as the denominator in calculating basic and diluted loss per share	<u>125,900,553</u>	<u>56,200,000</u>
(c) Basic and diluted loss per share – cents per share	<u>(7.46)</u>	<u>(1.52)</u>

11. Non-controlling interests

	31 December 2025 \$	30 June 2025 \$
Balance at 1 July	-	8,542,604
Share in net losses	-	(120,209)
Deconsolidation of Western Gas (519 P) Pty Ltd charged to profit or loss	-	(8,422,395)
Balance at end of the period	<u>-</u>	<u>-</u>

On 11 June 2025, Western Gas (519 P) Pty Ltd, a 52.5% owned subsidiary of Western Gas Corporation, was deregistered and was struck off the register by the Australian Securities and Investments Commission. As a result, the Western Gas no longer exercised control over the subsidiary in accordance with AASB 10, *Consolidated Financial Statements*, and has therefore ceased consolidation of its financial results effective on that date.

Notes to the Consolidated Interim Financial Statements

For the six months ended 31 December 2025

11. Non-controlling interests (continued)

The deconsolidation resulted to the derecognition of all assets, liabilities, and non-controlling interests associated with the subsidiary. A net gain of \$7.85 million was recognised in the consolidated statement of profit or loss, reflecting the difference between the carrying value of the subsidiary's net liabilities and non-controlling interest at the date of loss of control, and the absence of any consideration received or retained interest.

	31 December 2025	30 June 2025
	\$	\$
Dilution of non-controlling interests	-	8,422,395
Derecognition of net liabilities	-	(572,372)
Gain on deconsolidation	-	7,850,023

12. Share-based payment reserve

	31 December 2025	30 June 2025
	\$	\$
Share-based payment reserve	670,754	-
(a) Movement of share-based payment reserve:		
Balance at beginning of the period	-	-
Options expense - directors	659,699	-
Performance rights expense - directors	11,055	-
Balance at end of the period	670,754	-

The share-based payment reserve is used to recognise the fair value of options issued and shares granted to directors and consultants as share-based payments.

All share-based payment expenses are recognised over the expected vesting period with reference to the probability that any vesting criteria hurdles will be successfully completed.

For the half-year ended 31 December 2025, the Company issued 5,000,000 unlisted options and 9,000,000 unlisted performance rights to directors as part of the terms and conditions of the Acquisition of Western Gas Group, as disclosed in note 4. The fair value of the options and performance rights were estimated using a Black Scholes option pricing model and Hoadley Barrier 1 Valuation model, respectively.

The performance rights valuation incorporates probability-weighted outcomes regarding the market conditions, but excludes the impact of non-market conditions, consistent with the relevant accounting standards. A strike price of \$0.40 was applied to Class A and \$0.60 for Class B.

The Company's total share-based payment expense for the relevant period has been recognised in relation to both these options and performance rights issued during the half-year which vest over varying time periods.

Notes to the Consolidated Interim Financial Statements

For the six months ended 31 December 2025

12. Share-based payment reserve (continued)

Details of the options and performance rights granted during the half-year ended 31 December 2025 are set out below (including the assumptions used in fair value estimation).

Below are options granted directors during the period which has no vesting condition and exercisable prior to expiry date:

Number	Grant date	Expiry date	Exercise Price	Spot Price at Grant Date	Dividend Yield	Risk-free Interest Rate	Fair Value at Grant Date
5,000,000	18/12/2025	15/12/2028	\$0.20	\$0.20	Nil	4.10%	\$0.13

Below are the performance rights granted to directors during the period where rights vest on a first-to-occur basis, subject to both market and non-market vesting conditions specific to each class:

Class	Number	Grant date	Expiry date	Exercise Price	Spot Price at Grant Date	Dividend Yield	Risk-free Interest Rate	Fair Value at Grant Date
A	5,000,000	18/12/2025	17/12/2029	\$0.00	\$0.20	Nil	4.26%	\$0.15
B	4,000,000	18/12/2025	17/12/2029	\$0.00	\$0.20	Nil	4.26%	\$0.12
Total	9,000,000							

The Performance Rights shall vest on each of the following vesting conditions:

Class	Number	Vesting condition	Expiry date
A	5,000,000	The first to occur of: (a) the Company announcing on ASX that it or a related body corporate has entered into a binding gas processing agreement for sufficient gas volumes to underpin the Project Development Plan, with a minimum volume that would deliver a revenue threshold of US\$100 million per annum with an Approved Operator on commercial arm's length terms consistent with the Project Development Plan; and (b) the VWAP of the shares as traded on ASX over 90 consecutive trading days on which the shares have actually traded is equal to or greater than \$0.40.	4 years from the date of issue.
B	4,000,000	The first to occur of: (a) the Company announcing on ASX that it or a related body corporate has entered into a strategic partnering agreement(s) with one or more Qualified Strategic Partners; and (b) the VWAP of the shares as traded on ASX over 90 consecutive trading days on which the Shares have actually traded is equal to or greater than \$0.60.	4 years from the date of issue.

Notes to the Consolidated Interim Financial Statements

For the six months ended 31 December 2025

13. Commitments and contingencies

(a) Exploration commitments

The Group has the following exploration expenditure commitments which have been contracted but not yet provided for and not payable:

	Within one year \$	Within two to five years \$
31 December 2025		
WA-70-R	2,500,000	500,000
WA-390-P	500,000	1,000,000
	3,000,000	1,500,000
30 June 2025		
WA-70-R	2,000,000	2,000,000
WA-518-P ^{1,2}	-	64,800,000
WA-390-P	500,000	1,000,000
	2,500,000	67,800,000

¹ In February 2025, the Group was granted suspension and extension of its work commitments.

² Effective 12 December 2025, the Group does not hold any ownership interest in Western Gas (518 P) Pty Ltd as a result of the reverse acquisition as disclosed in note 4.

The Group is subject to minimum work and expenditure commitments necessary to retain its interests in exploration permits. These commitments are governed by the Offshore Petroleum and Greenhouse Gas Storage Act 2006 and may be amended periodically, subject to approval by the Commonwealth of Australia. The Group reviews its obligations regularly to ensure ongoing compliance with regulatory requirements and to support the continued validity of its exploration rights.

(b) Purchase and service commitments

The Group's expenditure commitments due within one year amounted to \$0.5 million (30 June 2025: Nil). The expenditure commitments at 31 December 2025 predominately comprise agreements with consultants and directors with termination clauses.

(c) Commitment and contingency associated with Alcoa Australia Agreement

(i) Sales commitment: Contractual rights and security interests

Alcoa holds exclusive rights to specified gas volumes for a period of 36 months and a right of first refusal over domestic gas volumes for 60 months, subject to certain conditions. In addition, W70R is required to grant Alcoa a first-ranking security interest over permits WA-390-P and WA-70-R as collateral for payment obligations under the Alcoa GSA.

(ii) Contingency: Termination and repayment provisions

If Alcoa terminates the Funding Arrangements due to a default by W70R, the Group may be required to repay all the funding, together with applicable interest. The potential repayment amount cannot be reliably determined at this time. As at the reporting date, there are no events or conditions that would trigger a default under the agreement.

Notes to the Consolidated Interim Financial Statements

For the six months ended 31 December 2025

14. Royalty arrangements

On 12 August 2021, Western Gas Corporation Pty Ltd and related entities entered into the Existing Royalty Deed with various holders, requiring royalties of 2% of Wellhead Value, payable quarterly for 80 years less one day, effective 12 August 2021. This deed contains no embedded derivative.

On 7 July 2025, Western Gas (70 R) Pty Ltd and Western Gas (474 P) Pty Ltd entered into the Additional Royalty Deed with WGC Investment Holdings Pty Ltd and 6011 Royalties Pty Ltd. It provides for royalties of 1.5% of Wellhead Value, payable quarterly for 80 years less one day, effective on 12 December 2025, the Completion Date. The deed includes a Buy-Back option, allowing settlement of future royalties for a lump sum based on discounted cash flows at 10%. As at 31 December 2025, there were no royalty-related transactions recognised in the consolidated financial statements.

15. Events after the reporting period

Subsequent to the reporting date and in accordance with the terms of the Option Agreement dated 2 October 2025 between Western Gas (518 P), the Company and Goshawk Holdings Pty Ltd (**Goshawk**), the Group has paid \$250,000 to Goshawk as an option funding amount to be applied toward agreed exploration expenditure and activities under the work program for Exploration Permit WA-518-P.

Other than the matters noted above, there were no other matters or circumstances which have arisen since 31 December 2025 that have significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in subsequent financial period.

Directors' Declaration

In the opinion of the directors of Equus Energy Limited:

- (a) the financial statements and notes of the Group are in accordance with the *Corporations Act 2001*, including:
 - i) giving true and fair view of the Group's financial position as at 31 December 2025 and of its performance for the six months ended on that date; and
 - ii) complying with the Australian Accounting Standards *AASB 134 Interim Financial Reporting* (including the Australian Accounting Interpretations) and *Corporations Regulations 2001* and other mandatory reporting requirements.

- (b) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors

A handwritten signature in blue ink, appearing to read "B Jesser", written over a horizontal line.

Brendan Jesser

Chair

10 March 2026

Independent auditor's review report to the members of Equus Energy Ltd

Report on the half-year financial report



Our conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Equus Energy Ltd (formerly known as Copper Strike Ltd) (the Company), and its subsidiaries (the Group) does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the Group's financial position as at 31 December 2025 and of its financial performance for the half-year then ended; and
- complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

What was reviewed?

We have reviewed the accompanying half-year financial report of the Group, which comprises:

- the consolidated statement of financial position as at 31 December 2025,
- the consolidated statement of profit or loss and other comprehensive income for the half-year then ended,
- the consolidated statement of changes in equity for the half-year then ended,
- the consolidated statement of cash flows for the half-year then ended,
- notes to the financial statements, including material accounting policy information, and
- the directors' declaration.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's responsibilities for the review of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Other matter

The financial report of the Group for the year ended 30 June 2025 was audited by another auditor who expressed an unmodified opinion on the financial report on 18 September 2025.

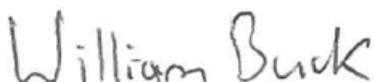
Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2025 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136



R. P. Burt
Director

Melbourne, 10 March 2026