



Quarter ended 30 September 2024

Quarterly Report

ASX:ECH

Quarter Highlights

- Name change to Echelon
- First quarter of additional 25% Mereenie equity
- Amadeus production receipts up 60%
- Paid dividend of AUD 1.5 cents per share
- Annual Report
- Sustainability Report



Overview

This quarter saw significant progress across key aspects of Echelon's operations and stakeholder engagement. Our CEO, Andrew Jefferies, undertook investor roadshows in Melbourne and Sydney and presented at the South East Asia Australia Offshore & Onshore Conference (SEAAOC) in Darwin. These engagements allowed Echelon to connect with stakeholders, and prospective investors, sharing insights on our growth trajectory and operational strategy. The presentations are available to view on our website.

Additionally, Echelon successfully rolled out its new name and brand, alongside the launch of a refreshed website, marking a new era in the Company's journey. In September we published our 2024 Annual Report and 2024 Sustainability Report.

In the Perth Basin, we drilled the Booth-1 well. While the well did not yield the anticipated hydrocarbons, it was drilled significantly under budget and provided valuable data for future decisions.

Meanwhile, we increased our focus on the Northern Territory (NT) by signing two long-term Gas Sales Agreements with the NT Government. These agreements secure revenue streams out to the end of 2030 and mitigate risks associated with variability in the Northern Gas Pipeline (NGP).

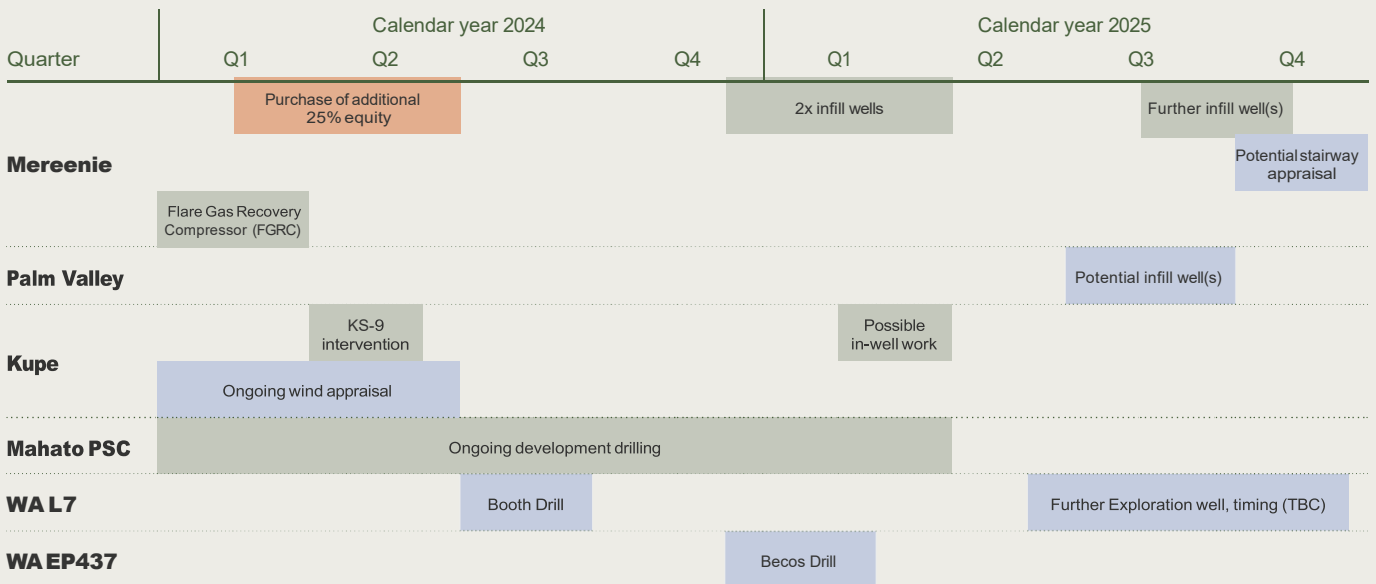
This stability has enabled Echelon to confidently plan further drilling activity at Mereenie, which is more significant now with our 25% increased equity.

Production volumes for the quarter remained robust at 4,497 barrels of oil equivalent per day (boepd), with a quarterly output of 413,724 barrels of oil equivalent (boe).



CEO Andrew Jefferies presents at SEAAOC, Darwin, Northern Territory.

Activities Timeline



● M&A ● Development ● Exploration & Appraisal

Company Matters

2024 Annual Meeting: The Annual Meeting of Echelon Resources Limited will be held virtually at 10:00 AM (NZDT) on Thursday, 21 November 2024. The Notice of Meeting has been distributed to shareholders and is available on our website.

Dividend Payment: During the quarter, we paid a dividend of AUD 1.5 cents per share, reflecting Echelon's financial strength and commitment to returning value to shareholders.

Cue Energy Resources(Cue): Echelon's ownership in Cue was reduced to 50% following a dilution from an exercise of employee share options.

Financial Performance

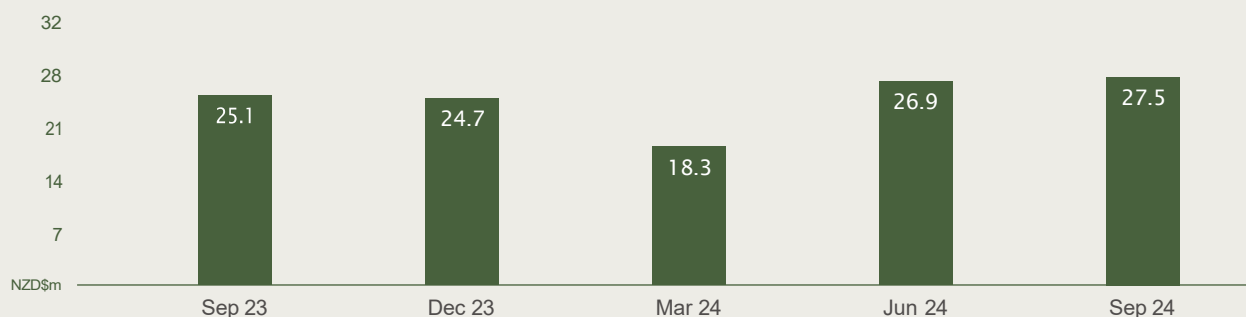
At 30 September 2024 Echelon's cash balance was NZ\$39.2 million, down NZ\$3.1 million from last quarter. Dividend payments of NZ\$3.8 million were paid out of the Group at the end of the quarter and a further NZ\$3.7 million were paid out after quarter end on 4 October 2024.

Echelon reported production receipts of NZ\$27.5 million in the quarter, up NZ\$0.6 million on the previous quarter. Amadeus asset production receipts increased by 60.5% from last quarter, to NZ\$13.3 million, reflecting Echelon's additional 25% investment in Mereenie as well as the increased gas sales to the NT Power and Water Corporation which mitigated the impact of the closed NGP. Production receipts at Kupe were up 7% on last quarter due to timing of oil liftings. Mahato oil production increased by 7% quarter-on-quarter although production receipts of NZ\$5.3 million were lower than the previous quarter due to the timing. Production at Maari increased by 18% during the quarter, with well workovers completed and wells brought back online. Despite the strong growth in production, lower production receipts reflect the prevailing oil price at the time of sale.

Included in the quarter were drilling costs related to the Perth Basin exploration well of NZ\$3.5 million.

Cue contributed NZ\$14.0 million to the cash balance.

Production receipts by quarter



Cash balance by quarter



Production

FIELD		Total field this quarter (gross)	Our share previous quarter (net)	Our share current quarter (net)
Kupe Taranaki, New Zealand	Oil Barrels	85,743	3,768	3,430
	Gas Petajoules	3.95	0.17	0.16
	LPG Tonnes	17,372	756	695
	Production receipts NZ\$m		2.8	3.0
Maari* Taranaki, New Zealand	Oil Barrels	441,419	18,653	22,071
	Production receipts AU\$m		3.6	3.2
Sampang* Java, Indonesia	Oil Barrels		462	366
	Gas Petajoules		0.22	0.18
	Production receipts AU\$m		2.3	2.1
Mahato* Sumatra, Indonesia	Oil Barrels		36,920	39,569
	Production receipts AU\$m		8.7	4.9
Mereenie** Amadeus, NT, Australia	Oil Barrels	32,058	9,238	16,029
	Gas Petajoules	2.26	0.65	1.13
Palm Valley** Amadeus, NT, Australia	Gas Petajoules	0.69	0.37	0.34
Dingo** Amadeus, NT, Australia	Gas Petajoules	0.37	0.18	0.18
Amadeus Basin**	Production receipts AU\$m.		7.6	12.2
Total production receipts NZ\$m equivalent.			26.9	27.5
Total production equivalent	Volume in boe		334,257	413,724
	Daily equivalent in boe per day		3,673	4,497

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

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

Australia

Amadeus Basin

Mereenie (OL4 & OL5)

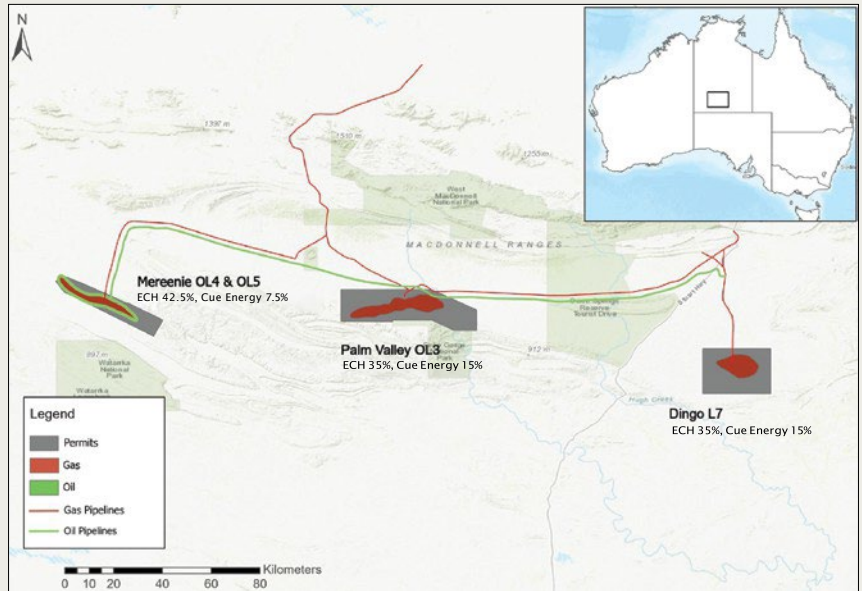
- 42.5% Echelon
- 7.5% Cue Energy Resources*
- 25% Horizon Oil
- 25% Central Petroleum (Operator)

Palm Valley (OL3)

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

Dingo (L7)

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



This quarter reflects our first full quarter at our increased share of the Mereenie field. Production from the fields has continued to be strong through the quarter with excellent offtakes within the Northern Territory. The Joint Venture (JV) has also taken the Final Investment Decision (FID) on two development wells at Mereenie, with spud expected late in the next quarter and production in early 2025. The JV also continues to review other opportunities for growth across the fields.

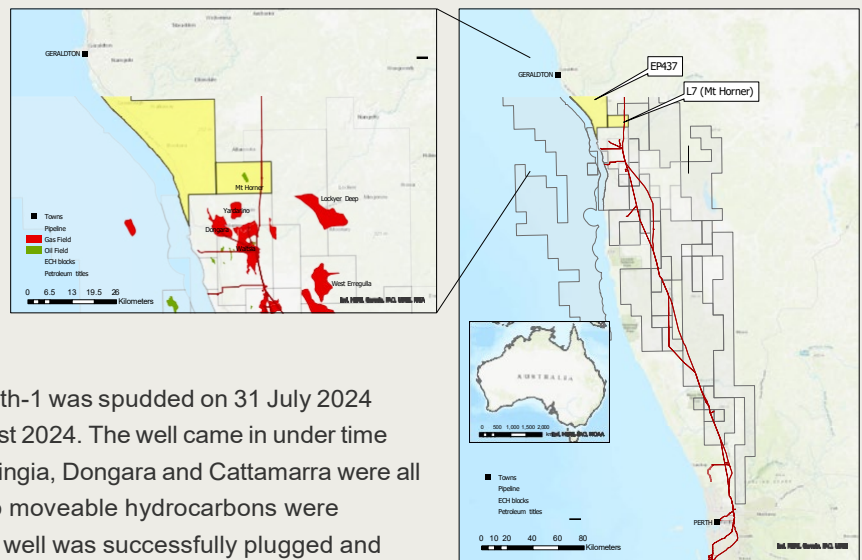
Perth Basin

L7

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

EP437

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

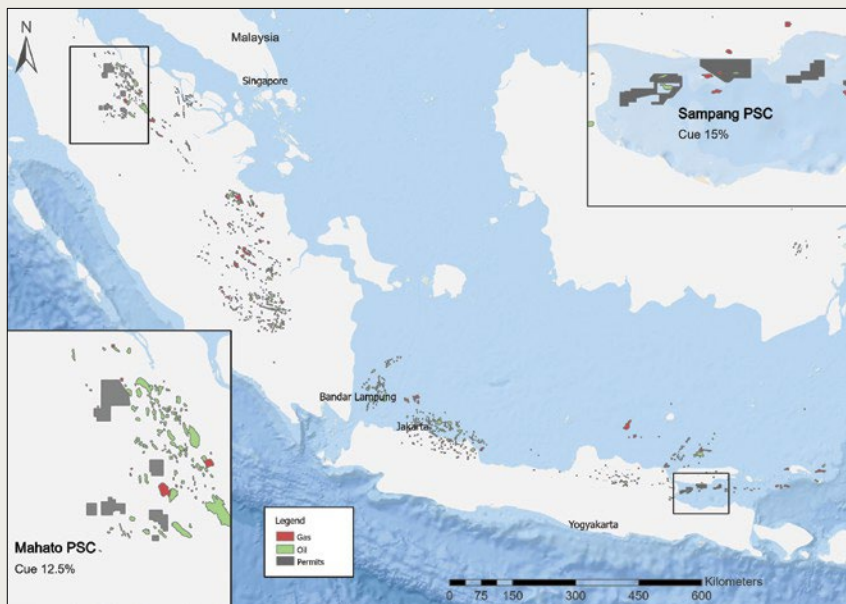


In the Perth Basin, the L7 exploration well Booth-1 was spudded on 31 July 2024 and reached a total depth of 2,812m on 7 August 2024. The well came in under time and under budget. The primary targets of the Kingia, Dongara and Cattamarra were all penetrated and evaluated. Disappointingly no moveable hydrocarbons were discovered in any of the reservoir targets. The well was successfully plugged and abandoned. Prospectivity across the L7 permit is in the process of JV review to incorporate the Booth results.

The next well to be drilled is the shallower Becos prospect 15km due west in EP437 and is independent of the Booth prospect and its results. Preparations continue for Becos with the environmental plan having been granted and a rig is expected to be under contract late 2024. Drilling is anticipated to commence late January 2025. The Becos well is expected to take up to 2 weeks with a proposed total depth of 1140m measured depth (MD).

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Indonesia



Sampang PSC

15% Cue Sampang Pty Ltd*
85% Medco Energi Sampang Pty Ltd [Operator]

The field operator, Medco Energi, is in ongoing discussions with the Indonesian Government regarding the extension of the Sampang Production Sharing Contract (PSC), which is currently set to expire in December 2027.

The JV has also requested changes to the terms of the PSC to support the development of the Paus Biru project.

Both the PSC extension and amendments are critical steps in allowing the JV to consider an FID on Paus Biru.

The Paus Biru development plan includes drilling a single well and installing a wellhead platform at the gas field, along with a 27-kilometre subsea pipeline to connect the well to existing infrastructure at the Oyong field. Subject to final approvals, gas production from Paus Biru is expected to commence at a rate of 20-25 mmcf (million cubic feet per day).

Mahato PSC

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

The PC-1 exploration well is expected to commence drilling in November 2024, with the drill rig currently mobilising to the site. This well is located near, but independent of, the existing PB production field.

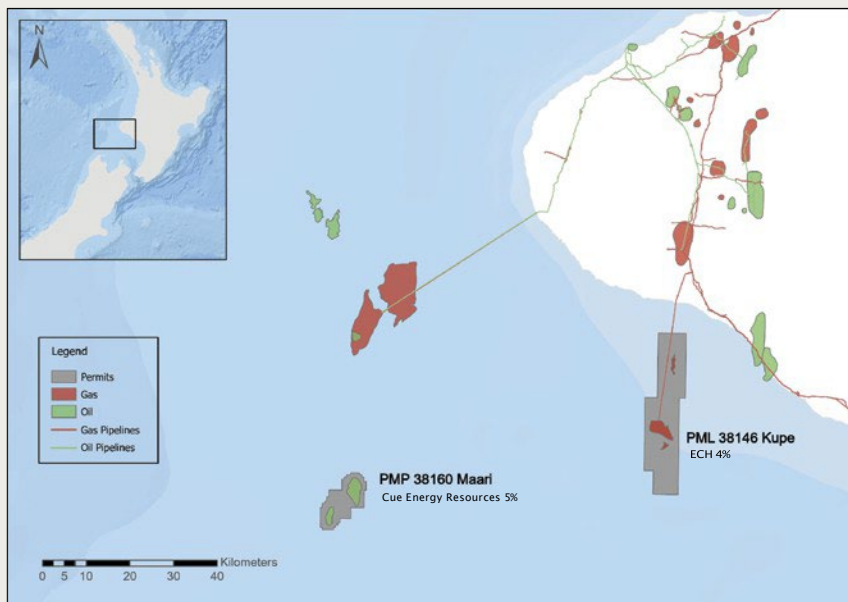
Development drilling in the PB field is ongoing under the approved Field Development Optimisation (OPL Phase 2) plan. To date, three wells have been drilled out of the fourteen approved development wells, with at least eight wells expected to be drilled during FY25.

Government approvals for the participating interest transfer to Riau Petroleum are ongoing, but the JV accounting for Cue's participating interest has been reduced from 12.5% to 11.25%, effective 1 November 2023.

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**Subject to government approval

New Zealand



Kupe oil and gas field (PML 38146)

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

Production has continued a steady decline in-line with our forecasts. We recognised the impact of the KS-9 well outcome in our end of year reserves and financial statements. Opportunities to increase production from the current wells are under review.

Maari and Manaia oil fields (PMP 38160)

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

Oil production for the quarter increased by 18% compared to the previous quarter, driven by the repair and reinstatement of the MR8 and MR10 production wells.

A workover to the MR6a well, aimed at suspending the existing production zone and perforating the Matapo and Kap100 reservoirs, was completed. Initial results from the well are encouraging, but more testing is ongoing.

An application for the extension of the PMP 381060 (Maari) licence has been submitted to the New Zealand government. The allowable timeframe for a decision by the government is greater than a year.

The Maari JV continues to evaluate and prioritise value added projects, focusing on potential production enhancement, cost reduction, and opportunities for CO₂ reduction.

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Quarterly Activities Report, for quarter ended 30 September 2024.

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

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