

Quarter ended 31 December 2024

Quarterly Report

ASX:ECH

Quarter Highlights

- Mereenie drilling outperforms
- Amadeus production receipts up 23%
- Enhancement to Gas Sales Agreements (GSAs)
- Perth Basin drilling contract signed



Overview

Echelon had a strong December 2024 quarter, marked by key achievements and strategic progress:

Northern Territory (NT) GSAs: These key agreements came into effect on 1 January 2025, providing long-term revenue stability, with an excellent customer in the NT Government, and at a value that reflects the reliability of our Amadeus gas portfolio.

Increased Drilling Activity: Preparatory work for the Mereenie field’s new development wells was completed, with West Mereenie 29 (WM29) well spudding on 5 December 2024, the reservoir section was drilled and completed using the underbalanced drilling technique. It was buttoned up by 14 January 2025, and very soon after flowed into the market by 20 January 2025. It was brought online at a rate of 6TJ per day, twice the predrill expectation. Subsequently West Mereenie 30 (WM30) has spudded and cemented its surface section to 582m Measured Depth (MD). As of 31 January 2025 the well has drilled to 1,151m MD and is drilling on to a prognosed Total Depth of 1,674m. It is expected to be drilled, completed and tested in February 2025, with hookup and gas sales shortly after.

Kupe Field: There was an unplanned outage in mid-December, swift action by Operator Beach Energy restored output by quarter-end.

Annual General Meeting: This was held in November, with key updates shared and a recording available on our website [here](#).

ASX Recognition: Echelon was highlighted as a standout performer in the ASX Gems series. This recording is available to [watch here](#).

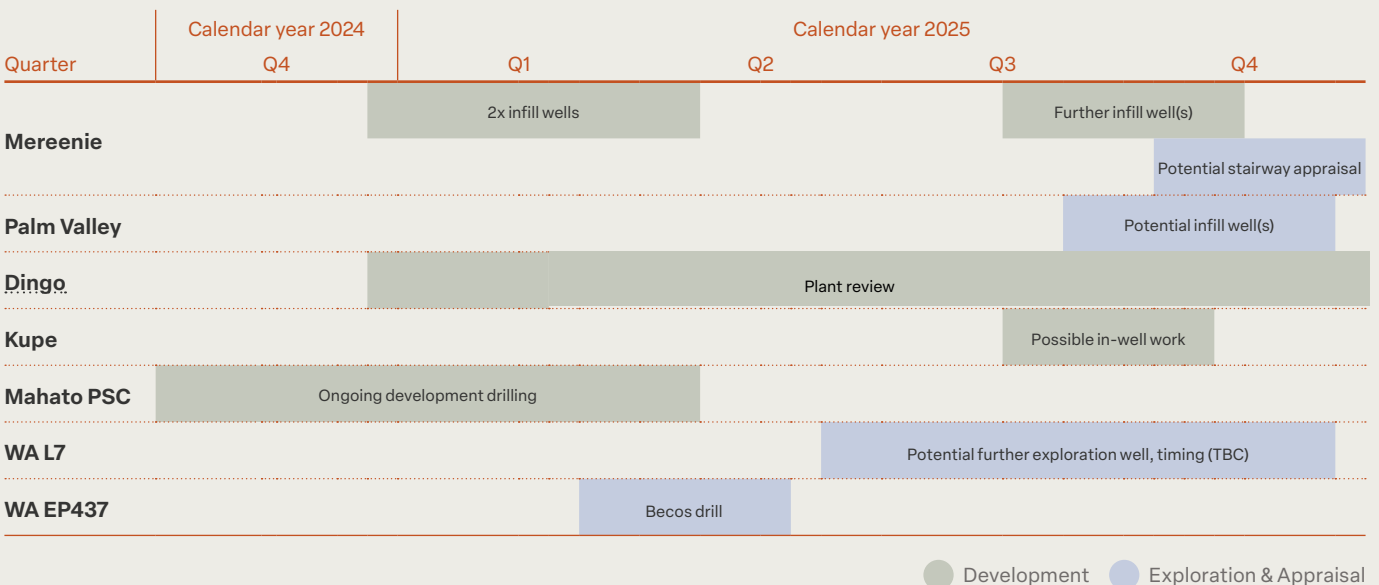
Production Volumes: Robust at 4,481 barrels of oil equivalent per day (boepd), with a quarterly output of 412,246 barrels of oil equivalent (boe).

Exploration: Echelon is very well-positioned for a strong start to 2025, including the [news of binding terms being agreed](#) to obtain 100% of the EP145 block, hosting a gas discovery, next to our Mereenie field.



Rainbow over the Ventia 101 Rig at our Mereenie Asset in the Amadeus Basis, NT.

Future Activities Timeline



Financial Performance

Echelon Group's cash balance stood at NZ\$46.2 million at 31 December 2024, marking an 18% increase from the previous quarter's balance of NZ\$39.2 million. This increase was driven by improved prices at Amadeus and the timing of production receipts offset by payment of the final year end dividend.

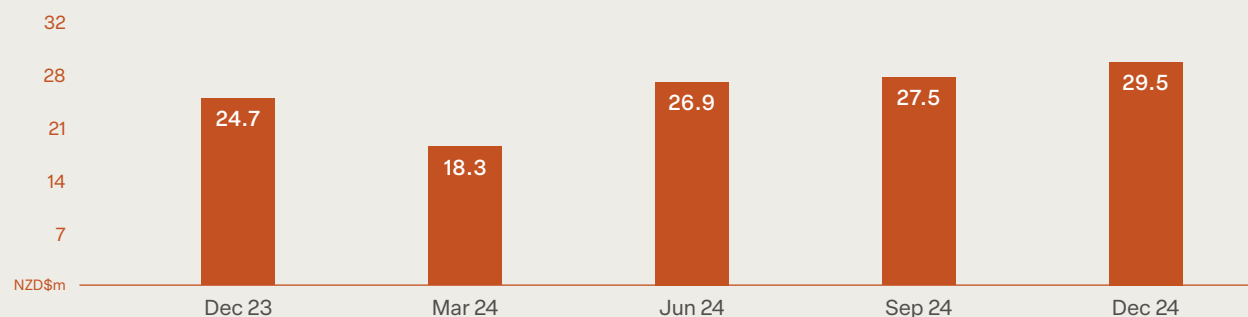
The Group's operating cash flow rose to NZ\$4.5 million, up 39% compared to the prior quarter, mostly due to higher receipts and lower expenditure.

Investing cashflows decreased by NZ\$2.5 million in comparison to the previous quarter, but continued the trend of investment in development activities within the Group. Drilling activities started in the Amadeus Basin and Indonesia together with well workovers at Maari.

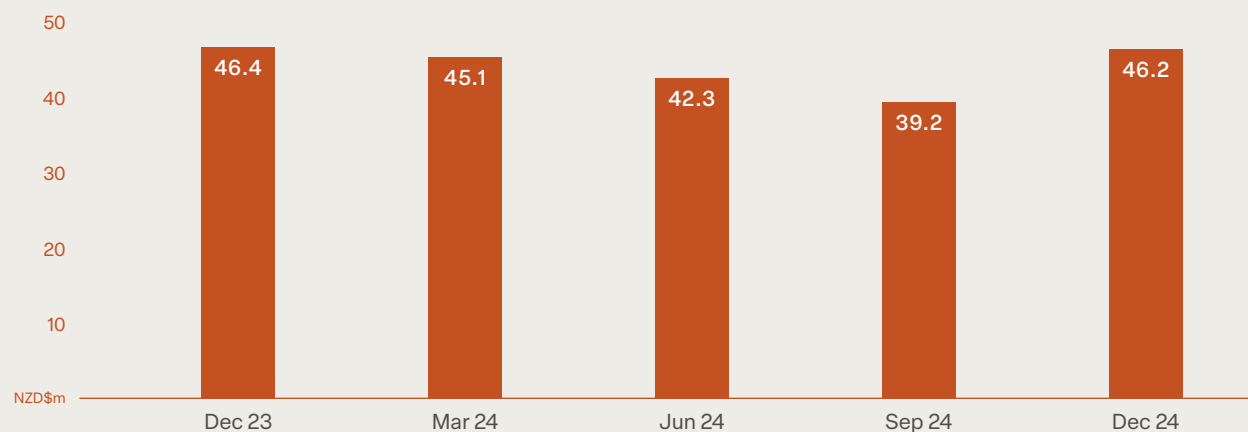
Financing cashflows include the payment of the final year dividend of NZ\$3.7 million.

Cue Energy Resources (Cue) contributed NZ\$19.0 million to the cash balance.

Production receipts by quarter



Cash balance by quarter



Production

FIELD		Total field this quarter (gross)	Our share previous quarter (net)	Our share current quarter (net)
Kupe Taranaki, New Zealand	Oil Barrels	68,863	3,430	2,755
	Gas Petajoules	3.19	0.16	0.13
	LPG Tonnes	14,047	695	562
	Production receipts NZ\$m		3.0	2.4
Maari* Taranaki, New Zealand	Oil Barrels	450,949	22,071	22,547
	Production receipts AU\$m		3.2	3.3
Sampang* Java, Indonesia	Oil Barrels		366	247
	Gas Petajoules		0.18	0.15
	Production receipts AU\$m		2.1	1.6
Mahato* Sumatra, Indonesia	Oil Barrels		39,569	41,882
	Production receipts AU\$m		4.9	4.7
Mereenie** Amadeus, NT, Australia	Oil Barrels	33,840	16,029	16,920
	Gas Petajoules	2.29	1.13	1.14
Palm Valley** Amadeus, NT, Australia	Gas Petajoules	0.70	0.34	0.35
Dingo** Amadeus, NT, Australia	Gas Petajoules	0.41	0.18	0.21
Amadeus Basin**	Production receipts AU\$m		12.2	15.0
Total production receipts NZ\$m equivalent			27.5	29.5
Total production equivalent	Volume in boe		413,724	412,246
	Daily equivalent in boe per day		4,497	4,481

* Interest held by Cue. Echelon has a 50.00% interest in Cue. Cue's full interest is shown.

** The share indicated is for Echelon Group including Cue's full interest.

Australia

Amadeus Basin

Mereenie (OL4 & OL5)

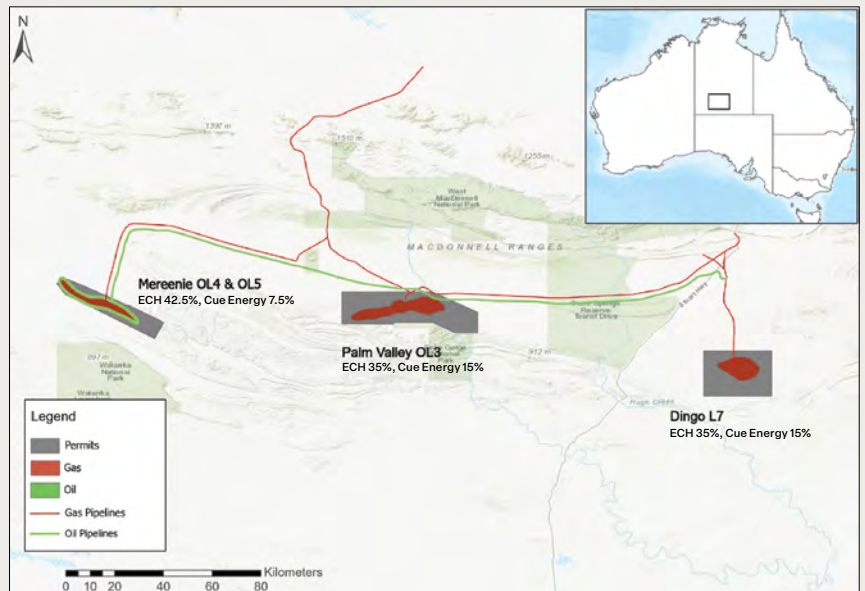
- 42.5% Echelon
- 7.5% Cue Energy Resources*
- 25% Horizon Oil
- 25% Central Petroleum (Operator)

Palm Valley (OL3)

- 35% Echelon
- 15% Cue Energy Resources*
- 50% Central Petroleum (Operator)

Dingo (L7)

- 35% Echelon
- 15% Cue Energy Resources*
- 50% Central Petroleum (Operator)



It was a largely steady quarter of production across our Amadeus Basin sites. At Mereenie, the Joint Venture (JV) spud the first of two planned development wells in December. WM29 has been brought online in January 2025 and is delivering double the predrill expected rate. Post quarter WM30 is drilling ahead with results expected by end of February 2025. At Dingo, ongoing optimisation works are being conducted.

The JVs continue to review further drilling and optimisation opportunities at all three fields. Throughout the quarter, we have continued to update, renew and execute various high value GSAs.

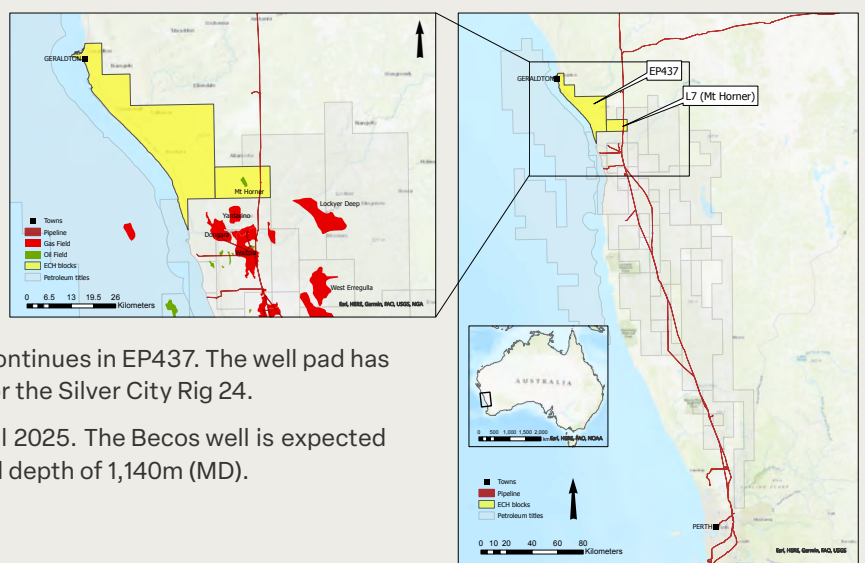
Perth Basin

L7

- 25% Echelon
- 25% Strike Energy
- 50% Triangle Energy Global (Operator)

EP437

- 25% Echelon
- 25% Strike Energy
- 50% Triangle Energy Global (Operator)

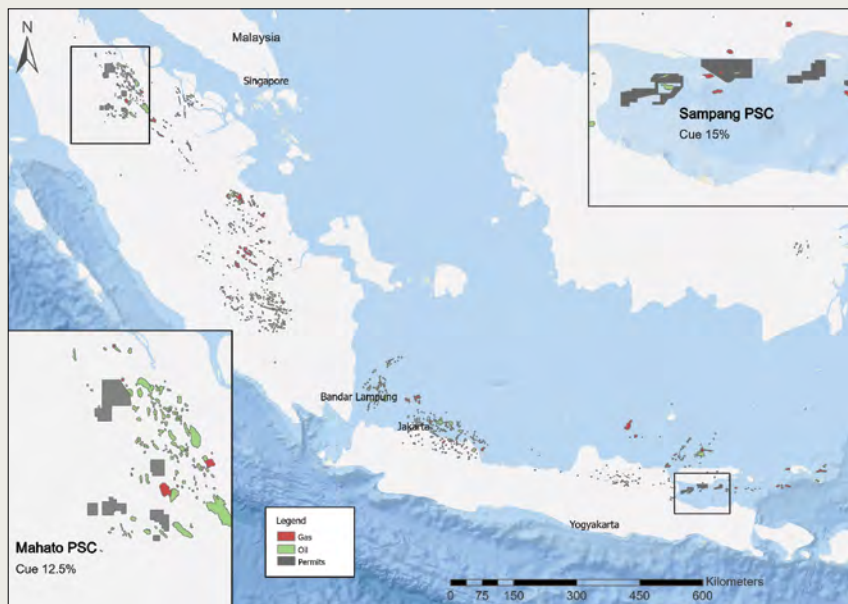


In the Perth Basin, the Becos well planning continues in EP437. The well pad has been constructed and the contract signed for the Silver City Rig 24.

Drilling is anticipated to commence mid-April 2025. The Becos well is expected to take up to 2 weeks to drill with a prognosed depth of 1,140m (MD).

*Echelon has a 50.00% interest in Cue. Cue's full interest is shown.

Indonesia



Sampang PSC

15% Cue Sampang Pty Ltd*
85% Medco Energi Sampang Pty Ltd (Operator)

The field operator is engaged in ongoing discussions with the Indonesian Government to secure an extension of the Sampang Production Sharing Contract (PSC), which expires in December 2027.

Medco has also requested amendments to the terms of the PSC to facilitate the development of the Paus Biru project. Both the extension and the requested changes are essential for enabling the project to proceed to Final Investment Decision (FID).

JV partner Singapore Petroleum Sampang Ltd (SP Sampang) has notified Medco and Cue that it will not continue as a participant in the PSC for any renewal period beyond December 2027, including the Paus Biru Development. Under the joint operating agreement, at the expiry of the current PSC term, SP Sampang's participating interest in the current PSC will be redistributed among Medco and Cue. This could result in an additional 10% participating interest to Cue. Medco and Cue intend to continue progressing the Paus Biru development and extension of the Sampang PSC.

The Paus Biru development plan involves drilling a single well, installing a wellhead platform, and constructing a 27-kilometre subsea pipeline to connect the gas field to existing infrastructure at the Oyong field. Subject to final approvals, gas production from Paus Biru is expected to commence at a rate of 20-25 mmcf/d.

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**Subject to government approval

Mahato PSC

11.25% Cue Mahato Pty Ltd**
88.75% Texcal Mahato EP Ltd (Operator)

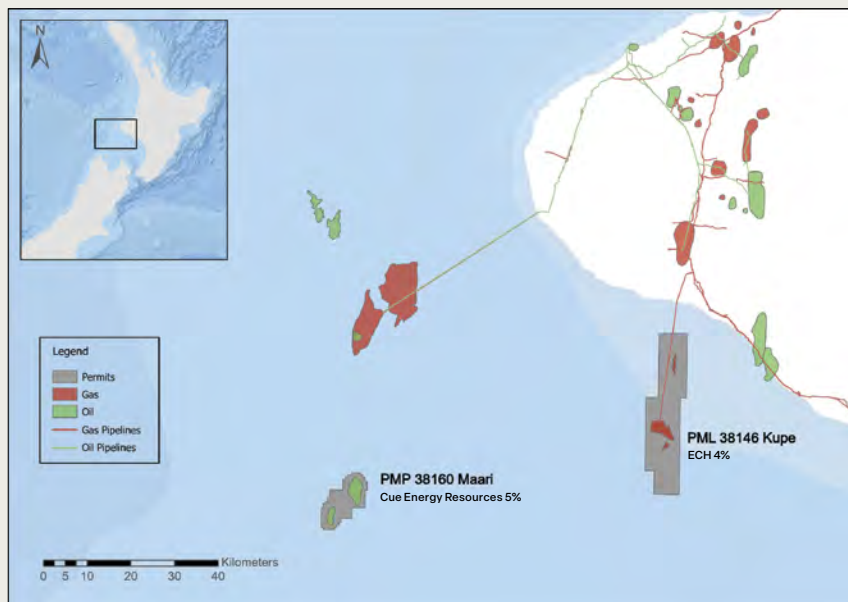
Three development wells were drilled during the quarter, including PB-30, the first horizontal well in the field, which is now producing over 600 barrels of oil per day.

Development drilling in the PB field continues under the approved Field Development Optimisation plan. To date, seven wells have been drilled out of the fourteen approved development wells, with the remainder expected to be drilled during 2025.

The PC-1 exploration well was drilled during the quarter to a depth of 5,800 ft. Testing did not produce hydrocarbons, and the well was subsequently plugged and abandoned.

Government approvals for the Participating Interest transfer to Riau Petroleum have been finalised, confirming Cue's 11.25% participating interest.

New Zealand



Kupe oil and gas field (PML 38146)

4%	Echelon
50%	Beach Energy (Operator)
46%	Genesis Energy

Well performance continued the forecast decline trend consistent with our previous reserves and production guidance. Mid December 2024, the plant had an unplanned outage. Swift recovery work brought production back online before the end of the quarter. The JV continues to review well optimisation work.

Maari and Manaia oil fields (PMP 38160)

5%	Cue Taranaki Pty Ltd*
26%	Horizon Oil International
69%	OMV New Zealand Limited (Operator)

The Maari field continues to perform steadily. Well clean up testing results from the MR6a workover, completed in the first quarter of 2025 are still ongoing.

An application for the extension of the PMP 38160 (Maari) licence was submitted to the New Zealand Government post quarter end. The decision-making timeframe for the government can take over a year. The Maari JV continues to evaluate and prioritise value-added projects, focusing on potential production enhancement, cost reduction, and opportunities for CO₂ reduction.

During 2024, the Maari JV contributed funding to the South Taranaki District Council to build a community bicycle pump track in Aotea Park, Waverly, NZ. The track was opened in December 2024.

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Quarterly Activities Report, for quarter ended 31 December 2024.

Authorised for publication on behalf of the Board by Andrew Jefferies, CEO and Managing Director.

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