

ASX RELEASE

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White Energy Enters into Non-Binding Indicative Term Sheet for Proposed Acquisition of US Metallurgical Coal and Surat Basin Coal Assets and Proposed Capital Raising

21 May 2026 - White Energy Company Limited (ASX: WEC, OTC: WECFF) (“White Energy” or “the Company”) advises that it has entered into a non-binding indicative term sheet (Non-Binding Indicative Term Sheet) in relation to a series of proposed transactions involving the acquisition of:

- the Lolley No. 1 underground metallurgical coal project in Alabama, United States; and
- the Tin Hut Creek project and associated assets in Queensland’s Surat Basin.

The proposed transactions are intended to further White Energy’s strategy of maintaining exposure to coal-related assets and resource development opportunities in addition to its existing Australian base and precious metals exploration interests.

Key Transaction Terms

Proposed Acquisition of Essential Global Resources LLC (EGR)

The Lolley No. 1 underground metallurgical coal project located in Alabama, USA includes an on-site coal handling and preparation plant (CHPP) and has access to existing rail and barge access infrastructure. The project is currently on care and maintenance and is proposed to be recommissioned in stages. In-seam slope development is well advanced.

Subject to financing, approvals and restart activities, initial Phase 1 production is targeted within approximately 12 months of recommissioning.

Subject to satisfaction of the conditions precedent outlined below, White Energy proposes to acquire EGR for consideration comprising the issue of 83,333,333 fully paid ordinary shares in White Energy at a deemed issue price of \$0.06 per share, representing an implied transaction value of approximately \$5 million.

The shares proposed to be issued to the EGR vendors will be subject to voluntary escrow restrictions for a period of 12 months following completion and are expected to represent approximately 10.7% of White Energy’s fully diluted issued capital following completion of the proposed transactions (comprising EGR, OC2 and Proposed Capital Raising).



The proposed issue of securities referred to in this announcement will be subject to shareholder approval where required under the ASX Listing Rules and the Corporations Act as well as regulatory approvals.

Proposed Acquisition of Oceltip Coal 2 Pty Ltd (OC2)

White Energy also proposes to acquire Oceltip Coal 2 Pty Ltd (“OC2”), which is currently in the process of acquiring the Tin Hut Creek project located within Queensland’s Surat Basin, for cash consideration of \$4 million.

The Tin Hut Creek Project covers approximately 4,000 km² and is located approximately 330 km west of Brisbane in Queensland’s Surat Basin. The Tin Hut Creek Project area extends from the township of Wandoan in the north to an area north of Chinchilla. The Project includes EPCs 796, 813, 1041, 1134, 1278, 1593 and MDL 430.

The project area contains historically identified coal-bearing sequences within the Walloon Subgroup (Juandah and Taroom Coal Measures). The Company has not yet independently verified any historical exploration results or resource estimates relating to the project.

If in the future a Mining Lease is granted in respect of the Tin Hut Creek Project cash or shares in White Energy to the value of \$1 million (calculated on the basis of the VWAP at the time) will be payable to a historical owner of the project.

Proposed Capital Raising

Completion of the proposed acquisitions of EGR and OC2 is conditional upon White Energy completing a proposed capital raising of approximately \$15 million at an issue price of \$0.06 per share (Proposed Capital Raising).

The Proposed Capital Raising is proposed to be managed by Aitken Mount Capital Partners and other supporting parties.

Funds raised under the Proposed Capital Raising are intended to be applied towards the proposed acquisitions, project development activities, general corporate purposes, and additional working capital.

Proposed Board and Management Changes

Subject to completion of the proposed transactions and receipt of all required approvals:

- Mr Nathan Tinkler is proposed to be appointed Executive Chair of White Energy; and
- Mr John Canavan is proposed to join the White Energy Board as a Non-Executive Director.

It is also proposed that Mr Tinkler be issued:

- 50,000,000 unquoted employee Incentive Options vesting and exercisable upon the WEC share price reaching \$0.10 or more each for 10 trading days within any 20 consecutive trading days and expiring 12 months after completion, with nil issue and exercise price and the entitlement to one fully paid ordinary share in WEC;
- 50,000,000 unquoted employee Incentive Options vesting and exercisable upon the WEC share price reaching \$0.15 or more each for 10 trading days within any 20 consecutive trading days and expiring 24 months after completion, with nil issue and exercise price and the entitlement to one fully paid ordinary share in WEC; and



- The proposed issue of options will be subject to shareholder approval where required under the ASX Listing Rules and the *Corporations Act*.

Following completion of the proposed transactions, the Board is expected to comprise Nathan Tinkler as Executive Chair, together with Brian Flannery, Mike Chapman, Keith Whitehouse and John Canavan as Non-Executive Directors.

Conditions Precedent

The proposed transactions remain subject to a number of conditions precedent, including:

- completion of satisfactory due diligence by all parties;
- completion of EGR's acquisition of the Lolley No. 1 Project;
- completion of OC2's acquisition of the Tin Hut Creek Project;
- negotiation and execution of definitive transaction documentation;
- completion of the Proposed Capital Raising;
- receipt of all necessary shareholder, regulatory and ASX approvals; and
- shareholder approval for the issue of securities where required under the ASX Listing Rules and the *Corporations Act*.

The parties have agreed to an exclusivity period of four weeks while due diligence investigations and negotiation of definitive agreements are undertaken, subject to any agreed extension (Exclusivity Period).

Strategic Rationale

Over the past three years, capital raisings undertaken by White Energy have been strongly supported by existing major shareholders, resulting in an increase in their collective shareholdings.

White Energy was approached by Nathan Tinkler, with the support of Aitken Mount Capital Partners, regarding the potential introduction of the US and Surat Basin assets into the Company and support for the Proposed Capital Raising.

The Board believes the proposed transactions may provide an opportunity to:

- broaden the Company's shareholder base;
- increase the Company's free float and trading liquidity; and
- provide exposure to additional coal development opportunities in Australia and the United States.

The proposed acquisition strategy is consistent with White Energy's current and historical involvement in coal-related assets, coal upgrading technologies and energy infrastructure initiatives, including prior coal technology development activities undertaken in Australia, South Africa and North America, while complementing the Company's Australian base and precious metals exploration portfolio.

Indicative Timeline

The parties currently intend to:

- complete due diligence investigations within four weeks (subject to any necessary extensions);
- negotiate and finalise definitive transaction documentation within four weeks; and



- liaise with the ASX and any other regulatory authorities in respect of any required approvals for the proposed transactions.

Non-Binding Indicative Term Sheet

The Non-Binding Indicative Term Sheet is not intended to be, and does not constitute, a legally binding agreement between the parties, and no party shall have any liability to any other party in respect of the matters contemplated by this Term Sheet, except the Exclusivity Period.

There is no assurance that the proposed transactions will complete or that definitive agreements will ultimately be entered into.

White Energy will continue to keep shareholders informed in accordance with its continuous disclosure obligations.

This announcement contains forward-looking statements regarding the proposed transactions and associated projects. Forward-looking statements are subject to risks, uncertainties and assumptions, many of which are outside the control of the Company. Actual outcomes may differ materially from those expressed or implied in this announcement.

This announcement has been authorised for release by the Board of White Energy Company Limited.

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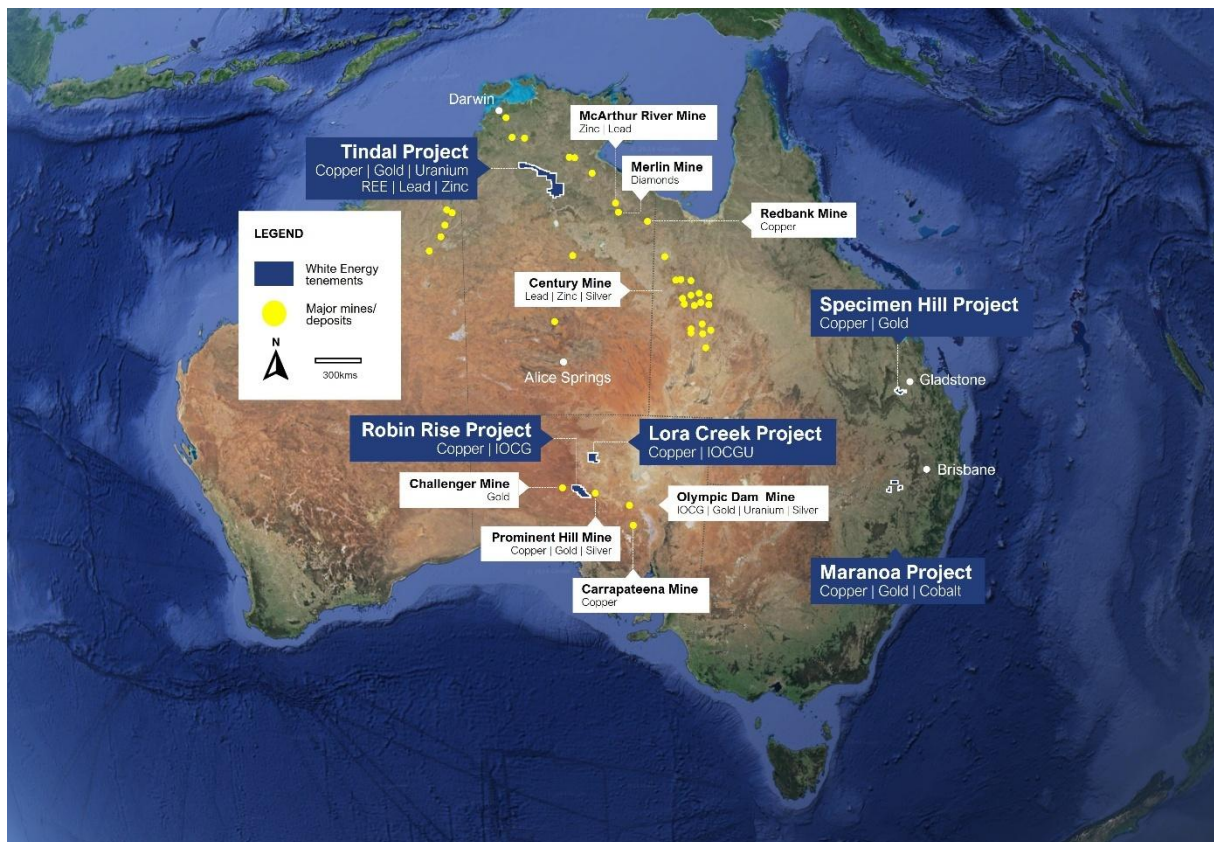
Company Profile

White Energy Company (ASX: WEC, OTC: WECFF) is a global resources company, focused on the development and advancement of coal and mineral projects, harnessing emerging technologies in mineral exploration and coal beneficiation.

WEC integrates upper mantle and crustal geophysical imaging and structural interpretation with deep sensing ionic soil geochemistry and biogeochemistry data. Additionally, ore deposit model data, legacy and company generated geology, geophysics, geochemistry are combined with this geophysical data to prioritise targets.

WEC's five exploration projects are shown below:

- **Tindal** (Cu, Au, U, REE, Pb/Zn) in the Beetaloo Sub-basin of the Greater McArthur Basin and the adjacent shelf and basin margin in the Northern Territory;
- **Specimen Hill** (Cu, Au) in Queensland;
- **Maranoa** (Cu, Au, Co) in Queensland; and
- **Robin Rise** (Cu, IOCG) and **Lora Creek** (Cu, IOCG-U) in the Gawler Craton, South Australia.





Forward Looking Statements

This press release contains forward-looking statements that are subject to risks and uncertainties. These forward-looking statements include information about possible or assumed future results of our business, financial condition, liquidity, results of operations, plans and objectives. In some cases, you may identify forward-looking statements by words such as "may," "should," "plan," "intend," "potential," "continue," "believe," "expect," "predict," "anticipate" and "estimate," the negative of these words or other comparable words. These statements are only predictions. One should not place undue reliance on these forward-looking statements. The forward-looking statements are qualified by their terms and/or important factors, many of which are outside the Company's control, involve a number of risks, uncertainties and other factors that could cause actual results and events to differ materially from the statements made. The forward-looking statements are based on the Company's beliefs, assumptions and expectations of our future performance, taking into account information currently available to the Company. These beliefs, assumptions and expectations can change as a result of many possible events or factors, not all of which are known to the Company. Neither the Company nor any other person assumes responsibility for the accuracy or completeness of these statements. The Company will update the information in this press release only to the extent required under applicable securities laws. If a change occurs, the Company's business, financial condition, liquidity and results of operations may vary materially from those expressed in the aforementioned forward-looking statements.