

Quarter ended 31 December 2025

Quarterly Report

ASX:ECH

Quarter Highlights

- Four new wells planned in Amadeus Basin
- Exciting long term gas sales arrangements
- Further debt reduction of A\$7 million



Overview

Entering the new year, Echelon and its Mereenie & Palm Valley partners transitioned on to new sale contracts, reflecting higher realised gas pricing.

In addition, the partners reached non-binding, conditional agreement with Power and Water Corporation for new long-term gas sales arrangements extending to 2034, covering firm volumes of up to 22.5 petajoule (PJ) (net to Echelon Group**) from existing production.

In support of these arrangements four new wells, two each in Palm Valley and Mereenie, targeting up to 13.3 PJ of additional supply, are in advanced planning stage with drilling expected to commence mid-2026.

The outcome reflects a well-timed alignment of strategic intent across the parties, and we are pleased to see the groundwork laid over many months translate into mutually beneficial, forward-looking arrangements.

Echelon reduced its debt by making a A\$7 million loan repayment during the quarter. The Group retains capacity to draw down up to A\$27 million under its bank loan facility, preserving flexibility to fund approved development and growth opportunities.

In Indonesia, Mahato development continued, with production supported by recent drilling and ongoing optimisation work.

Production volumes have decreased by 1.8% compared to the previous quarter, resulting in a total output of 407,252 barrels of oil equivalent (boe). The daily production rate has decreased to 4,427 boe per day.

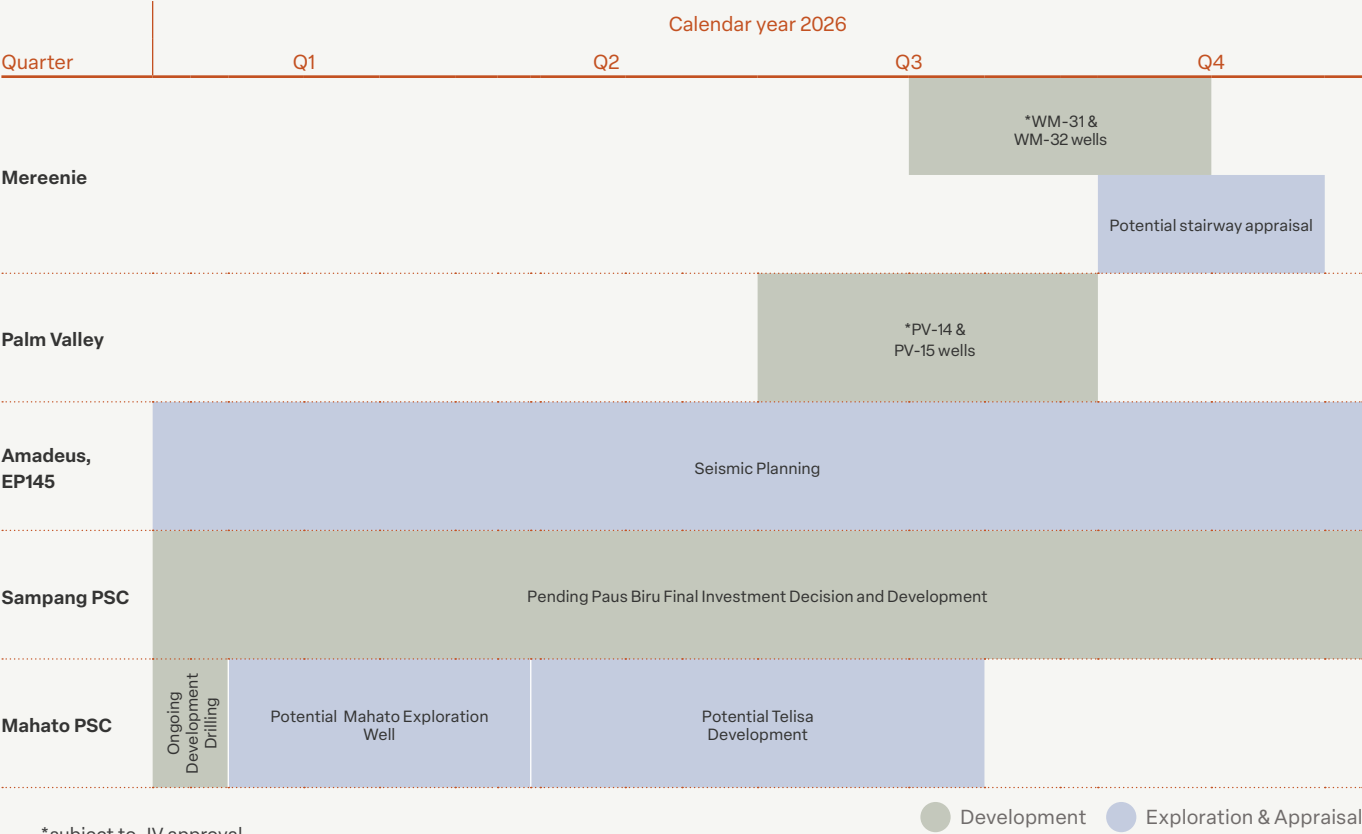


Palm Valley anticline, Amadeus Basin, NT.

The Company's 2025 Annual Report and 2025 Sustainability Report are available on our website.

echelonresources.com/investor-information/company-reports/

Future Activities Timeline



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

Financial Performance

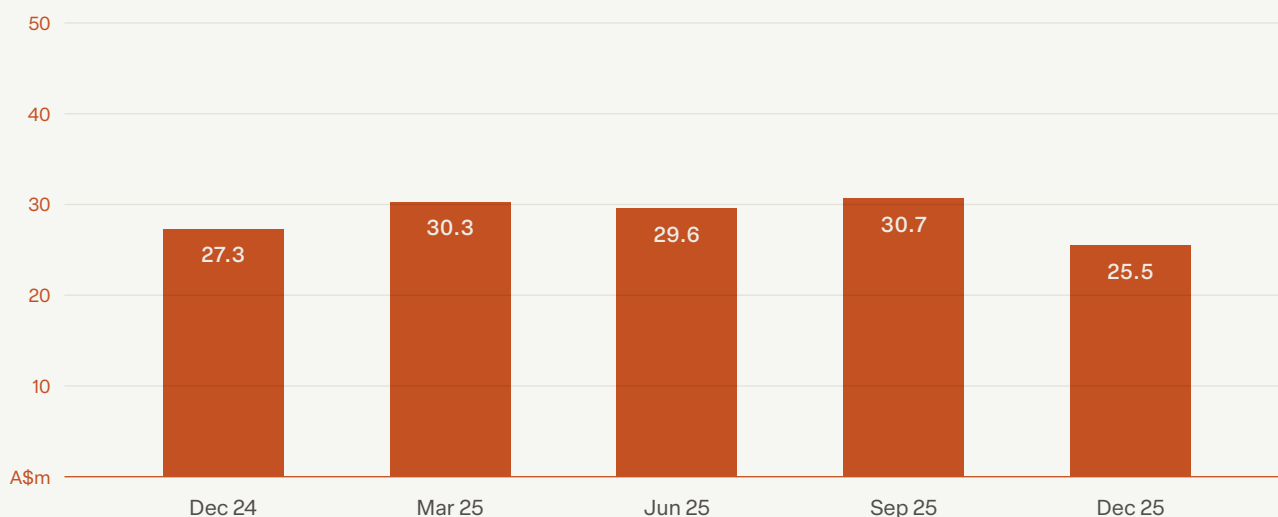
At 31 December 2025, the Echelon Group reported a cash balance of A\$32.9 million, a decrease of A\$0.2 million from the previous quarter balance of A\$33.1 million. Cash continues to be actively managed, with a focus on debt reduction to minimise interest costs. During the December quarter, A\$7.0 million of debt was repaid, this follows repayments of A\$12.0 million in prior quarters. The loan facility balance is now A\$35.5 million down from A\$54.5 million at 31 March 2025. The debt facility provides funding flexibility including the ability to redraw to support the planned development wells in the Amadeus Basin, should this be required.

Operating cash flow for the quarter was A\$9.0 million, a decrease of A\$3.5 million compared to the previous quarter reflecting lower production receipts. Production receipts totalled A\$25.5 million, down A\$5.1 million quarter-on-quarter, mainly due to the timing of the Mahato field-related cash receipts with the balance attributable to reduced production in the Amadeus Basin as a result of liquids production constraints.

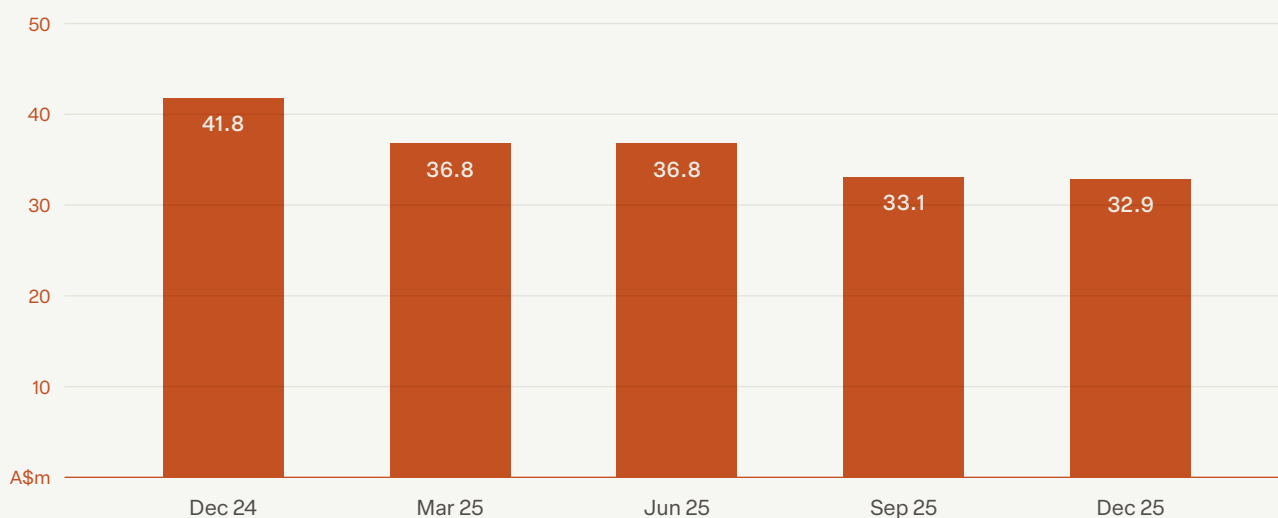
Investing cash outflows totalled A\$1.0 million for the quarter, down from A\$6.1 million in the prior quarter due to lower development expenditure mostly at the Mahato field.

Cue contributed A\$11.2 million to the Group's cash balance at 31 December 2025.

Production receipts by quarter



Cash balance by quarter



Production

Field		Total field this quarter (gross)	Our share previous quarter (net)	Our share current quarter (net)
Kupe Taranaki, New Zealand	Oil Barrels	66,835	2,824	2,673
	Gas Petajoules	3.25	0.14	0.13
	LPG Tonnes	14,309	604	572
	Production receipts A\$m		2.1	1.7
Maari* Taranaki, New Zealand	Oil Barrels	502,939	24,716	25,147
	Production receipts A\$m		2.7	2.8
Sampang* Java, Indonesia	Oil Barrels		195	238
	Gas Petajoules		0.10	0.10
	Production receipts A\$m		1.0	1.1
Mahato* Sumatra, Indonesia	Oil Barrels		56,360	59,481
	Production receipts A\$m		6.2	2.8
Mereenie** Amadeus, NT, Australia	Oil Barrels	16,538	13,478	8,269
	Gas Petajoules	2.32	1.20	1.16
Palm Valley** Amadeus, NT, Australia	Gas Petajoules	0.56	0.29	0.28
Dingo** Amadeus, NT, Australia	Gas Petajoules	0.40	0.19	0.20
Amadeus Basin**	Production receipts A\$m		18.7	17.1
Total production receipts A\$m equivalent.			30.7	25.5
Total production equivalent	Volume in boe		414,779	407,252
	Daily equivalent in boe per day		4,508	4,427

* Interest held by Cue. Echelon has a 49.93% interest in Cue. Cue's full interest is shown.

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

Amadeus Basin

Mereenie (OL4 & OL5)

42.5%	Echelon
7.5%	Cue Energy Resources*
25%	Horizon Oil
25%	Central Petroleum [Operator]

Palm Valley (OL3)

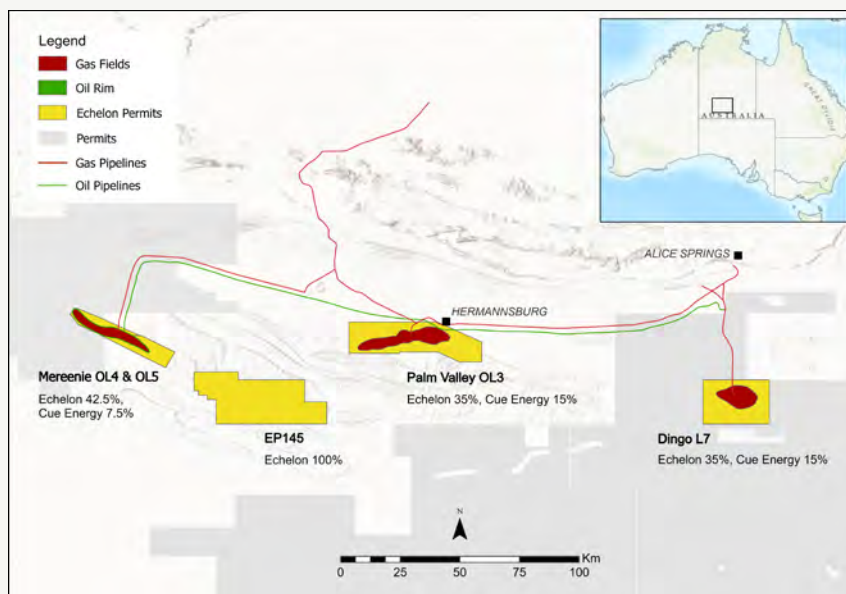
35%	Echelon
15%	Cue Energy Resources*
50%	Central Petroleum [Operator]

Dingo (L7)

35%	Echelon
15%	Cue Energy Resources*
50%	Central Petroleum [Operator]

Goanna (EP145)

100%	Echelon [Operator]
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Gas production was down marginally due to liquids production constraints that have been resolved at the end of the quarter.

During the quarter, Echelon and our Mereenie Joint Venture (JV) partners announced the award of a new Gas Sales Agreement (GSA) with MacArthur River Mine. This GSA continues to demonstrate the value of our assets and of selling into local markets within the Northern Territory (NT).

Further to this, late in the quarter Echelon and our Mereenie JV partners agreed a Letter of Intent (LOI) to secure new long-term supply within the NT. This contract unlocks the drilling of four new development wells across our Palm Valley and Mereenie fields. Execution of the wells is planned from mid-2026. Well planning is advanced with LOI for drilling rig and long lead items ordered in accordance with the commitments we have made.

In EP145, seismic scouting and planning continues. More work is required on the conditions needed to undertake activities safely with a key focus on accessibility to this remote area. Work continues on preparing for submitting the Environmental Management Plan and associated approvals.

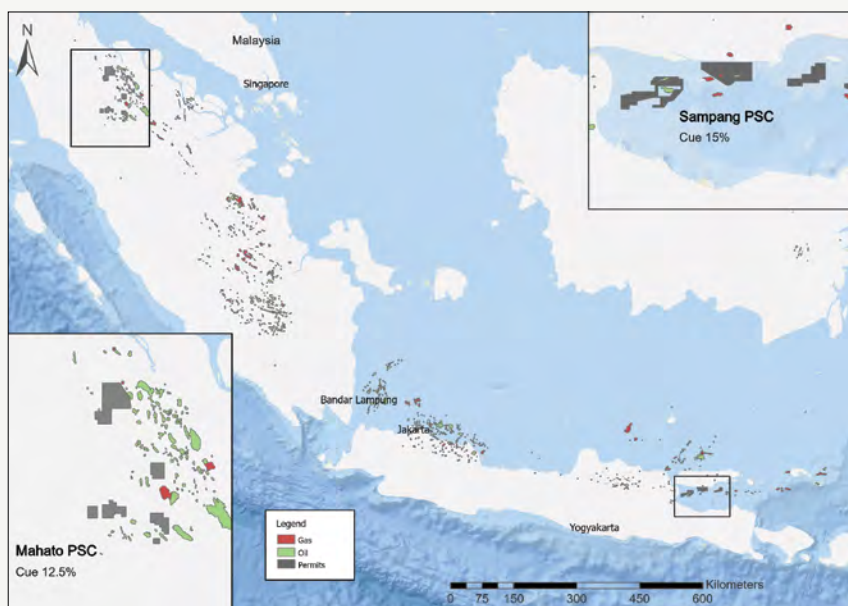
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Sampang PSC

15%	Cue Sampang Pty Ltd*
45%	Medco Energi Sampang Pty Ltd [Operator]
40%	Singapore Petroleum Sampang Ltd

Mahato PSC

11.25%	Cue Mahato Pty Ltd**
88.75%	Texcal Mahato EP Ltd [Operator]



Sampang PSC

Gas production from the Oyong and Wortel fields continues to decline as the fields approach the late stages of their production life. The Operator is actively reviewing all available options to optimise output from existing wells.

Installation of a compressor at the Grati gas processing plant, designed to lower suction pressure to improve production and recovery from Oyong and Wortel, has been delayed but is now expected to be completed in early 2026.

Discussions are ongoing between the Operator, the Indonesian Government, and JV partners regarding the implementation of economic incentives for the proposed Paus Biru development. Negotiations are also focused on securing a Production Sharing Contract (PSC) extension beyond the current expiry in December 2027. Both the PSC extension and associated incentives are critical for the project to proceed to Final Investment Decision (FID).

JV partner Singapore Petroleum Sampang has advised it will not participate in the Paus Biru development and does not intend to remain in the PSC beyond its current expiry in December 2027. Cue's decision point on the development is the JV FID, expected during the current quarter.

The proposed Paus Biru development plan includes drilling a single production well, installing a wellhead platform, and constructing a 27-kilometre subsea pipeline to connect the field to the existing Oyong pipeline infrastructure. Subject to final approvals, first gas production is expected in 2027, with an anticipated rate of 20-25 mmcfd.

Mahato PSC

Development activity continued during the quarter, with one well completed and another in testing as of mid-January 2026.

The Operator is preparing a Phase 3 development plan targeting further production from the Telisa reservoir with drilling expected to take place during CY2026.

Planning is continuing for the GA-1 exploration, with drilling expected to take place during CY2026.

Oil production in the Mahato PSC was shut-in for approximately three weeks during January as part of regional precautionary measures required by Indonesian authorities after a pipeline leak and fire on a major gas pipeline in Central Sumatra. This pipeline is not associated with the Mahato PSC and there was no physical risk to the facilities.

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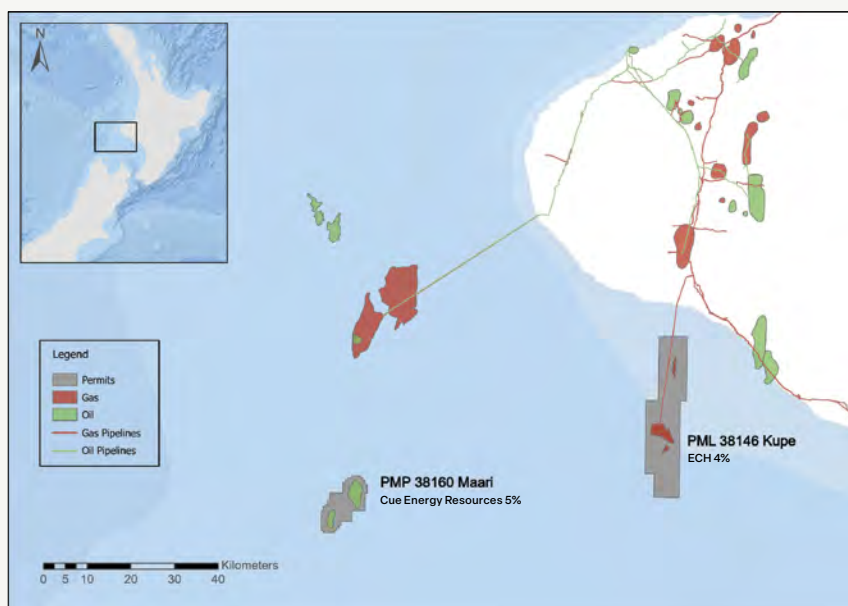
** Subject to government approval

Kupe oil and gas field (PML 38146)

4%	Echelon
50%	Beach Energy [Operator]
46%	Genesis Energy

Maari and Manaia oil fields (PMP 38160)

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



Kupe oil and gas field

Kupe production was impacted by unplanned maintenance over the New Year period. The JV has elected not to pursue further well intervention work at this time, but continues to review for future potential.

Maari and Manaia oil fields

Oil production from the Maari field remained consistent with the previous quarter at over 5,400 bopd, supported by ongoing field optimisation activities.

The recent 10-year permit extension provides sufficient time to pursue potential new development opportunities. The JV is currently assessing subsurface opportunities aimed at enhancing oil recovery and extending field life.

The New Zealand Government has finalised Financial Assurance regulations relating to decommissioning liabilities. Cue anticipates implementation of these measures in the coming months and continues to monitor regulatory developments closely.

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Quarterly Activities Report, for quarter ended 31 December 2025.

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

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