



Echelon Resources Limited

2024 Sustainability Report

Powering a Sustainable Transition



Sustainability Highlights

Emissions intensity

Emissions intensity reduced by 5.29% from 4.54 to 4.3 tCO₂e per TJ produced

Trees That Count

513 trees planted in 2024
555 in 2023
545 in 2022
5,114 trees since 2019

From 2019 we have planted 5627 trees which will help remove about 1164 tonne of carbon dioxide from our atmosphere over 50 years

Wellbeing

Our Te Ata initiative provides support and nurtures the wellbeing of the whole team includes coaching opportunities, up-skilling, resilience training, cultural celebrations, an internal training platform, physical and mental health support via Sonder, team events and more.

Helping vulnerable families with energy and sustainable living

Support for Dunedin Curtain Bank helped 249 homes in Dunedin with quality curtains, saving 10.02 tonnes on average saving each home \$183 a year for a total of more than \$45,467 a year in savings for families in need.

Supporting Science Education

We support world class research at the Salk Institute for Biological Studies into long term CO₂ sequestration via its Harnessing Plants Initiative.

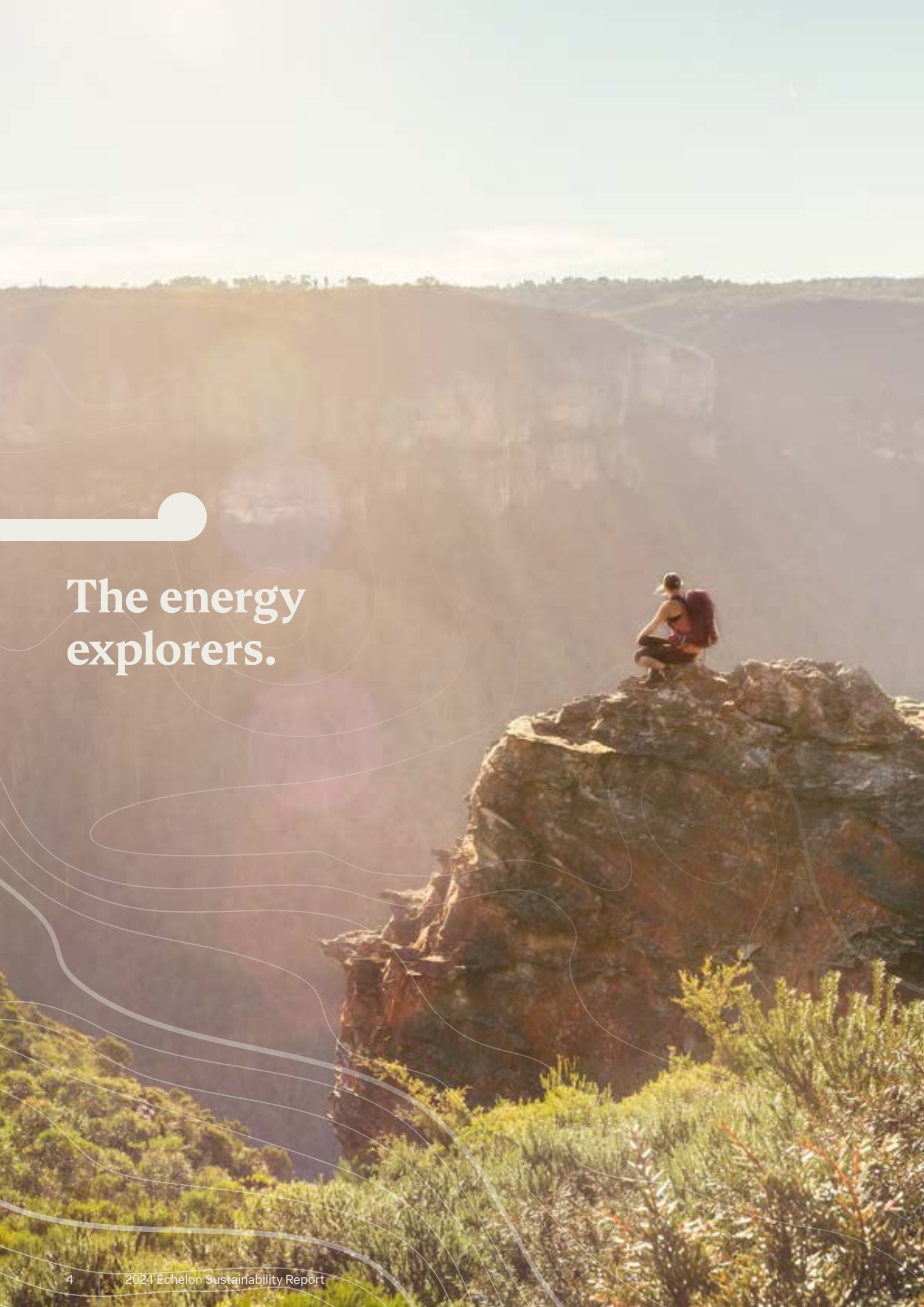
We support students from Wellington to take part in the annual EPro8 Challenge, an Inter-School Science and Engineering Competition.





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The energy explorers.

Message from the Board



Echelon acknowledges the science of climate change and the aims of the Paris Agreement, to keep the rise in mean global temperature to below 2°C.

We intend to play a responsible part in the global response to climate change, while remaining a profitable business, contributing to human development, and energy security.

We currently do not operate producing assets. Our emissions reductions will be achieved by fostering collaboration, with our operators, and our other Joint Ventures partners (JV's).

Hydrocarbons are critical to ongoing economic wellbeing. It is vital to people's way of life in all developed economies: from providing reliable cheap power on and off grid; energy and fertiliser for crops; fuel for transport and mining; and heat for industrial processes. It is also vital in the production and deployment of the latest low-emission technology, solar panels, batteries, and wind turbines which all have a significant amount of oil and gas consumed in their construction and maintenance. Gas is especially crucial for providing high-temperature, flexible process heat that is hard to replace and serves as a quick-start backup for renewable power needs. It will remain essential to achieving affordable energy and transition goals for decades to come.

As this report demonstrates, we are supporting the transition to a lower emissions future by leveraging infrastructure, technical expertise, and relationships.

The plan consists of three pillars:

- Carbon-efficient oil and gas production: reducing Scope 1 and 2 greenhouse gas emissions by 43% to 2030, relative to 2022, as well as reducing methane emissions within our upstream portfolio.
- Value-driven renewables: deploying profitable renewables solutions where it makes sense and is fit for purpose.
- Utilising new, low-carbon technologies and value chains: reducing our net carbon intensity. Reducing emissions from the use of sold products by 5% by 2030, and by 10% by 2035, relative to our 2022 baseline

We see our role as crucial to providing secure energy in a manner that is both fair and ethical.

In alignment with our sustainability journey, we have rebranded from New Zealand Oil and Gas to Echelon Resources Limited, trading as, Echelon. This rebranding reflects our commitment to producing energy responsibly and ethically, while supporting the energy transition. Echelon represents a crucial rung on the transition ladder. A ladder that stretched over thousands of years: peat, to wood, to charcoal, to coal, to oil, and now to gas, and beyond. We are ringing in the change to a new chapter in the Company's history, as we navigate the energy system changes ahead.

This report is intended to provide investors with an understanding of our thinking in the sustainability space, our mid-term goals, and how we aspire to achieving them.

A blue ink signature of Samuel Kellner, written in a cursive style.

Samuel Kellner
Chair

A blue ink signature of Andrew Jefferies, written in a cursive style.

Andrew Jefferies
Chief Executive

Executive Summary

Echelon Resources Limited's 2024 Sustainability Report outlines the Company's commitment to sustainability and its role in the global energy transition. The report provides a comprehensive overview of Echelon's efforts to reduce its environmental impact, enhance community engagement, and promote corporate governance, all while continuing to deliver value to shareholders.

Governance and Risk Management

Echelon's governance framework is robust, with the Operational Risk and Sustainability (ORS) Committee overseeing the Company's climate and sustainability risks. The Company has adopted several provisions under the New Zealand Climate Standards (NZ CS 1), ensuring compliance with climate-related disclosure requirements.

The Company actively manages its risks through a comprehensive risk management framework, which includes scenario analysis for climate risks, shadow pricing of carbon, and sensitivity testing for investment decisions. Echelon's approach to risk management is proactive, with regular reviews and updates to its risk register, ensuring alignment with evolving regulatory and market conditions.

Corporate Strategy and Sustainability Framework

Echelon's sustainability strategy is built around three pillars: carbon-efficient oil and gas production, value-driven renewables, and the adoption of low-carbon technologies. The Company aims to reduce emissions from sold products by 5% by 2030 and by 10% by 2035, relative to 2022 levels. Echelon's sustainability framework aligns with the United Nations Sustainable Development Goals (SDGs), particularly those related to responsible consumption and production, climate action, and affordable clean energy.



Emissions and Environmental Impact

Echelon has made significant strides in reducing its emissions intensity, achieving a notable reduction from previous years. The Company is committed to a 43% reduction in Scope 1 and 2 greenhouse gas emissions by 2030, relative to 2022 levels. Echelon also focuses on methane emissions reduction within its upstream portfolio and supports global CO2 sequestration efforts through partnerships with research institutions like the Salk Institute.

In 2024, Echelon planted 513 trees, contributing to a total of 5,627 trees planted since 2019. These efforts are expected to sequester approximately 1,164 tonnes of CO2 over 50 years. The company has also implemented energy-saving initiatives across its operations, furthering its commitment to environmental stewardship.

Social Responsibility and Community Engagement

Echelon's social responsibility initiatives are centred on supporting vulnerable communities and promoting education. The company has partnered with organisations like the Dunedin Curtain Bank, providing quality curtains to 249 homes in 2024, resulting in significant energy savings for low-income families.

Echelon also emphasises the importance of education by supporting science programs, such as the EPro8 Challenge in Wellington, which encourages students to engage in science and engineering competitions.

Employee Wellbeing and Diversity

Echelon places a strong emphasis on employee wellbeing and diversity. The Company's Te Ata initiative provides comprehensive support for employees, including resilience training, cultural celebrations, and health services. Echelon has also retained its Rainbow Tick accreditation, reflecting its commitment to creating an inclusive workplace for all employees, including those from the LGBTQIA+ community.

Diversity is a key focus for Echelon, with measurable objectives set to enhance gender diversity within the company. The company has made progress in promoting diversity across its workforce, with ongoing initiatives to support the professional development of diverse and emerging leaders.

Echelon's 2024 Sustainability Report highlights the Company's ongoing commitment to sustainability, community engagement, and responsible corporate governance. Through its comprehensive sustainability strategy, Echelon is well-positioned to contribute to the global energy transition while delivering long-term value to its stakeholders. The Company's proactive approach to managing environmental and social risks, combined with its focus on innovation and collaboration, underscores its role as a responsible leader in the energy sector.

About This Report

This report is crafted in accordance with the Global Reporting Initiative (GRI) standards, focusing on topics that significantly impact stakeholders and sustainability performance.

For easy reference, the GRI Content Index in the appendix delineates where specific GRI reporting elements and indicators are addressed within the report.

At this point in time Echelon is not required to report according to any standards and therefore this report and its content are provided voluntarily.

This report is structured around the six action areas delineated in our sustainability strategy.

In the fiscal year 2024, we have conducted a readiness assessment to adopt the International Financial Reporting Standards (IFRS) S1, General Requirements for Disclosure of Sustainability-related Financial Information, and IFRS S2, Climate-related disclosures; The New Zealand XRB Climate Related Disclosure reporting requirements and the ISSB standard.

The Australian government has pledged to implement standardised, internationally aligned reporting mandates for businesses, covering disclosures on governance, strategy, risk management, targets, and metrics. We have proactively prepared for these requirements.

This commitment to sustainability reporting also aligns with the Sustainability Development Goal (SDG) 12.6, which aims to encourage companies to embrace sustainable practices and engage in sustainability reporting.

Statement of compliance in relation to the XRB

STATEMENT OF COMPLIANCE IN RELATION TO NZ CS 1

These climate-related disclosures adhere to the Aotearoa New Zealand climate standards as set forth by the External Reporting Board.

In preparing Echelon's climate-related disclosures, the Board and Management have opted to utilise the following adoption provisions:

ADOPTION PROVISION 1

Current Financial Impacts

This provision exempts Echelon from disclosing the current financial impacts of its physical and transition impacts as specified in NZ CS 1, paragraph 12(a). It also exempts Echelon from paragraph 12(c) of NZ CS 1, which requires an explanation for the inability to disclose quantitative information.

ADOPTION PROVISION 2

Anticipated Financial Impacts

This provision exempts Echelon from disclosing anticipated financial impacts of climate-related risks and opportunities during its first reporting period. It also includes exemptions from:

- Paragraph 15(c) of NZ CS 1, which requires a description of the time horizons over which anticipated financial impacts could reasonably occur.
- Paragraph 15(d) of NZ CS 1, which requires an explanation for the inability to disclose quantitative information as per paragraph 15(b).

Disclaimer: Echelon has made reasonable efforts to ensure the accuracy of this Climate-Related Disclosure (CRD). However, users should be cautious about relying on the information, as it is subject to significant risks, uncertainties, and assumptions. This report includes forward-looking statements, such as climate-related metrics, scenarios, targets, assumptions, estimated climate projections, forecasts, future intentions, estimates, and judgments, which may not develop as predicted. These statements inherently involve assumptions, forecasts, and projections about Echelon's present and future strategies and operating environment.

As Echelon is no longer listed on the NZX, it is not a CRE entity and its not required to comply with this regime. This reports and its content, are provided on a voluntarily bases.

*All statements and targets are aspirational and subject to appropriate feasibility thresholds.

ADOPTION PROVISION 3

Transition Planning

This provision exempts Echelon from disclosing the following in its first reporting period:

- The transition plan aspects of its strategy, including potential changes to its business model and strategy to address climate-related risks and opportunities.
- The extent to which transition plan aspects are aligned with internal capital deployment and funding decision-making processes.

ADOPTION PROVISION 5

Comparatives for Scope 3 GHG Emissions

This provision exempts Echelon from disclosing comparative information for Scope 3 GHG emissions.

ADOPTION PROVISION 6

Comparatives for Metrics

This provision exempts Echelon from disclosing comparative information for metrics disclosed in its first reporting period.

ADOPTION PROVISION 7

Analysis of Trends

This provision exempts Echelon from providing an analysis of the main trends by comparing each metric from previous reporting periods to the current reporting period, as specified in NZ CS 3, paragraph 42.

Our Operations

Echelon holds interests in various regions, including:

Australia

Operations in the Amadeus Basin in the Northern Territory (exploration and production) and the Perth Basin in Western Australia (exploration).

Indonesia

Production activities in Sumatra and East Java, through our 50.03% subsidiary, Cue Energy Resources (Cue).

New Zealand

Production and exploration activities within the South Taranaki Basin.

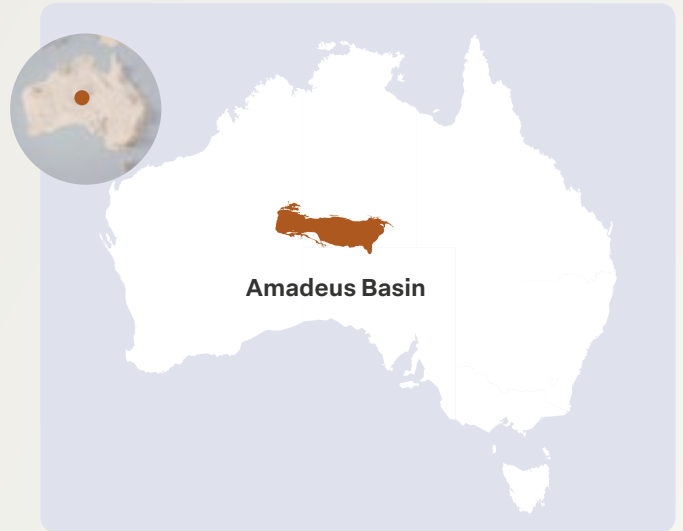
These operations adhere to the environmental approval procedures established by the relevant state and national authorities.

Echelon is a company domiciled in New Zealand, registered under the Companies Act 1993 and listed on the Australian Stock Exchange (ASX). We have adapted to climate reporting, and published our Sustainability Environmental, Social and Governance (ESG) actions for our business activity. Please see our Annual Report for our consolidated financial statement.

Our supply chain

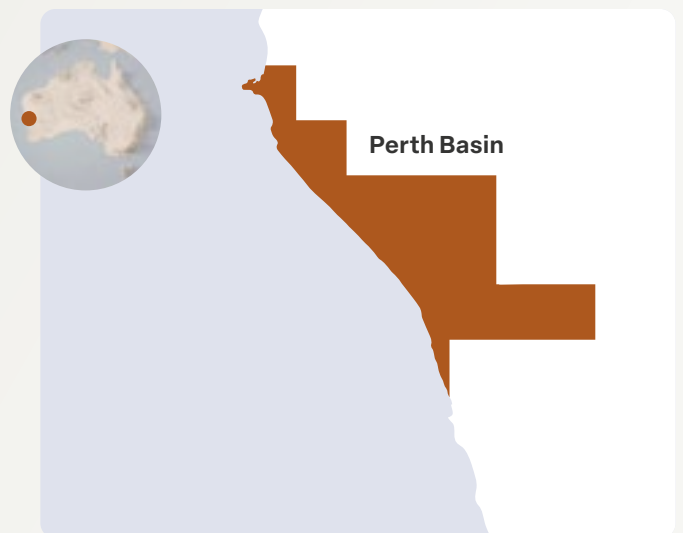
The oil and gas supply chain covers a broad spectrum of activities, from the exploration and production of gas and crude oil to the manufacturing and processing of products, through our JV partners. We are part of this supply chain that connects companies and people throughout the world.

Australia



Amadeus Basin, Northern Territory

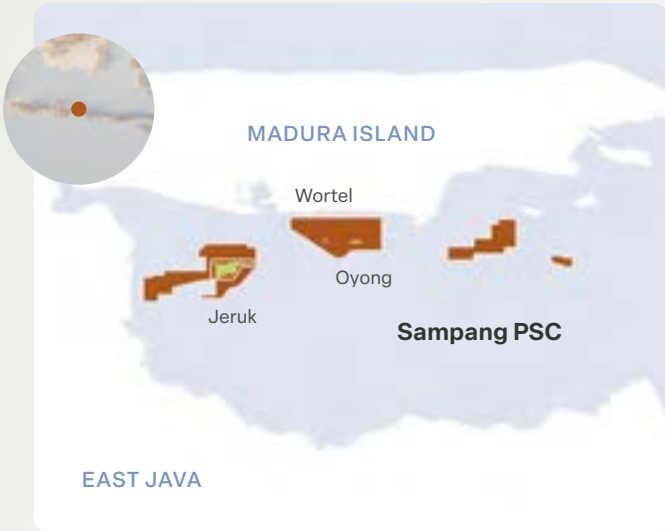
Mereenie OL4 & OL5	ECH 42.5%, Cue Energy 7.5%*
Palm Valley OL3	ECH 35%, Cue Energy 15%*
Dingo L7	ECH 35%, Cue Energy 15%*



Perth Basin, Western Australia

L7 Production License	ECH 25%
EP 437 Exploration Permit	ECH 25%

Indonesia



East Java

Sampang PSC

Cue Energy 15%*

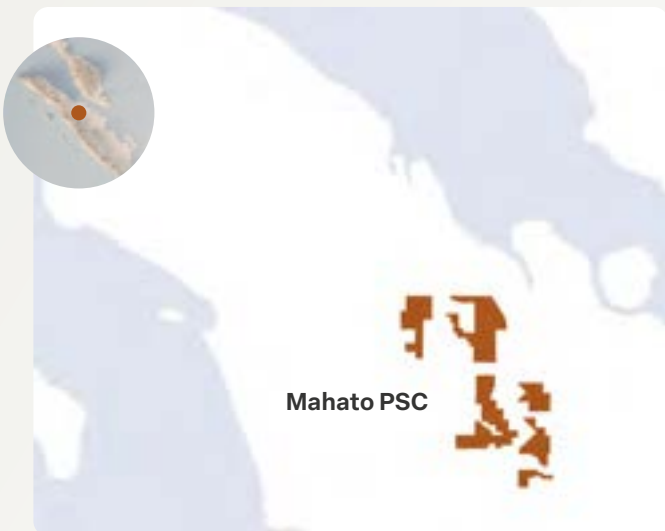
New Zealand



Taranaki

Kupe
Maari

ECH 4%
Cue Energy 5%*



Sumatra

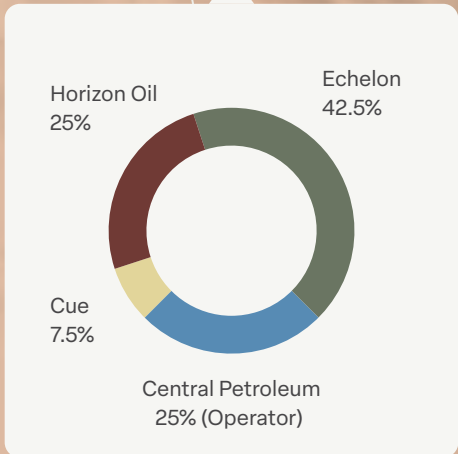
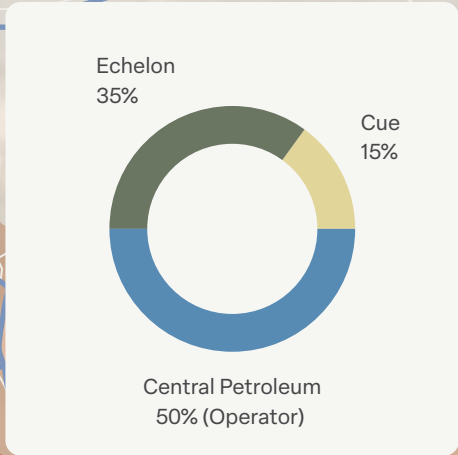
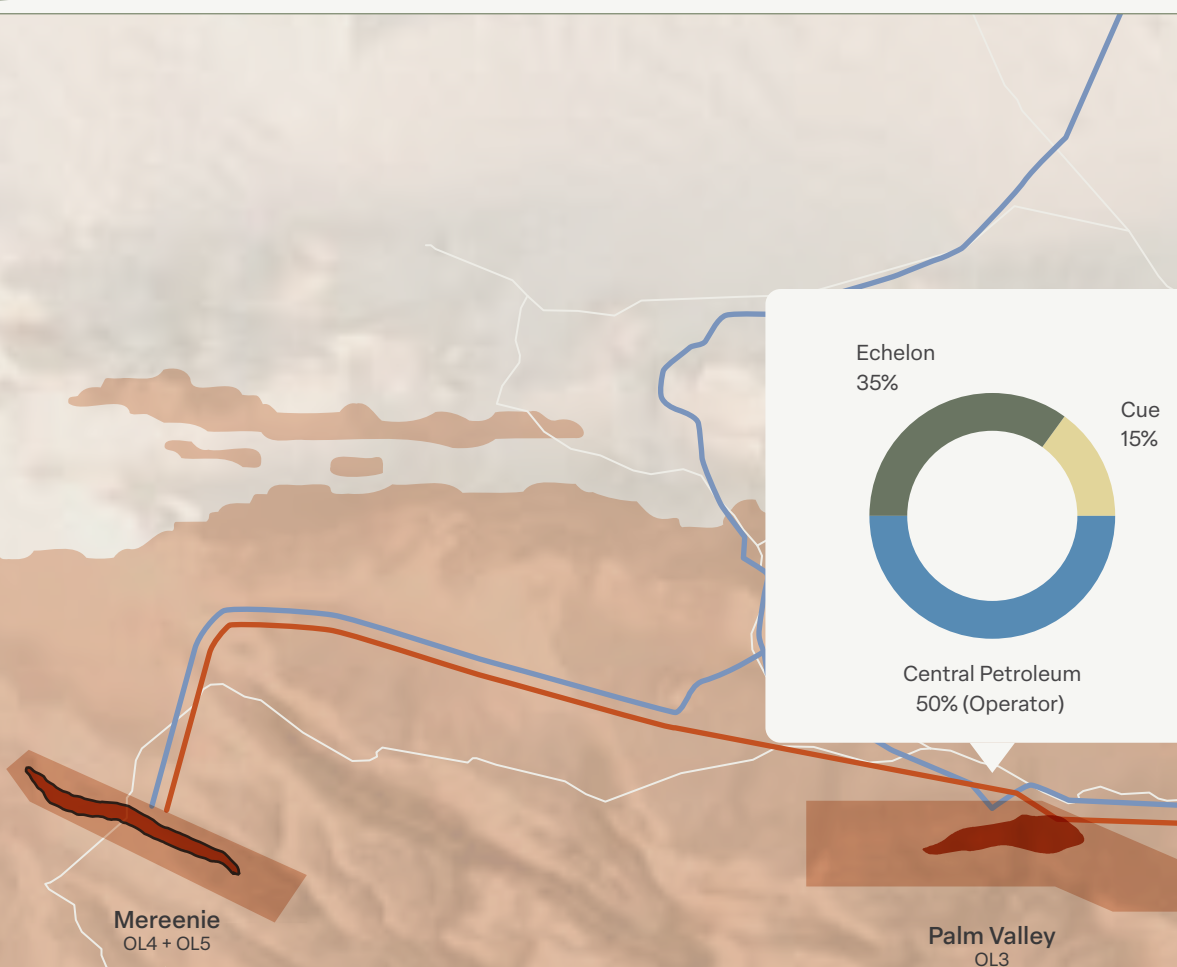
Mahato

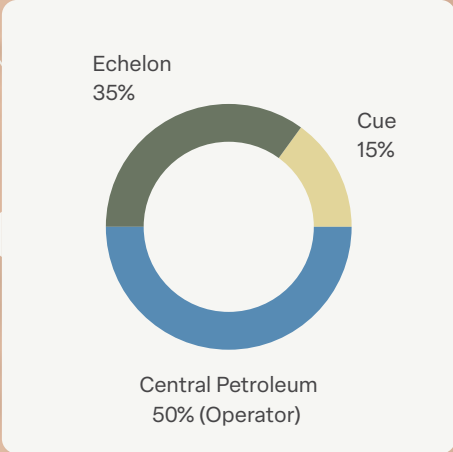
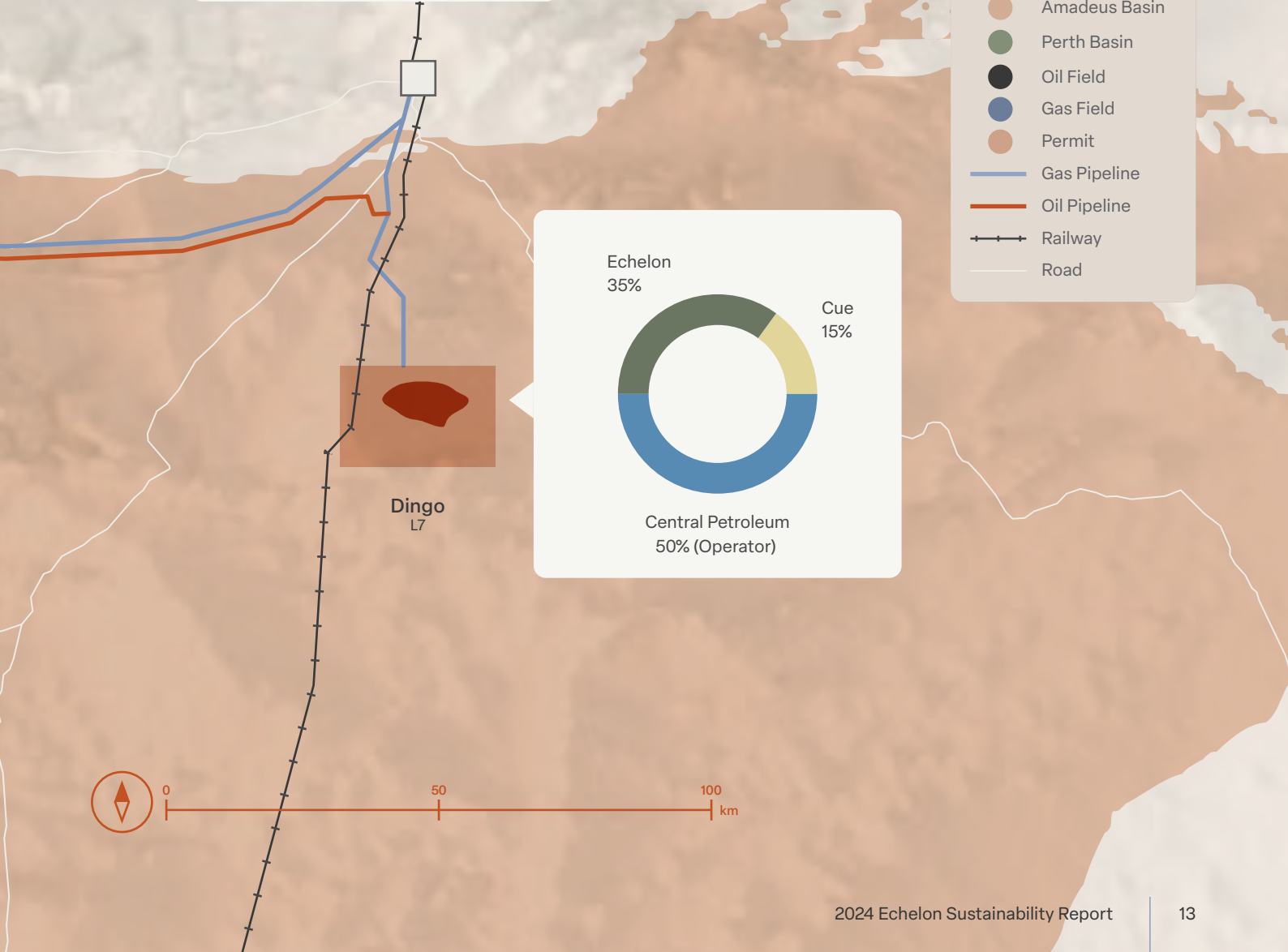
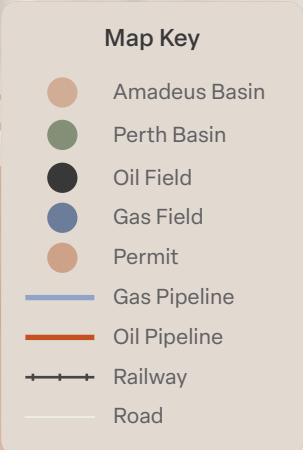
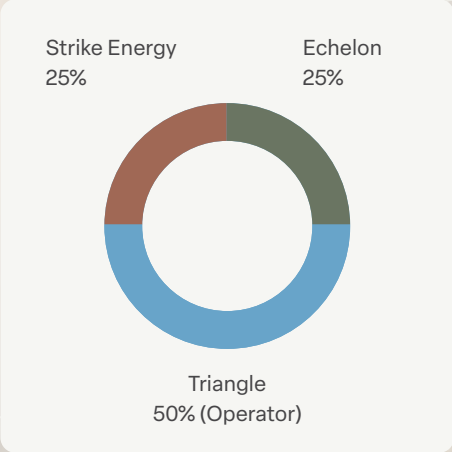
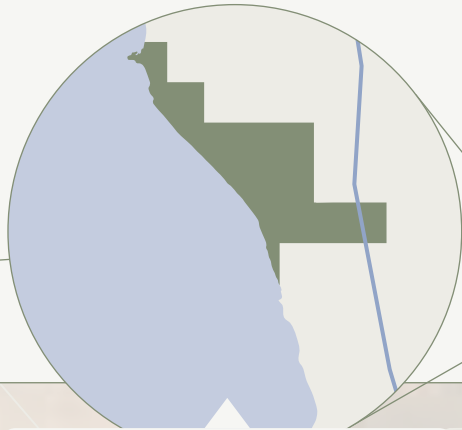
Cue Energy 11.25%*

*Echelon has a 50.03% interest in Cue, Cue's full interest is shown.

AUSTRALIA

Where we are active

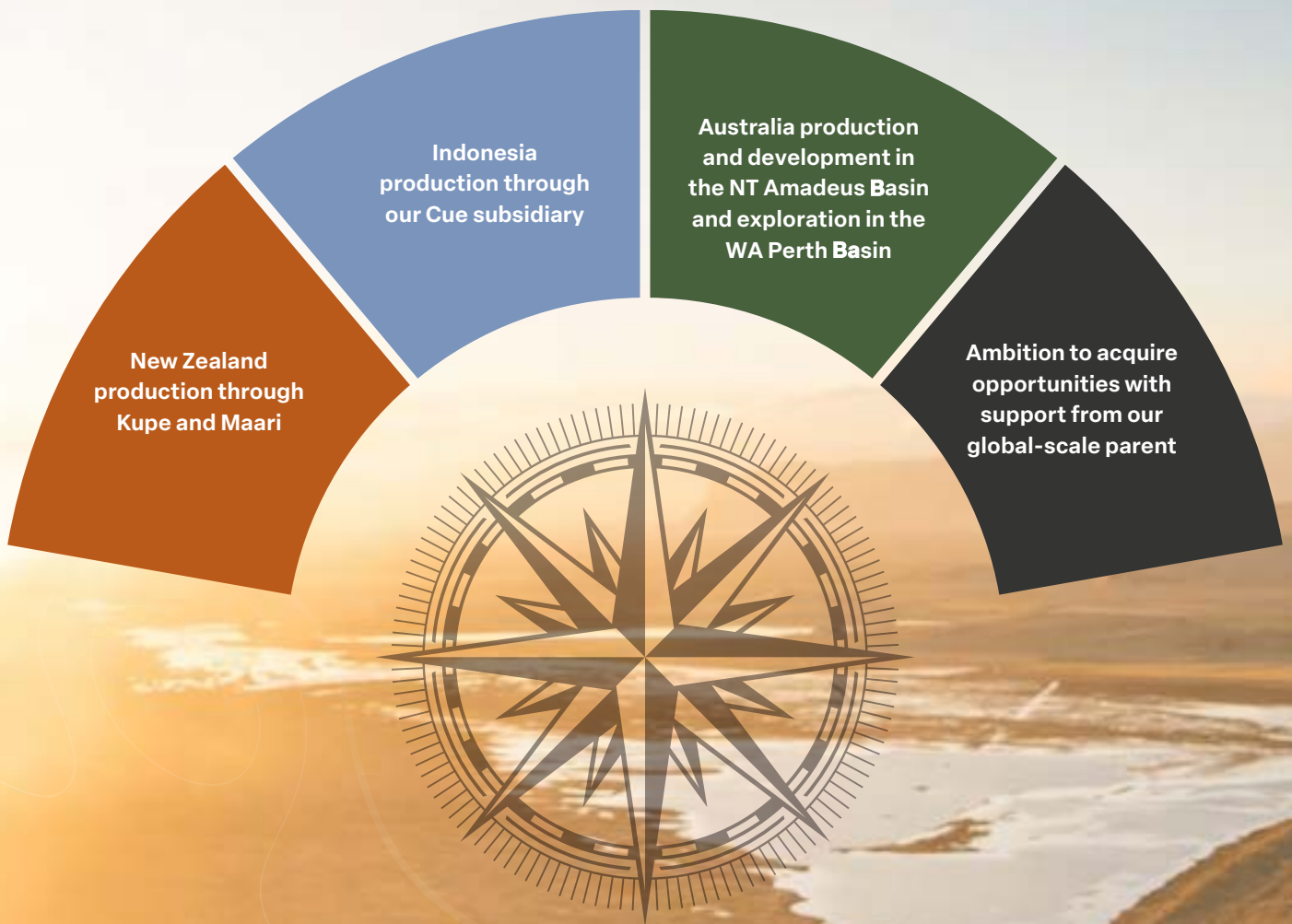




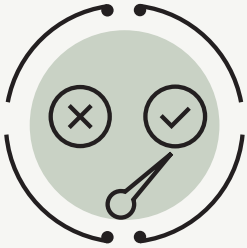


**Strength today
and growth tomorrow**

Natural gas assets offer stability in supplying energy to a world facing energy constraints amid a prolonged transformation



Our Values



Tikanga

The right things
the right way

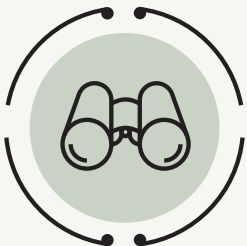
- We operate safely, and do what we say we will do.
- We display respect and understanding for other people, opinions and cultures.
- We respect values, rules and laws.



Mahi Tahī

Work together,
collaborate,
cooperate, with
teamwork

- We are open, honest and transparent.
- We actively pitch in and help.
- We have fun and work with passion.
- We put big issues on the table so they can be resolved.



Pākiki

Consumed
with curiosity

- We seek to better understand ourselves, and the world, with the goal of constantly improving.
- We explore new areas to add value to our work.
- We work with initiative and imagination.



Tauhokohoko

Barter, bargain, trade

- We continually seek to add value through the application of skills, brains and hard work.
- We develop mutually beneficial relationships with key stakeholders and partners.
- We deliver excellent commercial outcomes.

Responsible Corporate Governance

Key Performance Indicators

Governance	2020	2021	2022	2023
HSSE RELATED TOPICS				
Total Number of audits	8	2	2	7
Number of external audits	0	0	0	1
Number of Internal audits	8	2	2	7
CERTIFIED MANAGEMENT SYSTEM				
ISO (9001/45001/14001)	0	0	0	0
REPORTS OF MISCONDUCT				
Number of whistleblowing cases	0	0	0	0
LEGAL COMPLIANCE				
Total Sum of Penalties and fines (NZD)	0	0	0	0
There of environmental related fines in (NZD) as per JV	0	0	0	0

Internal audits: Echelon performed on our Assets

Next Milestones

Further implementation of our transition plan

Implementation of Safety Observation onto our newly established Health and Safety System



Responsible Corporate Governance

Our activities are not only economically relevant, but they also have ecological and social effects. For us, responsible corporate governance means ensuring our Company's future viability, protecting a strong reputation, and integrating the expectations of our stakeholders into our business activities.

The capital we bring



Financial

We use our shareholders' financial capital, prudent financial management and ability to attract investment.



Human

The expertise and skills of our people and our values and behaviours as a company.



Relationships

By being values-led and working ethically, we create value-enriching relationships with our partners, our communities, and regulators.



Fixed Asset

Our physical infrastructure and assets, mostly owned and operated through joint ventures.



Intellectual

Our data, models, brand and reputation.



Natural

Inputs from the natural world including access to oil and gas reserves, water, land, minerals and materials.

We use our inputs and capital resources to cr...
reliably, and operate in a way that makes us p...
people want to work wi...

Our team of technical and commercial...
deploy our resources to exploration and...
energy safely, in a way that respects o...
environment, on successful com...

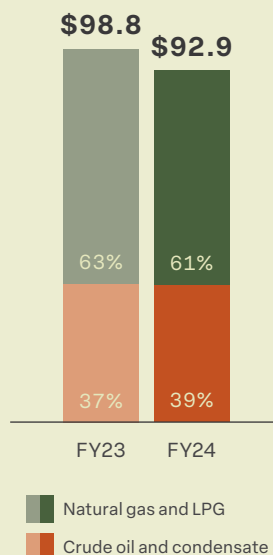
We use our skillsets, optimise our proce...
from our physical ass...

We support our operating partners, O...
stakeholders, to identify mutu...

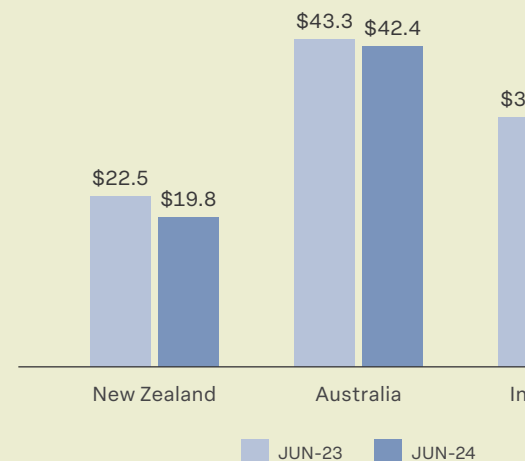
Our Inputs

Our Outputs

NZ REVENUE (NZ\$M)



REVENUE BY COUNTRY (NZ\$M)



create opportunities, execute with pride, so that high-quality projects are delivered on time and on budget. We are proud, so that high-quality projects are delivered on time and on budget with us.

Our experts efficiently manage production to deliver value to our communities and our commercial terms.

Our processes, and create value for our stakeholders.

Our core subsidiary, and our value add.

What this achieves

\$35,000
for **Community Projects**

5,627
Trees planted

3.0

\$30.6

Indonesia



Energy Security and Affordability

Our energy supports renewable electricity generation and provides security for uses where renewable energy is not yet ready to fully take over. It makes energy more affordable and prices more stable.

UN Sustainable Development Goals (UNSDGs)



- Leadership through industry, policy and regulatory forums
- Delivering gas to market, in NZ, Australia and beyond



A Clean and Lower-carbon Economy

The gas and light oil we supply bring lower carbon benefits compared to energy supplied in alternative ways. Additionally, they help in the mining of minerals used in wind turbines and solar panels.



- Reporting commercial and non-commercial value transparently



Wealth Creation & Productivity

Our energy helps to produce goods and services society needs to prosper, which can't be produced efficiently without them. We pay royalties and taxes that help to pay for hospitals, schools, roads and other essential services.



- Delivering commercial value via annual taxes and royalties, job creation, shareholder value



Community Wellbeing

We strengthen our environment and community by engaging openly and contributing to science education, tree planting, energy efficiency, and conservation for vulnerable families.



- Community and Iwi Engagement
- Community Partnerships and Investment



Working Together

Our working environment is rewarding and a place of belonging where we work together and collaborate with purpose and passion.



- Proactive diversity and inclusion practices
- Greater environmental contributions

Materiality

STAKEHOLDER ENGAGEMENT

How materiality was assessed

We engage with shareholders, regulators, staff, partners, industry organisations, and our community, including Mana Whenua, (traditional owners of the land), to monitor public issues.



Investors

Our Echelon Board periodically holds discussions with larger shareholders. Shareholders regularly interact with the managing director, who shares views and perspectives with the Board. A range of tools are used to ensure investors can contact the Company and freely share views and perspectives, including:

- Widely publishing contact details and providing email, website and contact phone numbers to get in touch.
- Open invitation and encouragement to ask questions at Company meetings.
- Direct outreach on significant matters of strategy (e.g. capital structure and acquisitions).

Staff

The Company surveys staff to measure engagement and attitudes to key issues, including sustainability, health & safety and values. Company-wide meetings are held frequently, at which any staff can air issues.

Mana Whenua/ Traditional Owners

Where the Company operates, it engages directly with Mana Whenua. It is not currently an operator. Engagement at non-operated sites is through the JV operator.

JV Partners

Regular meetings and information sharing, including a steady flow of enquiries about operational practice.

Industry and Regulators

The Company considers feedback from industry groups, officials, business representatives at national and regional level, and community groups.

Senior staff participate directly in industry forums and discussions, including opportunities to interact with regulators and decision-makers, where we pay careful attention to views shared with us, and seek opportunities to discuss details and test assumptions.

Community and NGOs

The Company participates in community forums involving discussions about its activity. As it is not operating a site, this is mainly achieved through industry organisations.

The Company accesses operator information about community sentiment through regular JV meetings.

Materiality Matrix

Our materiality analysis shows priorities for our business and stakeholders in our ESG performance.

Positions on the matrix are assessed by analysing the content and intensity of comments received about topics that have a significant impact on our business, our licence to operate, on our stakeholders and the communities in which we operate.

The materiality assessment is an ongoing process across all of the Company’s activities during the year.

Six sustainability issues are identified to be material. The range of issues reflects the nature of the business and the status of the Company’s participation, in which we do not operate physical plant but have an oversight role.

1

Commercial Returns

- Returns to investors
- Returns to New Zealand and Australian Government
- Community investment
- Local economic development
- Long-term financial resilience
- Responsible capital allocation
- Shareholder value creation

2

Environment, Climate and Energy Transition

- Be responsible for the corporate environmental footprint
- Do our bit to reduce emissions
- Sustainability reporting
- Provide energy security
- Completion of scenario modelling
- Adopt a transition plan

3

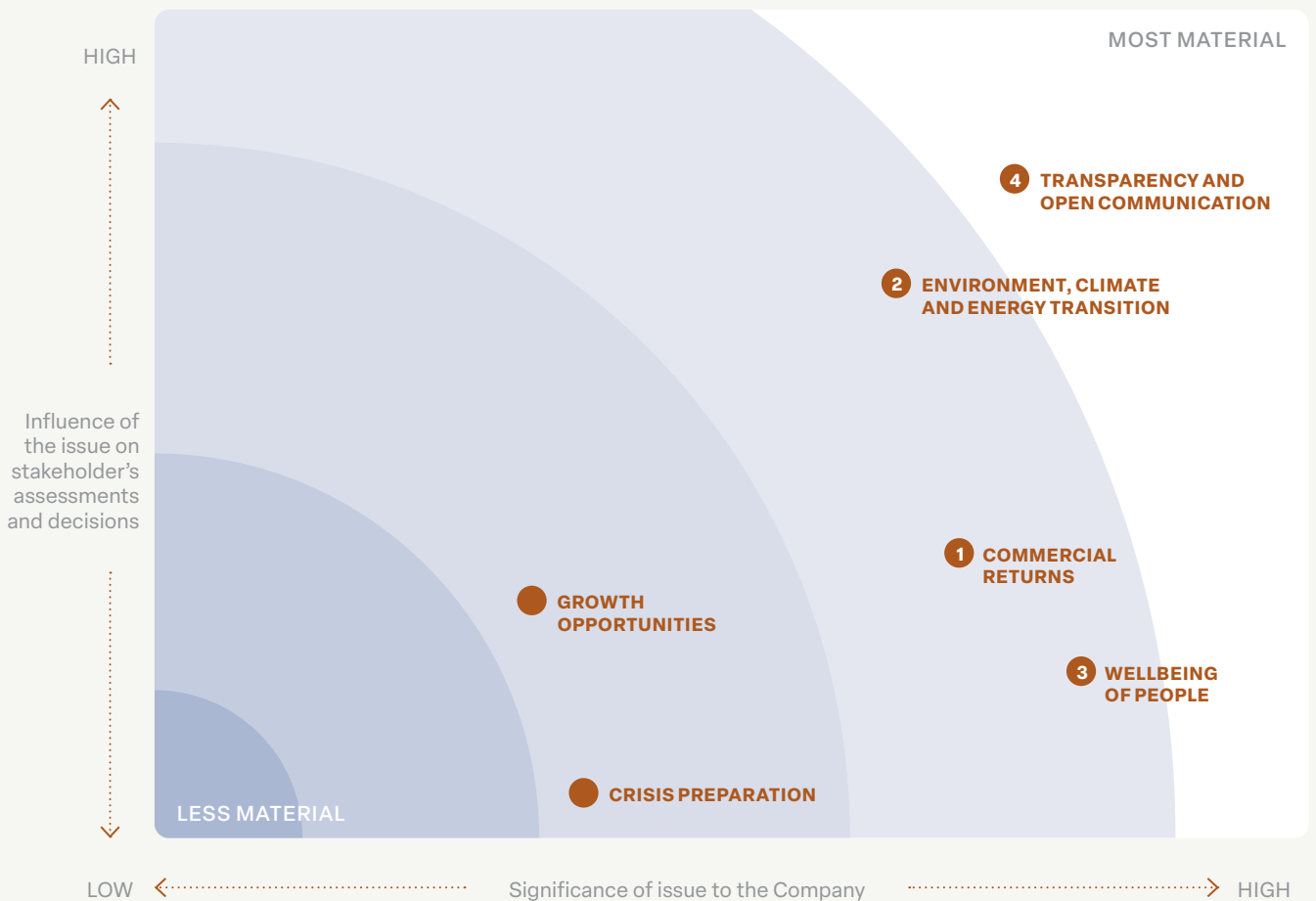
Wellbeing of People

- Health and safety performance
- Diversity
- Opportunities for personal development

4

Transparency and Open Communication

- Inform and engage our community
- Comply with community expectations
- Be proactive about disclosing our activities



Response To Material Issues

For this report we provide more detailed responses to the top four material issues identified below.

1 Commercial Returns

OUR STAKEHOLDERS EXPECT WE WILL...

- Deliver returns to investors and our community
- Invest in community outcomes
- Support local economic development
- Long-term financial resilience
- Responsible capital allocation
- Shareholder value creation

OUR RESPONSE

At Echelon, we recognise that financial health is the lifeblood of our business, enabling us to deliver consistent and meaningful returns to our investors and contribute positively to the communities where we operate. Through our social investments, we live our values as good partners, committed to building enduring relationships with our neighbors and the wider community.

Our financial strength allows us to make strategic social investments that drive sustainable outcomes. For example, we fund initiatives like Dunedin's Curtain Bank, which provides warmer housing for vulnerable low-income families, support scientific research, and contribute to reforestation efforts through community tree-planting programs.

Our commitment to responsible capital allocation ensures that we not only generate returns for our investors but also create long-term economic value for the regions in which we operate. We pay millions of dollars in royalties and income taxes to governments in Australia and New Zealand, supporting the economic health of these nations. Additionally, the oil and gas sector provides workers with salaries that are twice the national average, reinforcing the economic benefits of our industry.

Echelon's policy on Capturing Local Economic Benefits, developed in response to a materiality assessment, reflects our dedication to promoting local content and capturing local benefits. We commit to studying opportunities for wider community participation in our projects and to producing local content plans for significant developments. Moreover, we leverage our expertise in health & safety and international business processes to help local enterprises compete on a commercial basis, ensuring that our financial success translates into broader economic prosperity.

2 Environment, Climate and Energy Transition

OUR STAKEHOLDERS EXPECT WE WILL...

- Be responsible for the corporate environmental footprint
- Report our climate governance, management, risk and metrics using the ISSB and XRB standards model
- Manage our emissions responsibly

OUR RESPONSE

We support carbon budgets and emissions pricing as the most efficient and effective tools to manage carbon emissions. An economy-wide response to the global issue of climate is more efficient, sustainable, and effective than an enterprise-level response.

We are responsible for our own carbon footprint and support initiatives such as recycling in our head office. The Company has reduced or offset our emissions from office-related activities at our corporate headquarters by financially supporting carbon-reducing tree planting. We do not report Scope 3 emissions. However, we support efforts by users to offset their emissions from use and by governments to reduce avoidable carbon emissions through efficient economic instruments.

We are committed to responsible management practices that minimise adverse environmental impacts from our activities. We use soundly based science as the basis for all our environmental decisions.

We comply with all applicable environmental laws and regulations and good practice industry standards. We voluntarily comply with the relevant climate disclosure regime on a voluntary bases. We apply reasonable standards where regulatory legislative requirements and standards do not exist. We work to minimise pollution and the cumulative environmental impact of our activities at a local, regional, and global level, trying to reduce waste and improve resource use. Our environmental management plans for all activities identify, assess, and manage environmental risks to the lowest level reasonably practicable.

3 Wellbeing of People

OUR STAKEHOLDERS EXPECT WE WILL...

- Manage our activities with the highest practical standards of health and safety performance
- Encourage diversity by having a supportive and welcoming workplace, removing barriers to women's participation and advancement in the Company, and championing diversity in our industry
- Providing opportunities for personal development

OUR RESPONSE

We make safety and operational performance of our workforce our top priority. Wellbeing of people regularly features higher in internal materiality surveys than in feedback from outside.

Staff incentives are linked directly to corporate health and safety performance.

Health and safety reporting includes both our own sites, and non-operated sites where we have an interest, and our supplier code sets out requirements for companies that do business with us.

Performance is monitored daily and reported to a weekly Health, Safety & Environment (HSE) meeting, as well as to fortnightly executive management meetings. The Board ORS Committee reviews performance and policies and reports to the board.

Our diversity initiatives are aimed at promoting a supportive and welcoming workplace, removing barriers to women's participation and advancement in the Company, and championing diversity in our industry.

We are proud to have retained a Rainbow Tick, which is an accreditation recognising our efforts to provide an inclusive workplace for the LGBTTQIA+ community. We regularly engage in cultural activities meaningful to our staff and survey their attitudes toward diversity initiatives to ensure that we continue to create a workplace that is welcoming and inclusive for all.

We invest in the development of all our staff by providing regular coaching and training opportunities across the business. This investment in our staff ensures that we maintain a high level of expertise and are able to adapt to changes in the industry.

4 Transparency and Open Communication

OUR STAKEHOLDERS EXPECT WE WILL...

- Inform and engage with our community, proactively disclose relevant information about our activities and be part of the discussion about energy transition

OUR RESPONSE

We are committed to transparency and open communication, and we report openly on all of our activities to investors and the wider community. We believe in investing in open dialogue and relationships, and we aim to promote understanding of the way we work and the reasons we engage in producing oil and gas.

We understand that communities have legitimate concerns about the benefits and impacts of our activities, and we strive to manage risks and negative impacts while ensuring that benefits are distributed fairly.

In addition, we actively participate in discussions about energy transition in business and industry forums, as well as directly with government and political parties at ministerial and official levels. All of our advocacy is conducted openly and honestly, and we make our lobbying and political engagement comments and activities public. We also make submissions on relevant legislation and policy.

LOBBYING AND MEMBERSHIP OF ASSOCIATIONS

Echelon publishes all of its submissions to government in relation to policy or any of its activities.

We are members of reputable national business representative groups:

- Business New Zealand major corporates group (and through Business NZ, the Wellington Chamber of Commerce and the Business Energy Council)
- Gas Industry Co.

We contribute to research and analysis on transition issues.

Organisational Structure

The board's oversight of climate and sustainability risk is delegated to the Operational Risk and Sustainability Committee.

This committee's primary role is to advise and assist the Board in fulfilling its duties concerning health, safety, security, environment, sustainability, operational risk, and community engagement matters related to the Company's activities and operations.

The committee's responsibilities, as outlined in its charter, encompass:

- Monitoring the Company's Risk Management Framework's performance and effectiveness, ensuring compliance, and assessing the adequacy of risk controls.
- Establishing, reviewing, and endorsing operational risk and sustainability policies, practices, frameworks, and targets, including assessing performance against these. This includes:
 - › Sustainability performance framework, targets, and reporting.
 - › Community and indigenous engagement.
 - › Environmental policies and programs, such as responses to climate change.
 - › Verifying the Company's compliance with operational risk and sustainability legal requirements, license terms, and commitments to stakeholders.
 - › Assisting the Board and management in defining the Company's operational risk and sustainability objectives.
 - › Collaborating with management to determine how operational risk and sustainability objectives will be attained, monitored, and evaluated.
 - › Fostering a culture of continuous improvement by examining significant incidents and system failures, as well as monitoring actions and measures to prevent their recurrence.
- Ensuring that the requisite expertise is acquired and maintained to fulfil ORS objectives.
- Providing guidance to the Board and assisting the Company in proactively addressing operational risk and sustainability issues.
- Ensuring that significant matters are brought to the attention of the entire Board.

Responsibility for identifying, documenting, and managing risks and opportunities is delegated to the appropriate level of management. The General Counsel oversees climate risk, while our Asset Managers are accountable for risks related to individual assets. The Chief Financial Officer holds managerial responsibility for financial and investment risks associated with climate change.

Potential risks to Echelon stemming from climate change are evaluated across various categories:

- Policy and Legal;
- Physical (acute and chronic);
- Financial and Market;
- Social/Political/Regulatory; and
- Technological.

All these risks carry potential financial and operational implications, including reduced profitability and heightened delays.



The Committee's Charter is here:

backend.echelonresources.com/assets/Reports/Corporate-Governance/Echelon-Policies/2024-06-Operational-Risk-and-Sustainability-Committee-Charter.pdf



Board of Directors

- Board Charter
- Echelon Risk Management System
- ISO 31000 Risk Management
- NZX Listing Rules and Corporate Governance Code eg. Principle 6 - Risk Management*
- ASX Corporate Governance Principles eg. 7 Recognise and Manage Risk
- Reviews Risk analysis received from ORSC and adjusts strategy accordingly



Board ORS Committee

- Reviews risks annually including changes derived from risk owners and the management team
- Reports risk and opportunities to board



Management Team

- Reviews risks regularly and updates Risk Register
- Report Risk Register to ORS Committee



Staff health, Safety and Environment Committee

- Meets weekly and monthly to identify and review HSE incidents (actual or potential) and where appropriate, feed these into the Risk Register

These documents are available in the corporate governance section of the Company's website, at:

echelonresources.com/investors/company-reports/corporate-governance

*The company is no longer listed on the NZX however our governance structure remains compliant with NZX Corporate Governance code.



Sustainability, Social Responsibility, and Climate Change Report

9 Years of Sustainability Management





Corporate Strategy

We operate in the fossil fuel industry, fully aware that the world needs to reduce carbon emissions due to climate impacts. Given this reality, our approach is grounded in responsible management and strategic foresight. While the global transition to lower-carbon energy sources is essential, the demand for fossil fuels will persist for years. Our strategy focuses on balancing this ongoing demand with the need for a sustainable transition. We are committed to ensuring energy security and supporting the standard of living in our communities. Understanding the critical role our products play, we are determined to manage our operations in the most sustainable and commercially viable way possible.

Echelon understands its responsibilities towards its stakeholders and actively works to build positive and trusting relationships. This effort is guided by our Community and Stakeholder Engagement Policy.

We honour the role of tangata whenua iwi and hapū as mana whenua and mana moana. Additionally, we respect the First Nations peoples of the lands where we operate and acknowledge the special relationship between mana whenua and the land in our areas of activity

Our Commitment to Sustainability

By participating in sustainability performance, we aim to create added value for our employees, our shareholders, as well as society, while also protecting the environment. We put our values into action, integrate the principles of sustainable development across our value chain and encourage our employees to participate in them.

Corporate Governance Responsibility

We uphold a culture of responsible corporate governance, ensuring transparency with all stakeholders, fostering fair competition, and actively combating corruption and bribery. Our approach integrates stakeholder expectations into our operations, ensuring the future viability and esteemed reputation of our company.

Ensure our company stays successful and well-respected by doing more than just following the rules. We should also consider what our stakeholders expect from us in our business decisions.

Environmental Protection

We continuously work to minimise our environmental impact. Our goal is to position ourselves as an environmentally responsible company, striving to mitigate negative environmental effects within our business activities.

Position ourselves as a company that is environmentally responsible in the context of our business activities

Employee Well-being

We promote equal opportunities, diversity, and the professional growth of our workforce. Our aim is to attract and retain talented individuals by providing a supportive, ethical, and diverse work environment conducive to long-term employee satisfaction and company growth.

Be a fair employer with strong ethics, support company growth by hiring qualified people, provide training and provide a diverse and healthy work environment.

Sustainable Growth

We pursue controlled growth and long-term partnerships while considering ecological and social factors. Through continuous improvement, we deliver high-quality products and services, aligning with our vision of energy transitioning.

Adoption of an energy transition plan which is JV-led.

Occupational Health & Safety

The safety and well-being of our employees is paramount. We proactively identify and manage risks, foster a safety culture that prioritises technological, organisational, and behavioural safety improvements.

Participate with our JV partners to ensure a proactive safety culture and continuously improve all our activities with regard to technological, organisational and behavioural safety.

Corporate Citizenship

Beyond our business scope, through our JV's, we engage in community support initiatives focused on environment, education, health, culture & sports, and humanitarian aid. We empower our employees to contribute through volunteering, aiming to enhance the well-being and living standards of communities around us.

Improve the wellbeing and standard of living in our local communities by providing financial support and encouraging employee involvement.

Our Approach

Business planning, including scenario analysis, has been an important tool for assessing opportunities and managing our investment.

Risks, including climate risks, are formally reviewed at least twice a year, and the Board, through the Operational Risk Committee reviews and takes ownership of the content.

The main climate and sustainability risks to Echelon fall into the following categories:

- Policy, legal and regulatory
- Physical
- Financial
- Social, political and reputational
- Technological

All of these have short and long-term financial and operational implications due to lost profitability, delays and limits to the investable opportunity set.

The process is outlined in more detail in the section below, 'Climate Risk Management.'

Instruments & Measures

We employ various instruments and measures to embed sustainability programmed into our processes, ensuring local implementation and continuous enhancement.

HSSE Policy

Our corporate policy firmly embeds environmental and social responsibilities which is endorsed by the Board.

Key Performance Indicators

We have developed our internal policies and standards-based Australasia principles of responsible entrepreneurship. This is guided by our Business Code of Conduct, which is mandatory for all employees and was updated in 2024. We uphold the SDG's freedom of association and the right to collective bargaining, the elimination of all forms of forced or compulsory labour, the effective abolition of child labour, and the elimination of discrimination in employment and occupation, along with the eight fundamental conventions derived from these principles.

We have reported according to the TCFD, which are widely recognised for climate reporting since 2015. We are now evolving and incorporating the International Sustainability Standards Board (ISSB) standard into our reporting regime.

Climate risk management

How we identify, assess and manage climate-related risks

The Company's Risk Management System Framework applies consistent and comprehensive risk management practices.

Risk assurance and oversight of climate risk management is provided through internal review by the Board ORS committee.

Climate risks are identified on an ongoing basis and consideration is given to industry and peer information and expertise, shareholder and community feedback, regulatory changes, and analysis by our own staff and contractors.

Climate risks are recorded in the central risk register, which considers the risks, reviews the controls, assigns ownership of risk and tracks treatment plans.

How we model climate risk

KUPE, NEW ZEALAND

The Kupe offshore platform, onshore coastal processing plant, and connecting pipeline face physical risks from extreme weather and environmental conditions. To mitigate these risks, Echelon ensures that all equipment is engineered to standards exceeding expected weather activity, and the Company carries comprehensive insurance coverage. Additionally, for our New Zealand Kupe asset, Echelon utilises the New Zealand Emissions Trading Scheme (ETS) market pricing for carbon emissions. The Company holds sufficient forward emissions credits to meet future demand. Since these credits were acquired at much lower carbon prices, the ETS represents a positive opportunity for competitive advantage.

AMADEUS BASIN, AUSTRALIA

For physical risks associated with our Amadeus Basin interests, the Company maintains comprehensive insurance coverage. Climate-related risks are thoroughly assessed during engineering planning to ensure resilience. Regarding price risk associated with production, the Company conducts impairment testing based on future market prices and contracts.

To evaluate the economics of investments, we use an internal pricing model that reflects market prices from other comparable international regimes. These future price expectations incorporate market consensus on potential carbon charges and demand levels.

We also perform sensitivity testing to account for potential increases in carbon pricing or decreases in commodity prices.

During the reporting period, carbon prices have generally aligned with future curves, while oil and gas commodity prices have exceeded expectations due to concerns over energy security and actual gas shortages. Consequently, the financial risks related to climate change are currently assessed as neutral.

PERTH BASIN, AUSTRALIA

In the acquisition of exploration opportunities in Western Australia, the Company used a shadow carbon price to test the economics of a discovery during due diligence.

Expectations of forward prices were based on market consensus. Potential increased carbon pricing or reduced prices were also considered as part of the Company's sensitivity testing. Engineering risks will be assessed in the Front End Engineering Design (FEED) process following any new discovery.

ASSETS HELD BY CUE

For assets held by its subsidiary, Cue in New Zealand and Indonesia, risks are modelled by Cue, and the Cue Board manages the risk for those assets. The risk model is broadly similar to the one used by Echelon to manage assets held directly.

Climate risk, drilling and discovering new resources

The risks associated with drilling and operating new oil and gas wells are managed by the field operator. Echelon does not operate any exploration or production site. The Company exercises active oversight of operator health, safety and environment risks and manage these through its risk management framework.

Oil and gas are fossil fuels that produce climate changing emissions. Our Statement on Climate Change can be read in this report. We target gas production in Australia, New Zealand and Indonesia, and evidence is clear that our production provides energy security and substitutes for much higher emitting alternatives. New discoveries do not materially alter demand for oil and gas products and so any production needs to be measured against the alternative energy source.

The Climate Change Policy is available here



backend.echelonresources.com/assets/Reports/Corporate-Governance/Echelon-Policies/2024-06-Climate-Change-Policy.pdf

Risk Assessment

The table uses the following time horizon categories:
Short (S): 0–5 years, Medium (M) 5–10 years, Long (L) 10+ years.

RISK TYPE	DESCRIPTION	TIME	CONTROL
NON PHYSICAL RISKS			
Policy and legal risks	Changing regulations, including bans, restrictive policies, taxes, and emissions limits across various jurisdictions, pose significant risks to the viability of projects. These evolving regulatory landscapes could impact development and operating costs, potentially affecting the overall sustainability of our operations. Additionally, litigation against companies and directors on climate grounds - whether claiming causation or demanding greater action to mitigate effects - could further exacerbate reputational risks and financial burdens.	S M L	<p>Develop evidence for the role of natural gas in a net carbon-zero future.</p> <p>Monitor jurisdictions where we undertake activities.</p> <p>Look to diversify jurisdictions to mitigate changes to any individual regulatory environment.</p> <p>Participate in New Zealand’s environmental regulation framework through reputable industry advocacy bodies, including Energy Resources Aotearoa, Business New Zealand and the Business Energy Council.</p> <p>Board and management understand their fiduciary duties around climate change risk.</p> <p>Internal processes, including due diligence and JV processes, identify and manage climate risk.</p>
Reputational and social license risks	Stakeholder disengagement and oppositional activism. Loss of social license, leading to project delays or stoppages. Recruitment and retention risk. Risk of partner misalignment from divergent approaches to carbon management.	S M L	<p>Manage environmental performance through sustainability framework.</p> <p>Promote corporate values, including our pride in our work.</p> <p>Due diligence screening of commercial opportunities and JV’s.</p>
Financial risks	The adoption of carbon pricing across jurisdictions - or inconsistencies in its implementation - presents significant challenges for asset valuation and operational planning. Changes to price and cost forecasts may lead to stranded assets or unexploitable reserves. Additionally, the divestment movement is gaining momentum, which could impact the availability and cost of capital. Rising insurance premiums, along with the potential for certain assets and locations to become uninsurable, further exacerbate these financial risks. Furthermore, if new environmental standards mandate more expensive supplies compared to alternatives, the cost of capital could increase, making project financing more challenging.	S M L S M L M L S M L S M L	<p>Incorporation of a shadow price on carbon in sensitivity testing for investment decisions.</p> <p>Due diligence screening of commercial opportunities and JV processes. Assurance of insurance forecasts.</p> <p>Access to a range of funding options.</p> <p>Reporting on ESG matters, including TCFD compliant reporting.</p> <p>Jurisdictional diversification to mitigate the impact of sudden, unilateral changes, confiscation, or value destruction by regulation.</p>
PHYSICAL RISKS			
Acute & Chronic	Physical assets, especially our coastally-located gas production plant, may be subject to increased frequency and intensity of extreme weather events such as storms, flooding, coastal inundation, lack of water availability, or slips. Offshore drilling and production delayed or shut in by increased weather events.	M L	<p>Engineering anticipates environmental conditions.</p> <p>Carbon policy provides for review of climate issues in strategic and operational decisions.</p>
OPPORTUNITIES			
Commercial	Global reduction in high carbon sources such as coal is increasing demand for natural gas as a lower carbon partner to renewables.	S M L	<p>Strategic preference for natural gas.</p> <p>Support for our JV partners pursuing low carbon innovations on sites.</p> <p>Ongoing investigation of investment opportunities in lower emission technologies, including carbon capture and storage.</p>
Reputational	Partnering with local communities to support low carbon initiatives.	S M L	<p>Local relationships and discussions about contributing to socially desirable low carbon outcomes.</p>

Compliance

Our reputation is a valuable asset that must be protected. To safeguard it and ensure lawful conduct, we have established comprehensive guidelines and procedures within our compliance system. This system includes our Code of Conduct, Whistleblower Policy and Modern Slavery Policy. Our General Council identifies compliance risks and collaborates with Teams to develop programs aimed at preventing corruption, bribery, and fraud, as well as addressing antitrust law and sanction issues. Additionally, compliance is responsible for data protection at Echelon.

Code of Conduct

The Echelon Code of Conduct is founded on principles of honesty, integrity, fairness, and equity in all our dealings. We are committed to complying with both the letter and the spirit of laws and regulations that govern our operations, business environment, and employment practices. We strictly prohibit participation in illegal or unethical activities. We actively promote adherence to laws, rules, regulations, and our Code of Conduct. It is essential for us that no actions are taken which could negatively impact the reputation of Echelon .

FIGURE OF OUR PRINCIPLES



Sustainable growth

Financial performance

We publish our consolidated Financial Statements on the ASX and later in our Annual Report. By also including economic indicators that meet Global Reporting Initiative (GRI) standards in the Annual and Sustainability Reports, we give a full picture of our role in a sustainable economy. For the 2024 financial year, Echelon has shown strong sustainable growth.

The company acquired an additional 25% stake in the Mereenie fields in the Amadeus Basin and announced the drilling of the Booth well in the Perth Basin.

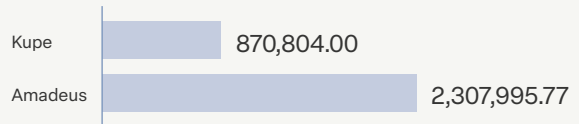
Tax

Good tax governance is fundamental to tax compliance and tax authorities globally are emphasising the importance of this to effectively manage operational tax risks through a robust set of tax controls which are followed closely in practice. Echelon is active in three tax jurisdictions; Australia, Indonesia and New Zealand. Work is progressing to provide a tax governance framework for the organisation to ensure that adequate policies, procedures and controls are in place and that documentation is up to date across all three jurisdictions.

Economic Contribution Summary for FY24

Our FY24 Annual Report highlights our significant economic contributions, with royalties to governments totaling \$4,239 million. Below is a summary of Echelon's tax contributions for FY23, including payments made to the Australian Taxation Office, New Zealand Inland Revenue, and other tax and revenue authorities, covering taxes due on our behalf as well as taxes withheld on behalf of others:

GOVERNMENT ROYALTIES



Responsible sourcing

The business practices of Echelon are integrated and upheld in the procurement of goods and services, with a specific focus on environmental, social, and corporate governance considerations. Our shareholders, and external stakeholders are advocating for increased transparency in reporting. We acknowledge that our sourcing decisions can affect SDG's, including significant support for reaching SDG 8.1 on sustainable economic growth, SDG 8.3 on job creation and growing enterprises, SDG 8.7 on ending modern slavery, trafficking, and child labour, and SDG 12.7 on substantially reducing waste generation.



Environmental protection

Our business activities pose potential risks to the environment and depend on resources such as energy and water. We aim to minimise our environmental impacts. To achieve this, we have established environmental standards.

Environmental Management

Management of environmental issues are a fundamental part of our HSE management system and our JV partners. Our policy mandates the efficient use of energy, the avoidance of environmental pollution, and the promotion of environmental awareness among our employees to minimise harmful impacts. For many years, we have tracked key performance indicators (KPIs) including: the emissions, the amount of energy and water used, and the waste produced. These KPIs help us better identify and evaluate our progress.

Since Echelon operates as a non-operator of production assets, our Scope 1 emissions primarily stem from head office operations and travel activities. We have implemented initiatives at our head office to reduce the Company's carbon footprint. Additionally, our head office emissions are offset through tree planting efforts with the Trees That Count initiative and our support of the Dunedin Curtain Bank.

Environmental Protection

	2024
ENERGY CONSUMPTION	
Office tCO ₂	19
Consumption in tCO ₂ (Scope 1 & 2)	27263.82
CARBON FOOTPRINT & EMISSIONS	
Total CO _{2e} emissions in t	31.9
CO _{2e} emissions caused by air travel in tCO ₂	66.5
Emissions saved through curtain bank tCO ₂	10.03
Carbon absorbed through tree planting tCO ₂	24.57
Carbon absorbed through tree planting tCO ₂ by 2050	563.05
WATER RESOURCES	
Total water consumption in ML	66.35
Produced	19.9
Freshwater	14.3
Drinking water	0.44
Water Injected	31.8
WASTE AND WASTEWATER MANAGEMENT	
Total amount of waste in m ³	372.7
Relative production of hazardous waste within our JV's	20.4
Total amount of industrial wastewater in m ³ with our JV's	352.4

Next Milestones

Adoption of an energy transition plan, thereby reducing our carbon emissions.



Energy saving and climate protection

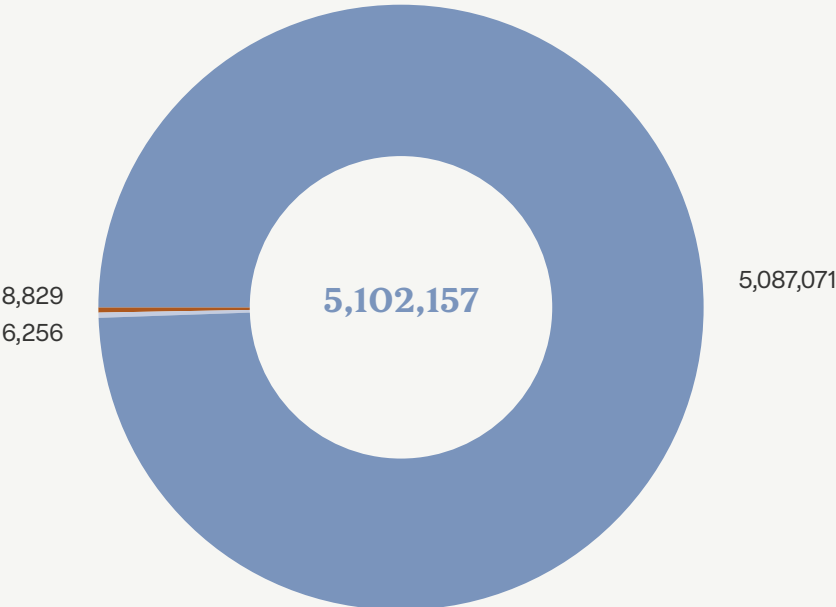
As a company engaged in energy production and supply, we recognise our responsibility to contribute to climate protection and to pursue a path towards clean and efficient energy use. This journey presents challenges, such as reducing energy consumption at our own facilities, but it also offers opportunities and new business prospects in alternative and renewable energies.

Energy Consumption

We use direct forms of energy, such as natural gas, heating oil, and fuels, to operate our sites and operational vehicles. Indirect energy, primarily electricity, powers product pumps, and lighting, as well as servers and computers in our headquarters.

In 2024, our total energy consumption was 150.48 gigajoules (GJ), a slight increase from 2023's 132.48 GJ. This year marks the first time we report our energy consumption across various assets, which totalled 18,375.36 gigajoules (GJ).

TOTAL ENERGY CONSUMPTION FY2024 IN KWH

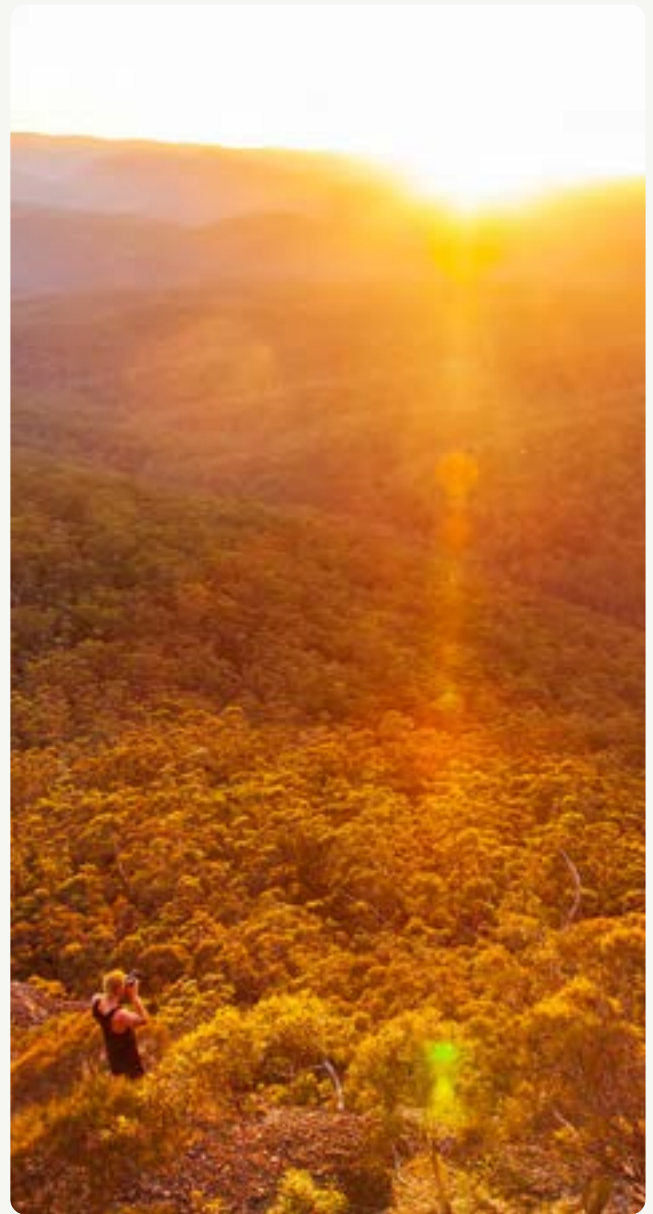


Transition

Echelon’s energy transition plan delves into three primary scenarios: Southern Sun, Nexus Neutral, and EcoAntipodes.

These scenarios are not forecasts of what will happen or preferred outcomes by Echelon. Instead, they explore potential implications stemming from various assumptions about the energy transition and the uncertainties surrounding those assumptions. These scenarios rely on existing technologies and do not account for the potential impact of entirely new or unknown technologies.

Given the numerous uncertainties surrounding the global energy system transition, the likelihood of any scenario materialising exactly as described is minimal. Additionally, these three scenarios do not cover the entire spectrum of potential paths for the transition. However, they encompass a broad range of possible outcomes, shedding light on the significant uncertainties surrounding energy markets up to 2050.



The upheaval in global energy supplies and the ensuing shortages, spurred by the Russia-Ukraine war, amplifies the significance of addressing the energy trilemma’s three facets: security, affordability, and sustainable reliability.

The prospects for natural gas depend on the speed of the energy transition, with increasing demand in emerging economies as they grow and industrialise offset by the transition to lower carbon energy sources, led by the developed world.

Oil demand declines over the outlook, driven by falling use in road transport as the efficiency of the vehicle fleet improves and the electrification of road vehicles accelerates. Even so, oil and gas continues to play a major role in the global energy system for the next 15-20 years.

The recent energy shortages and price surges underscore the critical need for a methodical transition away from hydrocarbons, ensuring that the demand for these resources aligns with available supplies. As existing production sources naturally decline, sustained upstream investment in oil and natural gas remains necessary over the next 30 years.

About our scenarios

OUR THREE SCENARIOS

Southern Sun, Netural Nexus and EcoAntipodes do not predict likely outcomes or reflect Echelon’s preferences but instead explores into the potential implications of various judgments and assumptions regarding the energy transition.

THE THREE SCENARIOS

Southern Sunrise

ALIGN WITH THE IPCC GOALS.

Endeavoring to limit 1.5 degrees increase by 2100, the Southern Sun 2050 scenarios present a prospective route leading to achieving net zero emissions.

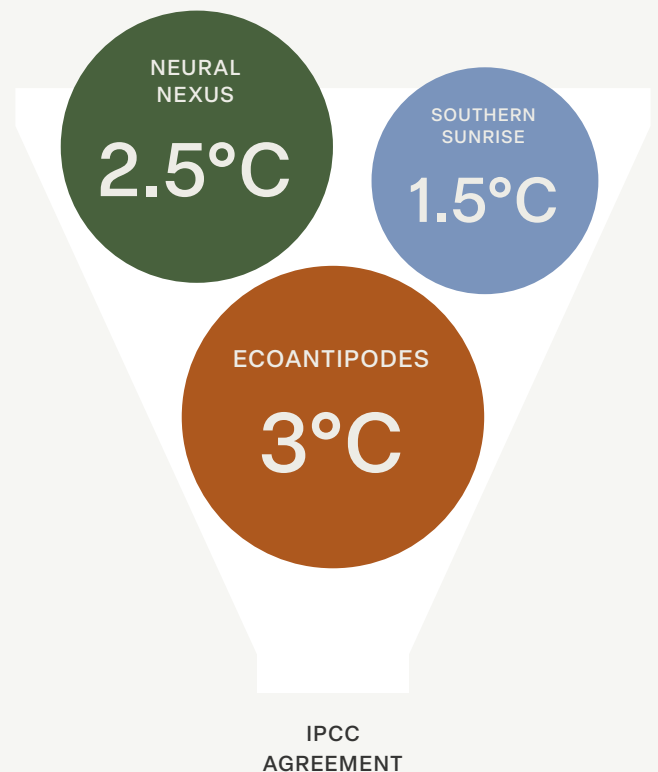
Neural Nexus

LPG constitutes just approximately 22.8% of the global gas supply, yet its versatility in transportation enables shipment worldwide. With the ongoing shift from coal to gas, demand extends beyond traditional regions and current pipeline infrastructures. Due to the reluctance to invest in costly and time-consuming pipeline ventures, which can take up to a decade to complete, the increasing demand for gas is predominantly fulfilled by LPG.

EcoAntipodes

FOCUSING ON ENERGY SECURITY

The security mindset that is leading today becomes established worldwide. Global outlook shifts away from prioritisation of emission management and starts to prioritise energy security and seeing gas as a viable option.



Southern Sun: Below 2°C

The Paris Agreement presents an aspirational roadmap for addressing climate change challenges. At its core, the agreement aims to cap the rise in global average temperature at levels well below 2°C above pre-industrial levels, with concerted efforts to limit the increase to 1.5°C.

Central to this endeavor is to achieve an equilibrium between human-induced emissions and the natural removal of greenhouse gases by sinks, particularly in the latter half of the century. This emphasis on achieving a "balance," often articulated as striving for "net-zero emissions," acknowledges the direct correlation between surface temperature rise and the cumulative volume of carbon dioxide (CO₂) emitted into the atmosphere. However, for the Southern Sun scenario to become an attainable scenario it requires a global collaborative effort by all.

Should total cumulative emissions exceed a critical threshold, there arises the possibility of surpassing net-zero emissions and entering a realm of "net-negative" emissions. This scenario entails extracting more CO₂ from the atmosphere than is being emitted. In such a scenario, there exists the potential for a reduction in the global average surface temperature.

KEY FEATURES OF SOUTHERN SUNRISE

Behavior changes in the composition of product demand, requiring refiners to adapt refinery configuration and business models and to invest heavily in emission reduction, hydrogen and biofuels.

Neutral Nexus

In the Neutral Nexus scenario while global gas demand reaches its peak in the mid-2020s and diminishes by over half by 2050, the short-term growth of LPG persists. In regions heightened LPG demand from Europe, encouraged by the ending of Russian pipeline imports, is primarily fulfilled by the leading LPG producers: Qatar, and the USA. These nations maintain dominance in the market for an extended period.

KEY FEATURES OF NEUTRAL NEXUS

The major announcements for the 2030 targets and longer-term net zero and other pledges, regardless of whether these have been anchored in implementing legislation or in updated nationally determined contributions.

EcoAntipodes

In the EcoAntipodes scenario, security takes precedence. Innovations are embraced, infrastructure is revitalised, and eventually, the global community achieves net-zero emissions. However, this progress comes at a cost, the Paris Agreement's objectives are physical.

KEY FEATURES OF ECOANTIPODES

We will see a global oil demand ensuring our energy security is met.

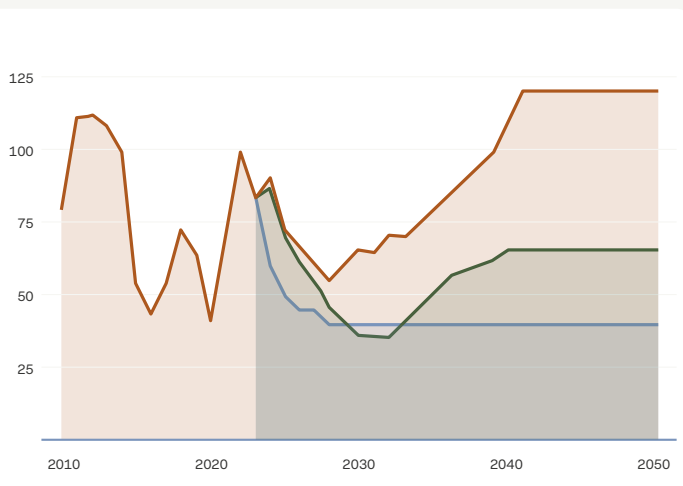
Modeling Methodology

Scenario planning revolves around 'Energy Transition Risks', which entail the challenges of transitioning to a climate scenario marked by lower oil prices. These risks are addressed through three distinct scenarios, each aimed at curbing global emissions to ensure that the global mean temperature, particularly in the 'Southern Sun 1.5°C' scenario, remains stable. Furthermore, we've incorporated crucial performance metrics for the upstream industry across these scenarios, encompassing variables like oil and gas prices, production levels, resource allocation, investment patterns, and governmental involvement. Each scenario has been meticulously modeled using the Rystand U-Cube framework which incorporates the IPCC 6 report model.

Prices

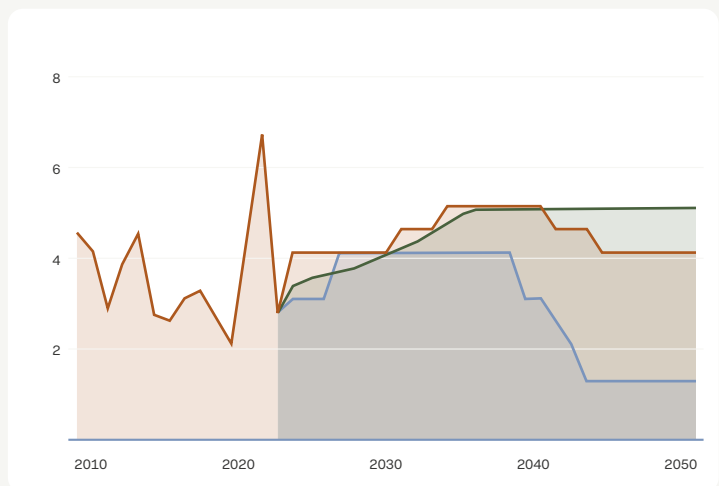
BRENT OIL PRICE FOR DIFFERENT SCENARIOS

USD/bbl (real)



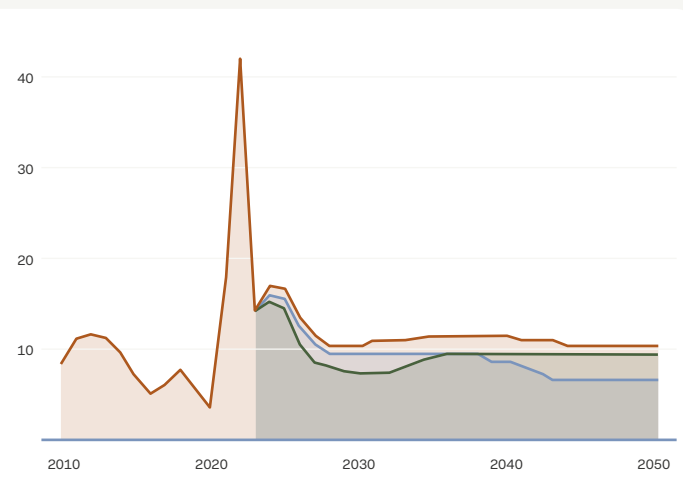
HENRY HUB GAS PRICE FOR DIFFERENT SCENARIOS

USD/kcf (real)



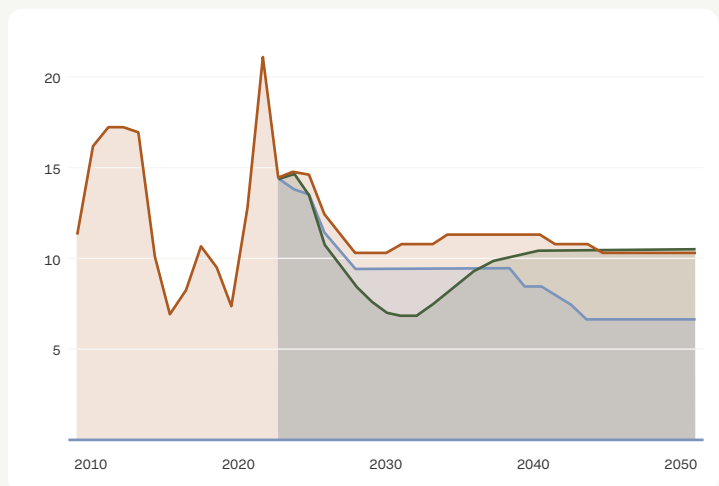
EUROPEAN GAS PRICE FOR DIFFERENT SCENARIOS

USD/kcf (real)



EAST ASIA LNG GAS PRICE FOR DIFFERENT SCENARIOS

USD/kcf (real)



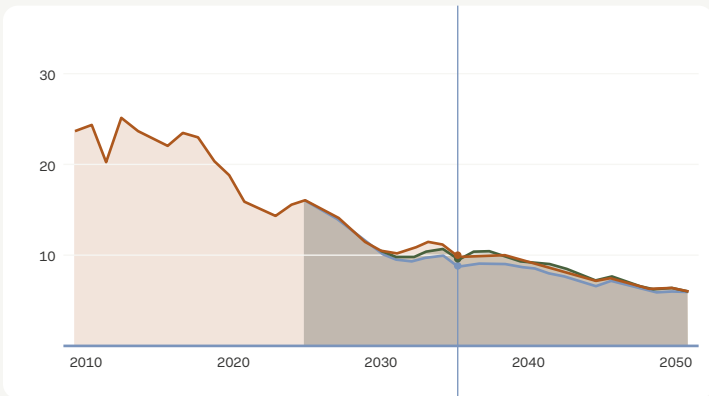
bbl - barrel kcf - thousand cubic feet

● Southern Sun
 ● Neutral Nexus
 ● EcoAntipodes

Production

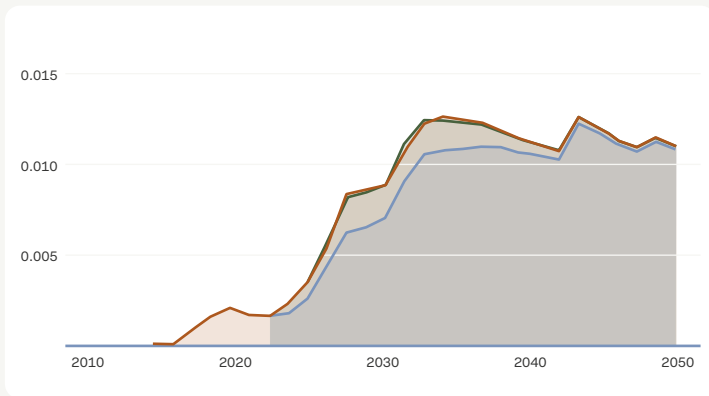
GLOBAL LIQUID SUPPLY FOR DIFFERENT SCENARIOS

USD/bbl/d



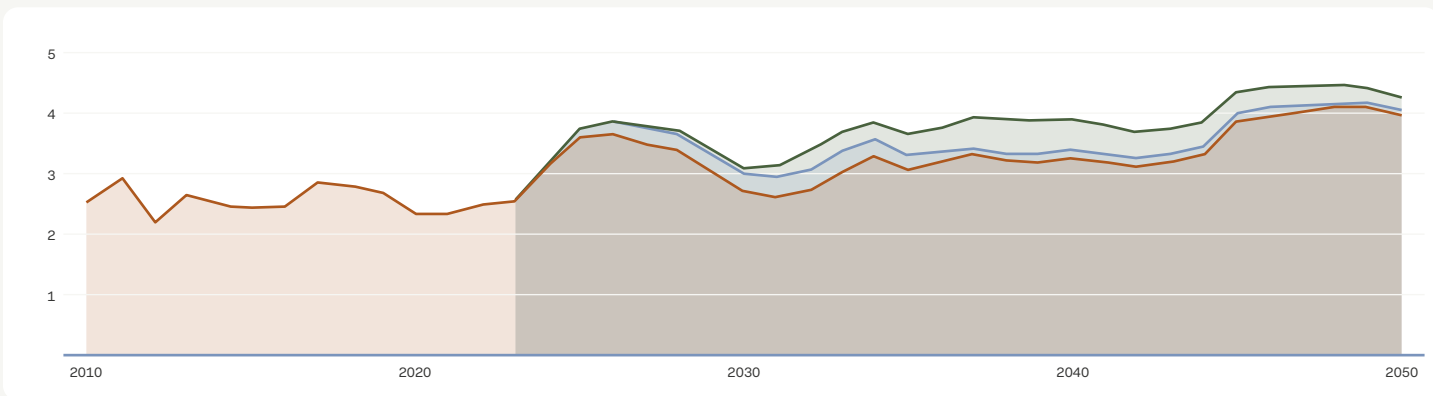
CALL ON NEW LIQUID RESOURCES FOR DIFFERENT SCENARIOS

Million bbl/d



GLOBAL GAS SUPPLY FOR DIFFERENT SCENARIOS

BCM



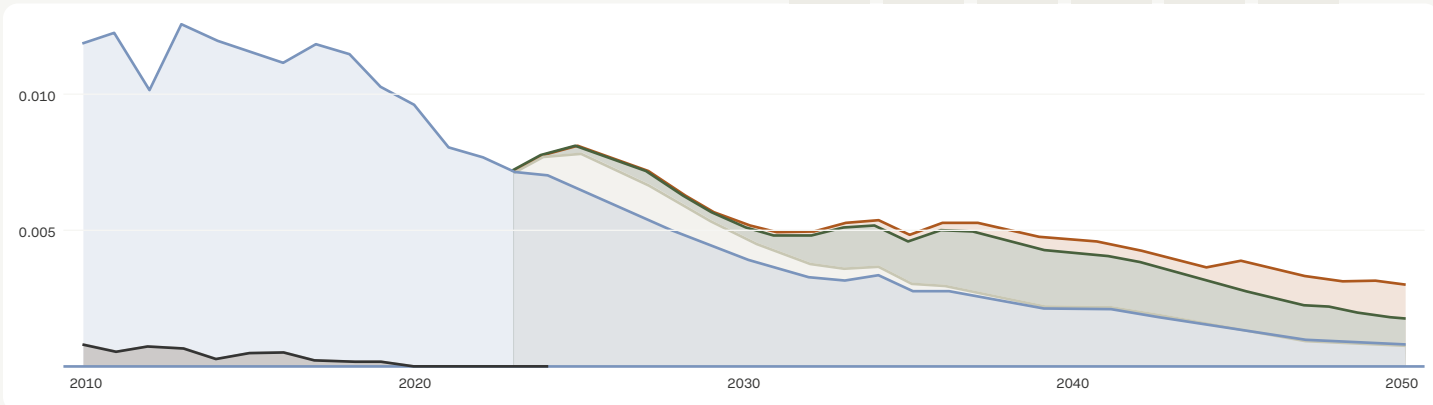
bbl/d - barrel per day BCM - billion cubic meters

● Southern Sun ● Neutral Nexus ● EcoAntipodes

BREAKDOWN OF GLOBAL LIQUIDS SUPPLY BY LIFECYCLE IN DIFFERENT SCENARIOS

Million bbl/d

NZE -Sigma Mean +Sigma APS OPEC



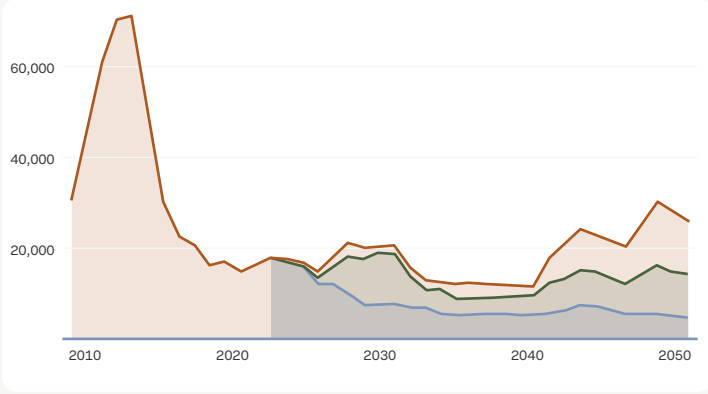
bbl/d - barrel per day

● Abandoned ● Producing ● Under development ● Discovery ● Undiscovered

Investment

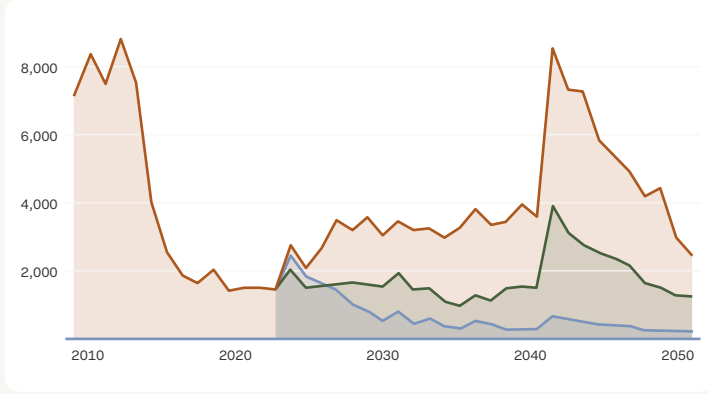
GLOBAL E&P INVESTMENTS IN DIFFERENT SCENARIOS

Million USD (real)



GLOBAL EXPLORATION INVESTMENTS IN DIFFERENT SCENARIOS

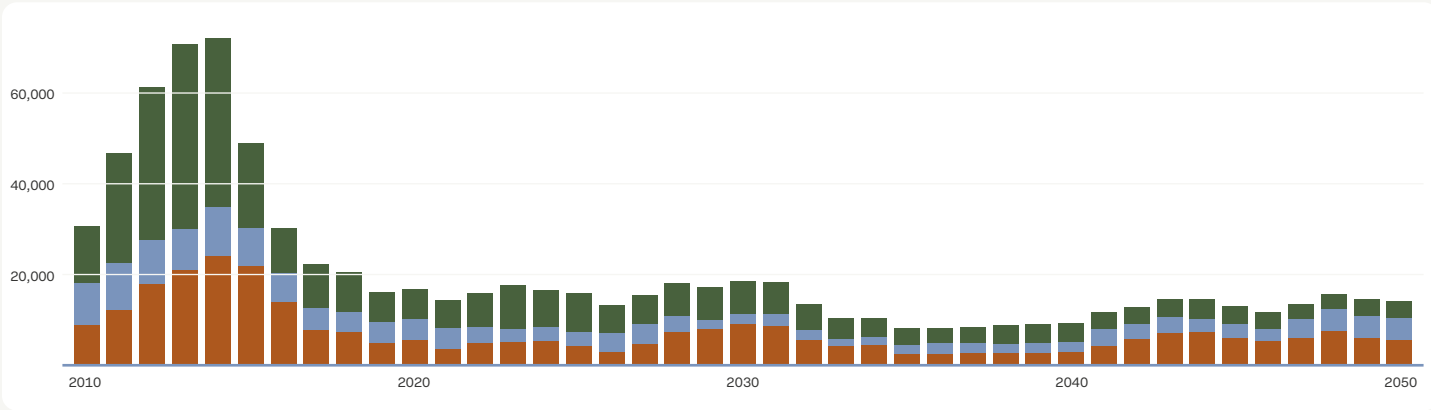
Million USD (real)



● Southern Sun ● Neutral Nexus ● EcoAntipodes

BREAKDOWN OF GLOBAL INVESTMENTS IN DIFFERENT SCENARIOS

Million USD (real)



● Offshore deepwater ● Offshore shelf ● Other onshore

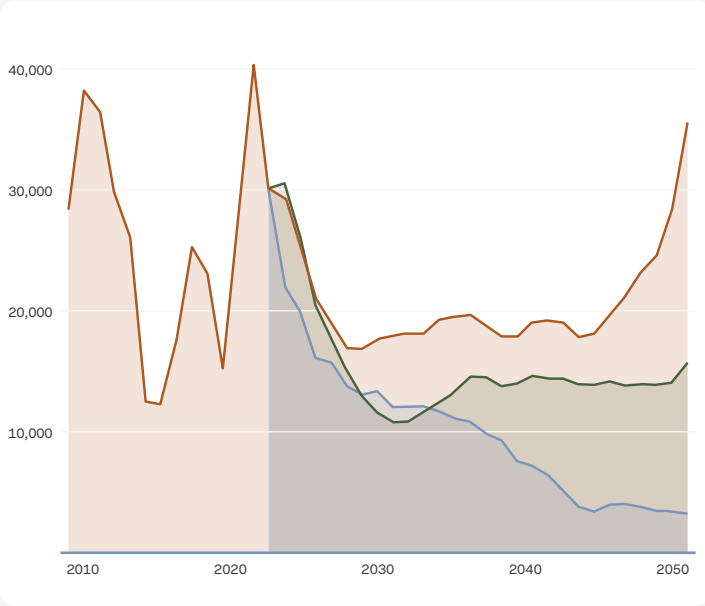
COMPOUND ANNUAL GROWTH RATE FROM 2022 TO 2030

SUPPLY SEGMENT GROUP	NZE CAGR	-Sigma CAGR	MeanCAGR	+Sigma CAGR
Offshore deepwater	-14.7%	-11.4%	7.5%	7.5%
Offshore shelf	-17.8%	-12.8%	-6.2%	-3.6%
Other onshore	-11.9%	-7.1%	0.1%	1.7%
TOTAL	-13.9%	-9.5%	2.0%	2.9%

Government Take

GLOBAL E&P GOVERNMENT TAKE IN DIFFERENT SCENARIOS

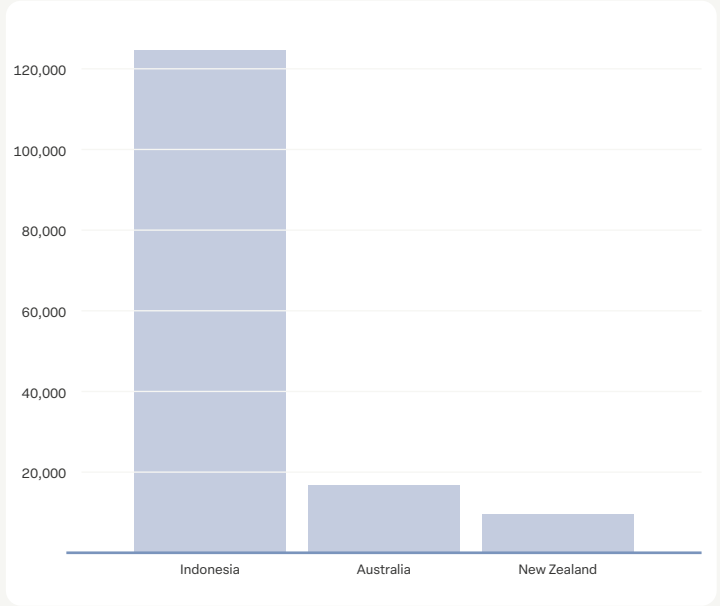
Million USD (real)



● Southern Sun ● Neutral Nexus ● EcoAntipodes

DIFFERENCE IN GOVERNMENT TAKE BETWEEN MEAN AND +SIGMA FOR 2023-50

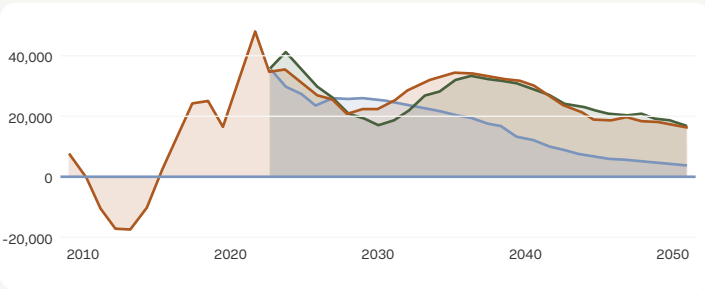
Million USD (real)



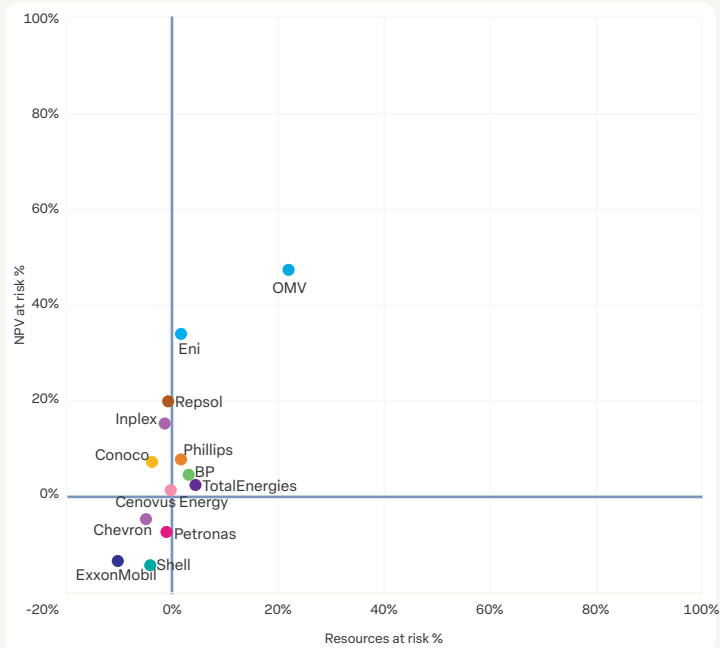
Value at Risk

GLOBAL FCF FOR THE UPSTREAM INDUSTRY FOR DIFFERENT SCENARIOS

Million USD (real)



VALUE AND RESOURCE RISK OF UPSTREAM PLAYERS



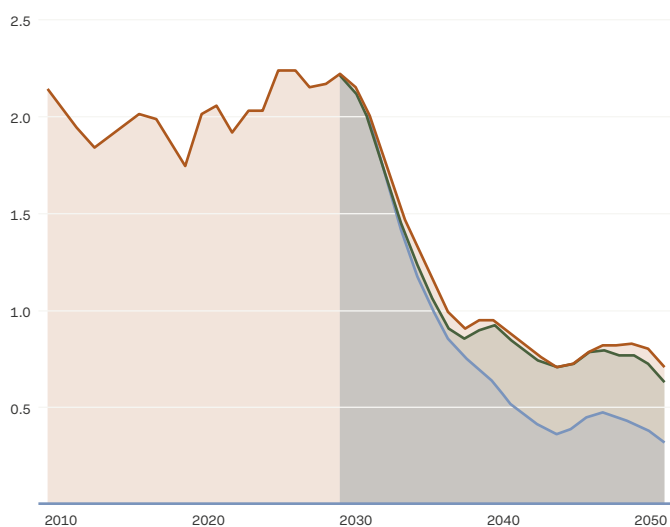
TOTAL REMAINING RECOVERABLE LIQUID RESOURCES BY SCENARIO IN 2023

LIFE CYCLE CATEGORY	-sigma	Mean	+sigma
Producing	3,941	4059.96	4,267
Under development	292	301.06	301
Discovery	529	2,814.47	3,011
TOTAL	4,762	7,175.49	7,580

Transition Risk

TOTAL LIQUID SUPPLY FOR DIFFERENT SCENARIOS

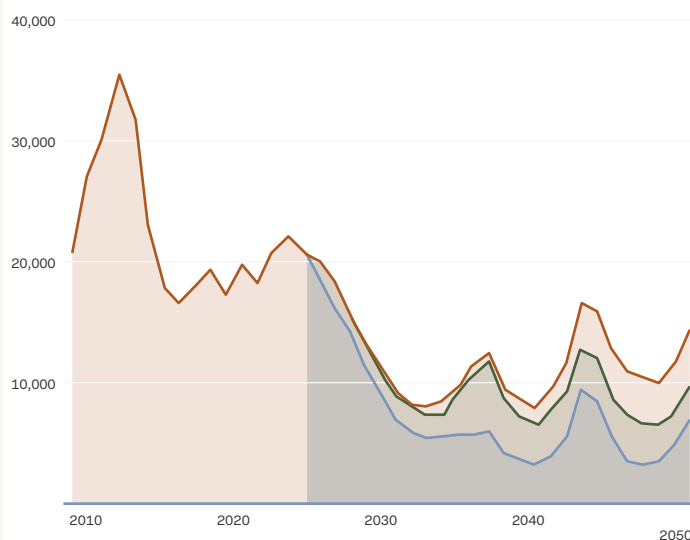
Million bbl/d



bbl/d - barrel per day

TOTAL INVESTMENTS IN DIFFERENT SCENARIOS

Million USD (real)



● Southern Sun ● Neutral Nexus ● EcoAntipodes

TOTAL REMAINING RECOVERABLE LIQUID RESOURCES BY SCENARIO IN 2023

Million barrel

LIFE CYCLE CATEGORY	NZE	-Sigma	Mean	+Sigma	APS	OPEC
Producing	6,520	7,392	7,442.86	7,505	7,429	7,506
Under development	1,569	1,630	1,630.86	1,631	1,631	1,631
Discovery	1,117	1,409	1,687.30	2,265	1,548	2,369
Undiscovered	229	1,856	4,665.09	7,239	4,491	13,592
TOTAL	9,435	12,287	15,426.12	18,640	15,099	25,098

TRANSITION RISK

Resources at risk	Capex at risk	Government take at risk	NPV at risk	Exploration Capex at risk
14.2%	6.1%	23.6%	24.6%	8.9%

LIFE CYCLE CATEGORY	Government take at risk, MUSD	NPV at risk, MUSD	Capex at risk, MUSD
Producing	180,011	26,193	5,030
Under development	41,805	5,957	129
Discovery	80,804	9,550	8,349
Undiscovered	106,901	624	19,956
TOTAL	409,521	42,324	33,465

Country Detail

ENERGY TRANSITION RISK

GLOBAL AVERAGE

Resources at risk	Capex at risk	Government take at risk	NPV at risk	Exploration Capex at risk
59.8%	44.1%	59.3%	54.5%	86.6%

SUPPLY SEGMENT

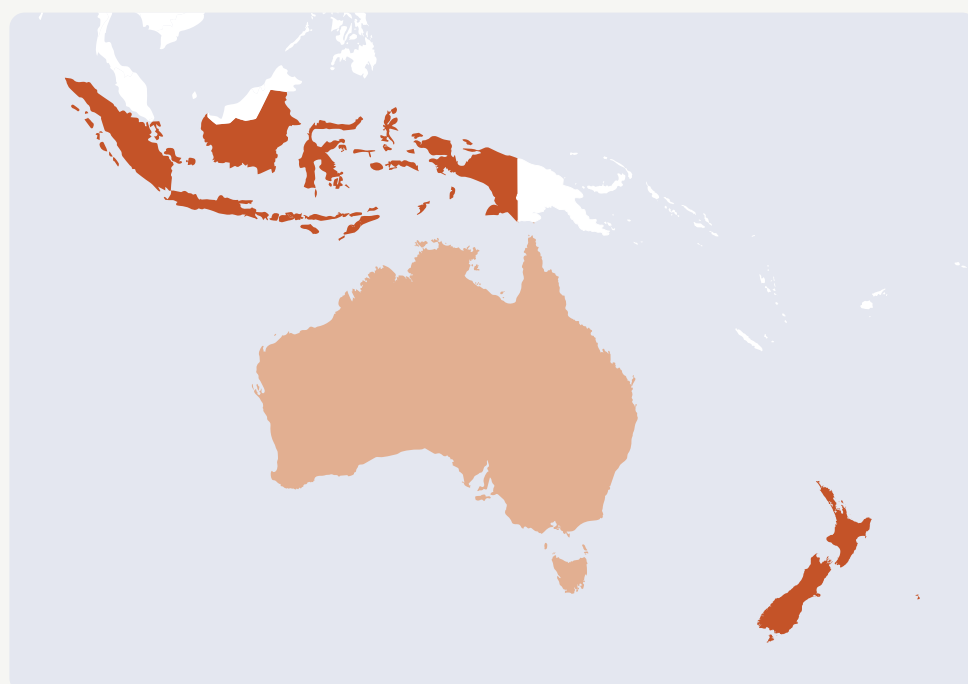
SUPPLY SEGMENT GROUP	Resources at risk	Capex at risk	Government take at risk	NPV at risk	Exploration Capex at risk
Offshore deepwater	29.3%	6.6%	66.0%	80.6%	28.1%
Offshore shelf	88.2%	62.4%	64.7%	30.6%	97.1%
Shale/Tight oil	100.0%	100.0%	100.0%	100.0%	100.0%
Other onshore	20.3%	38.8%	57.4%	56.7%	28.1%

CONTINENT

CONTINENT	Resources at risk	Capex at risk	Government take at risk	NPV at risk	Exploration Capex at risk
Australia	59.8%	44.1%	59.3%	54.5%	86.6%

COUNTRY

Colour is based on the resources risk



Resource Risk

- < 10% of the resources are at risk
- 10–20% of the resources are at risk
- 20–30% of the resources are at risk
- 30–50% of the resources are at risk
- > 50% of the resources are at risk

Carbon Footprint and Others



We calculated the annual carbon dioxide (CO₂) footprint for Echelon and our assets in accordance with the requirements of the Greenhouse Gas (GHG) Protocol, a Corporate Accounting and Reporting Standard. Echelon reports its GHG emissions in tonnes of CO₂ equivalents (tCO₂e), in compliance with the requirements set by the GHG Protocol. There has also been guidance from the following sources:

- GHG Protocol – Corporate Value Chain (Scope 3) Accounting and Reporting Standard
- GHG Protocol – Technical Guidance for Calculating Scope 3 Emissions (version 1.0)

Emission factors utilised in FY24 have been from the following sources:

- Ministry for the Environment (MfE) 2023 Measuring Emissions: A guide for organisations (NZ)
- Department of Climate Change, Energy, the Environment and Water 2022 Australian National Greenhouse Accounts Factors (Australia)
- Department for Environment Food & Rural Affairs (DEFRA) 2022 Greenhouse gas reporting: conversion factors (UK)
- DEFRA 2021 Greenhouse gas reporting: conversion factors (UK), for items not included in their 2022 report
- Environmental Product Declaration (EPD) information for similar items to products purchased
- Motu factors

Echelon boundary

Echelon applies the financial control approach when calculating emissions. This is based on the same approach taken when consolidating Echelon Financial Statements. Organisational boundaries were applied with reference to the methodology described by the GHG Protocol. To ensure a complete and accurate assessment of all relevant operations, all of the investments of Echelon have been included in the financial control scope of the emissions inventory. Emissions are identified across the entire Echelon operation being at onshore and offshore operations, and office areas. Emissions sources excluded specific emission sources have been identified and excluded from the Echelon GHG emissions calculation in FY24. These sources are either not applicable to Echelon operations or are relevant but are either not material.

Emissions sources excluded

Specific emission sources have been identified and excluded from the Echelon GHG emissions calculation in FY24. These sources are either not applicable to Echelon operations or are relevant but are either not material in the context of the GHG inventory (greater than 5% of overall emissions), material to stakeholders, and/or not technically feasible or cost effective to be quantified at present.

CATEGORY 7

Employee commuting. Information is not tracked; estimated impact is immaterial.

CATEGORY 10

Processing of sold products. Not applicable.

CATEGORY 11

Consumer use of product. No specific data available, estimated impact is immaterial.

CATEGORY 13

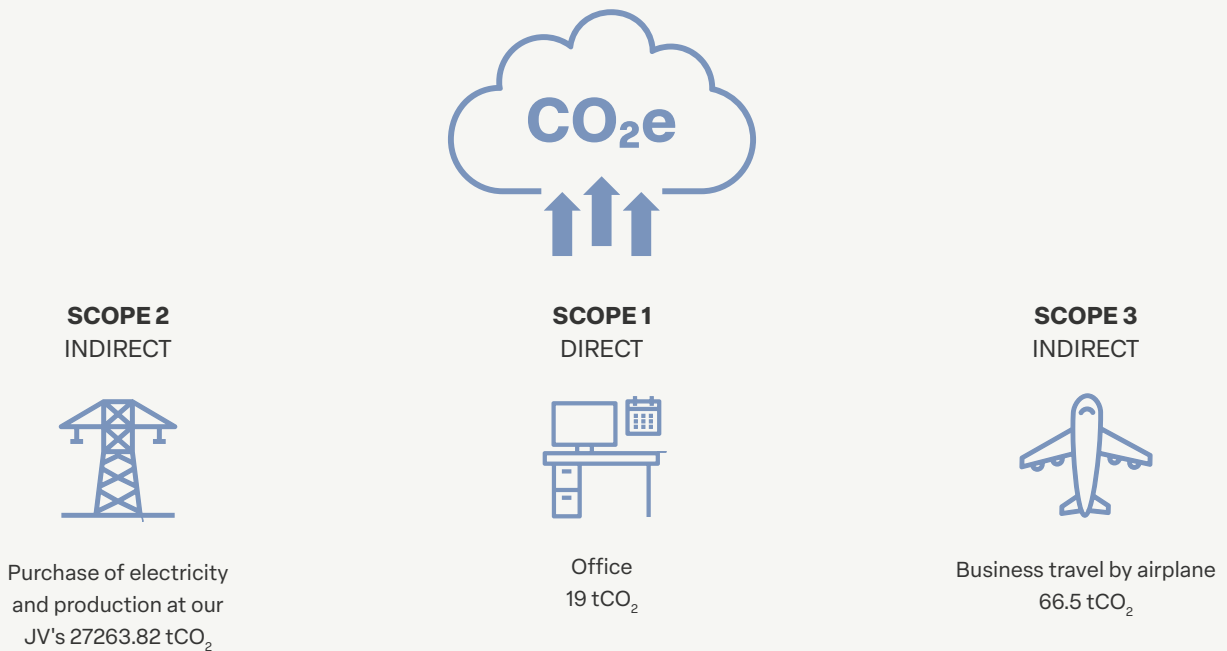
Downstream leased assets. No specific data available, estimated impact is immaterial.

CATEGORY 14

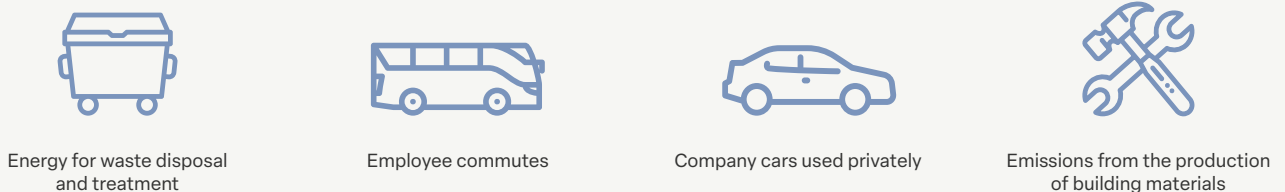
Franchises. Not applicable.

CATEGORY 15

Investments. Not applicable.



BEYOND THE SCOPE

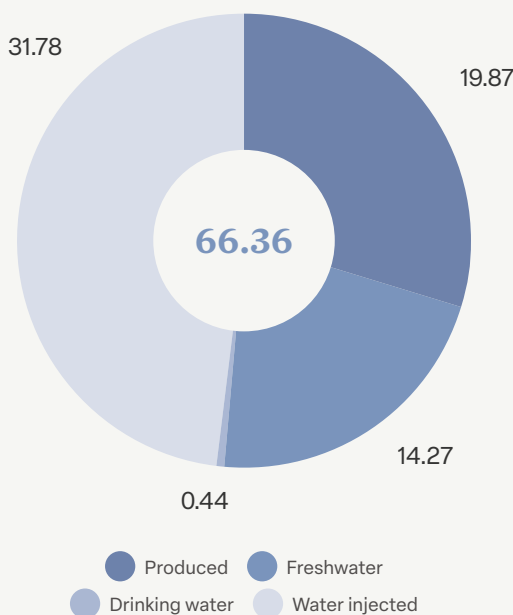


Conservation of natural water resources

Water is one of the most precious and essential resources on our planet. Despite covering two-thirds of the Earth's surface, only about 0.3 percent of it is drinkable, and its distribution is highly uneven. Compounded by climate changes and accompanying droughts, there's a growing global water shortage, leading to fierce competition for this invaluable resource in many regions. Due to assets like ones that are based in the Amadeus Basin who are affected by the remoteness of the assets, heightening the importance of our contribution to protecting natural water resources. It's imperative that we utilise water efficiently in our operational processes and ensure no adverse impact on water quality.

We have started annually, we calculate our total water consumption, incorporating data from our JV partners the Group's water consumption reached 66.35 mega-litres.

TOTAL WATER REQUIREMENTS FY2024 BY SOURCE IN MEGA-LITRES



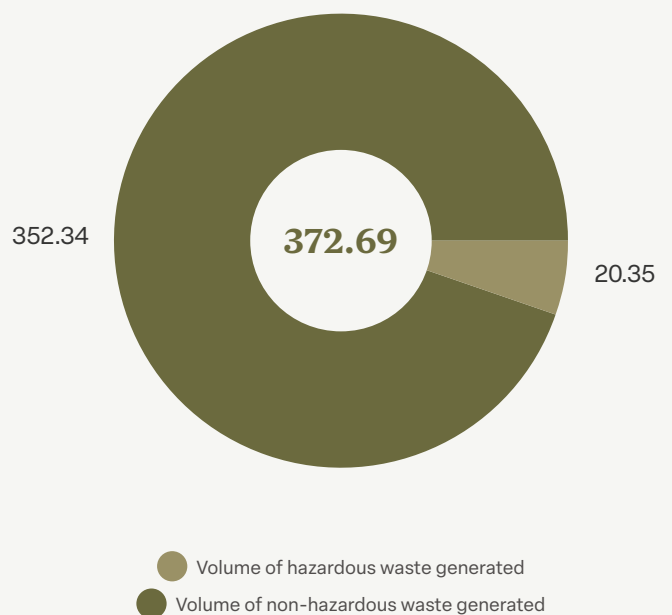
Waste & wastewater management

Presently, global waste production exceeds two billion tons annually, with a noticeable upward trajectory. Simultaneously, our oceans are experiencing gradual acidification alongside severe pollution stemming from inadequate waste and wastewater management. Given these circumstances, it becomes increasingly crucial for us to make a positive impact through efficient waste and wastewater management practices.

WASTE PRODUCTION

Hazardous and industrial waste hold importance within our operations. Hazardous waste encompasses materials with properties like flammability, toxicity, or corrosiveness, necessitating special recycling and disposal methods typically aligned with country-specific regulations. Industrial waste includes materials not commonly found in households, such as scrap metal and rubble. In 2024 our JV activities generated a total of 372.689 tons of waste with approximately 5.4 percent classified as hazardous and 94.4 percent as industrial waste.

TOTAL WASTE BY TYPE FY2024 IN CUBIC-METRES



Our employees

Our employees are the cornerstone of our success and corporate culture. We are committed to being a fair employer with robust ethical principles. We aim to support company growth by attracting high-quality individuals and offering them a diverse and healthy working environment.



We believe that fostering a diverse and inclusive workplace not only enhances our organisational culture but also promotes innovation, creativity, and collaboration. By embracing and celebrating the rich tapestry of nationalities within our workforce, we strengthen our commitment to sustainability and strive to create a more equitable and inclusive future for all.

	2023	2024
EQUAL OPPORTUNITY		
Number of different Nationalities	10	10
Share of Female Employees	10	11
EMPLOYEE TURNOVER		
Employees who entered the company	4	2
Employees who left the company	4	2
Fluctuation rate according to GRI (%)	19	9.5

Employees

Echelon is proud to highlight the diversity of nationalities within our workforce as a key aspect of our sustainability efforts. We embrace diversity and recognise the value that individuals from different backgrounds bring to our organisation. Our team is made up of individuals from 10 different nationalities, each bringing unique perspectives, experiences, and expertise to enhance our operations.

Woman in industry

We recognise the invaluable role that women play across all levels and functions, contributing to the success and growth of Echelon. From leadership positions to technical roles, women at Echelon bring diverse perspectives, skills, and expertise that enrich our workplace and drive innovation. We are dedicated to fostering an inclusive and supportive environment where women can thrive professionally and personally. Through initiatives such as mentorship programs, leadership development opportunities, and flexible work arrangements, we aim to empower and promote the advancement of women within Echelon. By embracing gender diversity and promoting gender equality, we strengthen our commitment to sustainability and create a more equitable and inclusive workplace for all.

Next Milestones

- Reinforcing our safety culture with campaigns and trainings.
- Promote ongoing engagement with diversity initiatives, policies and guidelines to ensure they are evolving appropriately.
- During any relevant board selection process, ensure at least one credible and suitably experienced female candidate is provided for consideration.
- Provide talent management support for diverse and emerging leaders.

Retain Rainbow Tick.

Supporting diversity



Proudly Rainbow inclusive

Echelon is proud to earn a Rainbow Tick and be a leader in our industry in accepting and valuing people in the workplace, embracing the diversity of sexual and gender identities.

The certification process tests whether a workplace understands and welcomes sexual and gender diversity. The process involves an on-going quality improvement process.

Rainbow refers to people who identify as lesbian, gay, bisexual, transgender, takatāpui and intersex (LGBTQTIA+).



Diversity statement

The Company is committed to an inclusive workplace that embraces diversity.

The Company values, respects and leverages the unique contributions of people with diverse backgrounds, experiences and perspectives.

Diversity is about commitment to equality and treating all individuals with respect, and includes, but is not limited to, gender, age, disability, ethnicity, marital or family status, religion, sexual orientation, gender identity or expression, and cultural background.

The Company commits to recruiting from a diverse pool of candidates, who will be considered with no conscious or unconscious bias that might discriminate against certain candidates.

The Company's employment practices and policies take into account the domestic responsibilities of employees and adopts flexible work practices.

The Company supports the determination of self-identity by all employees including using the titles, names and pronouns of their choice. We seek advice from external organisations to appropriately support staff.

The Board establishes measurable objectives for achieving gender diversity. The Board may establish measurable objectives for other aspects of diversity, and assesses regularly both the set objectives and the progress in achieving them.

The Company's Diversity Policy is available here

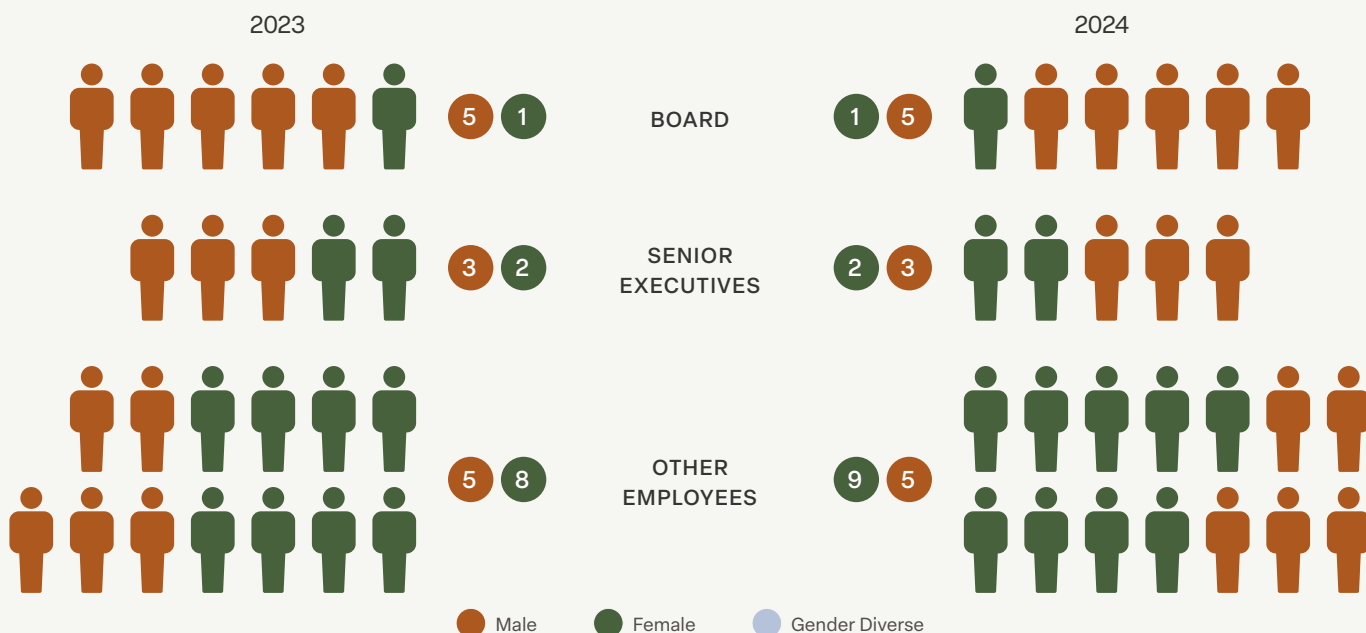


backend.echelonresources.com/assets/Reports/Corporate-Governance/Echelon-Policies/2024-06-Diversity-Policy.pdf

Diversity performance metrics

Diversity Performance 2023-24

The following charts show gender diversity across the company (excluding contractors) as at 31 March 2024, and compares that to numbers as at 31 March 2023.



Compliance with the Diversity Policy

With respect to the provision of the diversity policy, the Board has determined that the Company has complied with the policy.

Objective	Progress
Promote ongoing engagement with diversity initiatives, policies and guidelines to ensure they are evolving appropriately.	<p>The Te Ata initiative carries this. Te Ata supports and nurtures the wellbeing of the whole team and includes coaching opportunities, training/upskilling opportunities, Dale Carnegie 'being the best you' training, effective communication training, Stevie the ITP (a new internal training platform) and a monthly bookclub.</p> <p>Policies have been reviewed and retained to ensure they are not impacting our ability to maintain a diverse workplace.</p> <p>We have a flexible working guideline which complements the family friendly policies and diversity policy, these are available to view on our website. Candidates have commented positively on these initiatives when we have recruited.</p>
Providing talent management support for diverse and emerging leaders.	<p>Te Ata maintains a Cultural Calendar which celebrates cultural events that have meaning to our people. We have tied these into staff gatherings e.g. Thanksgiving, St Patricks Day, Burns night, Dwali, Matariki, Christmas, Pride Month;</p> <p>The Company is a participant in Diversity Works and staff have had the opportunity to participate in workshops, webinars and networking opportunities. This will continue in 2024-25.</p> <p>Development coaching has been made available to selected employees.</p> <p>Stevie the ITP is an initiative that was launched earlier in the year. It is an in-house training platform that we developed ourselves, largely over the Christmas break, and is a hub for continual learning with spaces for each team and group training to be captured and accessible to all. This was developed at no additional cost and showcases the continual learning and development individuals can access. We have also made Coursera available to staff who use this on a rota basis.</p>
Retain Rainbow Tick	This has been retained, including an audit and further full team training. Our continuing retention has also been commented on positively by recruitment candidates, and external stakeholders (industry bodies, the NZX, Sharesies etc).

Education & training



We believe in empowering our employees based on their talent, performance, and achievements. To ensure that we have the right individuals in the right roles at the right time, we actively foster the professional expertise and capabilities of our workforce while also nurturing the development of future talent. We recognise the growing importance of sustainability issues and integrate them into our newly launched internal training platform, Stevie. Our approach to education and training emphasises practical learning through day-to-day tasks and project involvement, supplemented by seminars and 'Lunch & Learns'.

Health & safety

We prioritise the wellbeing of our employees and all individuals working at our facilities. We are dedicated to fostering a safe and ethical work environment where everyone can flourish. Our aim is to consistently improve safety standards through technological advancements, organisational improvements, and behavioural initiatives. As a non-operator, we actively engage with our JV partners in technical decision meetings to prioritise health and safety measures.

Instruments & measures

We recognise the diverse nature of activities within our company. We conduct risk assessments and develop customised solutions. Internally we use an incident database to analyse and learn from incidents, including accidents, near misses, and unsafe acts. To uphold our internal standards, our HSE & Sustainability team member conducts independent or joint audits at selected operational sites through spot checks with representatives from the operating units. Our proactive approach is further supported by campaigns aimed at raising risk awareness and surveys focused through Te Ata on safety culture within the office.

	2023	2024
HSSE		
Fatalities	0	0
LTI	0	0
Near miss and unsafe acts	5	6

Next Milestones

To implement management walks as a KPI

Reinforcing our safety culture with campaigns and trainings

Implementation of a training hours KPI

Corporate citizenship

We are dedicated to fostering corporate citizenship and supporting human development, including the wellbeing of the communities in which we operate. Aligned with our defined focus areas of Environment, Education, Health, Culture & Sports, and Humanitarian Aid, we provide financial assistance, encouraging voluntary work from our employees, and collaborating with charitable organisations. Through these initiatives, we aim to make a positive and lasting impact on society and contribute to the betterment of the communities we serve.

	2023	2024
CORPORATE CITIZEN		
Investments in the community (donations & sponsoring)	\$40,000	\$ 35,000
Staff Volunteers	7	5
Staff Volunteers Hours	120	320



Giving back to the FIFA women's world cup

Next Milestones

Conduct a baseline assessment of our current initiatives to ensure they continue to align with the Company's values.



Scout Leader



Supporting tree planting



513 trees planted in 2024

555 in 2023

545 in 2022



Echelon is proud to contribute 678 trees through Trees that Count to The Halo Project, administered by the Landscape Connections Trust (LCT). This umbrella project encompasses various community-driven conservation and environmentally focused initiatives in Ōtepoti/Dunedin, such as predator control, freshwater enhancement, forest habitat restoration, and seabird habitat restoration. Covering an area of roughly 124,000 hectares from North Dunedin to the Waihemo Shag River, the Source to Sea team prioritises fencing and planting based on data-driven hotspots.

Their seven guiding principles focus on connecting habitats, restoring entire catchments, emphasising publicly visible sites for education, aligning with Māori values, rewarding previous restoration efforts, encouraging formal site protection, and promoting wetlands and biodiversity.

The project works with private and public landowners to enhance the quantity, quality, and connectivity of forest habitats, aiming to integrate indigenous biodiversity into agricultural and residential landscapes.

Town Belt Kaitaki

Our support of planting 678 trees to the Town Belt Kaitaki (TBK), a student-led education program for Dunedin schools and early childhood centers. This initiative helps young people develop environmental knowledge, stewardship values (kaitiakitanga), leadership skills, and overall well-being (hauora). TBK encourages teachers and students to use the Dunedin Town Belt as a dynamic, real-life setting for place-based learning, serving as an outdoor classroom and nature play space. Through this program, students learn to appreciate and understand the TBK's significance and mauri (life force), gaining the skills to sustain and care for our natural environment. The program's development, coordination, and leadership are facilitated by three key groups:

The Student Leadership Team, comprising student representatives from participating schools, who serve as ambassadors, share a vision for the Town Belt, and lead by example.

The Strategic Leadership Group, which includes representatives from the Dunedin City Council, Department of Conservation, Te Rūnaka o Ōtākou, Kāti Huirapa Rūnaka ki Puketeraki, Dunedin Amenities Society, Otago Natural History Trust, University of Otago, Chamber of Commerce, and Toitū Otago Settlers Museum.

The Education Coordinator, who supports, networks, and connects all partnering groups and schools.

Through this collective effort, TBK empowers students to make a positive impact on their local environment and community as part of their school curriculum.



Sustainability Initiatives

Te Tapu o Tāne

We are thrilled to have contribute 555 trees to Te Tapu o Tāne, an inspiring new native tree and plant nursery venture with a charitable purpose. Launched in the heart of Murihiku Southland—Waihopai / Invercargill, New Zealand, this initiative is founded by mana whenua, the four Papatipu Rūnanga of Murihiku—Waihopai, Awarua, Hokonui, and Ōraka-Aparima. Te Tapu o Tāne embodies the spirit of its name, which means ‘The Sacredness of Tāne and his tamariki’ (the forest), aiming to restore the mauri of our land and waterways through high-quality native plantings. We are proud to support this meaningful project and its commitment to environmental stewardship and community growth.

Paradise Trust

We have contribute 100 trees to the Paradise Trust initiative, recognising the vital role Kowhai trees play in the Otago landscape. As a unique species native to New Zealand and in steady decline, planting Kowhai trees is crucial for both enhancing the landscape and supporting native birdlife. The Trust offers the community an accessible wilderness experience, welcoming guests and visitors year-round to appreciate biodiversity values.



Inner Most Garden

As part of our sustainability initiatives, Echelon is excited to announce the establishment of a vegetable patch in Wellington. This initiative reflects our commitment to sustainability and environmental stewardship. The vegetable patch will not only provide fresh produce for our employees but also serve as a hands-on opportunity to promote environmental awareness and sustainable practices within our team and simultaneously promote wellbeing for our people. By engaging in this project, we aim to reduce our carbon footprint, encourage teamwork, and foster a connection with nature right in our workplace.

Sustainable Development Goals



The UN's 2030 Agenda for Sustainable Development outlines the world's plan of action to end poverty, protect the planet, and ensure prosperity for all.

The SDG recognise the provision of energy as a crucial element for achieving the 2030 agenda.

The SDGs serve as a framework for partnership between governments, society, and businesses, and 17 of these goals are relevant to our upstream oil and gas sector, particularly UNSDG7:

Ensure access to affordable, reliable, sustainable and modern energy.

Below, we have outlined our most significant contributions to the relevant SDGs

Mapping the Sustainable Development Goals to our activities



Natural gas helps to keep energy costs affordable and reduce energy poverty.

Echelon is actively contributing to the domestic gas market in Australia by offering new gas supply agreements and progressing new gas supply. These efforts help maintain energy supply to the people of Australia, essential for their homes, their electricity and their industry. We do that by producing gas while gas is a transition fuel and is in short supply.

Recently, Echelon and its JV partners concluded successful expressions of interest for their Amadeus Basin gas, resulting in new agreements to supply up to 40.4 PJ of gas to the Northern Territory Government from 2025 to 2031. These contracts not only support long-term gas availability in the Northern Territory, but also support the development of new wells, which will bolster domestic supply and mitigate potential shortfalls.

The Australian energy regulator reports

aer.gov.au/wholesale-markets/wholesale-statistics

New Zealand gas pricing and supply

gasindustry.co.nz/data/gas-pricing/

In New Zealand, we sell gas from our interest in the Kupe gas field and production facility for electricity generation. The electricity markets and energy supply in New Zealand face constraints, and our production helps to reduce supply uncertainty and apply downward pressure on prices for households and consumers.

ACCC Statistics

acc.gov.au

The royalties we pay help the government fund essential social services.

Royalties paid	NZD, 000s, unaudited
Royalties expense	4,239,896.62



We help to reduce poverty by supporting vulnerable families with their energy needs

We continue to recognise the significant impact that curtains can have on the warmth of a home. In Dunedin, where cold homes are known to cause illnesses, we have purchased curtains for 249 households in need. To reduce energy bills and alleviate hardship for vulnerable families, we proudly partner with the Dunedin Curtain Bank. Through this partnership, we up-cycle unwanted and unused curtains, line them, and distribute them to those in need. Our ongoing efforts have resulted in an average savings of \$183 per household per year, amounting to a total of \$45,467 saved for the households we have assisted through the Dunedin Curtain Bank.



The Company supports community health with important initiatives.

We continue to support world-class research at the Salk Institute for Biological Studies, which is at the forefront of groundbreaking research into climate change, aging, cancer, neurodegenerative conditions, and infectious diseases (see more on page 58). Our commitment to fostering healthy communities is still demonstrated through our sponsorship of healthy homes initiatives (refer to item 1 above). Additionally, we recognise the critical role of agricultural exports from New Zealand and Australia in addressing global food security. Ensuring affordable energy remains a key priority to sustain agricultural production and support this essential sector.



The Company supports the whole health and wellbeing of its staff.

Our Te Ata initiative is at the heart of our commitment to nurturing the holistic wellbeing of our team. This evolving program offers a range of support mechanisms, including personalised coaching, extensive training, and upskilling opportunities, as well as specialised resilience training. We place a strong emphasis on safe operations and prioritise the health of our workforce. By directly linking staff incentives to our corporate health and safety performance, we ensure that the wellbeing of our employees is not just a priority but a fundamental component of our operational success.

Read our health and safety policy

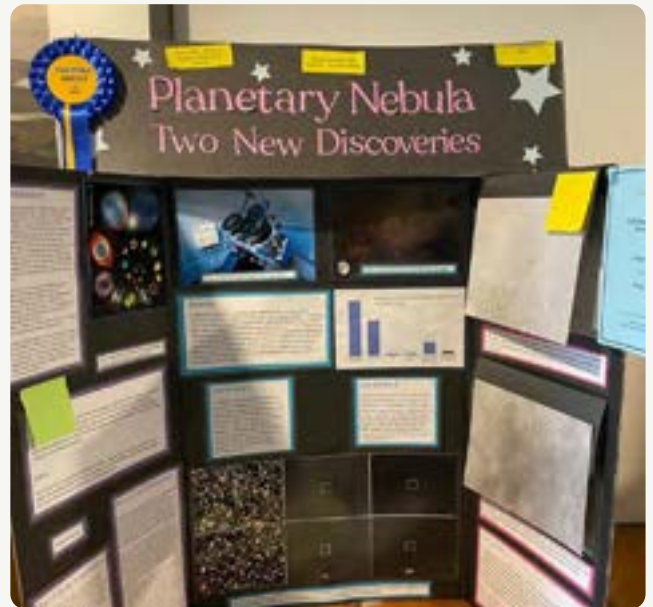


backend.echelonresources.com/assets/Reports/Corporate-Governance/Echelon-Policies/2024-06-Health-Safety-Policy.pdf



The Company supports STEM education

We remain dedicated to supporting students from the Wellington region in participating in the annual EPro8 Challenge, an inter-school science and engineering competition that fosters innovation and critical thinking. Additionally, we each year proudly sponsor awards at the Otago Science Fair, encouraging students to explore and understand diverse fields such as Earth science, energy efficiency, Mātaranga Māori. These initiatives reflect our ongoing commitment to nurturing the next generation of scientists and engineers.



We are committed to an inclusive workplace that embraces diversity.

We remain an active participant in Diversity Works, with our staff regularly engaging in workshops, webinars, and networking opportunities. Pro-diversity initiatives continue to be promoted at all-staff meetings, morning teas, and through direct communications.



Our production helps support an affordable, renewable energy system

Further production and reserves are detailed in our Annual Report and production is updated quarterly.

See item 1, above, for discussion of how our production helps to make energy more affordable.

Echelon 2P Total Reserves + 2C Contingent & 2U Unrisked Prospective Resources as at 1 July 2024 millions of barrels of oil equivalent, net to Echelon (inc. Cue Share)

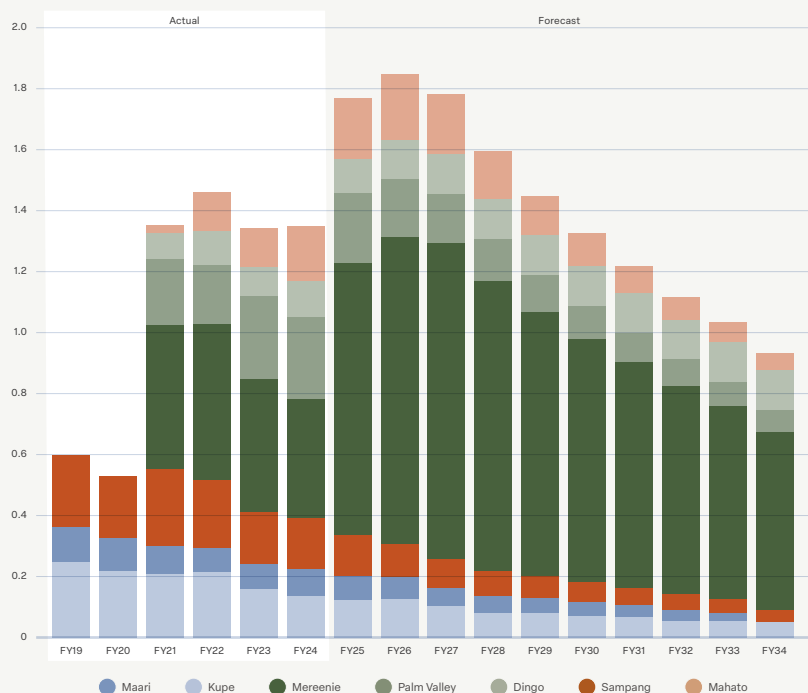


Our products are needed in the transition.

Gas shortfalls are projected to emerge from 2027 unless new sources of supply are made available.

This is earlier than our last forecast in December 2023, which projected a possible shortfall from 2028. The revised timeline reflects lower forecasted supply due to delays in anticipated regulatory approvals for new projects and challenges with legacy gas fields. Therefore, it is vital for our products to be part of the solution.

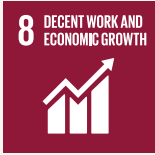
Actual and Forecast 2P Production millions of barrels of oil equivalent



See the latest figures here



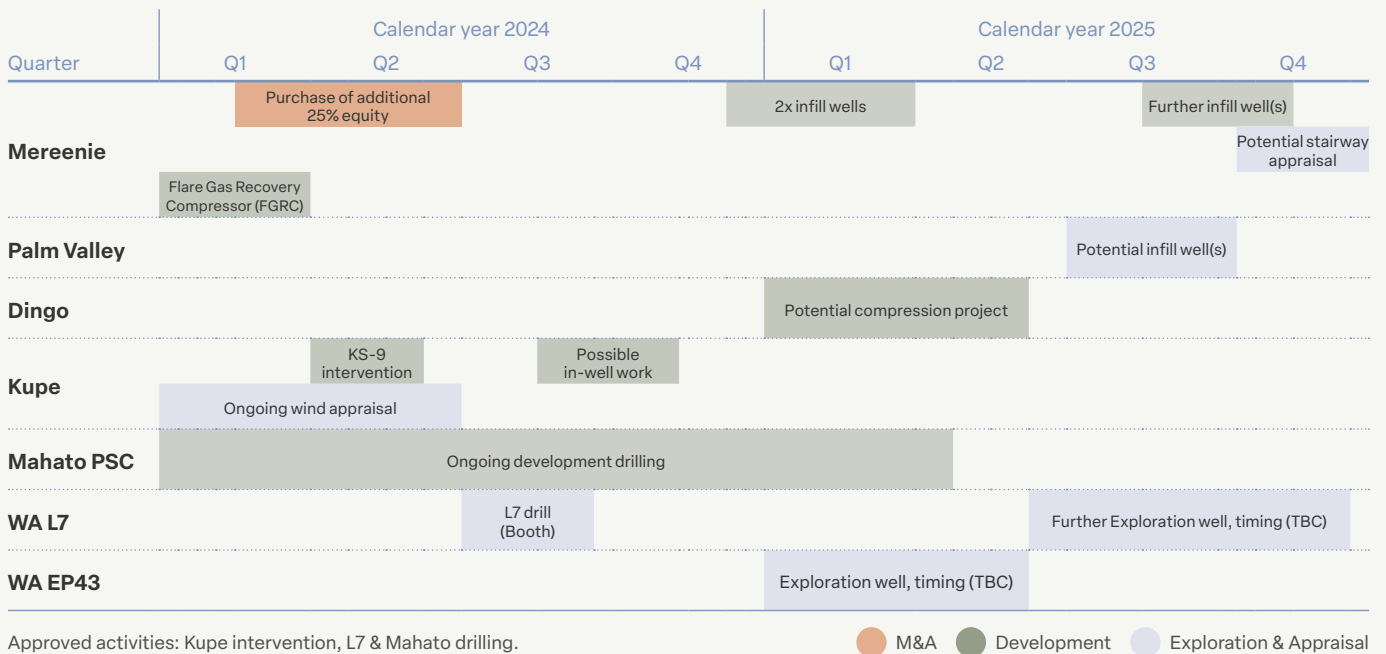
echelonresources.com/investors/company-reports



Supports economic development

In 2023 and 2024, the onshore and offshore gas industry has significantly benefited regional communities within Australia and New Zealand, creating thousands of new jobs and leading to the development of vital infrastructure. These contributions have helped foster stronger and more diversified regional economies. In Australia, the oil and gas industry contributed approximately AUD 40 billion to GDP in 2023, with a similar projection for 2024. In New Zealand, the industry's contribution was around NZD 3 billion in 2023, also expected to remain steady through 2024. These figures underscore the critical role of the oil and gas sector in bolstering economic stability and growth in both countries.

Future Activities Timeline



The Company's approach to sustainability and climate are set out above on pages 16-23.

New Zealand Energy Resources

energyresources.org.nz/oil-and-gas-new-zealand/the-importance-of-oil-and-gas-to-the-new-zealand-economy/

Australia Energy Resources

energyproducers.au/policy/energy-security/



Social and community initiatives



Supporting world class life science

Echelon financially supports the Salk Institute, home to scientists who delve into research areas, from aging, cancer and immunology to diabetes, brain science and plant biology.

The Salk Institute for Biological Studies is undertaking revolutionary research into climate change, aging, cancer, neurodegenerative conditions and infectious diseases.

The Salk Institute's renowned and award-winning scientists explore the very foundations of life, seeking new understandings in neuroscience, genetics, immunology, plant biology and more.

Addressing climate change - with plants

Echelon specifically supports the Salk Institute's Harnessing Plants Initiative (HPI).

Plants are the original carbon scrubbers, removing CO₂ from the atmosphere and storing it in their biomass. Unfortunately, this carbon storage is often temporary. When crops and other plants die and decompose, much of that carbon returns to the atmosphere.

HPI is an innovative approach that relies on Earth's existing carbon storage mechanisms to help solve climate change. To keep more carbon in the ground, and store it in long-lasting roots, Salk scientists are developing a new generation of crop and wetland plants.

HPI plans to develop traits of interest—roots with greater mass, depth, and decomposition-resistant suberin content—in model plants and then transfer them to food crops such as corn, soybeans, rice, wheat, cotton, and canola.

HPI is comprised of two programs: CRoPS (CO₂ Removal on a Planetary Scale), which aims to develop crops called Salk Ideal Plants® that can store more carbon in the ground for longer; and CPR (Coastal Plant Restoration), which is working toward genetically informed restoration and preservation of the world's wetlands, which act as significant carbon sinks.

CO₂ Removal on a Planetary Scale



The CO₂ Removal on a Planetary Scale (CRoPS) project is developing Salk Ideal Plants, which puts CO₂ in the ground and keeps it there.

The key is suberin, a plant tissue that loves carbon and is already found in roots. By increasing root mass, depth and suberin content, Salk researchers will transform wheat, rice, corn and other crops into carbon-storing machines. In addition, more ground carbon means farmers benefit from improved soil health.

Coastal Plant Restoration



Wetlands store as much as 100 times more carbon per acre than dry land, but they're disappearing fast.

As they erode, wetlands release carbon, further complicating the climate picture. Salk's Coastal Plant Restoration (CPR) project is developing wetland plants that hold carbon, purify water, preserve land and can thrive in challenging environments around the world.

Find out more here



salk.edu/harnessing-plants-initiative/



Our Communities

Taking action through our Joint Ventures

Echelon is a JV partner in producing assets, but we don't operate those assets. We support the communities where we have an interest by supporting the JV operator's socially responsible relationships.

In our Amadeus Basin, Australia and Kupe Taranaki, New Zealand assets, operators (Central Petroleum and Beach Energy respectively) maintain quality relationships on behalf of the JV with local communities, businesses, landowners and Indigenous people.



Addressing Homelessness in the Taranaki

Homelessness in the Taranaki region is a significant issue, with over 60 families at any given time residing in motels, student accommodations, overcrowded houses, and sheds. In response to this pressing need, Beach Energy our joint operator for Kupe has partnered with the Roderique Hope Trust to support the Ready to Rent program, aimed at empowering tenants and fostering sustainable living.

The Ready to Rent program equips tenants with essential information and tools to secure and maintain long-term rental properties in Taranaki's competitive private rental market. This comprehensive program provides guidance on understanding tenancy agreements, tenant and landlord rights and responsibilities, money management, maintaining warm and healthy homes, and fire safety.

Upon completing the program, tenants receive a Ready to Rent certificate, signaling to prospective landlords that they have acquired the skills and knowledge to be responsible tenants. This certificate aims to position them as tenants of choice when applying for properties. To date, over 150 families have completed the program, and more than 90 of these families now have a place to call home.

Working with traditional custodian and Cultural Heritage Protection

Our Amadeus assets in Australia are located on or near Indigenous lands and are operated by Central Petroleum. Central Petroleum recognises, embraces, and respects the Indigenous historical, legal, and heritage ties to these lands. To ensure our operations do not disturb areas of cultural heritage significance, we work closely with local Indigenous authorities and heritage protection organisations.

Throughout the year, Central Petroleum has proactively engaged with Traditional Owners (TOs) to seek sacred site clearances for potential further development. Their commitment to open engagement with TOs is a cornerstone of their approach, and Central strives to provide employment and training opportunities to Indigenous people. As a result, several TOs are currently undertaking apprenticeships within our JVs, reflecting our dedication to fostering sustainable and inclusive growth in the communities we operate in.

Supporting our Local economy and helping our community

Our JV partner, Central Petroleum, has shown a robust commitment to supporting the local economy and community in Alice Springs. In FY2024, Central paid over AUD \$6.6M in royalties and fees to the Northern Territory and Central Land Council, providing significant financial support for regional development. Additionally, over AUD \$1.6M was spent with local contractors and businesses, strengthening the local economy and fostering growth within the community.

Central's community support in FY2024 was exceptional. The company provided AUD \$10K in annual sponsorship to the Alice Springs Pioneer AFL club, benefiting men's, women's, and kids' teams. Central also assisted the Buffalos Baseball club with AUD \$3K for travel and accommodation expenses, enabling the team to attend the National Championships in Geelong. Furthermore, Central's generous donation of AUD \$7.5K worth of caps, beanies, water bottles, and AFL balls will be gifted to the community at upcoming shows and events, promoting engagement and well-being in Alice Springs.

GRI Content Index

LOCATION KEY

SR = this Sustainability Report
AR = 2024 ECH Annual Report

GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-1 Organisational details	SR p24 AR p24
	2-2 Entities included in the organisation's sustainability reporting	SR p13
	2-3 Reporting period, frequency and contact point	Annually. enquiries@echelonresources.com
	2-4 Restatements of information	Nil for this report
	2-5 External assurance	Nil for this report
	2-6 Activities, value chain and other business relationships	SR p10–11 AR Segment note 3, p63
	2-7 Employees	SR p48
	2-8 Workers who are not employees	N/A
	2-9 Governance structure and composition	AR pp24–29 and pp32–37
	2-10 Nomination and selection of the highest governance body	AR p36 parg 1
	2-11 Chair of the highest governance body	AR p25
	2-12 Role of the highest governance body in overseeing the management of impacts	AR pp32–37
	2-13 Delegation of responsibility for managing impacts	AR p35
	2-14 Role of the highest governance body in sustainability reporting	SR p26
	2-15 Conflicts of interest	AR pp28–31 and 46
	2-16 Communication of critical concerns	Whistleblower Policy
	2-17 Collective knowledge of the highest governance body	AR p37
	2-18 Evaluation of the performance of the highest governance body	AR p41 parg 1; p36
	2-19 Remuneration policies	AR pp51–51
	2-20 Process to determine remuneration	AR pp36, 50–57
	2-21 Annual total compensation ratio	N/A
	2-22 Statement on sustainable development strategy	SR pp56–60
	2-25 Processes to remediate negative impacts	SR pp54–55
	2-26 Mechanisms for seeking advice and raising concerns	N/A
	2-27 Compliance with laws and regulations	Code of Business Conduct and Ethics
	2-28 Membership associations	SR p23
	2-29 Approach to stakeholder engagement	SR p20
	2-30 Collective bargaining agreements	N/A

GRI STANDARD	DISCLOSURE	LOCATION
GRI 3: Material Topics 2021	3-1 Process to determine material topics	SR pp20–21
	3-2 List of material topics	SR p21
	3-3 Management of material topics	SR pp24–25
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	SR pp30–31
	201-3 Defined benefit plan obligations and other retirement plans	N/A
	201-4 Financial assistance received from government	Nil
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	N/A
	202-2 Proportion of senior management hired from the local community	100%
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	p59
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	N/A. Capturing Local Economic Benefits Policy
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Code of Conduct
	205-2 Communication and training about anti-corruption policies and procedures	Code of Conduct
	205-3 Confirmed incidents of corruption and actions taken	Nil incidents
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Nil
GRI 207: Tax 2019	207-1 Approach to tax	AR p67
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	Emissions reported SR pp45–48
	302-2 Energy consumption outside of the organisation	Emissions reported SR pp45–48
	302-3 Energy intensity	Emissions reported SR pp45–48
	302-4 Reduction of energy consumption	Emissions reported SR pp45–48
	302-5 Reductions in energy requirements of products and services	Emissions reported SR pp45–48
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	N/A

All policies and financial reports can be find on our website here

 echelonresources.com

GRI STANDARD	DISCLOSURE	LOCATION
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	N/A
	304-2 Significant impacts of activities, products and services on biodiversity	N/A
	304-3 Habitats protected or restored	SR pp54–55
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	N/A
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	SR p34
	305-2 Energy indirect (Scope 2) GHG emissions	SR p34
	305-3 Other indirect (Scope 3) GHG emissions	N/A
	305-4 GHG emissions intensity	SR p34
	305-5 Reduction of GHG emissions	SR p34
	305-6 Emissions of ozone-depleting substances (ODS)	N/A
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	N/A
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	N/A
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	N/A
	308-2 Negative environmental impacts in the supply chain and actions taken	N/A
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	SR p48
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	N/A
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	N/A
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Health & Safety Policy
	403-8 Workers covered by an occupational health and safety management system	100%
	403-9 Work-related injuries	Nil
	403-10 Work-related ill health	N/A
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	N/A
	404-2 Programs for upgrading employee skills and transition assistance programs	SR p48
	404-3 Percentage of employees receiving regular performance and career development reviews	100%
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	SR p49
	405-2 Ratio of basic salary and remuneration of women to men	N/A

GRI STANDARD	DISCLOSURE	LOCATION
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Nil
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	N/A
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Nil
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Nil
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	N/A
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	Nil
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	SR pp62–65
	413-2 Operations with significant actual and potential negative impacts on local communities	Nil
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	N/A
	414-2 Negative social impacts in the supply chain and actions taken	N/A
GRI 415: Public Policy 2016	415-1 Political contributions	Nil

All policies and financial reports can be find on our website here

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