

Appendix 4D Half Year Report

For the half year ended 31 December 2025 as required by ASX listing rule 4.2A

RESULTS FOR ANNOUNCEMENT TO THE MARKET

All comparisons to the half year ended 31 December 2024

AUD \$m	Unaudited Half Year 31 Dec 2025		Movement %
Revenue from ordinary activities	57.2	up	7%
Profit after tax from ordinary activities attributable to shareholders	6.0	up	61%

Revenue

Group revenue for half year 2026 was \$57.2 million, an increase of 7% compared to the same period last year. The uplift reflects the benefit of higher gas prices under the new Gas Sales Agreement (GSA) entered in March 2025. The Mereenie field was the main driver of the improvement, with revenue from the field, and across the Group up 33% compared to the prior period.

Net profit after tax

Net profit after tax attributable to shareholders increased significantly to \$6.0 million, a 61% uplift from \$3.7 million in the prior corresponding period. The strong result reflects improved gas pricing under the new Northern Territory GSA and continued operational performance across the portfolio. The previous period's NPAT was negatively impacted by higher exploration expenses in the Perth Basin and the Mahato PSC.

Financial Position

The net assets of the Group increased by \$3.6 million to \$160.1 million for the period ended 31 December 2025 (30 June 2025: \$156.5 million). Dividends of \$3.4 million were paid in the half year.

Cash position

The Group's cash position was \$32.9 million at 31 December 2025, a decrease of \$3.9 million from the 30 June 2025 balance of \$36.8 million mainly due to the repayment of \$12 million of debt during the half year. Operating cash flows were \$21.8 million (31 December 2024: \$25.1 million), down 13%, primarily due to the timing of Mahato field-related cash receipts.

Dividends

An interim dividend of AUD 0.40 cents per ordinary share has been declared with a record date of 12 March 2026 and a payment date of 31 March 2026.

On 30 September 2025 Echelon paid a final dividend of AUD 0.75 cents per ordinary share, with a record date of 11 September 2025.

NET TANGIBLE ASSET BACKING

AUD \$	Unaudited Half Year 31 Dec 2025	Audited Full Year 30 Jun 2025
Net tangible assets per security (cents)	68.7	65.5

Additional information supporting the Appendix 4D disclosure requirements can be found in the 31 December 2025 Unaudited Financial Statements and accompanying notes.

This Half Year Report is to be read in conjunction with the 30 June 2025 Annual Report.

Echelon Resources Limited - Financial Report

For the half year ended 31 December 2025

Table of Contents

	Page
Condensed Statement of Cash Flows	3
Condensed Statement of Comprehensive Income	4
Condensed Statement of Financial Position	5
Condensed Statement of Changes in Equity	6
Notes to the financial statements	7
Auditor Independent Review Report	15



Condensed Statement of Cash Flows

For the half year ended 31 December 2025

	Unaudited Half Year 31 Dec 2025	Unaudited Half Year 31 Dec 2024
AUD\$000		
Cash flows from operating activities		
Customer receipts	56,148	52,440
Production and marketing payments	(23,479)	(16,784)
Supplier and employee payments (inclusive of GST)	(7,793)	(7,114)
Interest received	502	593
Income tax paid	(283)	(1,339)
Royalties paid	(4,243)	(3,605)
Other	938	885
Net cash inflow from operating activities	21,790	25,076
Cash flows from investing activities		
Exploration and evaluation expenditure	(375)	(4,363)
Oil and gas asset expenditure	(7,192)	(8,675)
Property, plant and equipment expenditure	(13)	(11)
Net cash outflow from investing activities	(7,580)	(13,049)
Cash flows from financing activities		
Repayment of loans and borrowings	(12,000)	-
Interest paid	(2,132)	(2,759)
Dividends paid	(3,422)	(6,842)
Lease liabilities principal element payments	(132)	(110)
Net cash outflow from financing activities	(17,686)	(9,711)
Net (decrease)/increase in cash and cash equivalents	(3,476)	2,316
Cash and cash equivalents at the beginning of the year	36,801	38,621
Exchange rate effects on cash and cash equivalents	(470)	842
Cash and cash equivalents at the end of the period	32,855	41,779

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

Condensed Statement of Comprehensive Income

For the half year ended 31 December 2025

AUD\$000	Notes	Unaudited Half Year 31 Dec 2025	Unaudited Half Year 31 Dec 2024
Revenue	4	57,188	53,275
Operating costs		(20,220)	(19,805)
Exploration and evaluation expenditure		(382)	(5,272)
Other income	4	1,185	1,276
Other expenses		(6,219)	(6,238)
Profit from operating activities excluding amortisation, impairment and net finance costs		31,552	23,236
Amortisation of production assets	8	(11,051)	(9,813)
Net finance costs		(2,369)	(533)
Profit before income tax and royalties		18,132	12,890
Income tax expense		(6,383)	(4,248)
Royalties expense		(3,170)	(2,745)
Profit for the period		8,579	5,897
Profit for the period attributable to:			
Profit attributable to shareholders		6,016	3,726
Profit attributable to non-controlling interest (NCI)		2,563	2,171
Profit for the period		8,579	5,897
Other comprehensive income:			
Items that may be classified to profit or loss			
Foreign currency translation reserve (FCTR) differences		(1,272)	(311)
Asset revaluation reserve		(457)	364
Total other comprehensive income for the period		6,850	5,950
Total comprehensive income for the period is attributable to:			
Shareholders of the Group		4,530	2,967
Non-controlling interest (NCI)		2,320	2,983
Total comprehensive income for the period		6,850	5,950
Earnings per share			
Basic earnings per share attributable to shareholders (cents)		2.6	1.6
Diluted earnings per share attributable to shareholders (cents)		2.6	1.6

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

Authorised on behalf of Echelon's Board of Directors on 25 February 2026:



Samuel Kellner
Director



Rosalind Archer
Director

Condensed Statement of Financial Position

For the half year ended 31 December 2025

AUD\$000	Notes	Unaudited Half Year 31 Dec 2025	Audited Full Year 30 Jun 2025
Assets			
Current assets			
Cash and cash equivalents		32,855	36,801
Receivables and prepayments		23,151	21,867
Inventories		4,095	3,951
Total current assets		60,101	62,619
Non-current assets			
Exploration and evaluation assets	7	400	400
Oil and gas assets	8	214,517	221,035
Property, plant and equipment		161	177
Right of use assets		1,041	1,328
Other intangible assets		888	1,451
Net deferred tax assets	5	2,664	5,827
Other financial assets		7,771	7,833
Total non-current assets		227,442	238,051
Total assets		287,543	300,670
Liabilities			
Current liabilities			
Payables	9	12,257	17,772
Lease provisions		147	266
Rehabilitation provisions	11	992	908
Current tax liabilities		5,961	3,742
Total current liabilities		19,357	22,688
Non-current liabilities			
Contract liabilities	10	11,572	12,166
Rehabilitation provisions	11	60,923	61,696
Borrowings		34,634	46,553
Lease provisions		963	1,072
Total non-current liabilities		108,092	121,487
Total liabilities		127,449	144,175
Net assets		160,094	156,495
Equity			
Share capital		178,355	178,355
Reserves	12	29,753	33,582
Retained losses		(70,708)	(77,482)
Attributable to shareholders of the Group		137,400	134,455
Non-controlling interest in subsidiaries		22,694	22,040
Total equity		160,094	156,495
Net asset backing per share (cents)		70.4	68.8
Net tangible asset backing per share (cents)		68.7	65.5

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

Condensed Statement of Changes in Equity

For the half year ended 31 December 2025

AUD\$000	Share capital	Reserves	Retained earnings/ (losses)	Total	Non-controlling interest	Total equity
Restated audited balance as at 30 June 2024 *	178,355	30,302	(74,387)	134,270	25,423	159,693
Profit for the half year	-	-	3,726	3,726	2,171	5,897
Asset revaluation reserve	-	364	-	364	-	364
Share based compensation expense	-	165	42	207	31	238
Issue of shares to NCI	-	(20)	-	(20)	20	-
Foreign currency translation differences	-	(1,123)	-	(1,123)	812	(311)
Dividends paid	-	-	(3,349)	(3,349)	(3,493)	(6,842)
Unaudited balance as at 31 December 2024	178,355	29,688	(73,968)	134,075	24,964	159,039
Profit/(losses) for the half year	-	-	(496)	(496)	989	493
Asset revaluation reserve	-	(179)	-	(179)	-	(179)
Asset revaluation reserve prior year	-	(101)	101	-	-	-
Share based compensation expense	-	186	(42)	144	39	183
Forfeited and expired share options	-	(290)	290	-	-	-
Issue of shares to NCI	-	20	-	20	67	87
Exercise of share options	-	(44)	-	(44)	(44)	(88)
Foreign currency translation differences	-	4,302	3	4,305	(480)	3,825
Dividends paid	-	-	(3,370)	(3,370)	(3,495)	(6,865)
Audited balance as at 30 June 2025	178,355	33,582	(77,482)	134,455	22,040	156,495
Profit for the half year	-	-	6,016	6,016	2,563	8,579
Asset revaluation reserve	-	(457)	-	(457)	-	(457)
Share based compensation expense	-	153	-	153	39	192
Forfeited and expired share options	-	16	(16)	-	-	-
Issue of shares to NCI	-	-	-	-	93	93
Exercise of share options	-	(46)	-	(46)	(47)	(93)
Foreign currency translation differences	-	(1,029)	-	(1,029)	(243)	(1,272)
Intercompany foreign currency transfer	-	(2,466)	2,466	-	-	-
Dividends paid	-	-	(1,692)	(1,692)	(1,751)	(3,443)
Unaudited balance as at 31 December 2025	178,355	29,753	(70,708)	137,400	22,694	160,094

* The comprehensive statements for the half year ended 31 December 2024 have been restated to show the effect of voluntary change in presentation currency to Australian dollars.

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

Notes to the financial statements

For the half year ended 31 December 2025

1 Basis of accounting

Reporting entity

Echelon Resources Limited (Echelon), is a company domiciled in New Zealand (NZ), registered under the New Zealand Companies Act 1993 and listed on the Australian Securities 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.

The condensed and consolidated interim financial statements (financial statements) presented as at and for the half year ended 31 December 2025 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.

These financial statements do not include all the notes normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2025.

Comparative figures have been adjusted to reflect the changes in Australian dollar presentation currency.

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 IFRS Accounting Standards ("NZ IFRS") as appropriate for profit-oriented entities, and with IFRS Accounting Standards ("IFRS").

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

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 5).

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 7 and 8).

Provision for rehabilitation obligations includes estimates of future costs, timing of required rehabilitation and an estimated discount rate (refer to note 11).

Notes to the financial statements

For the half year ended 31 December 2025

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:

Exploration: Exploration interests in the Amadeus Basin for Exploration Permit EP145 and previously Perth Basin.

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 Energy Resources Limited ("Cue"), a partially owned subsidiary of Echelon, holds a participating interest in the Amadeus Basin assets. These are included in the Cue segment below.

Other & 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 oil and gas fields.

Unaudited Half year to 31 December 2025 AUD\$000	Exploration	Kupe oil & gas field	Amadeus Basin oil & gas fields	Other & unallocated	Cue Energy Resources Limited	Total
Sales to external customers:						
New Zealand	-	3,194	-	-	5,389	8,583
Australia	-	-	27,831	-	6,535	34,366
Indonesia	-	-	-	-	2,700	2,700
Other countries	-	450	-	-	11,089	11,539
Total sales revenue	-	3,644	27,831	-	25,713	57,188
Other income	-	-	2	1,627	(444)	1,185
Total sales revenue and other income	-	3,644	27,833	1,627	25,269	58,373
Operating costs	(1)	(961)	(8,753)	-	(10,505)	(20,220)
Exploration and evaluation	(181)	(15)	(136)	-	(50)	(382)
Other expenses	(287)	(34)	(68)	(4,733)	(1,097)	(6,219)
Amortisation	-	(931)	(4,827)	-	(5,293)	(11,051)
Earnings/(losses) before income tax	(469)	1,703	14,049	(3,106)	8,324	20,501
Other net finance expense						(2,369)
Profit before income tax and royalties					8,006	18,132
Income tax and royalties expense					(2,888)	(9,553)
Profit for the year					5,118	8,579
Other comprehensive losses					(197)	
Current assets	249	3,910	18,698	11,083	26,161	60,101
Non current assets	400	12,703	130,289	7,636	76,414	227,442
Segment assets	649	16,613	148,987	18,719	102,575	287,543
Current liabilities	142	2,048	5,361	2,785	9,021	19,357
Non current liabilities	-	11,149	62,937	-	34,006	108,092
Segment liabilities	142	13,197	68,298	2,785	43,027	127,449
Net cash flow by activity*						
Net cash inflow from operating activities					9,177	
Net cash outflow from investing activities					(5,054)	
Net cash outflow from financing activities					(3,538)	
Net decrease in cash and cash equivalents					585	

* Echelon cash flows are centrally managed, therefore net cash flows by activity are not presented by segment.

Notes to the financial statements

For the half year ended 31 December 2025

3 Segment information (continued)

Unaudited Half year to 31 December 2024 AUD\$000	Exploration	Kupe oil & gas field	Amadeus Basin oil & gas fields	Other & unallocated	Cue Energy Resources Limited	Total
Sales to external customers:						
New Zealand	-	3,525	-	-	6,349	9,874
Australia	-	-	21,635	-	5,473	27,108
Indonesia	-	-	-	-	3,683	3,683
Other countries	-	1,002	-	-	11,608	12,610
Total sales revenue	-	4,527	21,635	-	27,113	53,275
Other income	-	-	1	1,275	-	1,276
Total sales revenue and other income	-	4,527	21,636	1,275	27,113	54,551
Operating costs	(43)	(1,231)	(7,994)	-	(10,537)	(19,805)
Exploration and evaluation	(4,151)	(13)	(165)	-	(943)	(5,272)
Other expenses	(201)	(51)	(176)	(4,045)	(1,765)	(6,238)
Amortisation	-	(1,168)	(4,710)	-	(3,935)	(9,813)
Earnings/(losses) before income tax	(4,395)	2,064	8,591	(2,770)	9,933	13,423
Other net finance income						(533)
Profit before income tax and royalties					10,266	12,890
Income tax and royalties expense					(5,923)	(6,993)
Profit for the year					4,342	5,897
Other comprehensive income					1,624	
Current assets	37	3,152	13,586	17,681	26,665	61,121
Non current assets	3,671	17,052	132,839	11,870	77,191	242,623
Segment assets	3,708	20,204	146,425	29,551	103,856	303,744
Current liabilities	-	2,776	10,585	1,445	6,166	20,972
Non current liabilities	-	10,147	80,022	129	32,781	123,079
Segment liabilities	-	12,923	90,607	1,574	38,947	144,051
Net cash flow by activity*						
Net cash inflow from operating activities					12,860	
Net cash outflow from investing activities					(5,588)	
Net cash outflow from financing activities					(7,024)	
Net decrease in cash and cash equivalents					248	

* Echelon cash flows are centrally managed, therefore net cash flows by activity are not presented by segment.

Notes to the financial statements

For the half year ended 31 December 2025

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 amount of the transaction price that is allocated to that performance obligation.

(a) Revenue from contracts with customers

	Unaudited Half Year 31 Dec 2025	Unaudited Half Year 31 Dec 2024
AUD\$000		
Crude oil and condensate	19,097	22,583
Natural gas and LPG	38,091	30,692
Total revenue from contracts with customers	57,188	53,275
Other income	1,185	1,276
Total revenue and other income	58,373	54,551

(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 period ending 31 December 2025 was \$0.8 million (30 June 2025: \$1.5 million).

(c) Major Customers

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

	Unaudited Half Year 31 Dec 2025	% of sales revenue 31 Dec 2025	Unaudited Half Year 31 Dec 2024	% of sales revenue 31 Dec 2024
AUD\$000				
First largest	21,865	38.2%	16,624	31.2%
Second largest	11,088	19.4%	11,609	21.8%
Third largest	6,995	12.2%	6,349	11.9%
Total revenue from major customers	39,948	69.9%	34,582	64.9%

5 Tax

At 31 December 2025, the Group recognised a deferred tax asset of \$12.2 million (30 June 2025: \$16.5 million) in respect of unutilised carried forward tax losses.

At 31 December 2025, the Group had \$73.1 million in unutilised carry forward losses, the tax effect of which is \$21.9 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.

Notes to the financial statements

For the half year ended 31 December 2025

6 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 period:

Name	Entity	Country of permit	Interest	
			31 Dec 25	30 Jun 25
Echelon Resources Limited				
PML 38146 – Kupe	Echelon Taranaki Ltd	New Zealand	4%	4%
OL4 and OL5 - Mereenie	Echelon Mereenie Pty Ltd	Australia	42.5%	42.5%
OL3 - Palm Valley	Echelon Palm Valley Pty Ltd	Australia	35%	35%
L7 - Dingo	Echelon Dingo Pty Ltd	Australia	35%	35%
EP145	Echelon Goanna Pty Ltd	Australia	100%	100%
L7 Production Licence*	Echelon Acacia Pty Ltd	Australia	0%	25%
EP437 Exploration Permit*	Echelon Compass Pty Ltd	Australia	0%	25%
Cue Energy Resources **				
Mahato PSC	Cue Mahato Pty Ltd	Indonesia	11.25%	11.25%
PMP 38160 – Maari	Cue Taranaki Pty Ltd	New Zealand	5%	5%
Sampang PSC	Cue Sampang Pty Ltd	Indonesia	15%	15%
OL4 and OL5 - Mereenie	Cue Mereenie Pty Ltd	Australia	7.5%	7.5%
OL3 - Palm Valley	Cue Palm Valley Pty Ltd	Australia	15%	15%
L7 - Dingo	Cue Dingo Pty Ltd	Australia	15%	15%

* On 20 June 2025, Echelon withdrew from its interest in L7 and EP437 permits in the Perth Basin, with effect from 31 July 2025.

** represents the percentage interest held by Cue. The Group interest is 49.93% (June 2025: 49.97%) of the Cue interest.

7 Exploration and evaluation assets

	Unaudited Half Year 31 Dec 2025	Audited Full Year 30 Jun 2025
AUD\$000		
Opening balance	400	3,669
Exploration capitalised during the period	-	5,584
Exploration expensed to the profit and loss	-	(6,809)
Exploration asset impairment	-	(2,046)
Revaluation of foreign currency exploration and evaluation assets	-	2
Total exploration and evaluation assets at the end of period	400	400

During the half year ended 31 December 2025, the Group did not undertake any exploration activities that required an asset capitalisation.

Notes to the financial statements

For the half year ended 31 December 2025

8 Oil and gas assets

	Unaudited Half Year 31 Dec 2025	Audited Full Year 30 Jun 2025
AUD\$000		
Opening balance	221,035	215,570
Make up gas utilised	(624)	(1,226)
Expenditure capitalised	7,128	30,712
Impairment of Kupe asset	-	(3,244)
Disposal - Sale of Brewer Estate Oil Terminal	-	(825)
Amortisation for the period	(11,051)	(21,128)
Rehabilitation provision movement	(1,690)	1,402
Revaluation of foreign currency oil and gas assets	(281)	(226)
Total oil and gas assets at the end of the period	214,517	221,035

At 31 December 2025, the Group assessed each asset to determine whether an indicator of impairment existed. Indicators of impairment include changes in future selling prices, future costs, and reserves. It was determined that there were no indicators of impairment.

9 Payables

	Unaudited Half Year 31 Dec 2025	Audited Full Year 30 Jun 2025
AUD\$000		
Trade payables	4,790	7,859
Royalties payable	328	414
Share of oil and gas interests' payable	4,066	6,441
Other payables	3,073	3,058
Total payables at the end of the period	12,257	17,772

10 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.

	Unaudited Half Year 31 Dec 2025	Audited Full Year 30 Jun 2025
AUD\$000		
Non-current	11,572	12,166
Total contract liabilities at the end of the period	11,572	12,166

Notes to the financial statements

For the half year ended 31 December 2025

11 Rehabilitation provisions

	Unaudited Half Year 31 Dec 2025	Audited Full Year 30 Jun 2025
AUD\$000		
Opening balance	62,604	60,111
Change in provision recognised	(846)	896
Derecognition of provision - Brewer Estate Oil Terminal	-	(794)
Payment made	(43)	(324)
Unwind of discount on provision	1,046	2,209
Revaluation of foreign currency rehabilitation provision	(846)	506
Total rehabilitation provision at the end of the period	61,915	62,604

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 1.47% to 5.22% (30 June 2025: 2.00% to 4.86%).

12 Reserves

(a) Reserves	Unaudited Half Year 31 Dec 2025	Audited Full Year 30 Jun 2025
AUD\$000		
Asset revaluation reserve	553	1,010
Share based payments reserve	1,655	1,532
Foreign currency translation reserve	27,545	31,040
Total reserves at the end of the period	29,753	33,582

Movements:

(i) Asset revaluation reserve

Opening balance	1,010	926
Asset revaluation reserve revaluation	(457)	185
Asset revaluation reserve prior year	-	(101)
Closing balance at the end of the period	553	1,010

(ii) Share based payments reserve

Opening balance	1,532	1,515
Share based payment expense	153	351
Forfeited and expired share options	16	(290)
Share options exercised	(46)	(44)
Closing balance at the end of the period	1,655	1,532

(iii) Foreign currency translation reserve

Opening balance	31,040	27,861
Foreign currency translation differences for the year	(3,495)	3,179
Closing balance at the end of the period	27,545	31,040

(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.

Notes to the financial statements

For the half year ended 31 December 2025

13 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 \$1.1 million has been included in 'Other income' in the profit and loss (31 December 2024: \$0.8 million).

14 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 period. 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 \$5.6 million for the drilling and infrastructure works at the Mahato PSC at 31 December 2025.

The Group's share of commitments associated with the Amadeus Basin permits for production and development expenditure was \$2.9 million at 31 December 2025.

(b) Contingent assets and liabilities

On 11 December 2025, the Group received a writ of summons from Triangle Energy Limited alleging a breach of the L7 / EP437 Farmout Agreement in connection with the Group's withdrawal from those permits. The endorsed claim accompanying the writ indicated an exposure of approximately \$3.84 million.

A statement of claim has since been filed. The Statement of Claim does not include a claim for damages and instead seeks an order for specific performance of certain payment obligations under the agreement. The Group disputes the claim and intends to defend the proceedings. The matter is at an early stage, and the outcome remains uncertain.

Based on the information currently available, the Directors do not consider it probable that an outflow of economic benefits will be required. Accordingly, no provision has been recognised and the matter has been disclosed as a contingent liability.

In addition to the above, the Directors are not aware of any other contingent assets or liabilities at 31 December 2025.

15 Events occurring after balance date

On 25 February 2026 Cue declared an interim dividend of AUD 0.25 cents per ordinary share with a record date of 12 March 2026 and a payment date of 26 March 2026.

On 25 February 2026 Echelon declared an interim dividend of AUD 0.40 cents per ordinary share with a record date of 12 March 2026 and a payment date of 31 March 2026.



Independent Auditor's Review Report

To the Shareholders of Echelon Resources Limited (Group)

Report on the interim condensed consolidated financial statements

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim condensed consolidated financial statements on pages 3 to 14 do not:

- present fairly, in all material respects, the Group's financial position as at 31 December 2025 and its financial performance and cash flows for the 6 month period then ended and comply with New Zealand Equivalent to International Accounting Standard 34 Interim Financial Reporting (**NZ IAS 34**) issued by the New Zealand Accounting Standards Board.

We have completed a review of the accompanying interim condensed consolidated financial statements which comprise:

- the condensed consolidated statement of financial position as at 31 December 2025;
- the condensed consolidated statements of comprehensive income, changes in equity and cash flows for the 6 month period then ended; and
- notes, including material accounting policy information.

Basis for conclusion

We conducted our review of the interim condensed consolidated financial statements in accordance with NZ SRE 2410 (Revised) Review of Financial Statements Performed by the Independent Auditor of the Entity (**NZ SRE 2410 (Revised)**). Our responsibilities are further described in the *Auditor's responsibilities for the review of the interim condensed consolidated financial statements* section of our report.

We are independent of Echelon Resources Limited in accordance with the relevant ethical requirements in New Zealand relating to the audit of the annual financial statements and we have fulfilled our other ethical responsibilities in accordance with these ethical requirements.

Our firm has provided other services to the Group in relation to taxation compliance and advisory 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.

Use of this Independent Auditor's Review Report

This report is made solely to the Shareholders. Our review 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 Review Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Shareholders for our review work, this report, or any of the conclusions we have formed.



Responsibilities of Directors for the interim condensed consolidated financial statements

The Directors on behalf of the Group are responsible for:

- the preparation and fair presentation of the interim condensed consolidated financial statements in accordance with NZ IAS 34; and
- For such internal control as Directors determine is necessary to enable the preparation of interim condensed consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the review of the interim condensed consolidated financial statements

Our responsibility is to express a conclusion on the interim condensed consolidated financial statements based on our review.

NZ SRE 2410 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the interim condensed consolidated financial statements, taken as a whole, are not prepared, in all material respects, in accordance with NZ IAS 34.

A review of the interim condensed consolidated financial statements in accordance with NZ SRE 2410 (Revised) is a limited assurance engagement. The auditor performs procedures, consisting of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (New Zealand) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the interim condensed consolidated financial statements.

The engagement partner on the review resulting in this independent auditor's review report is Gavin Silva

For and on behalf of:

KPMG

Wellington New Zealand

25th February 2026