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ASX ANNOUNCEMENT

Po Valley signs Gas Sales Agreement with Hera Group

Highlights

- **Po Valley signs new GSA with Hera Trading to supply gas from its Podere Maiar-1d well facility in Italy**
- **12-month contract to commence on 1 October 2025 with potential to extend**
- **Po Valley and its joint venture partners will supply an estimated 27,963,000 standard cubic metres of gas under the contract**
- **Gas supply price will be linked to the Italian Gas Index (IG INDEX GME)**
- **Podere Maiar-1d has delivered ~54.4 million scm of gas from the C2 level (PVE share is 63% of total) to date since inception July 2023**

Po Valley Energy Limited (**ASX: PVE**) (“**Po Valley**” or “**the Company**”) is pleased to announce that its wholly owned subsidiary Po Valley Operations Pty Limited (PVO), along with its Selva Malvezzi JV partners, PXOG Marshall Limited (PXOG) and UOG Italia Srl (UOG) (“**Prospex Group**”), have signed a new gas sales agreement (GSA) with Hera Trading S.r.l (Hera Group).

Hera Trading, a group entity headed by Hera S.p.A, with operational headquarters in the Bologna province (Emilia Romagna region), offers Po Valley an opportunity to collaborate with a local business and strengthen its engagement with the local community. Hera is a major Italian multi-utility company listed on the FTSE MIB, Borsa Italiana’s main Index, which includes the 40 largest stocks by capitalization, liquidity and trading volume.

The GSA will be commencing on 1 October 2025 for gas production from the Podere Maiar facility (PM-1d well) in the Selva Malvezzi production concession, replacing the current GSA with BP Gas Marketing which expires on 1st October 2025. The process was conducted through a competitive tender process, with local player Hera Trading emerging as the successful bidder. Po Valley expects the outcome to be strongly supported by local stakeholders.

Po Valley has completed nearly 2 ½ successful years with partner BP Gas Marketing from first gas flow in July 2023 to date delivering ~54.4 million scm of gas from PM-1d. The Company’s agreement with BP Gas Marketing Ltd has been a valued and effective partnership. BP’s professionalism and support have contributed to the Company’s success, and Po Valley thanks BP Gas Marketing for their support and collaboration as the agreement concludes on 1st October 2025.

PVO is Operator of the Selva Malvezzi production concession under a Joint Operating Agreement (“JOA”) and holds a 63% interest with Prospex Energy Plc subsidiaries holding 17% through PXOG Marshall Limited (PXOG) and 20% UOG Italia Srl (UOG) (“**Prospex Group**”).

Po Valley Chairman and CEO Kevin Bailey said: *“We are pleased to have successfully negotiated a new gas sales agreement (GSA) with Hera Group; a respected energy company with operational headquarters in the Bologna area. This marks an important milestone for Po Valley, offering us the opportunity to contribute to Italy’s energy independence by collaborating with a local partner, as well as deepening our engagement with the community. The agreement with Hera will replace our current GSA with BP Gas Marketing Ltd, which expires on 1st October 2025.*

“Our gas sales agreement with BP Gas Marketing Ltd has been a strong and productive partnership. We’ve appreciated their professionalism and reliability throughout the term of the agreement, which has played an important role in supporting Po Valley’s operations and growth. As we transition to a new agreement with Hera, we acknowledge the solid foundation built with BP and thank them for their collaboration.”

Key terms of the GSA include:

Parties	PVO, PXOG, UOG (JV Partners) and HERA
Start date	1 October 2025
End date	1 October 2026
Extension of contract	No automatic right to extend, parties to commence extension discussions at least 30 days before 30 September 2026
Termination rights	Termination conditions standard for a contract of this nature including gas quality and delivery specifications and payment
SNAM delivery point	Budrio 50202301
Gas supply volumes (estimate) - standard cubic metres (scm)	27,963,000 scm for the thermal year ending 1 October 2026 (12 months)
GSA gas pricing	<p>Linked to PSV Day-Ahead from Italian Gas Index (IG INDEX GME)</p> <p>"IG Index GME" is the reference index of the Italian Natural Gas Market. It is calculated by GME for each gas day as the arithmetic average of the prices of trades concluded in the 17:15–17:30 time bracket (including endpoints) in the continuous-trading Day-Ahead Gas Market (MGP-GAS) and in respect of Day-Ahead and WE products.</p> <p>Information on the "Methodology for calculating the Italian Gas Index IGI" published by the GME (Gestore Mercati Energetici) and is publicly available.</p>
PVO supply volume nominations	<p>PVO to provide provisional nominations monthly, weekly and daily</p> <p>Actual and binding nominations required by 5pm (Rome time) on any day</p> <p>Nomination tolerance of +/- 10%</p>
GSA payment terms	GSA includes detailed invoicing process for gas sales and SNAM transport costs. Settlement and payment process completes 20 days after month end.
Contract management	PVO as operator will handle exclusively the contractual management relating to appointments, nominations, calculation of transportation costs, price and revenue calculations.

This announcement was approved for release by the Board of Directors of Po Valley Energy Limited

Enquiries to:

Kevin Bailey AM, Po Valley Chairman and CEO, +61 417 556 458

Registered Office	Rome Office
Level 5, 191 St Georges Terrace Perth WA 6000 Email: info@povalley.com	Via Isonzo 34, Rome, 00198 Italy TEL +39 06 4201 4968 FAX +39 06 4890 5824
Directors	
Mr. Kevin Bailey AM, Chairman and CEO Ms. Sara Edmonson, Non-executive Director Mr. Joseph Constable, Non-executive Director Ms. Katrina O’Leary, Non-executive Director Mr. Michael Gentile, Non-executive Director	