Echelon Resources Limited

Annual Report 2024

ASX:ECH

Contents

Signed on behalf of the Board of Echelon Resources Limited on 27 August 2024.

Samuel Kellner
Chairman

Alastair McGregor
Director

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 Tahi

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

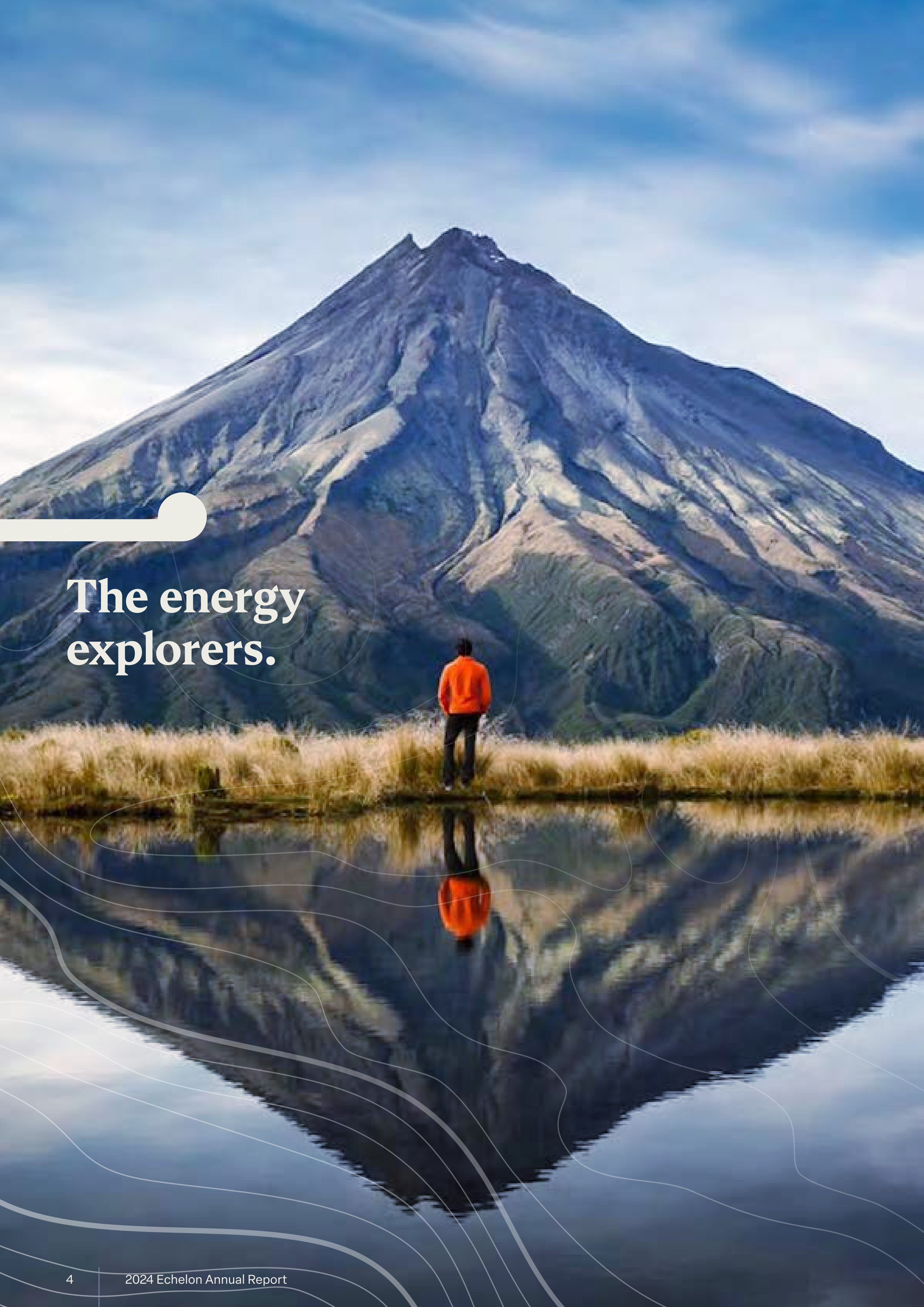
Consumed with curiosity

- 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.



The energy explorers.

Highlights

FINANCIAL RESULTS

Operating cashflow up 11% to NZ$36.1m

from $32.5m in FY23

Net profit after tax NZ$3.9m

down from $10.8m in FY23 due to an $11.5m impairment of Kupe

Underlying NPAT

excluding Kupe impairment

NZ$15.4 million

up 43% from the previous year

Total dividends of A$ 4.5 cents per share

Revenue of NZ$92.9m

down 6% from last year

Profit per share of NZ$ 1.7 cents

down 3.0 cents per share in FY23

PRODUCTION RESULTS

Production of 1.33 mmboe

same as in FY23 net to Echelon, including Cue share

RESERVES ARE UP

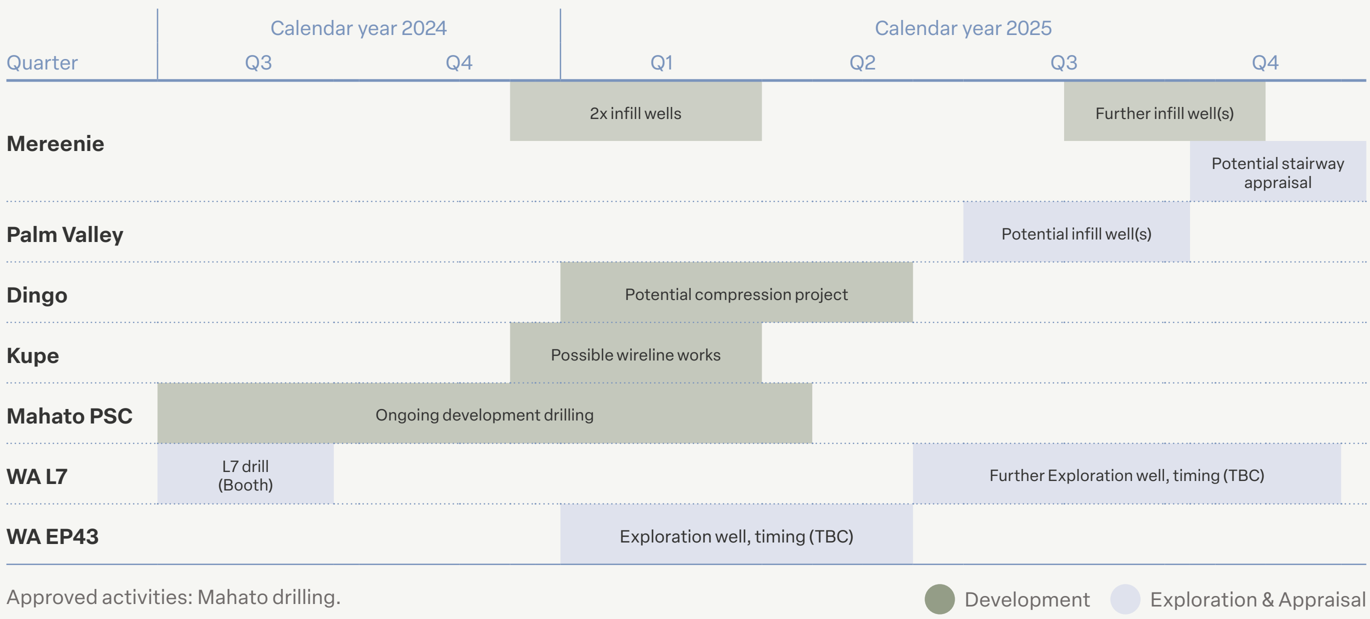
46% at 2P total level

ACTIVITY

A total of 9 wells have been drilled FY24

this includes 7 wells at Mahato,
1 well at Kupe and 1 well in the Perth Basin

Future Activities Timeline



Approved activities: Mahato drilling.

OUR COMPASS

We see natural gas assets providing security of supply to an energy-constrained world as it undergoes a decades-long energy transformation

We will pursue quality investment opportunities

WHO WE ARE

We are an oil and gas company with an Australasian focus. We are ethical, values based, and nimble.

We are an experienced, Wellington based exploration and production company, and we are growth ready.

Industry experts trusted by our stakeholders, providing support and advice.

WHERE WE ARE GOING

Growing

Efficiently deploy our resources purchasing additional production that has development upside and exploration that fits our asset base.

Improving

Use our skill sets, optimising our processes, and extracting additional value from our physical assets and the wider group.

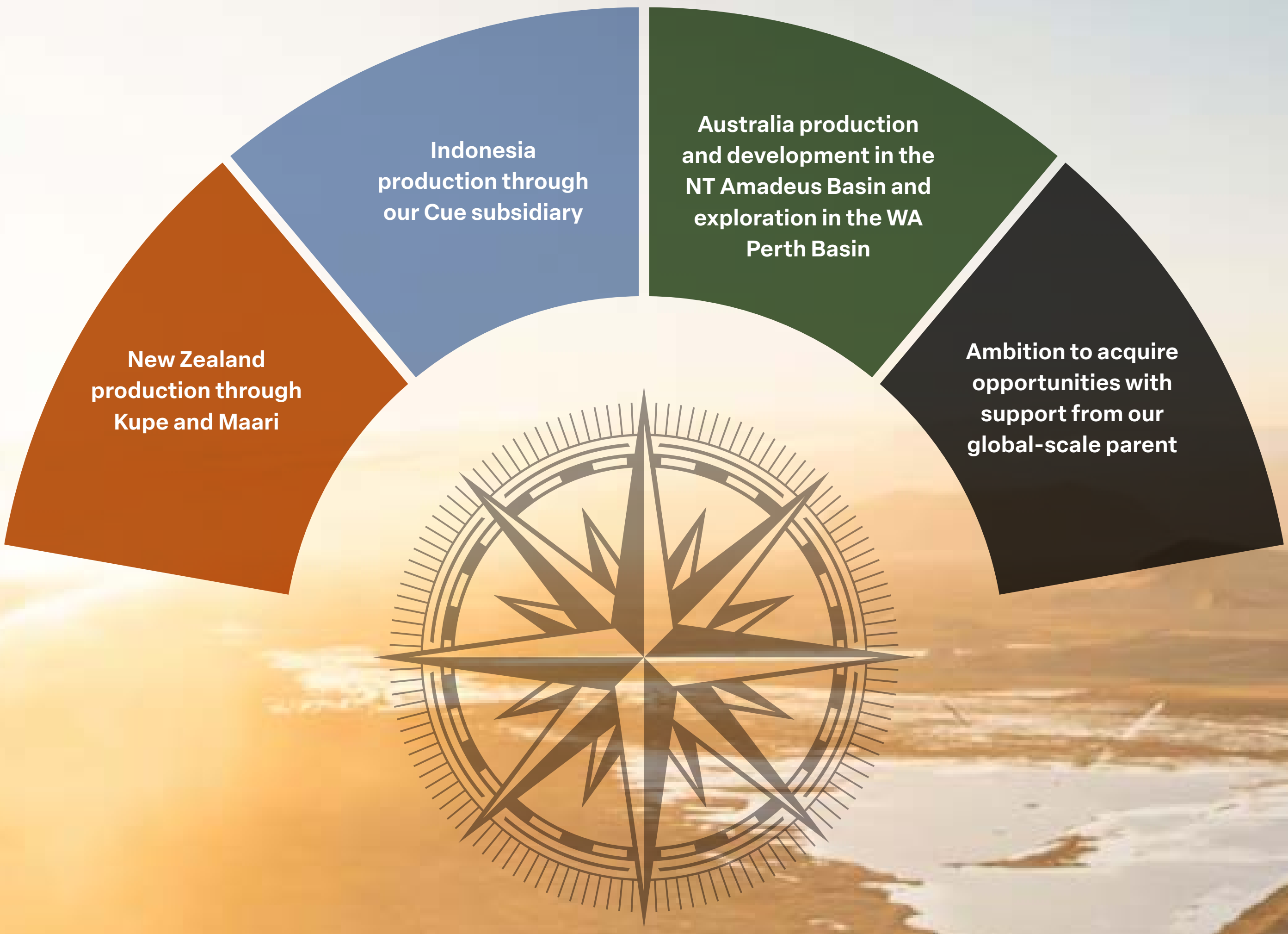
Realising

Support our operating partners, Cue Energy Resources (Cue) subsidary, and stakeholders, to identify mutual value add.

HOW WE WILL GET THERE

We use our capital resources, technical capability, relationships, values, shareholder support and flexibility to create opportunities. We execute reliably and in a way that makes us proud, so that high quality people want to work with us.

Strength today and growth tomorrow



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

REPORT FROM THE CHAIR AND CEO

Into the Future

Dear shareholder,

Your company is moving into the future with growing revenues from our producing assets, promising prospects for rapid growth in the future, and a refreshed vision.

Our vision is represented in our new identity: Echelon. Today it represents for us, a crucial rung on the transition ladder alongside our own evolution and progress up a ladder of growth.

We have moved our focus increasingly to Australia since we purchased our first stake in the Amadeus Basin assets in 2021.

During the year, we acquired another 25% of the Mereenie gas field in the Northern Territory. The transaction doubled our Mereenie 2P reserves and increased the Company's total 2P reserves by 46%.

Mereenie is more than a rung in our own evolution as a company. It is a rung on the transition ladder because it powers processes that enable renewables. Gas prices in Australia's East Coast markets are strong and we have secured gas sales agreements directly into that market. We were able to acquire more of it because we signed a new agreement, alongside other Mereenie Joint Venture (JV) partners, to sell 4.8 petajoules (PJ) of gas to Arafura Rare Earths. The five-year agreement delivers our gas to mine minerals that are critical for EV batteries and wind turbines.

Mereenie is making a rich contribution. Its link from our gas to the renewables transition gives some colour to Echelon's vision for our role in the energy future.

While our strategy emphasises development in producing assets, our management team is constantly on the look out for excellent exploration opportunities.

They found one in the Perth Basin, and late in the financial year we drilled the Booth-1 well, which was a disappointing result. We have been able to sustain profitability, and cashflows, as well as paying a dividend, despite poor outcomes with wells in New Zealand and the Perth Basin, Western Australia. This demonstrates the resilience of a diversified asset portfolio. Producing strong revenues and earnings, while continuing to invest in attractive opportunities, makes for a great combination of growth and returns.

Projects such as Perth Basin and Mereenie have increased our focus in Australia. It made sense to commit to our ASX listing and de-list from the New Zealand bourse. Focusing on a single market has advantages. The ASX offers a larger capital and investor base and an investment community comfortable with our resources-based sector.

Our decision was further reinforced by disappointing results from KS-9, a development well at Kupe. The effect of the KS-9 results on the future of the Kupe field are still under review.

However, we have been actively studying a Kupe wind project. While we're not a wind company, Kupe's coastal position is a great location for wind generation and there's a need for electricity generation on site.

The project represents another example of Echelon's flexibility in responding to the energy transition to create value.

The Company's financial results for the year rewarded shareholders' patience. Our production returned $92.9m of revenue in the year, down $5.9m from $98.9m last year.

Positive cashflow generation and a strong balance sheet position allow the company to return profits to shareholders. In the year the Company has returned AUD 4.5 cents per share to shareholders.

Looking ahead, we have adopted a dividend policy. The Board has announced ongoing support for returning a portion of future cashflow to shareholders every half year, where it makes sense based on the Company's obligations, investment and debt facility requirements.

Pleasing financial results are the culmination of our activities. We choose what to do based on our values and vision for the company. Echelon will seek opportunities to make more of the assets we have and acquire new assets that add value. We are aiming to deliver robust returns for our shareholders by leveraging our relationships and skills, while maintaining our ethical standards.

We are on a ladder that extends a long way into the future.

On behalf of the Board, we would like to acknowledge the work of our Wellington-based team, whose efforts are creating value for you. And we would like to thank shareholders for another year of support.

We're looking forward to continuing to repay your confidence in the company as Echelon enters its exciting next phase.

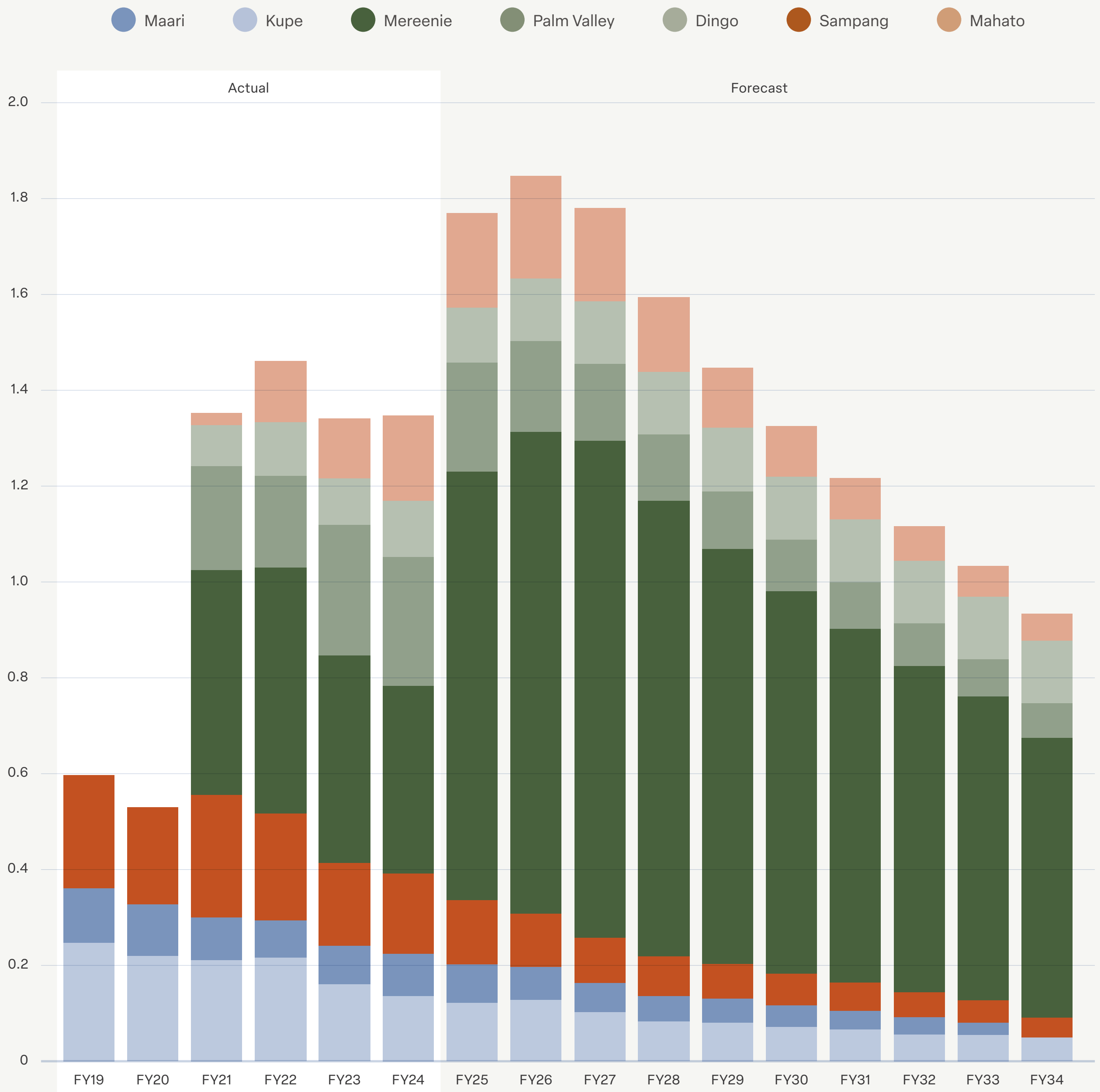
Samuel Kellner
Chair

Andrew Jefferies
Chief Executive

Production and Reserves to 2024

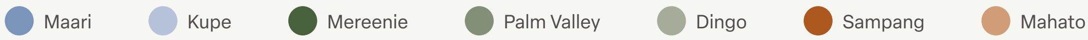
Actual and Forecast 2P Production

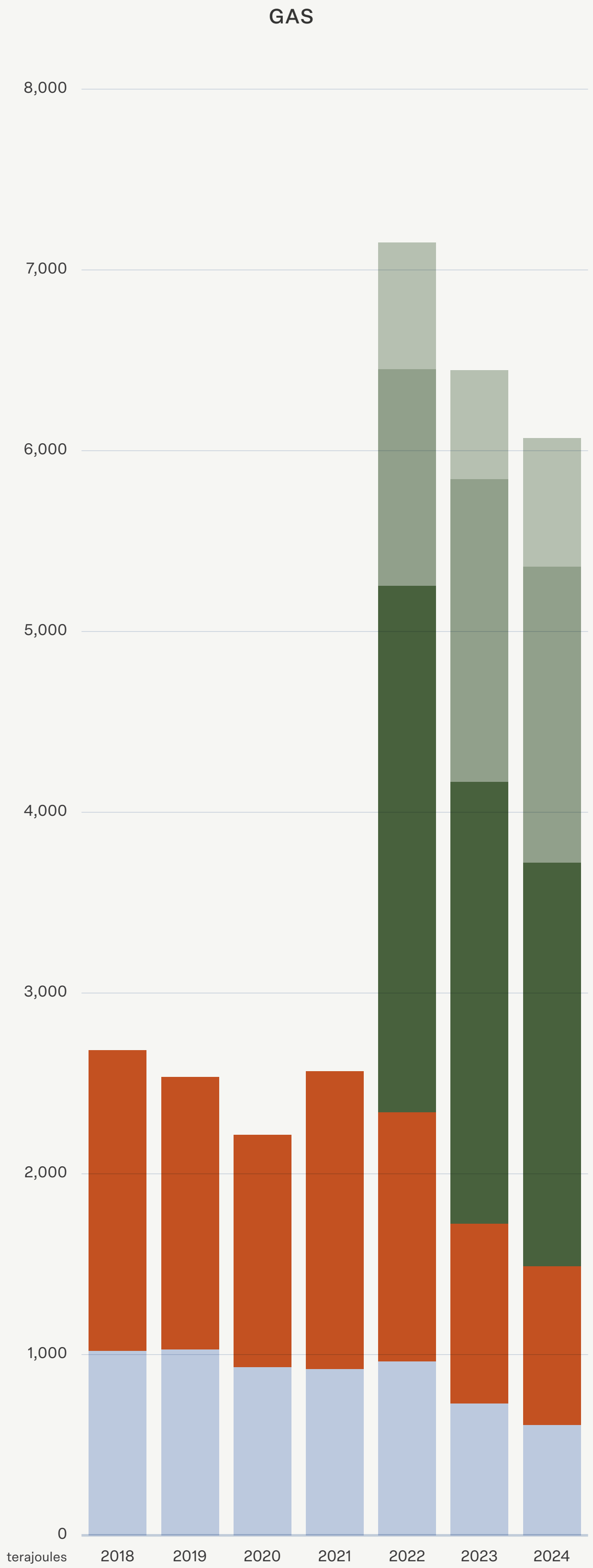
millions of barrels of oil equivalent (mmboe)

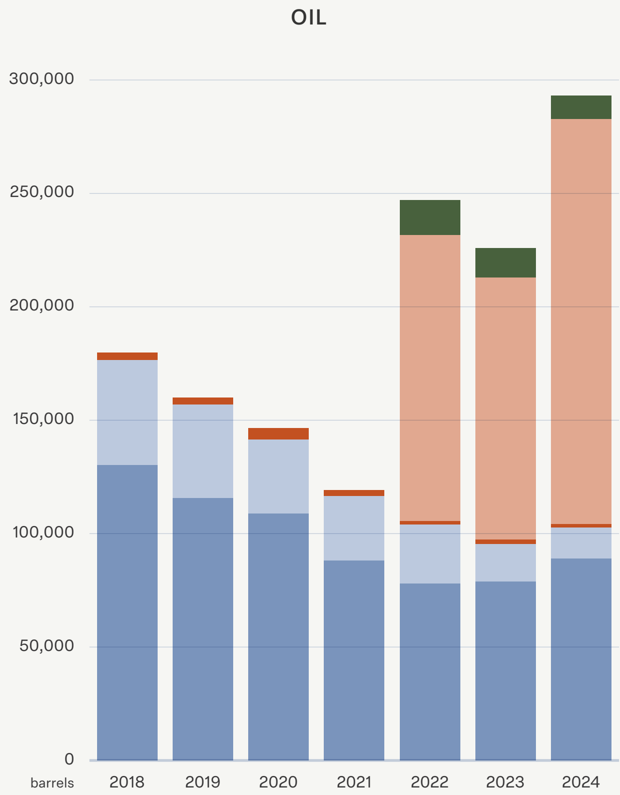


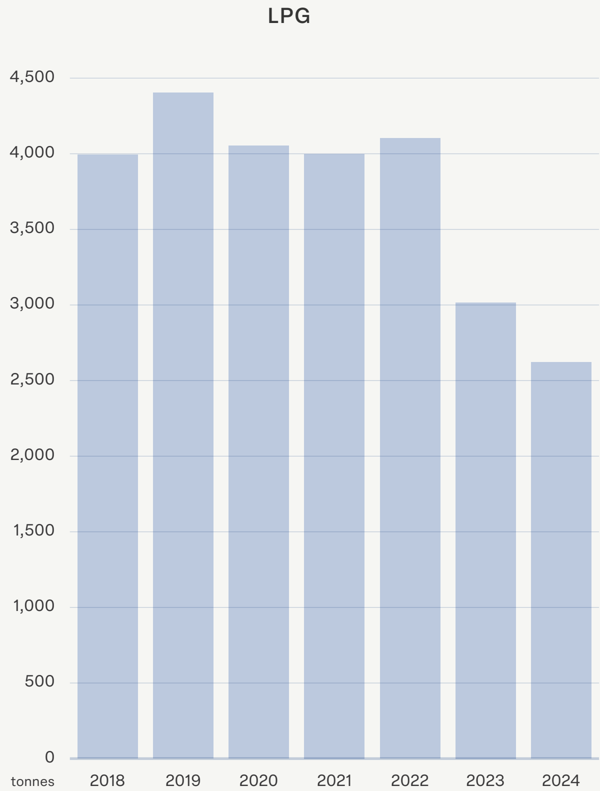
Production

Echelon share (net)









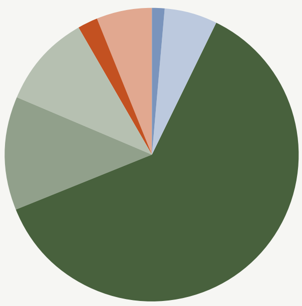
Echelon's interest in Mahato, Maari and Sampang is held through Cue of which Echelon has a 50.03% interest. The Mahato field is currently under development. This graph shows Cue's full interest, some rounding is present. Production from the Amadeus assets is from 1 October 2022 to 30 June 2024.

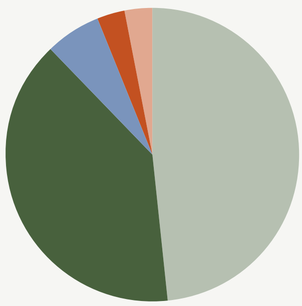
AT 1 JULY 2024

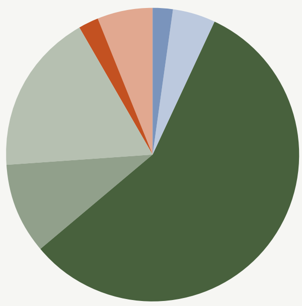
Reserves

PROVED (1P) RESERVES AT 1 JULY 2024

	DEVELOPED				UNDEVELOPED				TOTAL			
Geographic area	Gas (PJ)	LPG (kt)	Oil & Condensate (mmb)	Total (mmboe)	Gas (PJ)	LPG (kt)	Oil & Condensate (mmb)	Total (mmboe)	Gas (PJ)	LPG (kt)	Oil & Condensate (mmb)	Total (mmboe)
NEW ZEALAND												
Maari*	0.0	0.0	0.2	0.2	0.0	0.0	0.2	0.2	0.0	0.0	0.4	0.4
Kupe	3.4	15.1	0.1	0.8	0.0	0.0	0.0	0.0	3.4	15.1	0.1	0.8
AMADEUS BASIN, AUSTRALIA												
Mereenie**	47.8	0.0	0.5	8.3	7.0	0.0	0.2	1.3	54.8	0.0	0.7	9.6
Palm Valley**	10.6	0.0	0.0	1.7	0.0	0.0	0.0	0.0	10.6	0.0	0.0	1.7
Dingo**	8.5	0.0	0.0	1.4	10.1	0.0	0.0	1.6	18.5	0.0	0.0	3.0
INDONESIA												
Sampang PSC*	2.0	0.0	0.0	0.3	0.4	0.0	0.0	0.1	2.3	0.0	0.0	0.4
Mahato*	0.0	0.0	0.8	0.8	0.0	0.0	0.1	0.1	0.0	0.0	1.0	1.0
TOTAL	72.2	15.1	1.6	13.5	17.4	0.0	0.4	3.3	89.6	15.1	2.1	16.9



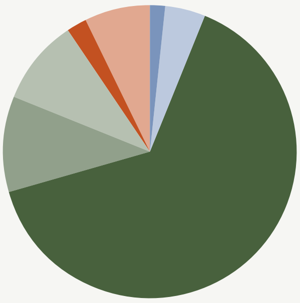
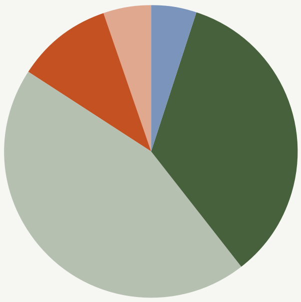
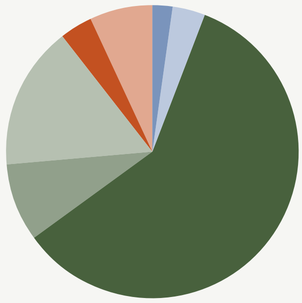




*At 100% of Cue Equity in these Assets **Echelon plus Cue Equity
As at evaluation date. Some rounding. Includes 100 per cent of Cue's interests. Echelon has a 50.03% interest in Cue. See statement Page 14.

PROVED (2P) RESERVES AT 1 JULY 2024

Geographic area	DEVELOPED Gas (PJ)	LPG (kt)	Oil & Condensate (mmb)	Total (mmboe)	UNDEVELOPED Gas (PJ)	LPG (kt)	Oil & Condensate (mmb)	Total (mmboe)	TOTAL Gas (PJ)	LPG (kt)	Oil & Condensate (mmb)	Total (mmboe)
NEW ZEALAND												
Maari*	0.0	0.0	0.3	0.3	0.0	0.0	0.2	0.2	0.0	0.0	0.5	0.5
Kupe	3.8	16.5	0.1	0.8	0.0	0.0	0.0	0.0	3.8	16.5	0.1	0.8
AMADEUS BASIN, AUSTRALIA												
Mereenie**	66.4	0.0	0.8	11.6	8.0	0.0	0.0	1.3	74.5	0.0	0.8	12.9
Palm Valley**	11.7	0.0	0.0	1.9	0.0	0.0	0.0	0.0	11.7	0.0	0.0	1.9
Dingo**	10.4	0.0	0.0	1.7	10.6	0.0	0.0	1.7	21.1	0.0	0.0	3.4
INDONESIA												
Sampang PSC*	2.4	0.0	0.0	0.4	2.5	0.0	0.0	0.4	4.9	0.0	0.0	0.8
Mahato*	0.0	0.0	1.3	1.3	0.0	0.0	0.2	0.2	0.0	0.0	1.5	1.5
TOTAL	94.7	16.5	2.4	18.0	21.2	0.0	0.4	3.9	115.9	16.5	2.8	21.9

REMAINING PROVEN & PROBABLE (2P) OIL & GAS RESERVES CHANGE (MMBOE)

Geographic area	EOFY23	Acquisition	FY24 Production	EOFY23 Adjusted	In Year Revisions	EOFY24
NEW ZEALAND						
Maari*	0.5		0.1	0.4	0.0	0.5
Kupe	1.5		0.1	1.4	-0.5	0.8
AMADEUS BASIN, AUSTRALIA						
Mereenie**	6.7	6.5	0.4	6.3	0.1	12.9
Palm Valley**	2.1		0.3	1.8	0.1	1.9
Dingo**	3.3		0.1	3.2	0.3	3.4
INDONESIA						
Sampang PSC*	0.8		0.2	0.6	0.2	0.8
Mahato*	1.4		0.2	1.2	0.3	1.5
TOTAL	16.3	6.5	1.3	14.9	0.4	21.9

*At 100% of Cue Equity in these Assets **Echelon plus Cue Equity
As at evaluation date. Some rounding. Includes 100 per cent of Cue's interests. Echelon has a 50.03% interest in Cue. See statement Page 14.

Reserves Compliance Statements

Oil and gas reserves, are reported as at 1 July 2024 and follow the SPE PRMS Guidelines (2018).

This resources statement is approved by, based on, and fairly represents information and supporting documentation prepared by Echelon's General Manager Assets & Engineering, Daniel Leeman. Daniel is a Chartered Engineer with Engineering New Zealand and holds Masters' degrees in Petroleum and Mechanical Engineering as well as a Diploma in Business Management and has over 15 years of experience. Daniel is also an active professional member of the Society of Petroleum Engineers. Echelon reviews reserves holdings twice a year by reviewing data supplied from the field operator and comparing assessments with this and other information supplied at scheduled Operating and Technical Committee Meetings.

Daniel is currently an employee of Echelon whom, at the time of this report, are a related party to Cue. Daniel has been retained under a services contract by Cue Energy Resources Ltd (Cue) to prepare an independent report on the current status of the entity's reserves. As at 1 July 2024, Echelon holds a 50.03% interest in Cue.

In the Amadeus basin, Echelon hold 42.5% equity and Cue currently holds 7.5% equity in the Mereenie field and 35% and 15% equity respectively in each of the Dingo and Palm Valley fields. The operator here is Central Petroleum.

Kupe technical forecasts are determined by deterministic reservoir simulation modelling conducted by the operator Beach Energy, the operator at Kupe where Echelon hold 4% equity.

Cue currently holds an equity position of 5%, 11.25% and 15% in the Maari (operated by OMV), Mahato and Sampang assets respectively, though Production Sharing Contract (PSC) adjustments at the Mahato (operated by Texcal) and Sampang (operated by Medco) fields affect the net equity differently across the various reserve categories.

Estimates are based on all available production data, the results of well intervention campaigns, seismic data, analytical and numerical analysis methods, sets of deterministic reservoir simulation models provided by the field operators (Beach Energy, OMV, Texcal, Medco and Central Petroleum), and analytical and numerical analyses. Forecasts are based on deterministic methods.

Net reserves are net of equity portion, royalties, taxes and fuel and flare (as applicable).

Developed reserves are expected to be recoverable from existing wells and facilities. Undeveloped reserves will be recovered through future investments (e.g. through installation of compression, new wells into different but known reservoirs, or infill wells that will increase recovery). Total reserves are the sum of developed and undeveloped reserves at a given level of certainty.

For undeveloped reserves, the following project maturity sub-classes are assumed- at Mahato PSC, Undeveloped-Approved for Development, at Sampang PSC- Justified for Development, at Maari- Justified for Development, at Mereenie and Dingo- Justified for Development.

At all fields, economic modelling has been conducted to determine the economically recoverable quantities. For the conversion to equivalent units, standard industry factors have been used of 6Bcf to 1mmboe, 1Bcf to 1.05PJ, 1 tonne of LPG to 8.15 boe and 1TJ of gas to 163.4 boe. All reserves and resources reported refer to hydrocarbon volumes post-processing and immediately prior to point of sale. The volumes refer to standard conditions, defined as 14.7psia and 60°F.

The extraction methods are as follows; at Kupe gas is produced to the processing plant and onwards sale to domestic market. LPG is trucked from site to local markets, condensate is trucked from site and sold internationally. At Maari, oil is produced to the FPSO Raroa and directly exported to international oil markets. Mahato, it is via EPF facilities which includes an oil and water separation system, with the oil then piped 6km to the CPI operated Petapahan Gathering Station. At Sampang, gas is gathered from the Wortel and Oyong felds and piped to shore where it is sold into the Grati power station. Mereenie and Palm Valley gas fields, gas is gathered from the wells and ultimately collated into the Amadeus Gas Pipeline where sales vary to different customers within the region. Further afield at Dingo, gas is sold into Alice Springs and the Owen Springs power plant.

Tables combining reserves have been done arithmetically and some differences may be present due to rounding.

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.

New Zealand

Production and exploration activities within the South Taranaki Basin.

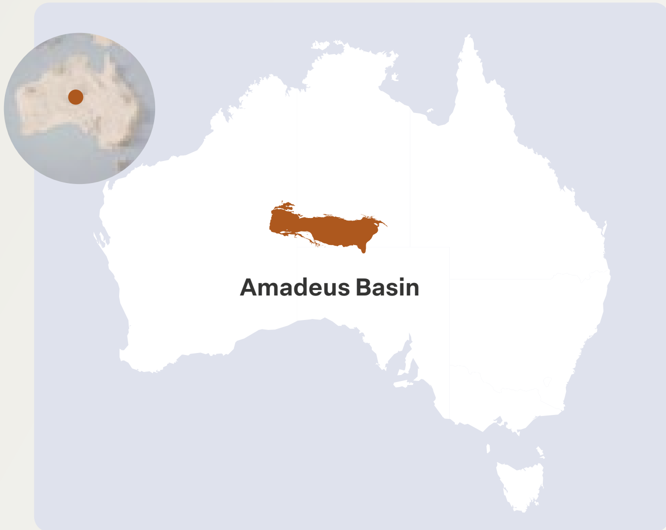
Those operations adhere to the environmental approval procedures established by the relevant state and national authorities.

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 related disclosure reporting, consistent with standards set, or emerging, in New Zealand and Australia. Please see our 2024 Sustainability Report for more information.

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, 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

Echelon 42.5%
Cue Energy 7.5%*
Central Petroleum 25%
Horizon 25%

PALM VALLEY OL3 & DINGO L7

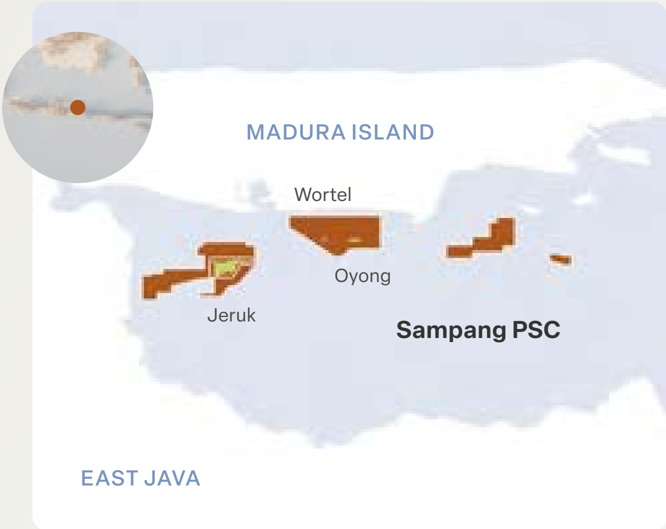
Echelon 35%
Cue Energy 15%*
Central Petroleum 50%

Perth Basin, Western Australia

L7 & EP437

Echelon 25%
Strike Energy 25%
Triangle Energy 50%

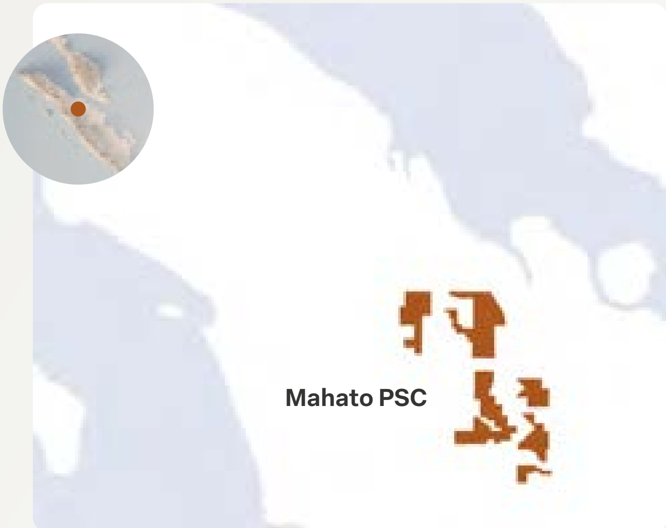
Indonesia



East Java

SAMPANG

Cue Energy 15%*
Medco Energi 45%
Singapore Petroleum Corporation 40%



Sumatra

MAHATO

Cue Energy 11.25%*#
Texcal 88.75%

*Echelon has a 50.03% interest in Cue. Cue's full interest is shown.
#Subject to government approval

New Zealand

Taranaki

KUPE

Echelon 4%
Genesis 46%
Beach Energy 50%

MAARI

Cue Energy 5%*
Horizon Oil 26%
OMV 6%

SUSTAINABILITY AND COMMUNITY

The Company publishes a separate sustainability report. It also maintains a sustainability section on its website at

echelonresources.com/sustainability

TCFD RISK DISCLOSURE

Taskforce on Climate-Related Financial Disclosure (TCFD) risks, and the framework for managing climate risks, are comprehensively reported in the Sustainability Report. TCFD reporting is also maintained on our Company website.

Supporting tree planting

513 trees planted in 2024
555 in 2023
545 in 2022

Echelon is proud to contribute 642 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 Kaitiaki (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 Town Belt'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 contributed 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.

Supporting world class life science

The Salk Institute for Biological Studies

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

Be it cancer or Alzheimer's, aging or diabetes, Salk is where cures begin.

Our support goes specifically to the Harnessing Plants Initiative to mitigate climate change by developing crop and wetland plants that will store more carbon, longer, to reduce atmospheric CO2.

Supporting vulnerable families with their energy needs

Dunedin Curtain Bank

Dunedin is notorious for cold homes that make children sick. The cost of energy bills and insulation can create hardship for vulnerable families.

Echelon proudly partners with Dunedin Curtain Bank to up-cycle unwanted and unused curtains, line them, and distribute them to needy families.

Curtains make a big difference to the warmth of a home. A third of all heat loss in an uninsulated home occurs through windows. Even double-glazed windows let out more heat than uninsulated walls.

We purchased curtains for 140 needy households in Dunedin. Our curtain purchases:

- Saved around 8.4 tCO2 from being emitted.
- Each household saved an average $170 a year.
- Saved around $23,000 for the houses we help through the Dunedin Curtain Bank.

Supporting science education

EPro8 Challenge

Echelon supports EPro8 Challenge, an inter-school Science and Engineering Competition. Every year over 22,000 students from throughout New Zealand take part.

Students participate in a series of events: firstly within their school and then inter-school. These events are designed to promote science and engineering.

We want to make a contribution to the community where our head office is located, so our support went to help students from Wellington Central and Porirua.

Otago Science Fair

Each year Echelon sponsors a number of awards at the Otago Science Fair to help students understand more about earth, science, energy efficiency, Mātuaranga Māori, marine science and much more.

Supporting communities where we work

Amadeus Basin

The JV in the Amadeus Basin assets works closely with the community. It aims to provide employment and business opportunities to local communities.

Over AU$4 million was spent with Northern Territory local contractors and businesses in the reporting period.

In the Northern Territory, over half of the operator's staff live locally and a quarter are indigenous.

Echelon supports the operator's open engagement with the Traditional Owners of our Northern Territory joint operations located on or near Indigenous lands, providing employment and training opportunities. The JV operator works closely with the Central Land Council and Aboriginal Areas Protection Authority to ensure operations do not disturb areas of cultural heritage significance.

Our Joint Ventures

Through our joint ventures we also support community engagement projects in respect of Kupe and Maari in New Zealand and via Cue in Indonesia.

Corporate Governance

Echelon Resources Limited is a New Zealand incorporated and domiciled limited liability company registered under the New Zealand Companies Act 1993.

The Company comprises of both Echelon and our subsidary Cue. The Company is listed and its shares quoted on the official list of the Australian Securities Exchange (ASX) - the Company's code is "ECH". From a regulatory perspective this means that, while the ASX Listing Rules apply to the Company, certain provisions of the Australian Corporations Act 2001 (Cth) do not. The Company is not subject to chapters 6, 6A, 6B, and 6C of the Cth dealing with the acquisition of shares (including substantial holdings and takeovers). The Companies Act 1993 (NZ) applies to the Company, as do certain provisions of the Financial Markets Conduct Act 2013 (NZ) (including in relation to financial reporting, but not including provisions relating to substantial shareholdings). Key limitations on the acquisition of shares in the Company are imposed by the following New Zealand legislation: Commerce Act 1986, Overseas Investment Act 2005, and Takeovers Act 1993, together with various regulations and codes promulgated under such legislation.

This statement sets out the main corporate governance practices adopted by the Company.

CORPORATE GOVERNANCE BEST PRACTICE CODES

The Company reviews and assesses governance processes, policies, and its compliance with corporate governance best practice at least annually.

This includes assessing compliance with the ASX Listing Rules, the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th Edition) 2019 (ASX Principles and Recommendations).

Under Listing Rule 4.10.3, ASX listed entities are required to benchmark corporate governance practices against the ASX Principles and Recommendations and, where they do not conform, to disclose that fact and the reasons why.

This section of the report is structured to report performance against the ASX Principles and Recommendations.

This Corporate Governance Statement is current to, and was approved by the Board on, 27 August 2024.

Board Composition

Samuel Kellner

CHAIRMAN

Samuel Kellner has held a variety of senior executive positions with the Ofer Global Group since joining the Group in 1980. He has been deeply involved in various Ofer Global Group's business lines, with a particular emphasis on offshore oil and gas, shipping and real estate, and has advised the Ofer Global Group companies on investments in a variety of investment managers, hedge funds and private equity funds. Most recently, Mr Kellner served as president of Global Holdings Management Group (US) Inc, where he led North American real estate acquisition, development and financing activities. Mr Kellner serves as a director of O.G. Energy, O.G. Oil & Gas and Cue. He is also an executive director of the main holding companies for the Zodiac shipping group and Omni Offshore Terminals, a leading provider of Floating Production, Storage and Offloading (FSO and FPSO) solutions to the offshore oil and gas industry. As a member of the O.G. Energy Senior Management Committee, he helps drive the strategy for the Ofer Global Group's energy activities.

Mr Kellner graduated with a BA degree from Hebrew University in Jerusalem. He has an MBA from the University of Toronto, and taught at the University of Toronto while working toward a PhD in Applied Economics. Mr Kellner was appointed in December 2017. He is the Chairman of the Board of Directors and a member of the Nomination and Remuneration Committee.

Dr Rosalind Archer

INDEPENDENT DIRECTOR

Dr Rosalind Archer joined the Board of Echelon in November 2014. Dr Archer is Dean (Academic) - Griffith Sciences Group, Griffith University in Queensland. Dr Archer is a former President of Engineering New Zealand. She runs a consulting practice as a reservoir engineer with clients locally and internationally. She regularly speaks on reservoir engineering topics at international conferences.

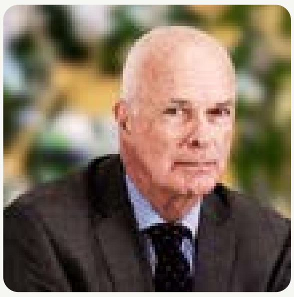
Dr Archer graduated with a BE from University of Auckland. She holds a PhD in Petroleum Engineering, and PhD minor in Geological and Environmental Studies from Stanford University.

Andrew Jefferies

MANAGING DIRECTOR

Mr Jefferies joined Echelon in 2013. He started his career with Shell in Australia and has worked in oil and gas in Australia, Germany, the United Kingdom, Thailand and Holland Mr Jefferies is also a graduate of the Australian Institute of Company Directors (GAICD), and a Certified Petroleum Engineer with the Society of Petroleum Engineers.

After graduating with a BE Hons (Mechanical) from the University of Sydney, Mr Jefferies earned an MBA in technology management from Deakin University in Australia, and an MSc in petroleum engineering from Heriot-Watt University in Scotland.



Rod Ritchie

INDEPENDENT DIRECTOR

Rod Ritchie joined the Board in 2013. He began his career as a petroleum engineer with Schlumberger for 28 Years and then joined OMV, where he worked for a further twelve years. Mr Ritchie has more than 40 years of global experience in leadership roles and as a Health, Safety, Environmental and Security (HSSE) executive in the oil and gas industry, including serving as corporate Senior Vice President of HSSE and Sustainability at OMV in Vienna, Austria.

Mr Ritchie has worked closely with the International Association of Oil and Gas Producers (IOGP) to create industry best practice standards for the oil and gas sector. He is an active leadership and cultural change consultant, and an author on the subject of safety leadership and several Society of Petroleum Engineers papers on the subject of HSSE and safety leadership.

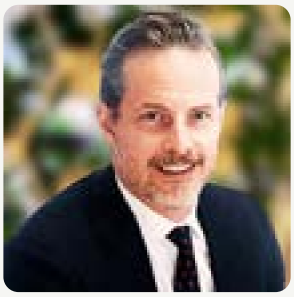
Alastair McGregor

DIRECTOR

Alastair McGregor has been actively involved in the oil and gas sector since 2003. He is currently chief executive of O.G. Energy, which holds the Ofer Global Group's broader energy interests, and O.G. Oil & Gas Limited, a company that holds directly or indirectly oil & gas exploration and production interests onshore and offshore. He leads the O.G. Energy Senior Management Committee, driving the strategy for the Ofer Global Group's energy activities.

Mr McGregor is also the Chair of Cue. In addition, he is Chief Executive of Omni Offshore Terminals Limited, a leading integrated provider of FPSO & FSO solutions to the offshore oil & gas industry. Omni's operations span the globe from New Zealand, Australia, South East Asia, Middle East and South America. Prior to entering the oil and gas industry, Mr McGregor spent twelve years as a banker with Citigroup and Salomon Smith Barney.

Mr McGregor holds a BEng (hons) in Aeronautical Engineering and an MSc in Transport Management, Economics and Finance.
Mr McGregor joined the Board in October 2017.



Marco Argentieri

DIRECTOR

Marco Argentieri is Senior Vice President and General Counsel for O.G. Energy, and a member of the Board of Directors of both O.G. Energy and O.G. Oil & Gas.

As a member of the O.G. Energy Senior Management Committee, he helps drive the strategy for the Ofer Global Group's energy activities. Mr Argentieri serves as the chief legal counsel for the O.G. Energy Group, where he advises on financing activities, acquisitions, and other commercial and corporate matters. Mr Argentieri has worked for the Ofer Global Group since 2006, where he previously served as chief legal counsel responsible for Ofer Global Group finance activities, with a particular focus on the Group's offshore oil services and shipping businesses. Prior to joining Ofer Global, Mr Argentieri was an attorney at the New York offices of Latham & Watkins LLP and Skadden, Arps, Slate, Meagher & Flom LLP.

He holds a B.A. from the University of Rochester, a J.D. from New York University, and an MBA from Columbia University. Mr Argentieri joined the Board in July 2018.

Composition of the Board

The number of directors is specified in the constitution as a minimum of three and up to a maximum of seven.

With our ASX listing, two directors must be ordinarily resident in Australia. Dr Archer and Mr Ritchie are ordinarily resident in Australia.

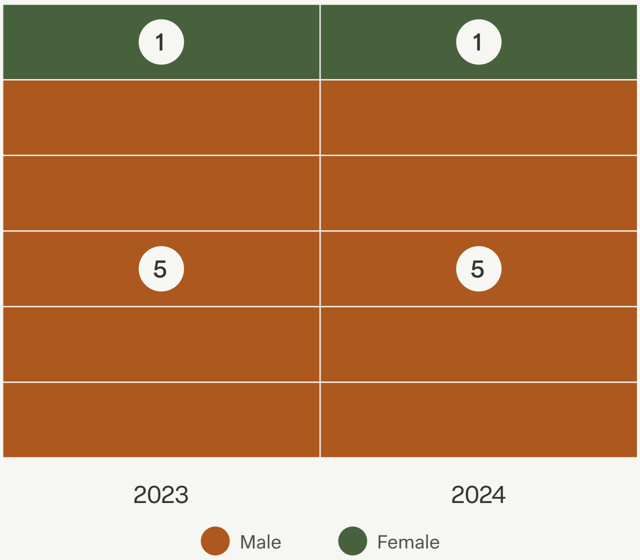
The NZ Companies Act requires one director to live in New Zealand (or in an enforcement country and be a director of a company there e.g., Australia). Mr Jefferies lives in New Zealand.

The Company's constitution requires directors to retire at the third Annual Meeting since their last appointment, or every three years (whichever is longer). If eligible, each retiring director may offer themselves for re-election.

Directors holding office during 1 July 2023 to 30 June 2024.

Directors	Date elected	Year first appointed
Dr Rosalind Archer	3 November 2021	2014
Marco Argentieri	3 November 2021	2018
Andrew Jefferies	3 November 2021	2017
Samuel Kellner	3 November 2021	2017
Alastair McGregor	12 December 2023	2017
Rod Ritchie	2 November 2022	2013

Board Gender Composition



Directors Interests Policy

Directors are required to recognise that the possibility of conflict of interest exists, and are expected to declare potential conflict of interest situations to the Board and manage conflicts of interest in accordance with the Directors Interests Policy, the Code of Business Conduct and Ethics, and the Company's Constitution.

The Company maintains an interests register in compliance with the Companies Act 1993, which records particulars of certain transactions and matters involving directors.

The Directors' Interests Policy is available in the corporate governance section of the Company's website at

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

Directors' Securities Interests

The interests of Directors in securities of the Company at 30 June 2024 were:

Directors	Direct Interest	Indirect Interest
Mr A Jefferies	50,000	-
	2,330,102 share options	-

Directors' Interests Register

Directors' interests recorded in the Interests Register of the Company as at 30 June 2024 are detailed below.

Notices given or adjusted during the financial year ended 30 June 2024 are marked with an asterisk (*).

Each such Director will be regarded as interested in all transactions between the Company and the disclosed entity.

MR S KELLNER	
O.G. Oil & Gas Ltd	Director
O.G. Energy Holdings Ltd	Director
Omni Holdings Ltd	Director
Cue Energy Resources Ltd	Director

MR M ARGENTIERI	
O.G. Energy Holdings Ltd	Director
O.G. Oil & Gas Ltd	Director
OGOG (Kohatukai) Ltd	Director
OGOG (Otway) Holdings Pty Ltd	Director
OGOG (Otway) Pty Ltd	Director
OGOG (1) Limited	Director
OGOG (2) Limited	Director
OGOG (K2) Inc	Vice-President/Treasurer/Secretary/Director
OGOG (GOM1) Inc	Vice-President/Treasurer/Secretary/Director
GOM 1 Holdings Inc*	Vice President/Treasurer/Secretary/Director
OGOG (GOM Management) Inc.	Vice-President/Treasurer/Secretary/Director
OGOG (Management) Limited	Director
OGOG (Warrior) Inc	Director
Cue Energy Resources Ltd	Director
OGOG (K2) Squared LLC*	Director
OGOG (Buckskin) LLC*	Director
OGOG (Castile) LLC*	Director
OGOG (Leon) LLC*	Director

DR R ARCHER	
Capricorn Solutions Ltd	Director
Contact Energy	Shareholder
Infratil	Shareholder
NZ Windfarms	Shareholder
Griffith University	Dean Academic - Griffiths Sciences Group
Whitebark Energy*	Director

MR A JEFFERIES

88 Energy Ltd	Shareholder
Carnarvon Petroleum Limited	Shareholder
Central Petroleum	Shareholder
CGX Energy	Shareholder
Cue (Ashmore Cartier) Pty Ltd	Director
Cue Energy Resources Ltd	Director & Shareholder
Cue Exploration Pty Ltd	Director
Cue Mahakam Hilir Pty Ltd	Director
Cue Mahato Pty Ltd	Director
Cue Sampang Pty Ltd	Director
Cue Taranaki Pty Ltd	Director
Global Energy Ventures	Shareholder*
Hartshead Resources	Shareholder*
Melbana Energy	Shareholder*
Pancontinental Resources	Shareholder
Tuatara Energy Limited	Director
Warrego	Shareholder

MR R RITCHIE

Cue Energy Resources Ltd	Director
SPARC NZ consulting	Director
Sparc (Aust) Pty Ltd	Shareholder
SacGasCo	Shareholder
Provaris Energy*	Shareholder

MR A McGREGOR

Cue Energy Resources Ltd	Director
Cue Kalimantan Pte Ltd	Director
Omni Holdings Limited	Director
Omni Offshore Terminals Pte Ltd	Director
Gading Megah Sdn Bhd	Director
Omni Offshore Terminals (Operations) (Thailand) Co Ltd	Director
Omni Offshore Terminals (Brazil) B.V.	Director*
Omni Offshore Terminals (Lay-Up) B.V.	Director*
Aurora FSO Ltd	Director
Manora FSO Ltd	Director
O.G. Oil & Gas (Singapore) Pte Ltd	Director
O.G. Oil & Gas Ltd	Director
O.G. Energy Holdings Ltd	Director
OGOG (Kohatukai) Ltd	Director
OGOG (Otway) Pty Ltd	Director
OGOG (Otway) Holdings Pty Ltd	Director
OGOG (1) Limited	Director
OGOG (2) Limited	Director
O.G. Oil & Gas (Oceania) Pte. Ltd	Director
OGOG (K2) Inc.	President/Director
OGOG (GOM Management) Inc.	President/Director
OGOG (GOM NZ) Limited	Director
OGOG (Management) Limited	President/Director
OGOG (Warrior) Inc.	Director
OGOG (K2) Squared LLC	Director*
OGOG (Buckskin) LLC	Director*
OGOG (Castile) LLC	Director*
OGOG (Leon) LLC	Director*
GOM 1 Holdings Inc	Director*
LANCAR DAMAI SDN. BHD.	Director*
OMNI OFFSHORE TERMINALS MALAYSIA SDN. BHD.	Director*

Management

Andrew Jefferies

CHIEF EXECUTIVE

See biographical note above.

Daniel Leeman

GENERAL MANAGER ASSETS AND ENGINEERING

Daniel was appointed General Manager Assets and Engineering in 2021 after joining Echelon in 2014. He has over 15 years of experience within the petroleum industry. Daniel began his career at Talisman Energy (UK) working within the Rotational Graduate Engineering Programme where he specialised as a Drilling Engineer. He later worked at Senergy (UK) as a Reservoir Engineer, then Conoco Phillips (UK), where he was a Senior Reservoir Engineer. Daniel is a Chartered Professional Engineer with Engineering New Zealand and holds Master's degrees in Petroleum Engineering from Heriot-Watt University, and Mechanical Engineering with a Diploma in Business Management from the University of Aberdeen. Daniel is also an active professional member of the Society of Petroleum Engineers and the Royal Society of New Zealand.

Alan Clare

GENERAL MANAGER EXPLORATION AND APPRAISAL

Alan joined Echelon in March 2023. He started his career with Esso Australia in 1989 after graduating from Macquarie University with a BSc Hons (Earth Science) and later an MSc from University of NSW. Alan has worked in the energy sector for over 33 years in Australia, UK, USA, China, Egypt and New Zealand.

He has held both technical and managerial roles with ConocoPhillips, Apache and OMV.

The interests of the current Company Officers (excluding the Chief Executive) in securities of the Company at 30 June 2024 were:

Daniel Leeman:

Direct Interest	Indirect Interest
935,350 options to acquire ordinary shares*	-

Alan Clare:

Direct Interest	Indirect Interest
113,913 options to acquire ordinary shares*	-

*Shares in accordance with Scheme Rules

Catherine McKelvey

CHIEF FINANCIAL OFFICER

Catherine was appointed Chief Financial Officer at Echelon in 2017. With over 30 years of experience in finance and executive management, including more than a decade in the energy sector, she plays a key role in overseeing the company's finance and business management functions.

Catherine began her career in London in the banking industry and later spent over ten years in New Zealand's international telecommunications industry, where she gained extensive experience in multinational finance, international tax, and M&A activity. These experiences have proven valuable in her current role, where she combines global expertise with local insights.

She holds a BA (Hons) in Economics and is a member of the Chartered Institute of Management Accountants (ACMA, CGMA) and the Institute of Directors.

Direct Interest	Indirect Interest
10,214 directly held ordinary shares 930,419 options to acquire ordinary shares*	-

Paris Bree

GENERAL COUNSEL

Paris started as a lawyer with Echelon in 2010 after having been a solicitor in the Bell Gully Wellington and Herbert Smith Freehills London litigation departments. Paris has a law degree and an arts degree from Victoria University of Wellington and is admitted to the High Court of New Zealand as a Barrister and Solicitor. She is also a delegate of the University of Dundee Centre for Energy after completing the Petroleum and Mineral Law and Policy course on Petroleum Agreements and a delegate of CWC's Production Sharing Contracts-Advanced Master Class.

Paris was awarded the Anthony Harper Young In-House Lawyer of the Year at the 2019 New Zealand Law Awards. She was named as an In-House leader by NZ Lawyer magazine in 2020 and 2022 and NZ Lawyer Elite Women in 2021, 2022 and 2023. She was an Excellence Awardee of In-House Lawyer of the Year 2023.

Paris was appointed General Counsel in 2017.

Direct Interest	Indirect Interest
900,577 options to acquire ordinary shares*	-

Michael Wright

GENERAL MANAGER COMMERCIAL

Michael joined Echelon in 2012 having worked in the energy sector for over 30 years. Michael started his career working on gas distribution networks before spending 11 years planning and developing power stations. In 2003 Michael joined OMV and subsequently joined Vector to manage the implementation of pipeline open access. Michael has also worked as a consultant advising companies in various parts of the energy sector.

Michael has a Master's degree in Mechanical Engineering from Cranfield University, UK.

Direct Interest	Indirect Interest
1,172,077 options to acquire ordinary shares*	-

PRINCIPLE 1

Lay solid foundations for management and oversight

Clearly delineate the respective roles and responsibilities of its Board and management and regularly review their performance

ASX PRINCIPLES AND RECOMMENDATIONS

Role of the Board

The Board is responsible for the overall corporate governance of the Company including strategic direction, determining policy, and approving significant contracts, capital and operating costs, financial arrangements and investments.

In addition to statutory and constitutional requirements, the Board has a formal charter that sets out its functions and structure.

The Board Charter is available in the corporate governance section of the Company's website at

backend.echelonresources.com/assets/Reports/Corporate-Governance/Echelon-Policies/2024-06-Audit-Committee-Charter.pdf

Responsibilities of the Board

The Board operates under a written charter which sets out the roles and responsibilities of the Board. The Board Charter clearly distinguishes and discloses the respective roles and responsibilities of the Board and management.

The procedure for nomination and appointment of directors to the Board is set out in the Charter.

The Board is accountable for the performance of the Company. The specific responsibilities of the Board include:

- Approving corporate strategy and performance objectives;
- Establishing policies appropriate for the Company;
- Oversight of the Company, including its control and accountability systems;
- Approving major investments and monitoring the return of those investments;
- The overall risk management and control framework for the Company and ensuring appropriate risk management systems are established and applied;
- Appointing, removing and evaluating the performance of the Chief Executive;
- Reviewing the performance of senior management;
- Appointing and removing the company secretary;
- Setting broad remuneration policy;
- Reviewing implementation of strategy and ensuring appropriate resources are available;
- Nominating and appointing new directors to the Board;
- Evaluating the performance of the Board, committees of the Board, and individual directors;
- Reviewing and ratifying systems of risk management, internal compliance and control, codes of conduct, and legal compliance;

- Approving and monitoring the progress of any major capital expenditure, capital management and acquisitions and divestitures;
- Reviewing and ratifying HSSE Sustainability and Operational Risk policies, the HSSE Sustainability and Operational Risk Management System and monitoring its implementation and performance;
- Approving and monitoring financial and other reporting;
- Ensuring that the Company provides continuous disclosure of information such that shareholders and the investment community have available all information to enable them to make informed assessments of the Company's prospects;
- Overall corporate governance of the consolidated entity;
- Determining the key messages that the Company wishes to convey to the market from time to time; and
- Monitoring information commitments and continuous disclosure obligations.

Performance reviews of the Board

The Board charter states: The Board shall undertake regular reviews of the operations and performance of the Board, its committees and individual directors. Where appropriate, the Board may engage external consultants to conduct this review. In addition to compliance with each committee's individual charter, the review shall consider:

- The skills required by the Board, including processes to satisfy any skill-gaps;
- How the required skills are best represented on the Board; and
- The process for identifying suitable candidates, for appointment to the Board.

Reviews are undertaken by way of a questionnaire submitted to directors. Responses are collated and reviewed by the Chair of the Nominations and Remuneration Committee.

The Chair of the Nominations and Remuneration Committee then undertakes an overall review on the outcomes and produces a written report which is reviewed by the full Board. Individual director performance is addressed by one-on-one review with the Chair of the Nominations and Remuneration Committee.

For the financial year, the Nominations and Remuneration Committee agreed that the above process that was followed.

The Directors' Interests Policy is available in the corporate governance section of the Company's website at

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

Board Proceedings

The Board meets on a formal scheduled basis four times per year, and holds other meetings as required, including by video conference.

The Commercial Committee and the Company Secretary establish the agenda for each Board meeting.

The Chief Executive keeps the Board informed of material or potentially material matters between meetings and provides a weekly update to the Board on all relevant matters.

A report is prepared for each meeting, which includes:

- Updates on assets
- Updates on exploration and production activities and financial management;
- Summaries of new business opportunities;
- An update on human resources and facilities;
- An investor relations report;
- Updates on stakeholder engagement, media and sustainability; and
- Other reports as relevant.

Key strategic issues and opportunities are also presented to the Board by management as part of each meeting.

To ensure that independent judgement is achieved and maintained, the Board has adopted a number of processes in respect of its decision making. These include:

- Any director may obtain independent advice at the Company's expense where the director considers it necessary to carry out their duties and responsibilities as a director, with the prior consent of the Chair of the Audit Committee (or in the case of the Audit Committee Chair's absence, the prior consent of the Chair of the Board). Such consent may not be withheld unreasonably; and
- Directors must comply with the Directors' Interests Policy. It addresses disclosable interests, conflicts of interest, director information obligations, Board review and determination obligations, and the rules for participation in Board deliberations in the event of a conflict of interest.

On appointment, each director has also acknowledged their individual disclosure obligations.

BOARD AND COMMITTEE MEETING ATTENDANCE
1 JULY 2023 TO 30 JUNE 2024

Director	Board meetings	Audit Committee	Nominations and Remuneration Committee	Operational Risk and Sustainability Committee
Samuel Kellner	6/6		3/3	
Dr Rosalind Archer	6/6	2/2	3/3	1/1
Marco Argentieri	6/6		3/3	
Andrew Jefferies	6/6			1/1
Alastair McGregor	5/6	2/2	2/3	1/1
Rod Ritchie	6/6	2/2	3/3	1/1

Delegation to Management

While the Board has overall and final responsibility for the business of the Company, it has delegated substantial responsibility for the conduct and administration of the Company's business and policy implementation to the chief executive and his management team.

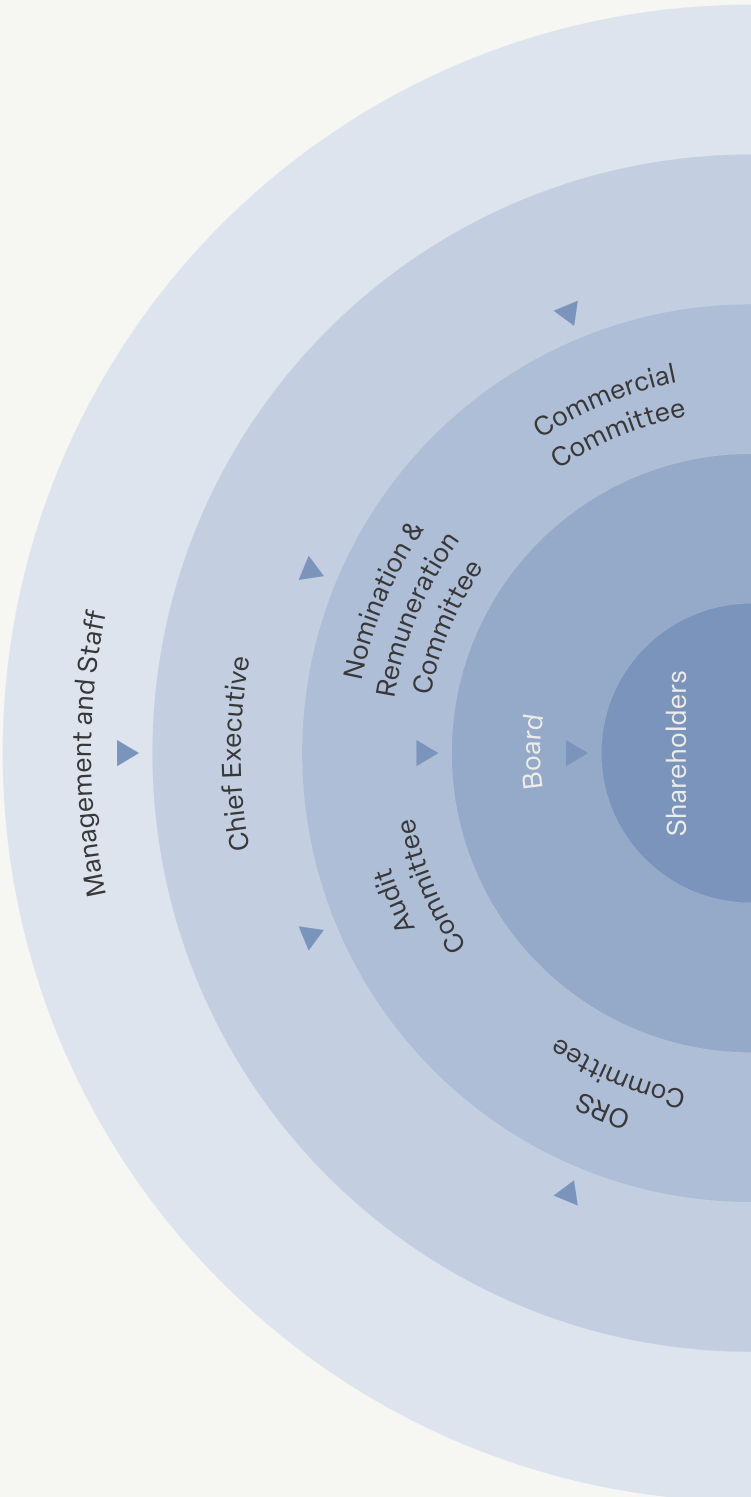
Board approved policies and procedures are in place to set parameters for the delegated responsibilities, including:

- Health and Safety Policy;
- Environment Policy;
- Climate Change Policy;
- Community Engagement Policy;
- Capturing Local Economic Benefit Policy;
- Code of Business Conduct and Ethics;
- Communications, Market Disclosure and Social Media Policy;
- Dividend Policy;
- Securities Trading Policies for Directors, Employees and Dedicated Contractors;
- Directors' Interests Policy;
- Protected Disclosure (Whistleblower) Policy;
- Diversity Policy;
- Delegated Authorities Manual;
- Remuneration and Performance Appraisal Policy;
- Treasury Policy;
- Email and Internet Use Policy;
- Anti-Harassment Policy;
- Drugs and Alcohol Policy;
- Workplace Flexibility Policy;
- Paid Parental Leave Policy; and
- Modern Slavery Policy.

These policies are reviewed regularly. The Board may establish other policies and practices to ensure it fulfils its functions.

All of these policies are available in the corporate governance section of the Company's website at

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



Delegated Authorities Manual

The Board has established formal limits of authority to provide clarity to the chief executive and management so that they are in a position to carry out the business of the Company efficiently and effectively within the parameters of proper corporate governance.

The Delegated Authorities Manual sets limits to financial commitments and other decision-making, and is monitored by the Board through the audit function.

PRINCIPLE 2

Structure the Board to be effective and add value

The Board should be of an appropriate size and collectively have the skills, commitment, and knowledge of the entity and the industry in which it operates to enable it to discharge its duties effectively and to add value

ASX PRINCIPLES AND RECOMMENDATIONS

Composition of the Board

The Board as a whole, supported by the Nomination and Remuneration Committee, undertakes the process for identifying suitable candidates for appointment to the Board and recommending directors for appointment, having reviewed its operations, the performance of individual directors, the qualifications of candidates for the Board, the skills required by the Board, and how the required skills are best represented.

The Board provides clear recommendations and relevant information in the Notice of Meeting at which candidate directors are put forward. Biographical information is presented in the Notice of Meeting, and further information about directors is presented on the Company's website.

Where possible, the process of vetting prospective directors includes background checks into character, education, criminal record, and bankruptcy. The Nomination and Remuneration Committee also undertakes other vetting procedures that it deems appropriate in the circumstances

As the Board has not recommended any new candidate since 2018, these checks have not been performed in the past year. Background checks have not been undertaken where directors are nominated by the major shareholder of the Company, reflecting the reality of the ownership structure of the Company.

Upon appointment to the Company's Board, directors are advised of salient requirements and policies. Obligations such as disclosure of interests, managing conflicts, and share trading are managed through policies. Directors have received training in health and safety governance. Further training about how to best perform their duties as directors was not required during the reporting period as the Company has robust policies around director duties and the Board's skills are appropriate.

When the Company converted its listing to being primary listed on the ASX, each director entered into individual written agreements with the Company consistent with ASX listing rule 3.19B.

The Company enters into an employment agreement with the managing director and the senior executives, the material terms of which are disclosed below.

The Company Secretary is Paris Bree, who is also the Company's General Counsel. She is appointed by the Board and accountable directly to the Board.

The company was not in the S&P/ASX 300 Index at the commencement of the reporting period, and is not a "relevant employer" under the Workplace Gender Equality Act.

Board Skills

Board skills are set out in the accompanying chart.

The Board considers its composition brings together skill-sets that are highly valued in the industry. The Board has a balance of independence, skills, knowledge, experience, and perspectives.

In considering the appropriate Board composition, account is given to whether or not a shareholder owns a majority of the shares in the Company. The Board composition is a consequence of the Company's ownership structure.

Two out of six directors are independent. The Chair is not independent, reflecting the ownership structure of the Company. The Chair and CEO are not the same person.

The Board has determined that as at 30 June 2024, Dr Archer and Mr Ritchie are independent directors as they do not fall into any of the categories specified in the ASX Principles and Recommendations as being examples of interests, positions and relationships that might raise issues about the independence of a director.

Mr Kellner, Mr Argentieri, and Mr McGregor are not independent because of their association with O.G. Oil & Gas (Singapore) Pte Limited, which is a substantial shareholder in Echelon Resources Ltd.

Mr Jefferies is not independent because he is the managing director of Echelon.

Upon appointment to the Company's Board, directors are advised of salient requirements and responsibilities for directors of the Company.

Committees of the Board

The Board has established the following committees to assist it by focusing on specific responsibilities, reporting back to the Board and making any necessary recommendations:

- Audit Committee,
- Nominations and Remuneration Committee,
- Operational Risk and Sustainability Committee,
- Commercial Committee.

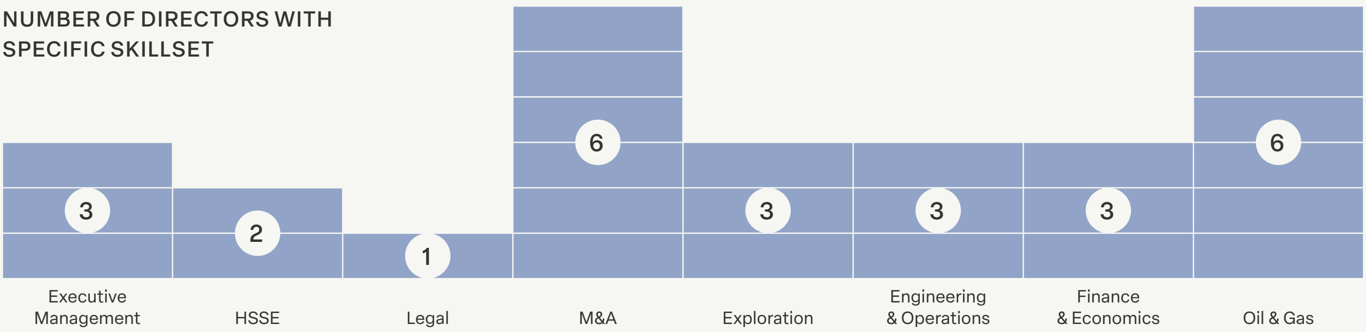
Each committee has a Charter, approved by the Board and reviewed regularly. The Board has sole responsibility for the appointment of directors to committees. Any director is entitled to attend a meeting of a committee if that director so wishes, except that members who are not members of the Audit Committee may only attend its meetings at the invitation of the Audit Committee.

More detail about the role and activities of these committees is reported under relevant headings below.

All Committee Charters are available on the Company's website at

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

NUMBER OF DIRECTORS WITH SPECIFIC SKILLSET



PRINCIPLE 3

Instill a culture of acting lawfully, ethically and responsibly

Instill and continually reinforce a culture across the organisation of acting lawfully, ethically and responsibly

ASX PRINCIPLES AND RECOMMENDATIONS

Echelon practices the highest standards of corporate governance and aspires to continuous improvement in its governance performance.

The Board has adopted the following overarching governance objectives:

- Lay solid foundations for management and oversight.
- Achieve high standards of transparency and ethical and responsible decision-making.
- Structure itself to add value.
- Make timely and balanced disclosure.
- Respect the rights of its shareholders.
- Safeguard integrity in its financial reporting.
- Recognise and manage risks.
- Encourage enhanced performance.
- Promote a corporate culture that upholds agreed Company values.

The Company's values are displayed in the graphic on the inside front cover of this report.

Code of Business Conduct and Ethics

The Company's Code of Business Conduct and Ethics sets out values and ethics expected of the Company's directors, management, employees and contractors.

The Company strives to create a strong culture of honesty, integrity, loyalty, fairness, forthrightness and ethical behaviour.

Company representatives are required to:

- Act with high standards of honesty, integrity, fairness, and equity in all aspects of their involvement with the Company;
- Comply fully with the content and spirit of all laws and regulations governing the Company's operations, business environment, and employment practices;
- Not knowingly participate in illegal or unethical activity;
- Actively promote compliance with laws, rules, regulations, and the Company's Code of Business Conduct and Ethics; and
- Not do anything that would be likely to negatively affect the Company's reputation.

The Code addresses in detail issues such as:

- Conflicts of interest and corporate opportunities;
- Protection and proper use of Company assets;
- Confidential and proprietary information;
- Intellectual property;
- Competition and fair dealing;
- Business entertainment and gifts;
- Anti-bribery and corruption;
- Cash koha;
- Insider trading or tipping: and
- Reporting Code violations.

The Code requires the Board to be informed of any material breaches.

Modern Slavery Policy

Echelon is committed to eliminating modern slavery from its operations and supply chains. We believe that all people have the right to be free from exploitation and that no one should be forced to work in conditions of slavery or servitude.

This policy sets out our commitment to preventing modern slavery and outlines the steps we will take to ensure that our operations and supply chains are free from modern slavery.

The Code of Business Conduct and Ethics is available in the corporate governance section of the Company's website at

backend.echelonresources.com/assets/Reports/Corporate-Governance/Echelon-Policies/2024-06-Code-of-Business-Conduct-and-Ethics.pdf

Protected Disclosures

The Company has a Protected Disclosures (Whistleblower) Policy that provides a procedure for employees and contractors to raise concerns or make disclosures about what they observe happening at work.

The purpose is to facilitate disclosure and investigation of serious wrongdoing. It provides a mechanism for concerns being raised and dealt with at an early stage and in an appropriate manner. The person making the report is protected from any adverse consequences where the concern is raised in good faith. The Board is to be informed of any material incidents reported under this policy.

The protected Disclosures (Whistleblower) Policy is available in the corporate governance section of the Company's website at

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

Anti-bribery and Corruption

The Company's anti-bribery and corruption policies are included as specific items within the Code of Business Conduct and Ethics.

The Code of Business Conduct and Ethics is available in the corporate governance section of the Company's website at

backend.echelonresources.com/assets/Reports/Corporate-Governance/Echelon-Policies/2024-06-Code-of-Business-Conduct-and-Ethics.pdf

PRINCIPLE 4

Safeguard the integrity of corporate reports

Have appropriate processes to verify the integrity of corporate reports

ASX PRINCIPLES AND RECOMMENDATIONS

The Chief Executive and Chief Financial Officer (CFO) provide the Board with a letter affirming that, in their opinion, the financial records have been properly maintained, that the financial statements comply with the appropriate accounting standards and give a true and fair view of the Company's financial position and performance, and that they form their opinion on the basis of appropriate and effective controls.

Senior management review quarterly activity reports, cash flow reports and other formal reports to verify and confirm content.

The Managing Director, CFO and General Counsel approve reports prior to being circulated to the full Board for approval ahead of public release.

The Audit Committee Charter in available here

backend.echelonresources.com/assets/Reports/Corporate-Governance/Echelon-Policies/2024-06-Audit-Committee-Charter.pdf

Audit Committee

The Audit Committee, together with the Chief Executive, is responsible to the Board for overseeing the financial and internal controls, financial reporting and audit practices of the Company.

The Chair of the Audit Committee also oversees and authorises any trading in securities by directors, employees or contractors. Restrictions on trading are outlined in the Securities Trading Policy and Guidelines for Directors, and in the Securities Trading Policy and Guidelines for Employees and Dedicated Contractors.

In practice the Committee considers:

- Corporate reporting and internal controls,
- Whether financial statements reflect their understanding of the financial position and performance of the Company and otherwise provide a true and fair view,
- The appropriateness of the accounting judgements and choices exercised by management in preparing the financial statements,
- The appointment of the external auditor and rotation of the audit engagement partner;
- The fees payable to the auditor for audit and non-audit work,
- The scope and adequacy of the external audit, and
- The independence and performance of the external auditor.

Audit Committee Composition

Alastair McGregor, Dr Rosalind Archer and Rod Ritchie comprise the Audit Committee. As Dr Archer and Mr Ritchie are independent, a majority of members of the Audit Committee are independent and none are executive directors.

The Chair of the Audit Committee, Mr McGregor, is not the Chair of the Board. Mr McGregor is not an independent director, which reflects the composition of the Board.

Mr McGregor has a financial background. Dr Archer and Mr Ritchie have gathered considerable experience about the Company's financial affairs through their service on the Board and on the Audit Committee. Further information about the skills and qualifications of the committee members are set out in the biography page (see pages 27 & 28).

The Committee met twice during the year by video conference, and all members attended both meetings.

The Chair of the Board, directors, the Chief Executive and other staff may be invited by the Audit Committee to attend meetings of the Committee.

The Audit Committee can meet with the external auditors and senior management in separate sessions. An annual process considers engagement of auditors, having regard to the auditors' independence and policies for rotation of partners.

The Company does not have an internal audit function, as the scale and complexity of the business and the nature of its financial management does not currently require it.

Dividend Policy

Echelon's dividend policy aims to deliver sustainable returns to shareholders, with the Board evaluating the Company's financial position semi-annually. Factors considered include cash flow, capital needs, operating commitments, investment plans, debt, and external market conditions. Dividend payments are subject to compliance with the New Zealand Companies Act 1993 and the Board's discretion. The policy is regularly reviewed to ensure ongoing relevance.

The Securities Trading Policy and Guidelines for Employees and Contractors is available on the Company's website here

backend.echelonresources.com/assets/Reports/Corporate-Governance/Echelon-Policies/2024-06-Securities-Trading-Policy-Guidelines-for-employees.pdf

PRINCIPLE 5

Make timely and balanced disclosure

Make timely and balanced disclosure of all matters that a reasonable person would expect to have a material effect on the price or value of the Company's securities

ASX PRINCIPLES AND RECOMMENDATIONS

Echelon complies with Listing Rule 3.1, which requires a listed entity, subject to certain exceptions, to disclose to ASX immediately any information that a reasonable person would expect to have a material effect on the price or value of its securities.

The Board receives advance copies of all material announcements.

New presentations are released to the ASX market ahead of the presentation, and promptly posted to the Company website.

Continuous Disclosure

The company releases to markets, promptly and without delay, information that a reasonable person would expect to have a material effect on the price of its securities. The only exceptions to this disclosure principle are those permitted under the Listing Rules.

The Board is responsible for monitoring commitments and continuous disclosure obligations and initiating action as warranted to ensure reporting is fair and reasonable.

The Company has a Communications, Market Disclosure and Social Media Policy. Its purpose is to:

- Reinforce the Company's commitment to the continuous disclosure obligations imposed by law and stock exchange rules,
- Describe the processes to ensure compliance,
- Outline the Company's general communications approach aimed at ensuring timely and accurate information is provided to shareholders, market participants and market observers, and
- Provide ground rules for the use of social media.

Non-Financial Reporting

The Company publishes a Sustainability Report.

Sustainability reporting includes material exposure to environmental, economic and social sustainability risks and other key risks. It explains how the Company manages those risks and how operational or non-financial targets are measured.

Components of sustainability reported include:

- A summary of the Company's values;
- TCFD including Governance of climate risk, Company policies and the Company's climate change statement;
- Sustainability and climate risk strategy and risk management and corporate responsibility strategy;
- Diversity Statement, performance metrics and targets;
- A summary of the Company's approach to stakeholder engagement,
- Summary of the Company's contribution to local communities;
- A materiality matrix; and
- Relationship between business strategy and the UN's Sustainable Development Goals.

A copy of our Sustainability Reports are available on the Company's website, here

echelonresources.com/investors/company-reports/sustainability-report

PRINCIPLE 6

Respect the rights of security holders

Provide security holders with appropriate information and facilities to allow them to exercise their rights as security holders effectively

ASX PRINCIPLES AND RECOMMENDATIONS

Shareholder Participation

The Company communicates openly with investors with the aim of growing understanding about the business, its activities and plans, governance, financial performance and prospects.

The Company encourages shareholder participation at the annual meeting by inviting questions in advance and discussion from the floor. Meeting agendas and supporting documents such as presentations are posted on the Company's website.

It makes directors and management available at annual meetings and provides and opportunity for conversation about the Company. Investor queries to the Company by phone and email are answered promptly by senior managers. For major Company events, management and directors reach out to larger minority holders to discuss issues and concerns.

The Company encourages participation in annual meetings. It holds meetings online as well as in person and provides extensive opportunities before and during meetings for questions, discussion and engagement. Questions may be submitted in advance by shareholders not present and answers are made available on the webcast recording on the website. Shareholders continue to avail these opportunities.

The Notice of Annual Meeting of Shareholders is posted when it is available and at least 20 working days prior to the meeting.

Shareholders can directly message the Company at any time through the website and management aims to respond promptly. The Company makes available key staff and directors to answer questions about major initiatives. The chief executive actively contacts shareholders who seek to engage.

Shareholders have the right to vote on major decisions that change the nature of the Company's activities. All shares participate equally with other shares on the basis of one share, one vote. There are no special voting rights attached to any stock. Voting is conducted by poll, not by show of hands, as recommended by shareholders' associations.

The Company accepts the principle of one share-one vote in the listing rules and agrees that a show of hands is inconsistent with this principle. The Company holds ballots with scrutineers present on all votes at all meetings.

The Company's offices and shareholder meetings are wheelchair accessible.

Website

The Company maintains a website, echelonresources.com, where comprehensive information is presented about its activities, governance and financial performance.

Shareholders and interested parties can subscribe via the website to receive notice of the Company's market announcements by email.

The dedicated investor relations section of the website makes available share price information, detail about shareholdings, statutory reports, corporate governance information, and market updates about the Company's activities.

The corporate governance landing page presents all relevant corporate governance documents, including policies, charters, and the constitution.

The Investors section provides links to:

- News, market announcements, and investor briefings;
- Policies, charters and other corporate governance documentation;
- Periodic reports, including annual and quarterly reports and sustainability reporting;
- Information about annual and special meetings, including notices of meeting, voting cards, CEO and Chair's addresses, results and webcasts, including historical records of past meetings;
- Shareholder information including the distribution of listed holdings, information about past dividends and a share price graph.

Recent reports are typically linked from the most prominent panel of the front page of the website.

The website provides detailed descriptions of current activities:

- Production and financial data
- The names, photographs and brief biographical information for each directors and senior executive;
- A statement of values;
- Sustainability and corporate responsibility information;
- Investor relations materials.

Registry

The Company shifted registry management to Computershare Australia (from New Zealand) following its Annual Meeting of Shareholders in November 2022.

Any shareholder may receive all communications from Echelon and from the registry in electronic form. Contact Computershare to make arrangements:

AUSTRALIA

Computershare Investor Services Pty Ltd

GPO Box 3329 Melbourne,
VIC 8060 Australia

Freephone	1 800 501 366 (within Australia)
Telephone	+61 3 9415 4083
Facsimile	+61 3 9473 2500
Email	Web.Queries@computershare.com.au
Website	www.computershare.com.au

NEW ZEALAND

Computershare Investor Services Ltd

Level 2, 159 Hurstmere Road Takapuna,
Private Bag 92119 Auckland, New Zealand

Telephone	+64 9 488 8777
Freephone	0800 467 335
Facsimile	+64 9 488 8787
Email	enquiry@computershare.co.nz
Website	www.investorcentre.com

PRINCIPLE 7

Recognise and manage risk

Establish a sound risk management framework and periodically review the effectiveness of that framework

ASX PRINCIPLES AND RECOMMENDATIONS

The Board allocates oversight of risk management in relation to health, safety and environment and company operations to the Operational Risk and Sustainability Committee (ORS) and oversight in relation to accounting standards and principles, financial statement compliance and reliability and the audit process to the Audit Committee.

Operational Risk and Sustainability Committee

The ORS Committee is chaired by Rod Ritchie, who is independent. The other members are Dr Rosalind Archer, Andrew Jefferies, and Alastair McGregor.

The Committee met once during the year by video conference, and all members were present for that meeting.

The ORS Committee's role is to advise and support the Board in meeting its responsibilities in relation to health, safety, security, environment, sustainability, operational risk and community engagement matters arising out of the activities and operations of the Group.

The committee's responsibilities include:

- Risk Management Framework: Monitor the performance and effectiveness of, and compliance with, the Company's Risk Management Framework and review the adequacy of risk controls.
- Approve policy and monitor progress: Set, review and agree ORS policies, practices, frameworks and targets, including performance against these, as recommended by management, including but not limited to:
  - › Sustainability performance framework, targets and reporting;
  - › Community and Iwi engagement;
  - › Environmental policies and programmes including Climate Change responses.
- Seek assurance of the Company's compliance with all ORS legislative requirements, licence conditions and stakeholder commitments.
- Support the Board and management in defining the Company's ORS objectives, taking into account legal obligations and industry best practice.
- Work with management to agree how ORS objectives will be achieved, monitored and reviewed.
- Support a culture of continuous improvement by reviewing significant incidents and system failures and monitoring actions and measures to minimise recurrence.
- Ensure the necessary skills are obtained and maintained within the Group to achieve ORS objectives.
- Provide leadership to the Board and support the Company in aspiring to proactively manage ORS issues.
- Ensure that significant issues are brought to the attention of the full Board

Company policies, frameworks and strategies relevant to this Committee:

- Health and Safety Policy
- Environment Policy
- Capturing Local Economic Benefits Policy
- Community Engagement Policy
- HSSE Management Framework and Management System - Risk Register
- Risk Management Procedure
- Sustainability Framework
- Climate Change Policy
- The Sustainability Report

Read the Operational Risk and Sustainability Committee's charter here

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

Health and Safety

The Company values the wellbeing of employees, contractors and communities in which we operate. It is fully committed to the provision of a safe and healthy environment for all employees, contractors and visitors to Echelon sites, and to achieving a health and safety aspiration of 'no one gets hurt' and 'no incidents'.

All employees, contractors and JV parties engaged in activities under the Company's operational control are responsible for the application of the Health and Safety Policy.

All employees are responsible for taking all practical steps to avoid harm to themselves or to others in the workplace. They must report any potentially hazardous situations, maintain good housekeeping in all areas and comply with safe work practices and procedures.

The Company's managers are responsible for promoting the Health and Safety Policy in non-operated joint ventures.

The full Health and Safety Policy is available in the corporate governance section of the Company's website at

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

Environment

The Company values our natural environment and is committed to responsible management practices that minimise environmental impacts arising from our activities, using soundly-based science as the basis for all of our environmental decisions.

All employees, contractors and JV's engaged in activities under the Company's operational control are responsible for applying the Environment Policy. The Company's managers are responsible for promoting the policy in non-operated JV's.

Management reviews the risk management framework twice per year and reports to the ORS Committee.

The full Board reviews the risk register annually.

The full Environment Policy is available in the corporate governance section of the Company's website at

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

Recognising and Managing Risk

The Company has a risk management system framework, which outlines the Company's approach to risk management. It provides a framework for applying consistent and comprehensive risk management practices across all functional areas of the business.

A central Company risk register, which considers the risks, reviews the controls, assigns ownership of a risk and tracks treatment plans, is maintained. Risk assurance is provided through a prioritised programme of audits and internal review.

The Board's accountabilities include:

- Overseeing the effectiveness of the risk management system framework,
- Monitoring compliance, and
- Approving polices and systems for the ongoing identification and management of risks.

The Board's responsibilities include:

- Approving the Company's risk capacity and appetite,
- Reviewing material risks, and
- Reviewing the risk register.

Responsibility for identifying, documenting and managing risks and opportunities is delegated to the appropriate level of management. The Chief Executive is responsible for such things as integrating risk management into core business processes, managing the Company's corporate strategic risks and opportunities, and regularly reviewing the Company's risk profile. The Chief Executive has ultimate responsibility to the Board for design, development and improvement of the risk management framework system and maintains the Company's risk register.

The Company does not have an internal risk function.

The process employed for evaluating and improving the effectiveness of risk management and internal control processes is:

- Risks are formally reviewed by risk owners;
- Management regularly reviews the risk register to ensure adherence and continuous improvement;
- The ORS Committee regularly reviews the risk register, with a particular emphasis on reducing key risks to as low as reasonably practicable;
- For specific operational activities (including seismic acquisition campaigns), the Board reviews the intended operational activity against activities related to elements of the Company's HSSE management framework to ensure a compliant work programme, achieving desired objectives safely; and
- After-action reviews of an operational phase of a project are undertaken by the HSSE Advisor and project team, to identify improvement in control processes. The after-action review is then reviewed by the ORS Committee.

The ORS Committee reviews specific risks at each meeting of the committee and, at least annually, reviews the risk register and framework document to satisfy itself that the system continues to be sound.

The process employed for evaluating and improving the effectiveness of risk management and internal control processes is:

- Risks are formally reviewed by risk owners;
- Management regularly reviews the risk register to ensure adherence and continuous improvement;
- The ORS Committee regularly reviews the risk register, with a particular emphasis on reducing key risks to as low as reasonably practicable;
- For specific operational activities (including seismic acquisition campaigns), the Board reviews the intended operational activity against activities related to elements of the Company's HSSE management framework to ensure a compliant work programme, achieving desired objectives safely; and
- After-action reviews of an operational phase of a project are undertaken by the HSSE Advisor and project team, to identify improvement in control processes. The after- action review is then reviewed by the ORS Committee.

The ORS Committee reviews specific risks at each meeting of the committee and, at least annually, reviews the risk register and framework document to satisfy itself that the system continues to be sound.

TCFD Risk Disclosure

TCFD risks, and the framework for managing climate risks, are comprehensively reported in the Sustainability Report.

TCFD reporting is also maintained on our Company website.

A copy of our Sustainability Reports are available on the Company's website, here

echelonresources.com/investors/company-reports/sustainability-report

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.

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

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.

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

How we model climate risk

KUPE, NEW ZEALAND

For our New Zealand Kupe asset, Echelon uses the New Zealand ETS market pricing for carbon emissions.

The Company has sufficient forward emissions credits for future demand. As these were purchased at much lower carbon prices, the emissions trading system carbon costs represent a positive opportunity for competitive advantage.

For physical risks to the Kupe offshore platform, onshore coastal processing plant and connecting pipeline, the Company carries insurance and equipment is engineered to standards well in excess of expected weather activity.

AMADEUS BASIN, AUSTRALIA

For physical risks to our Amadeus Basin interests, the Company has comprehensive insurance to cover physical risk. The risks associated with climate are assessed in engineering planning. For forward price risk associated with production, the Company uses impairment testing based on forward market prices and contracts.

The Company uses an internal price to test economics of investments based on market prices in other comparable international regimes. Expectations of forward prices reflect the market consensus on the likelihood and level of future carbon charges and market demand. Potential increased carbon pricing or reduced prices are part of the Company's sensitivity testing.

Carbon prices have generally conformed to forward curves in the reporting period, while oil and gas commodity prices have been much higher due to concerns about energy security and actual shortages of gas. As a result, the financial risks associated with climate change are assessed to be considerably positive (upside) as of the date of this report.

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 our Sustainability 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	Litigation against companies and/or directors on climate grounds (claiming causation or seeking greater action to mitigate effects) could have reputational, development and operating cost impacts. Changing regulations including bans and restrictive regulations, taxes and emissions limits across all jurisdictions risk viability of projects.	S M L	Board and management understand their fiduciary duties around climate change risk. Internal processes, including due diligence and joint venture processes, identify and manage climate risk. Monitor jurisdictions where we undertake activities. Look to diversify jurisdictions to mitigate changes to any individual regulatory environment. 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. Develop evidence for the role of natural gas in a net carbon-zero future.
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	Manage environmental performance through sustainability framework. Promote corporate values, including our pride in our work. Due diligence screening of commercial opportunities and joint ventures.
Financial risks	Divestment movement increases, affecting availability and cost of capital. Insurance premiums increase. Potential for classes of assets and locations to become uninsurable. Capital cost increases if new environmental standards require more expensive supplies relative to alternatives. Carbon pricing adopted across jurisdictions, or inconsistently between them. Changes to price and cost forecasts result in stranded assets or reserves.	S M L S M L M L S M L S M L	Incorporation of a shadow price on carbon in sensitivity testing for investment decisions. Due diligence screening of commercial opportunities and JV processes. Assurance of insurance forecasts. Access to a range of funding options. Reporting on environmental, social, and governance (ESG) matters, including TCFD compliant reporting. Jurisdictional diversification to mitigate the impact of sudden, unilateral changes, confiscation, or value destruction by regulation.
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	Engineering anticipates environmental conditions. Carbon policy provides for review of climate issues in strategic and operational decisions.
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	Strategic preference for natural gas. Support for our JV partners pursuing low carbon innovations on sites. Ongoing investigation of investment opportunities in lower emission technologies, including carbon capture and storage.
Reputational	Partnering with local communities to support low carbon initiatives.	S M L	Local relationships and discussions about contributing to socially desirable low carbon outcomes.

PRINCIPLE 8

Remunerate fairly and responsibly

Pay director remuneration sufficient to attract and retain high quality directors and design executive remuneration to attract, retain and motivate high quality senior executives and to align their interests with the creation of value for security holders and with the Company's values and risk appetite

ASX PRINCIPLES AND RECOMMENDATIONS

Nomination and Remuneration Committee

The Company has a Nomination and Remuneration Committee comprising Dr Rosalind Archer (Chair), Marco Argentieri, Samuel Kellner, Alastair McGregor and Rod Ritchie.

The Committee charter requires that it comprises at least three non-executive directors of the Board. The Chair, Dr Archer, is independent.

Principle 2.1 of the ASX Principles and Recommendations recommends that a majority of the nomination committee should be independent directors. A majority of the Board is not independent and the composition of the committee also reflects this.

Nomination and Remuneration Committee Member	Meetings attended during the year
Dr Rosalind Archer (Chair)	3
Marco Argentieri	3
Samuel Kellner	3
Alastair McGregor	2
Rod Ritchie	3

The Nomination and Remuneration Committee is responsible to the Board for:

- Providing recommendations to the Board in relation to the director selection and appointment practices of the Company;
- Evaluation and remuneration of directors and Board succession;
- Chief Executive remuneration, appointment, performance criteria and review;
- Reviewing and providing recommendations to the Board in relation to:
  - Senior executive and key staff succession plans;
  - The Company's remuneration, recruitment, retention and termination policies and procedures for all employees;
  - Implementing the Company's Diversity Policy and achieving any associated measurable objectives; and
  - Other relevant matters identified from time to time by the Board.

Remuneration and Performance Appraisal

The Company aims to attract, retain and motivate professional staff capable of achieving the goals of the Company.

To achieve this, the Company wants to encourage and reward its staff fairly and appropriately within the market to reflect performance and contribution.

The Remuneration Policy sets out a process to assess the competitiveness of remuneration.

The Nomination and Remuneration Committee makes recommendations on remuneration policies for the Chief Executive and senior managers based on assessment of relevant market conditions and linking remuneration to the Company's financial and operational performance and individual performance.

Executive remuneration may comprise salary, short-term incentive payments and share options.

Read the Committee's Charter here

backend.echelonresources.com/assets/Reports/Corporate-Governance/Echelon-Policies/2024-06-Remuneration-and-Performance-Appraisal-Policy.pdf

Short Term Incentive

Officers of the Company may receive payments under a short term incentive scheme.

40% of the STI is based on company performance, 30% is Board discretion, and 30% on personal performance. 45% of the personal performance component is assessed on behaviours aligned with Company values, 10% on HSE performance, and 45% on the personal performance criteria agreed at the start of the financial year between the Chief Executive and the respective officers.

In 2023-24 the company factors affecting short term incentive payments were:

Acquisitions	Board approval to make binding offer on two opportunities, execution of one sales and purchase agreement, completion of two deals.
Group Strategy	Execute Board-agreed group strategy.
Overheads	Not exceeding budgeted overheads. Emphasis on achievement of meaningful cost reduction initiatives.
Reserves replacement	2P reserves replacement.
HSSE	Develop a transition plan across the portfolio. Influencing Process Safety with operating JV partners. Implement carbon related disclosures across the business.
Corporate discretion	Awarded on overall company performance, share price performance and oil and gas market conditions.

In the reporting period the Company has determined that the overall business performance outcome was 85%.

Director's Remuneration

At the 2008 Company Annual Meeting, shareholders approved a resolution that director's fees be set at a maximum of $600,000 per annum, being the combined total for all non-executive directors. There has been no increase in the fee level since 2008 and in March 2016 the Board and directors volunteered a reduction in their fees.

OGOG representative directors have not yet drawn any fees for their services.

Directors do not receive any performance-based remuneration. Mr Jefferies does not receive fees because he is the Chief Executive.

The total remuneration and other benefits to directors for services in all capacities during the year ended 30 June 2024 was:

Dr R Archer	$82,255
Mr M Argentieri	
Mr A Jefferies	$1,097,973*
Mr S Kellner	
Mr A McGregor	
Mr R Ritchie	$82,255

*Includes remuneration received as Chief Executive

CEO SALARY	
Salary Paid	$642,376
Benefits[1]	$129,158
Cash STI[2]	$257,244
LTI share options	$68,087
TOTAL	$1,097,973

(1) Benefits include Kiwisaver at 3% and health insurance
(2) STI for current period, paid out in August 2024

Options to acquire ordinary shares are issued in accordance with Scheme Rules, which are available here

backend.echelonresources.com/assets/Reports/Corporate-Governance/Echelon-Policies/NZOG-Share-Option-Scheme-Rules-FINAL-adopted-11-December-2019-33303794-v-1.pdf

STAFF SALARY BANDS	
$100,000—$110,000	1
$110,000—$120,000	1
$120,000—$130,000	1
$130,000—$140,000	1
$180,000—$190,000	1
$210,000—$220,000	2
$220,000—$230,000	1
$230,000—$240,000	2
$240,000—$250,000	1
$330,000—$340,000	1
$400,000—$410,000	1
$410,000—$420,000	1
$420,000—$430,000	1
$470,000—$480,000	1
$480,000—$490,000	1
$1,090,000-$1,100,000	1
TOTAL	18

Securities Trading Policies

The Company's Securities Trading Policies set out procedures about when and how an employee, dedicated contractor or director can deal in Company securities.

These policies are consistent with New Zealand's Financial Markets Conduct Act 2013 and its insider trading procedures, and they comply with ASX listing rules.

The Board ensures that these policies are up-to-date and compliant at all times with changes to the law and to listing rules.

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 Tick 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 (LGBTTQIA+).

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.

The Company recognises 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. Examples of these are set out below, under Diversity Performance Metrics.

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 Nomination and Remuneration Committee makes an annual assessment of success in achieving and implementing the policy and the set objectives, then reports to the Board with recommendations.

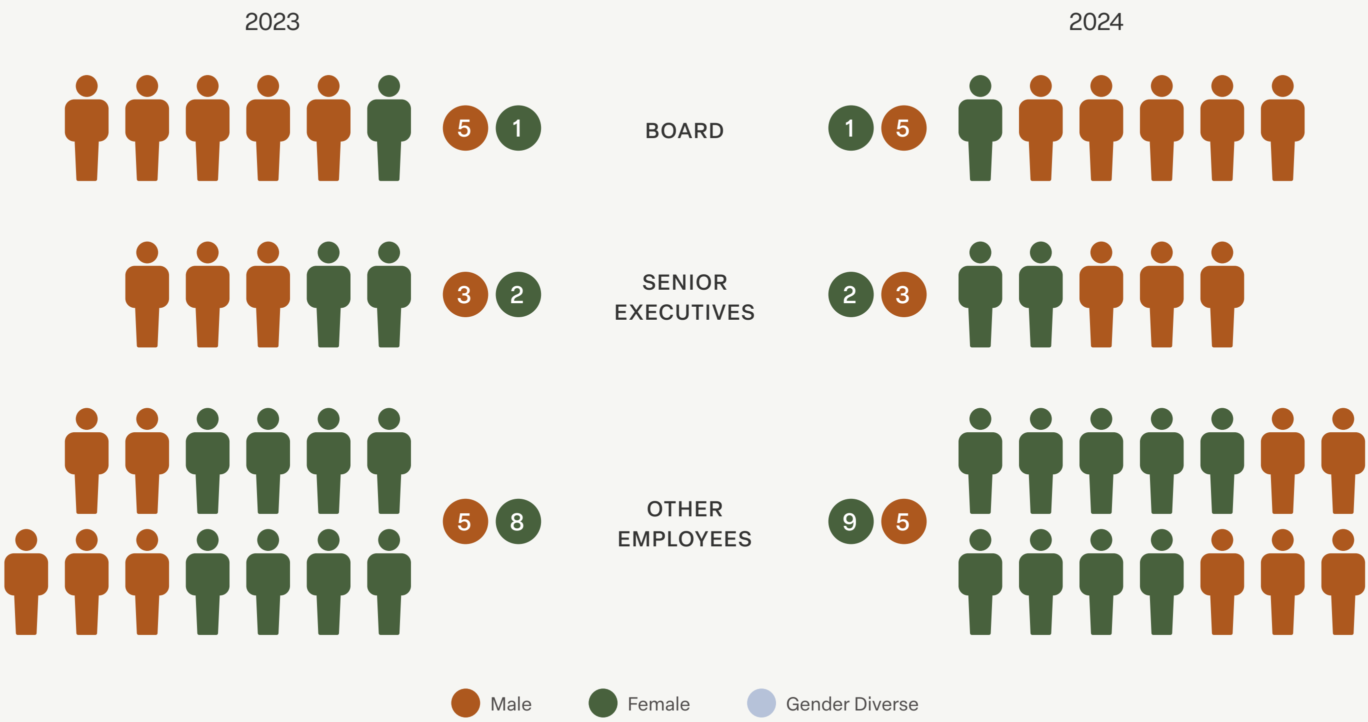
Our Diversity Policy is at

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 30 June 2024, and compares that to numbers as at 30 June 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.	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. Policies have been reviewed and retained to ensure they are not impacting our ability to maintain a diverse workplace. We have a flexible working guideline which compliments the family friendly policies and diversity policy (on our website). Candidates have commented positively on these initiatives when we have recruited.
Providing talent management support for diverse and emerging leaders.	Te Ata maintains a cultural calendar which celebrates cultural events that have meaning to our people and we have tied these into all staff gatherings and disseminated information e.g. Thanksgiving, St Patricks Day, Burns night, Dwali, Matariki, Christmas, Pride Month. 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. Development coaching has been made available to selected employees. Stevie the ITP is an initiative that was launched earlier in the year. It is an in-house training platform that we developed ourselves, and is a hub for continual learning with spaces for each team and group training to be captured (retained and accessible to all). This show cases the continual learning and development individuals and groups undertake, and facilitates access to others and Coursera.
Retain Rainbow Tick	This has been retained, including an audit and further full team training. Our continuing retention of this has also been commented on positively by recruitment candidates, and external stakeholders.

Diversity Performance Targets for 2024-25

- Promote ongoing engagement with diversity initiatives, policies and guidelines to ensure they are evolving appropriately
- Providing talent management support for diverse and emerging leaders
- During any relevant Board selection process, the NARC must ensure at least one credible and suitably experienced female candidate is provided for consideration
- Retain Rainbow Tick

Consolidated Financial Statements

For the year ended 30 June 2024

Authorised on behalf of the Echelon's
Board of Directors on 27 August 2024:

Alastair McGregor
Director

Rosalind Archer
Director

Consolidated Statement of Cash Flows

For the year ended 30 June 2024

NZ$000	Notes	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Customer receipts		96,202	87,011
Production and marketing payments		(30,835)	(31,391)
Supplier and employee payments (inclusive of GST)		(13,799)	(10,534)
Interest received		1,470	872
Income tax paid		(8,721)	(7,370)
Royalties paid		(6,105)	(7,018)
Other		(2,128)	882
NET CASH INFLOW FROM OPERATING ACTIVITIES		**36,084**	32,452
CASH FLOWS FROM INVESTING ACTIVITIES			
Exploration and evaluation expenditure		(2,400)	(12,070)
Oil and gas asset expenditure		(16,852)	(24,678)
Prospects acquired (net of cash)		(42,156)	-
Deferred consideration		(6,143)	(22,160)
Security deposits and bonds		312	(1,239)
Property, plant and equipment expenditure		(114)	(117)
NET CASH OUTFLOW FROM INVESTING ACTIVITIES		**(67,353)**	(60,264)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from loans and borrowings		53,303	-
Transaction costs relating to loans and borrowings		(1,206)	-
Dividends paid		(14,995)	-
Lease liabilities principal element payments		(281)	(249)
NET CASH (OUTFLOW)/INFLOW FROM FINANCING ACTIVITIES		**36,821**	(249)
Net decrease in cash and cash equivalents		5,552	(28,061)
Cash and cash equivalents at the beginning of the year		36,380	64,590
Exchange rate effects on cash and cash equivalents		358	(149)
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	10	**42,290**	36,380

The notes to the financial statements are an integral part of these financial statements

Consolidated Statement of Cash Flows

For the year ended 30 June 2024

Reconciliation of profit for the year to net cash inflow from operating activities

NZ$000	2024	2023
Profit for the year	**7,748**	19,079
Depreciation and amortisation	14,931	15,396
Asset impairment	11,500	-
Deferred tax benefit	(425)	(5,284)
Contract liabilities non-cash	(3,397)	(4,897)
Exploration expenditure	775	9,128
Emissions costs settled by units	101	202
Net foreign exchange differences	515	837
Unwind of discount	1,713	2,759
Share based payments	456	418
Lease payments in financing	160	260
Other	(76)	260
CHANGE IN OPERATING ASSETS AND LIABILITIES		
Movement in receivables	(285)	(4,075)
Movement in contract assets	5,544	(3,586)
Movement in contract liabilities	(1,425)	-
Movement in inventories	(3,169)	51
Movement in payables	2,445	407
Movement in provisions	11	42
Movement in tax payable	(1,038)	1,455
NET CASH INFLOW FROM OPERATING ACTIVITIES	**36,084**	32,452

The notes to the financial statements are an integral part of these financial statements.

Consolidated Statement of Comprehensive Income

For the year ended 30 June 2024

NZ$000	Notes	2024	2023
Revenue	4	92,871	98,784
Operating costs	5	(29,364)	(35,117)
Exploration and evaluation expenditure		(1,022)	(9,128)
Other income	4	1,484	1,008
Other expenses	6	(16,713)	(12,447)
Profit from operating activities excluding amortisation, impairment and net finance costs		**47,256**	43,100
Amortisation of production assets	15	(14,760)	(15,178)
Asset impairment	15	(11,500)	-
Net finance (costs)/income	7	(553)	(686)
Profit before income tax and royalties		**20,443**	27,236
Income tax (expense)/benefit	8	(7,114)	(4,101)
Royalties expense	8	(5,581)	(4,056)
Profit for the year		**7,748**	19,079
Profit for the year attributable to			
Profit attributable to shareholders		3,930	10,757
Profit attributable to non-controlling interest (NCI)		3,818	8,322
PROFIT FOR THE YEAR		**7,748**	19,079
OTHER COMPREHENSIVE INCOME			
Items that may be classified to profit or loss			
Foreign currency translation reserve (FCTR) differences	22	1,638	(901)
Asset revaluation reserve	22	184	(1,408)
Total other comprehensive income for the year		**9,570**	16,770
Total comprehensive income for the year is attributable to			
Equity holders of the Group		5,752	7,936
Non-controlling interest		3,818	8,834
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**9,570**	16,770
Earnings per share			
Basic earnings per share attributable to shareholders (cents)	24	**1.7**	4.7
Diluted earnings per share attributable to shareholders (cents)	24	**1.7**	4.7

The notes to the financial statements are an integral part of these financial statements.

Consolidated Statement of Financial Position

For the year ended 30 June 2024

NZ$000	Notes	2024	2023
ASSETS			
Current assets			
Cash and cash equivalents		42,290	36,380
Receivables and prepayments	11	18,781	17,017
Contract assets		-	5,567
Inventories		5,860	2,668
Right of use assets		128	130
Total current assets		**67,059**	61,762
Non-current assets			
Exploration and evaluation assets	14	4,019	2,625
Oil and gas assets	15	236,086	183,015
Property, plant and equipment		199	148
Right of use assets		1,469	343
Other intangible assets		1,533	1,423
Net deferred tax assets	8	14,155	13,663
Other financial assets	16	8,125	8,307
Total non-current assets		**265,586**	209,524
TOTAL ASSETS		**332,645**	271,286
LIABILITIES			
Current liabilities			
Payables	17	14,994	12,171
Lease provisions		266	268
Contract liabilities		-	2,837
Deferred consideration	9	4,381	817
Current tax liabilities		3,329	4,349
Total current liabilities		**22,970**	20,442
Non-current liabilities			
Contract liabilities	18	14,602	15,708
Rehabilitation provisions	19	65,832	55,115
Borrowings	20	52,996	-
Lease provisions		1,360	261
Total non-current liabilities		**134,790**	71,084
TOTAL LIABILITIES		**157,760**	91,526
NET ASSETS		**174,885**	179,760
EQUITY			
Share capital		236,883	236,883
Reserves		10,803	9,215
Retained losses		(92,242)	(88,930)
Attributable to shareholders of the Group		**155,444**	157,168
Non-controlling interest in subsidiaries		19,441	22,592
TOTAL EQUITY		**174,885**	179,760
Net asset backing per share (cents)	23	**76.9**	79.1
Net tangible asset backing per share (cents)	23	**68.3**	71.3

The notes to the financial statements are an integral part of these financial statements

Consolidated Statement of Changes in Equity

For the year ended 30 June 2024

NZ$000	Share capital	Reserves	Retained earnings	Total	Non-controlling interest	Total equity
BALANCE AS AT 30 JUNE 2022	**236,883**	**11,639**	**(99,877)**	**148,645**	**13,757**	**162,402**
Profit for the year	-	-	10,757	10,757	8,322	19,079
Foreign currency translation differences	-	(1,414)	-	(1,414)	513	(901)
Share based compensation expense	-	418	-	418	-	418
Forfeited and expired ESOP awards	-	(20)	20	-	-	-
Asset revaluation reserve	-	(1,408)	170	(1,238)	-	(1,238)
BALANCE AS AT 30 JUNE 2023	**236,883**	**9,215**	**(88,930)**	**157,168**	**22,592**	**179,760**
Profit for the year	-	-	3,930	**3,930**	3,818	**7,748**
Asset revaluation reserve	-	277	-	**277**	-	**277**
Surrender of ETS units	-	(93)	93	**-**	-	**-**
Share based compensation expense	-	53	-	**53**	404	**457**
Forfeited and expired share options	-	(8)	8	**-**	-	**-**
Issue of shares to NCI	-	(69)	-	**(69)**	69	**-**
Foreign currency translation differences	-	1,428	-	**1,428**	210	**1,638**
Dividends paid	-	-	(7,343)	**(7,343)**	(7,652)	**(14,995)**
BALANCE AS AT 30 JUNE 2024	**236,883**	**10,803**	**(92,242)**	**155,444**	**19,441**	**174,885**

The notes to the financial statements are an integral part of these financial statements

Notes to the Financial Statements

For the year ended 30 June 2024

1 BASIS OF ACCOUNTING

Reporting entity

Echelon Resources Limited (Echelon), formally New Zealand Oil & Gas (NZO), is a company domiciled in New Zealand (NZ), registered under the New Zealand Companies Act 1993 and listed on the Australian Stock Exchange (ASX) using the ticker symbol ECH. The Group is required to be treated as a Financial Markets Conduct (FMC) reporting entity for the purposes of the FMC Act and the Financial Reporting Act 2013. Echelon de-listed from the NZX on 28 June 2024.

The financial statements presented are for Echelon, its subsidiaries and the interests in associates and jointly controlled operations (together referred to as the “Group”).

The ultimate parent company is O.G.Oil & Gas (Singapore) Pte. Limited ("OGOG"), a company incorporated in Singapore, which is a subsidiary and part of the O.G. Energy Holdings Ltd. (“OGE”) Group.

Comparative figures have been adjusted to conform to changes in presentation for the current reporting period.

Basis of preparation

The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practices ("NZ GAAP") and the Financial Reporting Act 2013. They comply with the NZ equivalents to International Financial Reporting Standards ("NZ IFRS") as appropriate for profit-oriented entities, and with International Financial Reporting Standards ("IFRS").

The presentation and reporting currency used in the preparation of the financial statements is New Zealand dollars (NZD or $) rounded to the nearest thousand unless otherwise stated. The financial statements are prepared on a goods and services tax (GST) exclusive basis except billed receivables and payables which include GST.

These financial statements are prepared on the basis of historical cost except where otherwise stated in specific accounting policies contained in the accompanying notes.

Basis of consolidation

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that control ceases. Consistent accounting policies are employed in the preparation and presentation of the Group financial statements. Intra-group balances, transactions, unrealised income or expenses arising from intra-group transactions and dividends are eliminated in preparing the Group financial statements.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies, are recognised in the income statement, except when deferred in the statement of comprehensive income and held in equity reserves as qualifying cash flow hedges and qualifying net investment hedges. Translation differences on non-monetary items, such as equities classified as fair value through other comprehensive income, are included in the statement of comprehensive income and held in the fair value reserves in equity.

2 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

The estimates and assumptions that have the most significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year relate to:

- **Recoverability of deferred tax assets**, assessment of the ability of entities in the Group to generate future taxable income (refer to note 8).
- **Identification of assets and liabilities acquired under a business combination** and the measurement of the associated fair values of the identified assets and liabilities (refer to note 9).
- **Recoverability of exploration and evaluation assets and oil and gas assets.** Assessment includes future commodity prices, future cash flows, estimated discount rates and estimates of reserves. Management performs an assessment of the carrying value of investments at each reporting date and considers objective evidence for impairment on each investment, taking into account observable data on the investment, the fair value, the status or context of capital markets, its own view of investment value and its long-term intentions (refer to notes 14 and 15).
- **Provision for rehabilitation obligations** includes estimates of future costs, timing of required rehabilitation and an estimated discount rate (refer to note 19).

3 SEGMENT INFORMATION

Operating segments' operating results are reviewed regularly by the Group's chief executive officer (CEO), the entity's chief decision maker, and have discrete financial information available. Segment results that are reported to the CEO include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

The following summaries describe the activities within each of the reportable operating segments:

- **Perth Basin (from 20 March 2023):** Exploration interests in Western Australian comprising the L7 Production licence (L7) and EP437 Exploration Permit (EP437).
- **Kupe oil & gas field (Kupe):** Development, production, and sale of natural gas, liquified petroleum gas (LPG) and condensate (light oil), located in the offshore Taranaki Basin, New Zealand.
- **Amadeus Basin oil & gas fields:** Comprising Echelon's share of the Mereenie oil and gas field, Palm Valley gas field and Dingo gas field, all located in the Amadeus Basin in Australia. Cue a partially owned subsidiary of Echelon, holds a participating interest in the Amadeus Basin assets. These are included in the Cue segment below. When relevant acquisition related expenditure is included in the segment.
- **Other and unallocated:** Unallocated items comprise corporate assets, corporate overheads, and income tax assets and liabilities.
- **Cue Energy Resources Limited:** The Group acquired a controlling interest in Cue during the 2015 financial year and from 1 October 2021 this segment includes Cue's participating interest in the Amadeus Basin assets.

3 SEGMENT INFORMATION (CONTINUED)

For the year ended 30 June 2024 $000	Perth Basin	Kupe oil & gas field	Amadeus Basin oil & gas fields	Other & unallocated	Cue Energy Resources Ltd	Total
Sales to external customers - New Zealand	-	7,834	-	-	-	**7,834**
Sales to external customers - Australia	-	-	30,324	-	12,200	**42,524**
Sales to external customers - Other countries	-	1,025	-	-	41,488	**42,513**
Total sales revenue	**-**	**8,859**	**30,324**	**-**	**53,688**	**92,871**
Other income	-	113	13	1,352	6	**1,484**
Total sales revenue and other income	**-**	**8,972**	**30,337**	**1,352**	**53,694**	**94,355**
Impairment	-	(11,500)	-	-	-	**(11,500)**
SEGMENT RESULT	**(380)**	**(7,785)**	**8,119**	**1,326**	**19,715**	**20,995**
Other net finance expense						**(552)**
Profit before income tax and royalties						**20,443**
Income tax and royalties expense						**(12,695)**
PROFIT FOR THE YEAR						**7,748**
Segment assets	4,061	22,127	160,360	32,357	113,740	**332,645**
Segment liabilities	-	14,153	99,230	1,723	42,654	**157,760**
Included in segment results						
DEPRECIATION AND AMORTISATION EXPENSES	-	2,780	5,178	212	6,919	**15,089**

For the year ended 30 June 2023 $000	Perth Basin	Kupe oil & gas field	Amadeus Basin oil & gas fields	Other & unallocated	Cue Energy Resources Ltd	Total
Sales to external customers - New Zealand	-	9,548	-	-	-	**9,548**
Sales to external customers - Australia	-	-	30,272	-	12,933	**43,205**
Sales to external customers - Other countries	-	2,612	-	-	43,419	**46,031**
Total sales revenue	**-**	**12,160**	**30,272**	**-**	**56,352**	**98,784**
Other income	-	-	3	1,622	7	**1,008**
Total sales revenue and other income	**-**	**12,160**	**30,275**	**1,622**	**56,359**	**99,792**
SEGMENT RESULT	**(243)**	**6,332**	**6,430**	**(7,641)**	**23,044**	**27,922**
Other net finance expense						**(686)**
Profit before income tax and royalties						**27,236**
Income tax and royalties expense						**(8,157)**
PROFIT FOR THE YEAR						**19,079**
Segment assets	2,214	28,279	85,864	34,867	120,062	**271,286**
Segment liabilities	-	12,726	30,834	2,020	45,946	**91,526**
Included in segment results						
DEPRECIATION AND AMORTISATION EXPENSES	-	3,259	5,401	258	6,649	**15,567**

4 REVENUE

Sales comprise revenue earned from the sale of petroleum products, when control of ownership of the petroleum products has been transferred to the buyer, which will vary depending on the contract (e.g. at the plant or at the port). Revenue is recognised at the fair value of the consideration received net of the amount of GST (Goods and Services Tax).

(A) REVENUE FROM CONTRACTS WITH CUSTOMERS

$000	2024	2023
Crude oil and condensate	37,361	37,983
Natural gas and LPG	55,510	60,801
TOTAL REVENUE FROM CONTRACTS WITH CUSTOMERS	**92,871**	98,784
Other income	**1,484**	1,008
TOTAL REVENUE AND OTHER INCOME	**94,355**	99,792

(B) TARIFFS INCLUDED IN REVENUE

Natural gas revenue includes charges for transportation costs incurred when the gas delivery point is not at the plant. The cost of the transportation for the year ending 30 June 2024 was $1.1 million (30 June 2023: $1.4 million).

(C) MAJOR CUSTOMERS

Customers with revenue exceeding 10% of the Group's total hydrocarbon sales revenue are shown below.

$000	2024	% of sales revenue
First largest	21,322	23.0%
Second largest	20,590	22.2%
Third largest	10,946	11.8%
TOTAL REVENUE FROM MAJOR CUSTOMERS	**52,858**	**56.9%**

$000	2023	% of sales revenue
First largest	20,434	20.7%
Second largest	12,551	12.7%
Third largest	10,384	10.5%
TOTAL REVENUE FROM MAJOR CUSTOMERS	43,369	43.9%

5 OPERATING COSTS

$000	2024	2023
Production and sales marketing costs	27,587	28,828
Workover expenditure	106	2,025
Carbon emissions expenditure	395	376
Insurance expenditure	894	921
Movement in inventory	(1,266)	988
Royalties (i)	1,648	1,979
TOTAL OPERATING COSTS	**29,364**	35,117

(i) Royalties include private royalties with respect to the Amadeus Basin assets and Government royalties at the Maari oil field which are based on a gross revenue method of calculation.

6 OTHER EXPENSES

$000	2024	2023
CLASSIFICATION OF OTHER EXPENSES BY NATURE		
Audit fees paid to the Group auditor - KPMG	801	603
Directors' fees	418	390
Legal fees	600	169
Consultants' fees	786	874
Employee expenses	6,852	6,869
Depreciation	329	389
Share based payment expense	457	418
IT and software expenses	1,099	1,189
Registry and stock exchange fees	358	331
Stamp duty on Mereenie acquisition	3,082	-
Other	1,931	1,215
TOTAL OTHER EXPENSES	**16,713**	12,447
FEES PAID TO THE GROUP AUDITOR		
Audit and review of financial statements	801	603
Tax compliance services	107	125
Tax advisory services	119	324
Other assurance services	65	-
TOTAL FEES PAID TO GROUP AUDITOR	**1,092**	1,052

Included in Other expenses are costs of $3.7 million relating to the acquisition of the 25% interest in Mereenie. This includes $0.6 million of external costs and stamp duty of $3.1 million (refer to note 9). In addition to these costs, a further $0.6 million of internal time writing costs were incurred in relation to the acquisition and are included in Employee expenses.

During the year, $1.3 million (June 2023: $0.7 million) of inter-group services were provided to subsidiaries of the ultimate parent company. Income relating to the provision of these services is included in Other income and not offset against Other expenses.

7 FINANCE INCOME AND COSTS

Interest income or expense is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset or the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the financial liability.

$000	2024	2023
Interest expense	(336)	-
Bank fees	(52)	(46)
Exchange (losses) on foreign currency balances	(151)	-
Unwind of discount	(1,573)	(1,971)
TOTAL FINANCE COSTS	**(2,112)**	(2,017)
Interest income	1,559	1,119
Exchange gains on foreign currency balances	-	212
TOTAL FINANCE INCOME	**1,559**	1,331
NET FINANCE (COSTS)/INCOME	**(553)**	(686)

8 TAXATION

Current and deferred tax is calculated on the basis of the laws enacted or substantively enacted at balance date.

Current tax is the expected tax payable on the taxable income for the year and any adjustment to tax payable in respect of previous years.

Current and deferred tax are recognised in profit or loss except when the tax relates to items recognised in other comprehensive income, in which case the tax is also recognised in other comprehensive income.

$000	2024	2023
INCOME TAX (EXPENSE)/BENEFIT		
Current tax	(7,897)	(9,385)
Deferred tax	783	5,284
(A) TOTAL INCOME TAX (EXPENSE)/BENEFIT	**(7,114)**	(4,101)
INCOME TAX (EXPENSE)/BENEFIT CALCULATION		
(Profit)/loss before income tax and royalties	(20,443)	(27,236)
Less: royalties expense	5,581	4,056
(Profit)/loss before income tax	**(14,862)**	(23,180)
Tax at the New Zealand tax rate of 28%	(4,189)	(6,490)
Tax effect of amounts which are (not deductible)/taxable:		
Difference in overseas tax rate	(3,221)	(2,153)
Non-deductible expenses	(968)	(43)
Foreign exchange adjustments	(163)	212
Unrealised timing differences	(1,297)	2,478
Recognition of deferred (liabilities)/ tax assets	3,175	2,101
Prior year tax losses (not recognised)/ recognised	(234)	(719)
Other	(106)	589
Total tax effect of amounts which are (not deductible)/taxable:	**(7,003)**	(4,025)
Adjustment recognised for current tax in prior years	(111)	(76)
TOTAL INCOME TAX (EXPENSE)/BENEFIT	**(7,114)**	(4,101)

Government royalty expenses incurred by the Group relate to petroleum royalty payments to the New Zealand and Australian Governments in respect of the Kupe and Amadeus oil and gas fields, and are recognised on an accrual basis.

At 30 June 2024, no imputation credits were held for subsequent years (2023: nil).

(B) CURRENT TAX LIABILITIES

$000	2024	2023
Current tax liabilities	**3,329**	4,349

The Group has an ongoing Indonesian Tax matter relating to a notice of amended assessment which is being disputed by Cue Kalimantan Pte Ltd on behalf of SPC E&P Pte Ltd. Cue is indemnified by SPC for any losses arising from this disputed notice of assessment and has recognised a liability and receivable on the balance sheet.

(C) DEFERRED TAX

Deferred taxation is recognised in respect of temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets and future tax benefits are recognised where realisation of the asset is probable. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they probably will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse.

During the year ended 30 June 2024, the Group utilised $2.7 million in previously recognised deferred tax assets on carry forward losses in offsetting against taxable profits generated. The Consolidated Entity recognised a deferred tax asset of $3.5 million (30 June 2023: $10.4 million) in respect of unutilised carried forward tax losses not previously recognised.

8 TAXATION (CONTINUED)

At 30 June 2024, the Group had $74.2 million in unutilised carry forward losses, the tax effect of which is $22.0 million. The aforementioned potential tax benefit has not been recognised in the statement of financial position as the recovery of this benefit is uncertain.

Deferred tax assets and liabilities are disclosed on a net basis in respect of their tax jurisdictions.

$000	2024	2023
THE BALANCE COMPRISES TEMPORARY DIFFERENCES ATTRIBUTABLE TO:		
Deferred Tax Assets		
Non-deductible provisions	12,350	9,905
Carried forward tax losses	22,701	22,899
Other	345	558
Total deferred tax assets	**35,396**	33,362
Deferred Tax Liabilities		
Oil & gas assets	(21,241)	(19,676)
Other items (including lease assets)	-	(23)
Total deferred tax (liabilities)	**(21,241)**	(19,699)
NET DEFERRED TAX ASSETS / (LIABILITIES)	**14,155**	13,663
MOVEMENTS:		
Opening balance at the beginning of the year	**13,663**	8,420
Recognised in profit and loss	783	5,284
Recognised in other comprehensive income	(291)	(41)
CLOSING BALANCE AT END OF YEAR	**14,155**	13,663

9 BUSINESS COMBINATIONS

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree.For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the Group assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the Group's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Contingent and deferred consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of the contingent and deferred consideration classified as an asset or liability is recognised in profit or loss.

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer.

9 BUSINESS COMBINATIONS (CONTINUED)

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition-date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

On 11 June 2024, the Group acquired 25% of the Mereenie gas field in the Amadeus Basin business, Northern Territory, Australia, from Macquarie Mereenie Pty Ltd (MM). This is in addition to the 25% participating interest already held in the Group.

The Group's interests are as follows:
50% interest in the Mereenie gas and oil field (OL4 and OL5 Production Licences)

Mereenie joint venture by entity	% of ownership
Echelon Resources Limited	42.5%
Central Petroleum Limited	25.0%
Horizon Oil Pty Limited	25.0%
Cue Energy Resources Limited	7.5%

The acquiring company is Echelon Mereenie Pty Ltd (previously known as NZOG Mereenie Pty Ltd) which also holds the original 17.5% participating interest acquired on 1 October 2021. The functional currency of this company is Australian dollars.

The effective date of the transaction was 1 April 2023. On 11 June 2024 the acquisition completed when conditions precedent were satisfied, the completion payment was made and legal ownership passed to the Group. The Group has consolidated the additional 25% from 1 June 2024 being the reporting date closest to acquisition date. The completion payment comprised a cash payment of $42.1 million (Australian dollars $39.1 million). This excludes costs of $0.8 million (Australian dollars $0.7 million) which relate to a period after acquisition date and are not part of the consideration.

(A) PROVISIONAL FAIR VALUE

Details of the Group's interest in the provisional fair value of the assets and liabilities upon acquisition are as follows:

$000	June 2024
Oil and gas production properties	51,416
Cash and cash equivalents	102
Trade Receivables	1,069
Prepayments	57
Trade and other payables	(796)
Rehabilitation asset	10,278
Rehabilitation liability	(10,278)
Lease assets	608
Lease liabilities	(608)
Deferred tax asset	3,083
Deferred tax liability	(3,083)
PROVISIONAL ACQUISITION FAIR VALUE OF MEREENIE ASSETS AND LIABILITIES ASSUMED	**51,848**
REPRESENTING	
Contractually agreed price	55,460
Net revenue received	(3,664)
Working capital adjustments	52
ACQUISITION DATE FAIR VALUE OF TOTAL CONSIDERATION TRANSFERRED OR TO BE TRANSFERRED	**51,848**
CASH USED TO ACQUIRE BUSINESS	
Acquisition date fair value of the total consideration transferred	51,848
Less contingent payments	(9,692)
NET CASH USED	**42,156**

9 BUSINESS COMBINATIONS (CONTINUED)

Amounts in financial statements are reported as provisional. Provisional fair value of the rehabilitation provision is estimated based on the present value of the expected cash outlays. The latest third party estimate of rehabilitation costs from April 2022 has been updated using relevant inflation and discount rates relating to the dates of expected rehabilitation cash outlay; this is consistent with the methodology outlined in the Rehabilitation Provision in note 19. Operating leases relating to pipeline access, land and easements acquired are recognised in accordance with NZ IFRS 16. Working capital is provisionally fair valued at the joint venture accounting book carrying value on 31 May 2024.

Deferred tax assets and liabilities are recognised and measured in accordance with NZ IAS 12. Oil and gas production properties consists of physical on-site assets and reserves. The physical assets were valued by a third party in 2021 during the original 25% acquisition of Mereenie. The provisional fair value has been estimated using the 2021 values and adjusted for depreciation and subsequent fixed asset acquisitions and disposals. The acquisition date fair value of total consideration is considered to be equal to the fair value, with the reserves value equal to the balance of consideration paid less the physical assets and the working capital acquired.

The valuation of assets and liabilities identified as part of this process will be finalised following completion of the 30 June 2024 financial statements as work is continuing to assess the underlying fair values of the assets and liabilities. If new information is obtained within one year of the date of acquisition, about facts and circumstances that existed at the date of acquisition that identify adjustments to the above amounts, or any additional provisions that existed at the date of acquisition, then the accounting for the acquisition will be revised.

(B) GOODWILL

Based on the provisional fair value assessment, no goodwill was recognised on the acquisition of the 25% interest in Mereenie.

(C) ACQUISITION RELATED COSTS

Acquisition related costs amounting to $0.6 million are not included as part of the consideration for the acquisition and have been recognised as transaction costs in the profit and loss statement. These costs include legal, tax services and other costs. In addition, the Group incurred stamp duty of $3.1 million. Costs exclude internal time writing which amounted to $0.6 million and is disclosed in Employee expenses in note 6.

(D) CASH GENERATING UNITS

The acquired business is included in the Mereenie/Palm Valley cash generating unit.

(E) DEFERRED CONSIDERATION

The acquisition of the 25% interest in Mereenie included two contingent payments. The first contingent payment of $5.4 million (Australian dollars $5.0 million) was subject to certain conditions being met. These conditions have been fulfilled and the payment was made on 30 June 2024. The second contingent payment of $4.4 million (Australian dollars $4.0 million) is also subject to certain conditions being met. Payment is anticipated to occur at the end of the 2025 financial year. The contingent payment outstanding at the year ending 30 June 2024 is reported as a deferred consideration in the Statement of Financial Position.

(F) CONTRIBUTION TO GROUP RESULTS

The acquisition of the 25% interest in Mereenie contributed revenues of $1.9 million and net profit before tax of $0.5 million to the Group from 1 June 2024 to 30 June 2024.

For the period 1 July 2023 to 30 June 2024, including the acquisition of the 25% interest in Mereenie as though the acquisition had occurred at the beginning of the reporting period, the Group proforma revenues and net profit before tax would have been $114.6 million and $20.9 million respectively. Past earnings are not necessarily a reflection of future earning capacity.

10 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash on hand, cash at bank, short-term deposits and deposits on call with an original maturity of three months or less.

$000	2024	2023
Cash at bank and in hand	40,011	28,969
Deposits at call	88	2,364
Short term deposits	1,193	4,448
Share of oil and gas interests' cash	998	599
TOTAL CASH AND CASH EQUIVALENTS AT END OF YEAR	**42,290**	36,380

$000 By currency	Base Currency	NZD Equivalent
2024		
New Zealand dollar	2,553	2,553
United Sates dollar	9,190	15,088
Australian dollar	22,425	24,561
Indonesian rupiah	877,376	88
TOTAL CASH AND CASH EQUIVALENTS AT END OF YEAR		**42,290**
2023		
New Zealand dollar	5,745	5,745
United Sates dollar	6,286	10,297
Australian dollar	18,637	20,273
Indonesian rupiah	596,896	65
TOTAL CASH AND CASH EQUIVALENTS AT END OF YEAR		36,380

11 RECEIVABLES AND PREPAYMENTS

$000	2024	2023
Trade receivables	10,123	7,196
Share of oil and gas interests' receivables	6,362	9,262
Prepayments	701	559
Other*	1,595	-
TOTAL RECEIVABLES AND PREPAYMENTS AT END OF YEAR	**18,781**	17,017

$000 By currency	Base Currency	NZD Equivalent
2024		
New Zealand dollar	3,452	3,452
United Sates dollar	5,374	8,823
Australian dollar	5,947	6,503
Indonesian rupiah	31,800	3
TOTAL RECEIVABLES AND PREPAYMENTS AT END OF YEAR		**18,781**
2023		
New Zealand dollar	1,687	1,687
United Sates dollar	7,166	11,738
Australian dollar	3,294	3,584
Indonesian rupiah	72,651	8
TOTAL RECEIVABLES AND PREPAYMENTS AT END OF YEAR		17,017

*During the year the Group reassessed its accounting treatment of the New Zealand Emissions Trading Scheme (ETS). Whilst the Group has a responsibility to meet the overall ETS obligation, the majority of the obligation is met via receipts of ETS units from customers. The Group retains ETS obligations relating to the venting and flaring of gas during the production process. As a result of the reassessment, an asset of $1.6 million (30 June 2023: $1.0 million) is recognised in respect of the ETS units receivable from the customers, and a payable of $1.7 million (30 June 2023: $1.2 million) is recognised in respect of the obligation to the New Zealand Government. The ETS units are valued at the market price at 30 June 2024. This change has been assessed as not material under NZ IAS 8 so no restatements to prior periods are provided.

12 INVESTMENTS IN SUBSIDIARIES

Subsidiaries are entities controlled by the Group. The Group controls an entity when it has power over the entity, has exposure or rights to variable returns from this involvement and when it has the ability to use its power to affect the amount of the returns.

At 30 June 2024 the Group held a 50.03 per cent interest in Cue (30 June 2023: 50.04 per cent). Cue entities below reflect the Group's 50.03 per cent interest in Cue subsidiaries.

In March 2024 some of Cue's share options were exercised, this resulted in a slight decrease in the parent's interest in Cue (refer to note 27).

Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of Comprehensive Income and Consolidated Statement of Financial Position respectively.

The financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The functional currency of the subsidiaries within the Group are shown below.

The consolidated financial statements incorporate the assets, liabilities and results of the following entities:

Name of entity	Country of incorporation	Equity Holding 2024	Equity Holding 2023	Functional Currency
ECHELON RESOURCES LIMITED*				
Australia and New Zealand Petroleum Limited	New Zealand	**100%**	100%	NZD
Echelon Onshore Limited	New Zealand	**100%**	100%	NZD
Echelon Canterbury Limited	New Zealand	**100%**	100%	NZD
Echelon 2013 O Limited	New Zealand	**100%**	100%	NZD
NZOG Bohorok Pty Limited	Australia	**100%**	100%	USD
Echelon Devon Limited	New Zealand	**100%**	100%	NZD
Echelon GNA Trustee Limited	New Zealand	**100%**	100%	NZD
Echelon 2013 T Limited	New Zealand	**100%**	100%	NZD
Echelon Energy Limited	New Zealand	**100%**	100%	NZD
Echelon Offshore Limited	New Zealand	**100%**	100%	NZD
Echelon Pacific Holdings Pty Limited	Australia	**100%**	100%	AUD
Echelon Pacific Limited	New Zealand	**100%**	100%	NZD
Echelon Services Limited	New Zealand	**100%**	100%	NZD
Echelon Taranaki Limited	New Zealand	**100%**	100%	NZD
Petroleum Resources Limited	New Zealand	**100%**	100%	NZD
NZOG MNK Bohorok Pty Limited	Australia	**100%**	100%	USD
Echelon (Ironbark) Pty Limited	Australia	**100%**	100%	AUD
Echelon Mereenie Pty Limited	Australia	**100%**	100%	AUD
Echelon Palm Valley Pty Limited	Australia	**100%**	100%	AUD
Echelon Dingo Pty Limited	Australia	**100%**	100%	AUD
Echelon Acacia Pty Limited	Australia	**100%**	100%	AUD
Echelon Compass Pty Limited	Australia	**100%**	100%	AUD

* On 30 July 2024 the parent company announced a name change from NZOG to Echelon (refer to note 28).

12 INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Name of entity	Country of incorporation	Equity Holding 2024	Equity Holding 2023	Functional Currency
CUE ENERGY RESOURCES°°				
Cue Energy Resources Limited	Australia	**50.03%**	50.04%	AUD
Cue Mahakam Hilir Pty Ltd°	Australia	**50.03%**	50.04%	AUD
Cue (Ashmore Cartier) Pty Ltd	Australia	**50.03%**	50.04%	AUD
Cue Sampang Pty Ltd	Australia	**50.03%**	50.04%	USD
Cue Taranaki Pty Ltd	Australia	**50.03%**	50.04%	USD
Cue Kalimantan Pte Ltd	Singapore	**50.03%**	50.04%	USD
Cue Mahato Pty Ltd	Australia	**50.03%**	50.04%	USD
Cue Exploration Pty Ltd	Australia	**50.03%**	50.04%	AUD
Cue Palm Valley Pty Ltd	Australia	**50.03%**	50.04%	AUD
Cue Mereenie Pty Ltd	Australia	**50.03%**	50.04%	AUD
Cue Dingo Pty Ltd	Australia	**50.03%**	50.04%	AUD

° Mahakam Hilir Profit Sharing Contract (PSC) exploration permit has expired and regulatory processes for surrender are ongoing as at 30 June 2024.

°° Echelon's shareholding in Cue reduced by 0.01% during the year as a result of Cue issuing 252,562 shares as part of Cue's share option scheme.

13 OIL AND GAS INTERESTS

The Group has interests in a number of joint arrangements which are classified as joint operations. The Group financial statements include a proportionate share of the oil and gas interests' assets, liabilities, revenue, and expenses with items of a similar nature on a line by line basis, from the date that joint control commences until the date that joint control ceases.

The Group held the following oil and gas production, exploration and evaluation, and appraisal interests at the end of the year:

Name	Entity	Country of permit	Interest 2024	Interest 2023
ECHELON RESOURCES LIMITED				
PML 38146 – Kupe	Echelon Taranaki Ltd	New Zealand	4.0%	4.0%
OL4 and OL5 - Mereenie*	Echelon Mereenie Pty Ltd	Australia	42.5%	17.5%
OL3 - Palm Valley**	Echelon Palm Valley Pty Ltd	Australia	35.0%	35.0%
L 7 - Dingo	Echelon Dingo Pty Ltd	Australia	35.0%	35.0%
L7 Production licence*	Echelon Acacia Pty Ltd	Australia	25.0%	25.0%
EP437 Exploration Permit*	Echelon Compass Pty Ltd	Australia	25.0%	25.0%
CUE ENERGY RESOURCES°				
Mahato PSC°°	Cue Mahato Pty Ltd	Indonesia	11.25%	12.5%
PMP 38160 – Maari	Cue Taranaki Pty Ltd	New Zealand	5.0%	5.0%
Sampang PSC	Cue Sampang Pty Ltd	Indonesia	15.0%	15.0%
OL4 and OL5 - Mereenie	Cue Mereenie Pty Ltd	Australia	7.5%	7.5%
OL3 - Palm Valley	Cue Palm Valley Pty Ltd	Australia	15.0%	15.0%
L7 - Dingo	Cue Dingo Pty Ltd	Australia	15.0%	15.0%

* On the 11 June 2024 the Group acquired an additional 25% equity interest in Mereenie joint venture. The Mereenie production license was renewed until 17 November 2044.

** The Palm Valley production license was renewed until 7 November 2045.

° represents the percentage interest held by Cue. The Group interest is 50.03% (June 2023: 50.04%) of the Cue interest.

°° During April 2024, Cue diluted its interest in the Mahato PSC from 12.5% to 11.25% (a reduction of 10%) for no consideration in accordance with the Mahato PSC and subsequent Indonesian Government regulations. The Group has accounted for the reduced interest effective from 1 November 2023.

14 EXPLORATION AND EVALUATION ASSETS

The Group uses the successful efforts method of accounting for oil and gas exploration costs. All general exploration and evaluation costs are expensed as incurred except the direct costs of acquiring the rights to explore, drilling exploratory wells, and evaluating the results of drilling. These direct costs are capitalised as exploration and evaluation assets pending the determination of the success of the well. If a well does not result in a successful discovery, the previously capitalised costs are immediately expensed.

Key judgement: recoverability of exploration and evaluation assets

Assessment of the recoverability of capitalised exploration and evaluation expenditure requires certain estimates and assumptions to be made for future events and circumstances, particularly in relation to whether economic quantities of reserves that have been discovered. Therefore, such estimates and assumptions may change as new information becomes available. If it is concluded that the carrying value of an exploration and evaluation asset is unlikely to be recovered by future development or sale, the relevant amount is then expensed in the profit and loss.

Capitalised exploration and evaluation assets, including expenditure to acquire mineral interests in oil and gas properties, related to wells that find proven reserves are classified as development assets within oil and gas assets at the time of sanctioning the development project.

$000	2024	2023
Opening balance	2,625	7,193
Exploration expenditure incurred during the year	1,361	7,336
Expenditure transferred to oil and gas assets relating to Palm Valley	-	(11,318)
Revaluation of foreign currency exploration and evaluation assets	33	(586)
TOTAL EXPLORATION AND EVALUATION ASSETS AT END OF YEAR	**4,019**	2,625

After year end the Group drilled an exploration well at the Booth prospect in the Perth Basin. The well was not successful, as no hydrocarbons encountered and has been plugged and abandoned. This is a non-adjusting post balance sheet event and the well costs will be expensed in the next reporting period. Refer to note 29 for events occurring after balance date.

15 OIL AND GAS ASSETS

DEVELOPMENT

Development assets include construction, installation and completion of infrastructure facilities such as pipelines and development wells. No amortisation is provided in respect of development assets until they are reclassified as production assets.

PRODUCTION ASSETS

Production assets capitalised represent the accumulation of all development expenditure incurred by the Group in relation to areas of interest in which petroleum production has commenced. Expenditure on production areas of interest and any future estimated expenditure necessary to develop proven and probable reserves are amortised using the units of production method on a basis consistent with the recognition of revenue. Where it is possible to separately identify tangible assets, they are depreciated on a straight line basis in line with their economic life.

SUBSEQUENT COSTS

Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the asset will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are expensed in the income statement during the financial year in which they are incurred.

IMPAIRMENT

The carrying value is assessed for impairment each reporting date. An impairment loss is recognised if the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. A cash generating unit is the smallest identifiable asset group that generates cash flows that are largely independent from other assets and groups. Impairment losses are recognised in the profit or loss, and in respect of cash generating units, are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

The recoverable amount of an asset or cash generating unit is the greater of its value in use and its fair value less costs to sell. In assessing recoverable amount, the estimated future cash flows are discounted to their present value using a post-tax discount rate, that reflects current market assessments of the time value of money, and the risks specific to the asset.

Impairment losses recognised in prior years are reassessed at each reporting date and the loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised previously.

$000	2024	2023
Opening balance	183,015	173,926
Additions - acquisition 25% interest in Mereenie asset (refer to note 9)	51,415	-
Make up gas forfeited	581	(1,263)
Expenditure capitalised	16,477	13,664
Expenditure transferred from Exploration and evaluation (refer to note 13)	-	11,318
Impairment of Kupe asset	(11,500)	-
Amortisation for the year	(14,760)	(15,178)
Rehabilitation provision movement (refer to note 18)	8,816	1,838
Revaluation of foreign currency oil and gas assets	2,042	(1,290)
TOTAL OIL AND GAS ASSETS AT END OF YEAR	**236,086**	183,015

The Group acquired an additional 25% interest in Mereenie in a transaction that completed on 11 June 2024. Provisional fair value of the oil and gas assets acquired is $51.8 million on acquisition date (refer to note 9).

During April 2024, Cue diluted its interest in the Mahato PSC from 12.5% to 11.25% (a reduction of 10%) for no consideration in accordance with the Mahato PSC and subsequent Indonesian Government regulations. The Group has accounted for the reduced interest effective from 1 November 2023.

15 OIL AND GAS ASSETS (CONTINUED)

Hydrocarbon reserves are estimates of the amount of hydrocarbons that can be economically extracted from the Groups' oil and gas permits. The Group estimates its reserves based on all available production data, the results of well intervention campaigns, seismic data, analytical and numerical analysis methods, sets of deterministic reservoir simulation models provided by the field operators and analytical and numerical analyses. Forecasts are based on deterministic methods. Reserves are reported in line with the principles contained in the Society of Petroleum Engineers Petroleum Resources Management Reporting System. As the economic assumptions used may change and as additional geological information is obtained during the operation of the field, estimates of recoverable resources may change impacting the Group's financial results.

Climate-related risks have been considered with respect to the evaluation of the estimated recoverable amounts associated with oil and gas assets.

Estimates of recoverable amounts are based on the assets' fair value less cost to sell, determined by discounting each asset's estimated future cash flows at asset specific discount rates. The discount rates applied ranged from 10.10% to 10.38% (2023: 12.9 to 14.3%). Commodity price assumptions were based on consensus estimates of forward market prices unless contracted prices were available.

At 30 June 2024 the Group assessed each oil and gas asset to determine whether an indicator of impairment existed. Indicators of impairment include changes in future selling prices, future costs and reserves. The recoverable amount of each oil and gas asset was estimated and compared to its carrying amount.

KUPE

During the year, the KS-9 development well was drilled at Kupe, however, the well was not successful. Impairment testing was carried out based on this being an indicator of impairment, the outcome of which is an impairment write-down of $11.5 million (2023: nil). The impairment is included in asset impairment in the profit or loss. The recoverable amount was based on its fair value less cost of disposal estimated using discounted cash flows. Following the reserves downgrade, the Group reassessed its estimates of the Kupe field's production profile which reduced the end of field life by one year from June 2036 to June 2035.

Following the impairment loss recognised, the recoverable amount is equal to the carrying amount of $17.8 million. Therefore, any adverse movement in a key assumptions could lead to further impairment.

The estimate of fair value was determined using a post tax discount rate of 10.38% (June 2023: 13.62%) based on 10 year government bonds issued by the New Zealand Government adjusted for a risk premium to reflect both the increased risk of investing in equities generally and the systematic risk of the specific asset. Eleven years of cash flows were included in the discounted cashflow model. A long term inflation rate assumption of 3% (June 2023: 3%) was used. Commodity price assumptions for LPG and condensate were based on consensus estimates of forward market prices; LPG pricing is assumed to correlate to the oil price consensus estimates. Gas price assumptions used the contracted gas price for the duration of the contract and thereafter the contracted price inflated by 3% per year.

Risks have been identified that are reasonably possible to occur in three key assumptions that could cause lead to further impairment, or a reversal of impairment. The following table shows the amounts by which these three assumptions would individually change the estimated recoverable amount.

SENSITIVITY IMPACT ON KUPE RECOVERABLE AMOUNT ($ MILLIONS)

Risk area	Sensitivity % change	2024
Discount rate or weighted average cost of capital	+10%	(0.5)
	−10%	0.5
Gas Price	+10%	1.0
	−10%	(1.0)
Oil Price	+10%	1.2
	−10%	(1.2)

16 OTHER FINANCIAL ASSETS

Other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets which are measured at fair value through profit or loss. Such assets are subsequently measured at amortised cost.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

$000	2024	2023
BY FINANCIAL ASSET		
Security deposits	1,478	1,787
Abandonment and Site Restoration Fund (ASR) - Cue Sampang rehabilitation	6,647	6,520
TOTAL OTHER FINANCIAL ASSETS AT END OF YEAR	**8,125**	8,307
MOVEMENT		
Opening balance	8,307	7,347
Security deposits	(310)	1,411
Abandonment and Site Restoration Fund (ASR) - Cue Sampang rehabilitation	82	(334)
Revaluation of foreign currency financial assets	46	(117)
TOTAL OTHER FINANCIAL ASSETS AT END OF YEAR	**8,125**	8,307

In accordance with legislative obligations in the respective jurisdictions in which the Group operates, contributions are made to funds established for the purpose of financing future rehabilitation and restoration of sites. As at 30 June 2024, $6.7 million (2023: $6.5 million) has been contributed to such funds in respect of the Mahato and Sampang assets in Indonesia and $1.5 million (2023: $1.8 million) with the Northern Territory Government in respect of the Amadeus Assets.

17 PAYABLES

$000	2024	2023
Trade payables	6,364	3,096
Royalties payable	811	531
Share of oil and gas interests' payable	4,274	6,650
Other payables*	3,545	1,894
TOTAL PAYABLES AT END OF YEAR	**14,994**	12,171

*Other Payables includes a grossed up carbon emission liability of $1.7 million (June 2023: $1.0 million) related to the New Zealand Emissions Trading Scheme (ETS). This liability is partially offset by a carbon emission receivable associated with gas sales contracts held with our customers (refer to note 11).

$000 By currency	Base Currency	NZD Equivalent
2024		
New Zealand dollar	4,630	4,630
United Sates dollar	672	1,103
Australian dollar	8,453	9,257
Indonesian rupiah	41,393	4
TOTAL PAYABLES AT END OF YEAR		**14,994**
2023		
New Zealand dollar	4,608	4,608
United Sates dollar	1,262	2,068
Australian dollar	5,011	5,495
Indonesian rupiah	2,500	-
TOTAL PAYABLES AT END OF YEAR		12,171

18 CONTRACT LIABILITIES

A contract liability is recorded for obligations under sales contracts to deliver natural gas in future periods for which payment has already been received.

$000	2024	2023
Current	-	2,837
Non-current	14,602	15,708
TOTAL CONTRACT LIABILITIES	**14,602**	18,545

As part of the acquisition of the Amadeus Basin assets in May 2021, the Group assumed two obligations to deliver gas to third parties.

i. The Group assumed performance obligations to deliver gas to a customer by 31 December 2023. This obligation was fulfilled during the year.

ii. The Group assumed performance obligations for the delivery of 'gas not taken' by its sole customer in the Dingo asset. Under the take or pay arrangement, the Group has the obligation to provide make up gas (MUG) within the contractually defined volumes, which were not previously taken by the customer. The customer must take the future delivery of gas by 2035.

During the contract calendar year, 879TJs of the MUG gas was forfeited (30 June 2023: 150TJs) as it was no longer contractually possible for the customer to take this volume of gas prior to the end of the contract term. Receipts of $3.7 million have been received under the Take or Pay arrangements for this portion of the forfeited gas and this has been recognised in the profit and loss.

19 REHABILITATION PROVISIONS

Provisions for rehabilitation have been recognised where the Group has an obligation, as a result of its operating activities, to restore certain sites to their original condition. There is uncertainty in estimating the timing and amount of the future expenditure. The provision is estimated based on the present value of the expected expenditure. The initial provision and subsequent remeasurement are recognised as part of the cost of the related asset. The unwind of the discount is recognised in finance costs in profit and loss.

$000	2024	2023
Carrying amount at start of year	55,115	51,856
Change in provision recognised	(1,931)	1,838
Addition in provision from acquisition	10,278	-
Unwind of discount on provision	1,901	1,324
Revaluation of foreign currency rehabilitation provision	469	97
TOTAL REHABILITATION PROVISION AT END OF YEAR	**65,832**	55,115

The discount rate used is the risk-free interest rate obtained from the country related to the currency of the expected expenditure.

The discount rates used to determine the provision ranged from 2.09% to 4.83% (30 June 2023: 1.56% to 4.81%).

A rehabilitation provision of $10.3 million is recognised in relation to the acquisition of the 25% interest in Mereenie. Refer to note 9.

20 BORROWINGS

Loans and borrowings are initially recognised at the fair value of the consideration received, net of any directly attributable transaction costs. They are subsequently measured at amortised cost using the effective interest method. The effective interest rate amortisation is included in finance costs in profit or loss.

On 11 June 2024, the Group executed an Australian dollars $63.0 million (NZD $69.0 million equivalent) long-term secured loan facility (2023: $nil) specifically to facilitate the acquisition of a 25% interest in the Mereenie gas field, Amadeus Basin and additional development as required. As at 30 June 2024, the group has external loan borrowings as follows:

$000	Maturity date	Facility limit	Utilised balance at the end of the year	Unused balance at the end of the year
Facility agreement	30 June 2031	69,000	54,212	14,788
Less: transaction costs		-	(1,216)	-
TOTAL INTEREST BEARING LOANS AND BORROWINGS		**69,000**	**52,996**	**14,788**

Refer to note 25 for further information on financial instruments. The Australian dollar $63 million loan facility is secured by the assets of Echelon Mereenie Pty Ltd, Echelon Palm Valley Pty Ltd and Echelon Dingo Pty Ltd. These three companies hold the Amadeus Basin assets on behalf of the Company. All remaining unused amounts are unrestricted as at the reporting date. An unsecured guarantee is provided by Echelon over of the external loan borrowing as parent entity of the Group, and a featherweight guarantee provided by Echelon Pacific Limited, a New Zealand registered entity.

The loan is repayable in tranches within seven years of first utilisation. There are no loan principal repayments required for 24 months from the initial first utilisation date, being 11 June 2026.

At 30 June 2024, the Group is compliant with loan covenants.

21 SHARE CAPITAL

	$000	Number of shares 000s
BALANCE AT 30 JUNE 2023	236,883	227,369
Share capital issued	-	-
BALANCE AT 30 JUNE 2024	**236,883**	**227,369**
Comprised of:		
Fully paid shares	236,873	223,951
Partly paid shares	10	3,418
TOTAL SHARES ON ISSUE	**236,883**	**227,369**

The Group retains 3.4 million (2023: 3.4 million) of unallocated partly paid shares that have not yet been cancelled. All fully paid shares have equal voting rights and share equally in dividends and equity.

On 5 April 2024, Cue paid a special dividend of Australian dollars 2 cents per fully paid ordinary share. This returned Australian dollars $14.0 million (NZD dollar equivalent $15.0 million). This dividend was a Conduit Foreign Income (CFI), unfranked special dividend.

On 10 April 2024, Echelon paid a special dividend of Australian dollars 3 cents per ordinary share. This returned Australian dollars $6.7 million (NZD equivalent $7.3 million). The dividend was not imputed or franked.

22 RESERVES

(A) RESERVES

$000	2024	2023
Asset revaluation reserve	965	781
Share based payments reserve	1,733	1,757
Foreign currency translation reserve	8,105	6,677
TOTAL RESERVES AT END OF YEAR	**10,803**	9,215
MOVEMENTS:		
i) Asset revaluation reserve		
Opening balance at 1 July	781	2,189
Revaluation of Emissions Trading Scheme (ETS) units for the year	277	(1,238)
Disposal of ETS units to retained earnings	(93)	(170)
CLOSING BALANCE AT END OF YEAR	**965**	781
ii) Share based payments reserve		
Opening balance at 1 July	1,757	1,359
Share based payment expense for the year	53	418
Forfeited and expired ESOP awards	(8)	(20)
Issue of shares to NCI	(69)	-
CLOSING BALANCE AT END OF YEAR	**1,733**	1,757
iii) Foreign currency translation reserve		
Opening balance at 1 July	6,677	8,091
Other foreign currency translation differences for the year	1,428	(1,414)
CLOSING BALANCE AT END OF YEAR	**8,105**	6,677

(B) NATURE AND PURPOSE OF RESERVES

ASSET REVALUATION RESERVE

Revaluation gains and losses on ETS units are transferred to the asset revaluation reserve.

SHARE BASED PAYMENTS RESERVE

The reserve is used to recognise the value of equity benefits provided to employees under the Share Option Scheme.

FOREIGN CURRENCY TRANSLATION RESERVE

Exchange differences arising on translation of companies within the Group with a different functional currency to the Group are taken to the foreign currency translation reserve. The reserve is recognised in other comprehensive income when the net investment is disposed of.

23 NET ASSET BACKING PER SHARE

	2024	2023
Number of shares on issue (000s)	227,369	227,369
Net assets ($000s)	174,885	179,760
Net tangible assets ($000s)	155,207	162,103
NET ASSET BACKING PER SHARE (CENTS)	**76.9**	79.1
NET TANGIBLE ASSET BACKING PER SHARE (CENTS)	**68.3**	71.3

The basis for the calculation of the net asset backing per share is the carrying value of the assets held on the Statement of Financial Performance divided by the number of shares on issue at balance date.

24 EARNINGS PER SHARE

	2024	2023
Profit after tax attributable to the shareholders of ECH ($000s)	3,930	10,757
Weighted average number of ordinary shares (000s)	227,369	227,369
Weighted average number of ordinary shares including share options (000s)	227,369	227,369
BASIC EARNINGS PER SHARE ATTRIBUTABLE TO SHAREHOLDERS OF THE GROUP (CENTS)	**1.7**	4.7
DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO SHAREHOLDERS OF THE GROUP (CENTS)	**1.7**	4.7

The potentially dilutive effects of employee share options have not been considered in the diluted profit per share calculation for the year ended 30 June 2024. In the current reporting period, the exercise price of the employee share options are lower than the average market price, therefore are anti-dilutive.

25 FINANCIAL RISK MANAGEMENT

Risk exposure to market, credit, liquidity, capital management, sensitivity, financial instruments arises in the normal course of the Group's business.

(A) MARKET RISK

(I) FOREIGN EXCHANGE RISK

The Group is exposed to foreign currency risk on cash and cash equivalents, oil sales, recoverable value of oil and gas assets and capital commitments that are denominated in foreign currencies. The Group manages its foreign currency risk by monitoring its foreign currency cash balances and future foreign currency cash requirements. The Group may enter into foreign currency hedge transactions in circumstances where the risk-adjusted returns to shareholders are enhanced as a consequence.

(II) COMMODITY PRICE RISK

Commodity price risk is the risk that the Group's sales revenue and recoverable value of oil and gas assets will be impacted by fluctuations in world commodity prices. The Group is exposed to commodity prices through its petroleum interests. The Group may enter into oil price hedge transactions in circumstances where the risk-adjusted returns to shareholders are enhanced as a consequence. The Group had no call option contracts at 30 June 2024 (2023: nil).

(III) CONCENTRATIONS OF INTEREST RATE EXPOSURE

The Group's main interest rate risk arises from long-term borrowings. The Group's long-term borrowings are obtained at variable rates and expose the Group to interest rate risk with the variable element being the BBSW (Bank Bill Swap Rates) as at utilisation of each loan tranche drawn down. The margin on each loan borrowing utilised is fixed at 5% in accordance with the terms of the debt facility.

The minimum principal repayments of $nil (2023: $nil) are due during the next year, which reflects the repayment maturity of loan. The first principal repayment is due 24 months after first utilisation of the loan, being 10 June 2026.

25 FINANCIAL RISK MANAGEMENT (CONTINUED)

(B) CREDIT RISK

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with credit worthy counterparties and obtaining sufficient collateral where appropriate as a means of minimising the risk of financial defaults. Financial instruments which potentially subject the Group to credit risk consist primarily of securities and short-term cash deposits, trade receivables and short-term funding arrangements. The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings, with funds required to be invested with a range of separate counterparties. The Group's maximum exposure to credit risk for trade and other receivables is its carrying value.

The Group may be exposed to financial risk if one or more of their joint venture partners is unable to meet their obligation in relation to the rehabilitation costs for jointly owned oil and gas assets. Under the joint venture operating agreement if one or more partners fails to meet their financial obligation, the other partners may become proportionately liable for their share of the financial obligations but would have contractual rights of recovery against the defaulting party.

As at 30 June 2024 the exposure to credit risk for trade receivables and contract assets by type was as follows:

$000	2024	2023
Trade receivables	10,123	7,196
Share of oil and gas interests' receivables	6,362	9,262
Prepayments	701	559
Other	1,595	-
TOTAL CREDIT RISK EXPOSURE TO RECEIVABLES AND PREPAYMENTS AT END OF YEAR	**18,781**	17,017

(C) LIQUIDITY RISK

Liquidity risk represents the Group's ability to meet its contractual obligations. The Group evaluates its liquidity requirements on an ongoing basis. In general, the Group generates sufficient cash flows from its operating activities to meet its obligations arising from its financial liabilities and has liquid funds to cover potential shortfalls, utilising and available borrowing facilities to be able to pay debts as and when they become due and payable.

A loan facility of $69 million, as described in note 20. The unused borrowings at reporting of date were:

$000	2024	2023
Bank loans - unused borrowings	14,788	-

The loan utilisations may be drawn at any time, with the loan facility maturing 7 years from the initial first utilised loan draw down date completed as at 11 June 2024.

25 FINANCIAL RISK MANAGEMENT (CONTINUED)

The following table sets out the undiscounted contractual cash flows for all non-derivative financial liabilities and for derivatives that are settled on a gross cash flow basis:

$000	6 months or less	6–12 months	1–2 years	2–5 years	More than 5 years	Contractual cash flows
30 JUNE 2024						
Non-interest bearing Payables	14,994	-	-	-	-	14,994
Interest-bearing - fixed rate Bank Loans*	2,992	2,987	6,462	48,735	40,631	101,807
TOTAL NON-DERIVATIVE LIABILITIES	**17,986**	**2,987**	**6,462**	**48,735**	**40,631**	**116,801**
30 JUNE 2023						
Payables	12,171	-	-	-	-	12,171
Total non-derivative liabilities	12,171	-	-	-	-	12,171

*The weighted average interest rate was 9.38%.

At 30 June 2024 the Group had no derivatives to settle (2023: nil).

The Group's secured external bank loan contains a loan covenants. A future breach of covenant may require the Group to repay the loan earlier than indicated in the above table.

The interest payments on the variable interest rate loan component in the table above reflect market forward interest rates at the reporting date and these amounts may change as market interest rates change.

The interest expense cost recognised in the period to 30 June 2024 was $0.3 million (2023: $nil). The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above. It is noted that in measuring the fair value, the loan is assessed as Level 2 in the fair value hierarchy, with the input for the loan interest based on observable inputs.

FAIR VALUE OF FINANCIAL INSTRUMENTS

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

(D) CAPITAL MANAGEMENT

The Group manages its capital through the use of cash flow and corporate forecasting models to determine its future capital requirements and maintains a flexible capital structure which allows access to debt and equity markets to draw upon and repay capital as required. The Group has an adequate capital base and significant cash reserves.

(E) SENSITIVITY ANALYSIS

The Group's reporting result at the end of each year is sensitive to financial risks from fluctuations in interest rates, commodity prices and foreign currency exchange rates. The sensitivity table below shows the impact of exchange rate changes on current assets and liabilities and the impact of interest rate changes on current cash balances.

25 FINANCIAL RISK MANAGEMENT (CONTINUED)

The 200 basis point change (bps) is based on the expected volatility of interest rates using market data and analysts forecasts.

$m	Risk area	Sensitvity	2024	2023
Impact on Group profit before tax	Exchange rate	+5%	0.2	(0.4)
		–5%	(0.2)	0.4
Impact on foreign currency translation reserves in equity	Exchange rate	+5%	(0.6)	(1.2)
		–5%	0.6	1.2
Impact on interest income	Interest rate	+200bps	0.8	0.3
		–200bps	(0.8)	(0.3)
Impact on interest expense	Interest rate	+200bps	(0.1)	-
		–200bps	0.1	-

(F) FINANCIAL INSTRUMENTS BY CATEGORY

$000	2024 carrying value	2023 carrying value
ASSETS		
Cash and cash equivalents	42,290	36,380
Trade and other receivables	16,485	16,458
Contract assets	-	5,567
TOTAL ASSETS	**58,775**	58,405
LIABILITIES		
Payables	14,994	12,171
Borrowings	52,996	-
TOTAL LIABILITIES	**67,990**	12,171

The fair value and amortised cost of financial instruments is equivalent to their carrying value.

26 RELATED PARTY TRANSACTIONS

All transactions and outstanding balances with related parties are in the ordinary course of business on normal trading terms. Any transactions within the Group are eliminated on consolidation.

During the period certain activities were undertaken between the Group and OGE. The inter-group services agreement, which was entered into on 21 June 2019, allows the Group to provide technical services and related activities to OGE. Income of $1.3 million has been included in 'Other income' in the profit and loss (30 June 2023: $0.7 million).

In September 2023, Cue made a final loan repayment of $4.3 million to Echelon. The unsecured loan of $7.6 million was granted in June 2022, with an interest rate of 10%.

The following persons were directors of Cue during the financial year:

CUE DIRECTORS	
Alastair McGregor	Non-Executive Chairman*
Andrew Jefferies	Non-Executive Director*
Marco Argentieri	Non-Executive Director*
Peter Hood AO	Non-Executive Director
Richard Malcolm	Non-Executive Director
Rod Ritchie	Non-Executive Director
Samuel Kellner	Non-Executive Director*

*Commencing 1 July 2023, Directors' fees were invoiced by Echelon and paid on a quarterly basis. The Directors' fees are retained by Echelon and not personally received by the Directors. During the year, Directors' fees of $0.3 million (2023: nil) were paid by Cue to Echelon in relation to these Directors. Deemed Directors' fees for year ending 30 June 2024 were nil (2023: $0.2 million).

The following persons were directors of Echelon during the financial year:

ECHELON DIRECTORS	
Alastair McGregor	Non-Executive Director°
Andrew Jefferies	Managing Director and CEO°°
Marco Argentieri	Non-Executive Director°
Rod Ritchie	Non-Executive Director
Rosalind Archer	Non-Executive Director
Samuel Kellner	Non-Executive Chairman*

° As in previous years these Directors declined to receive compensation for the provision of directorial services from Echelon, nor was any compensation paid to any related parties on their behalf. The deemed compensation for the year ending 30 June 2024 was $0.3 million (2023: $0.2 million) reflects the estimated compensation for the services provided and is disclosed for financial reporting

°°The directorial services provided by Andrew Jefferies are included in remuneration received as Chief Executive of Echelon.

The Group's related parties also include key management personnel, which have been defined as the Directors, the Chief Executive Officer and the Executive team for the Group. Key Cue management personnel are included.

$000	2024	2023
Short term employee benefits	4,241	3,922
Share based payments	247	249
Termination benefits	-	218
Post employment benefits	138	155
KEY MANAGEMENT PERSONNEL RELATED COSTS	**4,626**	4,544
Deemed Directors' compensation for related party Directors	275	439
TOTAL KEY MANAGEMENT PERSONNEL RELATED COSTS	**4,901**	4,983

27 SHARE-BASED PAYMENTS

ACCOUNTING POLICY

Share-base payments are equity or cash settlements to employees in exchange for services. Equity transactions are settled in shares or options over shares. Cash settlements are determined by the share price.

The cost of equity settled transactions are measured at fair value on grant date. Fair value is determined using the Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated Group received the services that entitle the employees to receive payment no account is taken of any other vesting conditions.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

Equity transactions are recognised as an expense with the corresponding increase in equity over the vesting period. The cumulative charge to a profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period.

If the non-vesting condition is within the control of the consolidated Group or employee the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated Group or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited. Cancellations are accounted for on the date of cancellation, as if it had vested.

THE COMPANY HAS THE FOLLOWING SHARE BASED PAYMENT SCHEMES:

(a) Echelon Share Option Scheme, established March 2020

(b) Cue Energy Share Option Scheme, established July 2019

(A) ECHELON SHARE OPTION SCHEME

On 22 November 2023, the Group issued 2,788,983 unlisted options to eligible Echelon Resources Limited employees under the share option scheme. The options are exercisable at $0.47 (47 cents) per option, which will vest on 1 July 2026 and expire on 1 July 2029. The exercise price was determined by adding a 20% premium to the average market price on the date of the offer (being the volume weighted average market price over the previous 10 business days) at 30 June 2023. The options were valued using Black-Scholes option pricing model.

During the year $0.3 million of share-based payment expense was recorded in relation to the Echelon Share Option Scheme for the financial year ending 30 June 2024 (2023: $0.3 million).

Since delisting from the NZX on 28 June 2024, Echelon no longer has a NZ dollar share price for determining whether the exercise price has been reached. The Board has approved that the Australian dollar share price will be converted to NZ dollars using the closing exchange rate quoted on the Reserve Bank of New Zealand website for each tranche at the award date.

27 SHARE-BASED PAYMENTS (CONTINUED)

Set out below are summaries of options granted under the plan:

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
2024							
19/03/2020	01/07/2025	$0.61	2,761,444	-	-	-	2,761,444
08/10/2020	01/07/2026	$0.65	1,785,499	-	-	-	1,785,499
23/11/2021	01/07/2027	$0.52	2,215,110	-	-	-	2,215,110
22/11/2022	01/07/2028	$0.54	2,401,636	-	-	(129,611)	2,272,025
22/11/2023	01/07/2029	$0.47	-	2,788,983	-	-	2,788,983
			9,163,689	**2,788,983**	**-**	**(129,611)**	**11,823,061**
WEIGHTED AVERAGE EXERCISE PRICE			**$0.58**	**$0.47**	**-**	**$0.54**	**$0.55**
2023							
19/03/2020	01/07/2025	$0.61	2,761,444	-	-	-	2,761,444
08/10/2020	01/07/2026	$0.65	1,828,603	-	-	(43,104)	1,785,499
01/11/2021	01/07/2027	$0.52	2,370,333	-	-	(155,223)	2,215,110
01/11/2022	01/07/2028	$0.54	-	2,631,017	-	(229,381)	2,401,636
			6,960,380	2,631,017	-	(427,708)	9,13,689
WEIGHTED AVERAGE EXERCISE PRICE			$0.59	$0.54	-	$0.54	$0.58

For the options granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
22/11/2023	01/07/2029	$0.37	$0.47	36%	-	5.63%	$0.13

27 SHARE-BASED PAYMENTS (CONTINUED)

(B) CUE SHARE OPTION SCHEME

On 8 September 2023, the Company issued 4,640,759 unlisted options to eligible employee under the share option scheme. The options are exercisable at $0.079 (7.9 cents) per option and will vest on 1 July 2026 and expire on 1 July 2028. The options were valued using Black-Scholes option pricing model.

During the year $0.1 million of share-based payment expense was recorded in relation to the Cue share option scheme for the financial year ending 30 June 2024 (2023: $0.1 million).

In March 2024 Cue exercised 2,152,654 share options. The exercise price was $0.10 (10 cents) per fully paid ordinary share, resulting in the issue of 252,562 ordinary shares. These were awarded on a cashless basis.

Set out below are summaries of options granted under the plan:

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
2024							
29/07/2017	01/07/2023	$0.08	3,473,653	-	-	(3,473,653)	-
04/10/2019	01/07/2024	$0.10	3,523,015	-	(2,152,654)	-	1,370,361
16/07/2020	01/07/2025	$0.13	3,204,237	-	-	-	3,204,237
23/07/2021	22/07/2026	$0.09	4,005,799	-	-	-	4,005,799
30/08/2022	01/07/2027	$0.10	3,598,698	-	-	-	3,598,698
08/09/2023	01/07/2028	$0.08	-	4,640,759	-	-	4,640,759
			17,805,402	**4,640,759**	**(2,152,654)**	**(3,473,653)**	**16,819,854**
WEIGHTED AVERAGE EXERCISE PRICE			**$0.10**	**$0.08**	**$0.10**	**$0.08**	**$0.10**
2023							
29/07/2017	01/07/2023	$0.08	3,513,430	-	-	(39,777)	3,473,653
04/10/2019	01/07/2024	$0.10	3,569,765	-	-	(46,750)	3,523,015
16/07/2020	01/07/2025	$0.13	3,241,067	-	-	(36,830)	3,204,237
23/07/2021	22/07/2026	$0.08	4,047,966	-	-	(42,167)	4,005,799
30/08/2022	01/07/2027	$0.10	-	3,649,298	-	(50,600)	3,598,698
			14,372,228	3,649,298	-	(216,124)	17,805,402
WEIGHTED AVERAGE EXERCISE PRICE			$0.10	$0.10	-	$0.08	$0.10

For the options granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, were as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
8/09/2023	01/07/2028	$0.07	$0.08	56%	-	3.82%	$0.03

28 COMMITMENTS AND CONTINGENT ASSETS AND LIABILITIES

(A) DEVELOPMENT AND EXPLORATION EXPENDITURE

To maintain the various permits in which the Group is involved the Group has ongoing expenditure as part of its normal operations. The actual costs will be dependent on a number of factors such as joint venture decisions including final scope and timing of operations. The Group participates in a number of development projects that were in progress at the end of the year. These projects require the Group, either directly or through joint operation arrangements, to enter into contractual commitments for future expenditures.

The Group has commitments of $19.7 million for the drilling and infrastructure works at the Mahato PSC.

The carry under the farm out agreement with Triangle has $2.9 million remaining at 30 June 2024.

The Group's share of commitments associated with the Amadeus Basin permits for production and development expenditure is $0.8 million at 30 June 2024.

As part of the acquisition of the 25% interest in Mereenie, the Group has an obligation to pay bonds of $0.9 million to the Northern Territory Government.

(B) CONTINGENT ASSETS AND LIABILITIES

The Directors are not aware of any contingent assets or liabilities at 30 June 2024.

29 EVENTS OCCURRING AFTER BALANCE DATE

On 30 July 2024 the Group announced the name change of the parent company to Echelon Resources, trading as Echelon. The names of Echelon's wholly owned subsidiaries have subsequently been updated to include Echelon.

On 31 July 2024 drilling commenced in the Perth Basin of the Booth well. On the 7 August 2024 the Group announced that the key prospective reservoirs had been drilled and no moveable hydrocarbons had been intersected. The Booth well is now plugged and abandoned. Costs relating to this drilling operation will be expensed in the next financial reporting period.

On 23 August 2024, Cue declared a final dividend of Australian dollar 1 cent per share to be paid on 26 September 2024.

On 27 August 2024, Echelon declared a final dividend of Australian dollar 1.5 cents per fully paid ordinary share, with a record date of 17 September 2024, to be paid on 4 October 2024.

There are no further material events that have occurred after the balance date.

Independent Auditor's Report

To the shareholders of Echelon Resources Limited

Report on the audit of the consolidated financial statements

Opinion

We have audited the accompanying consolidated financial statements which comprise:

- the consolidated statement of financial position as at 30 June 2024;
- the consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended;
- notes, including material accounting policy information and other explanatory information

In our opinion, the accompanying consolidated financial statements of Echelon Resources Limited (the Company) and its subsidiaries (the Group) on pages 58 to 92 present fairly in all material respects:

- the Group's financial position as at 30 June 2024 and its financial performance and cash flows for the year ended on that date; and
- In accordance with New Zealand Equivalents to International Financial Reporting Standards (**NZ IFRS**) issued by the New Zealand Accounting Standards Board and the International Financial Reporting Standards issued by the International Accounting Standards Board.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (**ISAs (NZ)**). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of Echelon Resources Limited in accordance with Professional and Ethical Standard 1 International Code of Ethics for Assurance Practitioners (Including International Independence Standards) (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (**IESBA Code**), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Our responsibilities under ISAs (NZ) are further described in the **Auditor's responsibilities for the audit of the consolidated financial statements** section of our report.

Our firm has provided other services to the Group in relation to tax compliance and advisory, and other assurance services. Subject to certain restrictions, partners and employees of our firm may also deal with the Group on normal terms within the ordinary course of trading activities of the business of the Group. These matters have not impaired our independence as auditor of the Group. The firm has no other relationship with, or interest in, the Group.

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Materiality

The scope of our audit was influenced by our application of materiality. Materiality helped us to determine the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and on the consolidated financial statements as a whole. The materiality for the consolidated financial statements as a whole was set at $2.4 million, determined with reference to a benchmark of the Group's total assets. We chose the benchmark because, in our view, this is a key measure of the Group's performance.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements in the current period. We summarise below those matters and our key audit procedures to address those matters in order that the shareholders as a body may better understand the process by which we arrived at our audit opinion.

Our procedures were undertaken in the context of and solely for the purpose of our audit opinion on the consolidated financial statements as a whole and we do not express discrete opinions on separate elements of the consolidated financial statements.

The key audit matter	How the matter was addressed in our audit
ACQUISITION OF ADDITIONAL INTEREST IN AMADEUS BASIN ASSETS	
Refer to Note 9 within the consolidated financial statements. On 11 June 2024, the Group completed the acquisition of an additional 25% interest as a joint venture partner in the Mereenie gas and oil fields in the Northern Territory, Australia. This business combination is a key audit matter due to the financial significance of the transaction to the Group and the judgement required by the Group to measure the provisional fair values of assets and liabilities assumed.	Our audit procedures included: • Reviewing the acquisition agreements and other related transaction documents to understand the structure, key terms and conditions; • Evaluating the acquisition accounting methodology applied by the Group against the requirements of the accounting standards; • Assessing the Group's determination of accounting acquisition date and provisional fair value of purchase consideration with reference to the underlying assets sale agreement and accounting standard requirements; • Evaluating the qualifications, competence and objectivity of external and internal experts used by the Group including an assessment as to the extent to which the information provided by them could be relied upon; • Evaluating the Group's provisional assessment of the fair value of oil and gas production properties and rehabilitation obligations: and • Assessing the appropriateness of the Group's disclosures in the consolidated financial statements using our understanding obtained from our testing and against the requirements of accounting standards.

The key audit matter	How the matter was addressed in our audit
RECOVERABILITY OF OIL AND GAS ASSETS	
Refer to Note 15 within the consolidated financial statements. The recoverability of oil and gas assets is a key audit matter due to the judgement involved in assessing the recoverable value of the oil and gas assets. Key assumptions include: • future oil and gas prices; • oil and gas reserves, and future production levels discount rate; and • future operating and capital costs During the period management recorded a $11.5 million impairment of the Kupe assets and our testing focused on this asset.	Our audit procedures to assess the reasonableness of the recoverable value of the oil and gas assets included. • Evaluating the Group's impairment indicator assessment, utilising our knowledge of the Group and the Oil and Gas industry, in which the Group operates. • For the Kupe Asset, where an indicator of impairment was identified, in conjunction with our valuation specialists, we evaluated the key inputs and assumptions included in management's valuation model. Our procedures included: › Assessing whether the valuation methodology applied was in accordance with the requirements of accounting standards; › Challenging the feasibility of reserve and resource estimates and production profiles by comparing for consistency with other internal and external information, including reports prepared by management's experts; › Comparing management's forecast of oil and gas prices to observable market data and contracted prices; › Using our valuation specialist to assess the reasonableness of the discount rate used; › Reviewing operator budgets and forecasts of operating costs and capital programmes for reasonableness; and › Performing sensitivity analysis over key assumptions included in the Group's impairment assessments. • Comparing the carrying amount of the net assets of the group to its market capitalisation and evaluating whether any differences would suggest further impairments are required

Other information

The directors, on behalf of the Group, are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover any other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors.

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Use of this independent auditor's report

This independent auditor's report is made solely to the shareholders. Our audit work has been undertaken so that we might state to the shareholders those matters we are required to state to them in the independent auditor's report and for no other purpose. To the fullest extent permitted by law, none of KPMG, any entities directly or indirectly controlled by KPMG, or any of their respective members or employees, accept or assume any responsibility and deny all liability to anyone other than the shareholders for our audit work, this independent auditor's report, or any of the opinions we have formed.

Responsibilities of the Directors for the consolidated financial statements

The directors, on behalf of the Group, are responsible for:

- the preparation and fair presentation of the consolidated financial statements in accordance with NZ IFRS issued by the New Zealand Accounting Standards Board and the International Financial Reporting Standards issued by the International Accounting Standards Board;
- implementing the necessary internal control to enable the preparation of a consolidated set of financial statements that is free from material misstatement, whether due to fraud or error;
- assessing the ability of the Group to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate or to cease operations or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objective is:

- to obtain reasonable assurance about whether the financial statements as a whole free from material misstatement, whether due to fraud or error; and
- to issue an independent auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but it is not a guarantee that an audit conducted in accordance with ISAs NZ will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is located at the External Reporting Board (XRB) website at: https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-1/ This description forms part of our independent auditor's report. The engagement partner on the audit resulting in this independent auditor's report is Gavin Silva.

For and on behalf of:

KPMG

KPMG
Wellington
27 August 2024

Shareholder Information

Stock Exchange Listing

The Company is listed and its shares quoted on the official list of the Australian Securities Exchange (ASX), the Company's code is "ECH".

DISTRIBUTION OF SECURITY HOLDERS
AS AT 12 AUGUST 2024

Range	Total Holders	Units	% Units
1–1,000	1,296	873,864	0.39
1,001–5,000	1,702	3,996,695	1.78
5,001–10,000	418	3,036,374	1.36
10,001–100,000	521	15,308,913	6.84
100,001 Over	72	200,734,992	89.63
ROUNDING			0.00
TOTAL	4,009	223,950,838	100.00

UNMARKETABLE PARCELS

	Minimum Parcel Size	Holders	Units
Minimum $500.00 parcel at $0.4050 per unit	1,235	1,564	1,175,216

Securities On Issue

As at 31 August 2023 Echelon Resources Limited had the following securities

Listed Ordinary Shares	Options to acquire ordinary shares
223,950,838	9,591,398

Option holders will be able to exercise the Options within a three year period, three years post issue. The Board fixes the exercise price of the Option. To date, there have been four tranches of options issued.

As a consequence of delisting off the NZX, and consistent with a Board resolution of 30 August, each tranche of the options issued to date received an adjustment to the exercise price as per the following table:

	Award Date*	Original Exercise price NZD	Revised Exercise price AUD
Tranche 1	30/06/2019	$0.61	$0.58
Tranche 2	30/06/2020	$0.65	$0.61
Tranche 3	30/06/2021	$0.52	$0.48
Tranche 4	30/06/2022	$0.54	$0.48
Tranche 5	30/06/2023	$0.47	$0.43

*Exercise price is based on award date.

Shares issued on the exercise of Options will be issued on the same terms and will rank equally in all respects with ordinary shares currently on issue. Options do not carry voting rights or any entitlement to receive dividends unless and until exercised and converted to shares. In the event of a change of control event, generally the vesting date of Options will accelerate and the Options will become exercisable. Options are generally forfeited by a participant on the occurrence of a lapse event, which includes when the participant ceases to be an employee of the Company.

Substantial Shareholders

Substantial Product Holder Notices are received pursuant to the Financial Markets Conduct Act 2013. Shareholders are required to disclose their holding to the issuer and the issuer's registered exchanges when:

- They have a substantial holding (5% or more of the listed voting securities);
- Subsequent movements of 1% or more in a substantial holding from prior notification;
- Any change is made in the nature of any relevant interest in the substantial holding; and
- They cease to have a substantial holding.

According to the Company's records and Substantial Product Holding Notices previously released to the ASX, as at 30 June 2024, no Substantial Product Holder Notice, has been received since the date of the last Annual Report.

TOP 20 SHAREHOLDERS AS AT 12 AUGUST 2024

	Security Holder	Units	% Units
1	O.G. OIL AND GAS SINGAPORE PTE. LTD	160,583,035	71.70
2	SIK-ON CHOW	6,000,000	2.68
3	LAWRENCE HERD	3,692,024	1.65
4	SHARESIES AUSTRALIA NOMINEE PTY LIMITED	3,520,241	1.57
5	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	2,913,432	1.30
6	MEHASU PTY LIMITED	2,050,000	0.92
7	CITICORP NOMINEES PTY LIMITED	1,970,246	0.88
8	RIUO HAURAKI LIMITED	1,750,000	0.78
9	TRIBAL NOMINEES LIMITED	1,504,507	0.67
10	RADFORD SFT PTY LTD	1,340,000	0.60
11	AOTEAROA RENTAL ENTERPRISES LIMITED	1,273,593	0.57
12	ZILSTAME NOMINEES PTY LTD	875,024	0.39
13	CHIN-YI LIN + YU-CHING LIN-CHAO	810,000	0.36
14	RICHARD BRUCE LEES	768,162	0.34
15	ASB NOMINEES LIMITED <317253 A/C>	514,585	0.23
16	CITIBANK NOMINEES NEW ZEALAND LIMITED	498,932	0.22
17	JANET BACKHOUSE	494,000	0.22
18	NEIL DOUGLAS WAITES	439,928	0.20
19	DYLAN LANCE SCHISCHKA	410,835	0.18
20	ROY ANTHONY RADFORD	393,000	0.18
	TOTALS: TOP 20 HOLDERS OF ORDINARY SHARES (TOTAL)	191,801,544	85.64
	TOTAL REMAINING HOLDERS BALANCE	32,149,294	14.36

Share buy-backs

No shares were bought back in the period.

TRADING STATISTICS FOR THE 12 MONTHS ENDED 30 JUNE 2024

	High	Low
ASX (trading Code ECH) AUD	0.43	0.32

ASX closing price 30 June 2024: AUD 0.395

Track the share price and volumes at

echelonresources.com/investors/investor-dashboard

Dividends

An AUD 3 cent per share special dividend was paid out to shareholders on 10 April 2024.

An AUD 1.5 cent per share final dividend was declared on 27 August 2024 to be paid on 4 October 2024.

Corporate Directory

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Auditors

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Update your details here

computershare.com.au/easyupdate/ECH

Get the latest investor news at echelonresources.com

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