PITT STREET RESEARCH

Helios Energy

Share Price: A$0.022

'Everything's Bigger in Texas', Presidio included

Helios Energy (ASX: HE8) is an oil and gas developer with an 80.5% working interest in the Presidio Oil Project in southwestern Texas, located in that state's Presidio County. This project currently covers 7,877.8 leased net acres in the Marfa Sub-Basin of the world-famous Permian Basin.

New leadership provides hope for investors

The current management team at Helios was installed in late 2024 and that team believes the company has a rich new oil shale right at its feet, based on all the work the company has conducted to date as well as the porosity and permeability characteristics of the Ojinaga Shale formation. The maiden resource estimate for Presidio, announced in January 2025 (and accounting for Helios' 75% net revenue interest), reported a 1C Contingent Resource of 13.3 mmboe, rising to 17.5 mmboe at 2C and 21.7 mmboe at 3C.

At a pivotal point

Helios is at a pivotal point, looking towards eventual commercialisation during a time when the US administration is very friendly towards the oil and gas sector. Helios's new directors have experience in oil and gas financing and the company has engaged renowned petroleum consultants W.D. Von Gonten Engineering to provide advanced technical expertise and assist forward plans. Those plans include restarting drilled wells and finalising a full field development plan.

Valuation range 6.6 cents to 10.5 cents per share

A key to Helios unlocking its potential will be the (re-) leasing of acreage across the Lower Ojinaga play. Helios is currently trading at 3x EV/mmboe (the 2C resource within acreage currently under lease), but just 0.4x EV/mmboe with 'entitlements suspended' (land Helios hasn't leased yet but has identified as prospective).

Our base case assumes HE8 could re-rate to 1.5x EV/mmboe with entitlements enforced, in line with its peers, which is ~$211m or $0.066 per share, while our bull case assumes 2.4x, which ~$337m or $0.105 per share. Please see page 18 for the catalysts that could prompt a re-rating and page 26 for the key risks associated with an investment in Helios.

ASX: HE8

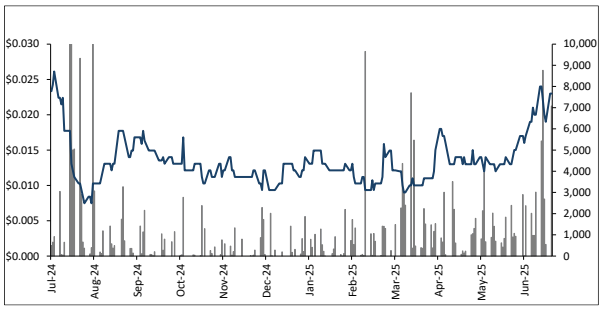
Sector: Energy

2 July 2025

Market cap. (A$ m)	70.63
# shares outstanding (m)	3,210.48
# shares fully diluted (m)	3,319.48
Market cap ful. dil. (A$ m)	73.03
Free float	100%
52-week high/low (A$)	0.029 / 0.007
Avg. 12M daily volume ('1000)	1,042
Website	www.heliosenergyltd.com

Source: Company, Pitt Street Research

Share price (A$) and avg. daily volume (k, r.h.s.)



Source: Refinitiv Eikon, Pitt Street Research

Disclosure: Pitt Street Research directors own shares in Helios Energy.

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Introducing Helios Energy (ASX: HE8)

Helios is a Texas-focused oil developer.

Helios is a Texas-focused oil and gas project developer. The company listed on the ASX in 2017 in a reverse takeover of New Horizon Coal, which had entered the bourse in 2010 and worked for some time on a coal project in Utah, only to transfer its interest back to its original owners and then spend a couple of years searching for new projects.

In January 2017, Helios acquired its flagship Presidio Project in Texas, as well as another project called Trinity. The company paid US$1.45m cash along with 240m shares and 240m performance rights. Both projects were bought for the potential of discovering very large commercial deposits of oil, the quality of existing geological data, the surrounding infrastructure and the cost versus payoff associated with exploration at those wells. They were introduced to the projects by oil industry veterans (and proven oil finders) Neville Henry and Peter Allchurch. Presidio has become HE8's focus due to the early exploration success achieved there and so Trinity will not be mentioned further.

Between 2017 and 2022, Helios invested A$40m in exploration and this has led to an extensive resource of 17.5 mmboe with a 2C level of confidence.

The Presidio Project is in an underexplored part of the Permian Basin. It is called Presidio because of its location in Presidio County of West Texas, on the US-Mexican border. The project covers oil and gas prospective ground in the world-famous Permian Basin, in a relatively unknown and under-explored sub-basin called the Marfa, named after the town which is the county seat of Presidio County. The Project now covers ~7,900 leased acres in Presidio County in which Helios has a ~80% working interest. The Presidio Project has been the subject of four successful wildcat wells.

Between 2017 and 2022, Helios invested A$40m in Presidio, drilling four successful wells and gathering 2D and 3D seismic. This has led to an extensive Contingent Resource of 17.5 mmboe with a 2C level of confidence. While continuing exploration, the company is now looking towards commercialisation under the new management team that was put in place in late 2024. Recently it hired industry leader W.D. Von Gonten (WDVG) to assist the development strategy and de-risk the project and is looking for commercial partners.

In the following chapters of the report, we will outline:

- The Presidio Project and the wells that have been drilled to date,
- The Resource defined at Presidio,
- Why now is a pivotal time for Helios,
- The steps Helios will undertake towards commercialisation, and
- The near-term catalysts for the creation of shareholder value.

What went 'wrong' with the Helios Energy stock price and what can now (potentially) go right

Helios stock peaked in August 2019 at 24 cents per share. The success of several wildcat wells at Presidio, where all those wells flowed oil and gas, helped re-rate the stock from 1.7 cents on relisting in August 2017 to a peak of 24 cents in August 2019 (see Figure 1). Apart from a brief recovery in 2020 and 2021, the stock has declined since then until its recent stabilisation in August 2024, since which time the stock has been 'base building'.

We see three main reasons for the share price decline between 2019 and 2024:

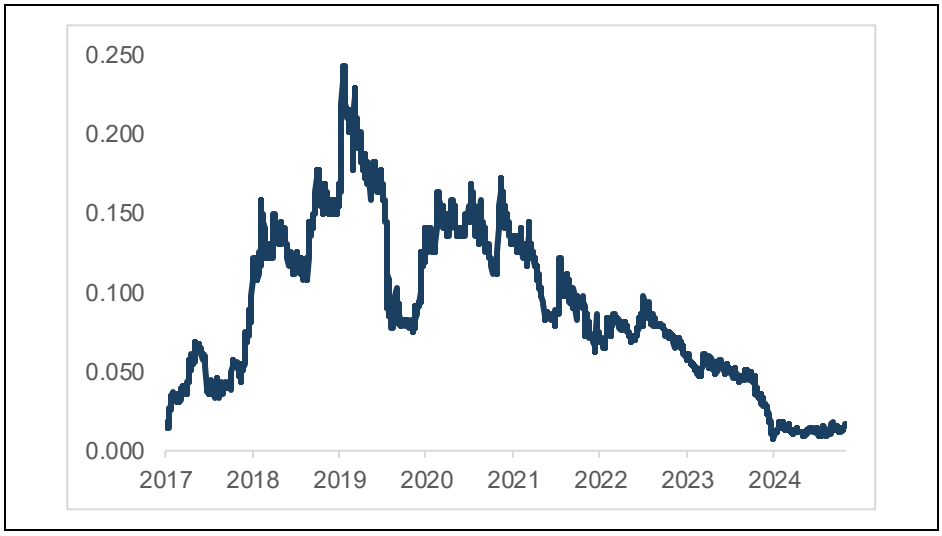
1) The oil price crash of 2020, where the price decline from the 2020 Russia–Saudi Arabia oil price war was followed by a Covid-induced period where West Texas Intermediate went oil briefly below zero in April 2020[1] due to storage issues in a period of temporarily low demand.
2) The company's inability under its previous management team to invest in Presidio beyond the fourth wildcat well, which led to most of the leases over the Presidio acreage being allowed to expire.
3) The difficulties which the US oil and gas sector experienced in an investor sentiment sense during the period of the Biden Administration, a time when the Administration was more supportive of renewables and discouraging, where it could, the use of fossil fuels.

What can now go right for Helios in 2025 and beyond. Helios renewed its board in 2024 and installed Philipp Kin as its new Managing Director in November of that year. Under Kin's leadership, Helios published a Contingent Resource estimate for Presidio in 2025 and brought in W.D. Von Gonten Engineering to review what is known about Presidio and plan its further development. Kin's strategy for Presidio, which in our opinion has the potential to markedly re-rate Helios stock, involves:

- Re-leasing the acreage covering known (identified and leased previously by Helios) areas with oil and gas Contingent Resources, where those leases had previously been allowed to lapse. See Figure 2.
- Bringing the existing wells at Presidio back online to further demonstrate the oil and gas potential of the Project.
- Potentially partnering with experienced Permian Basin players.
- Drilling new wells to further increase the Resource as part of a full field development plan designed with W.D. Von Gonten Engineering.
- Stepping out with more seismic and drilling to better define what Helios believes is a total play area of more than 100,000 acres.

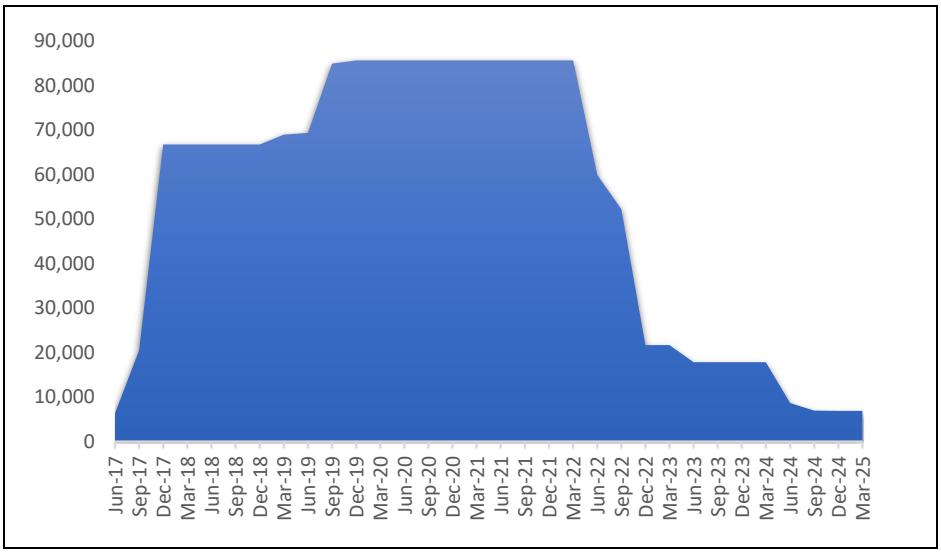
[1] To be precise, oil futures for April 2020 fell to minus US$37.63 a barrel. Oil futures for later months remained positive, but it was still a sign of how bad a shape the sector was in due to depressed demand, given COVID lockdowns.

Figure 1: Helios Energy share price performance since relisting in August 2017



Source: ASX

Figure 2: Helios Energy gross acreage at Presidio



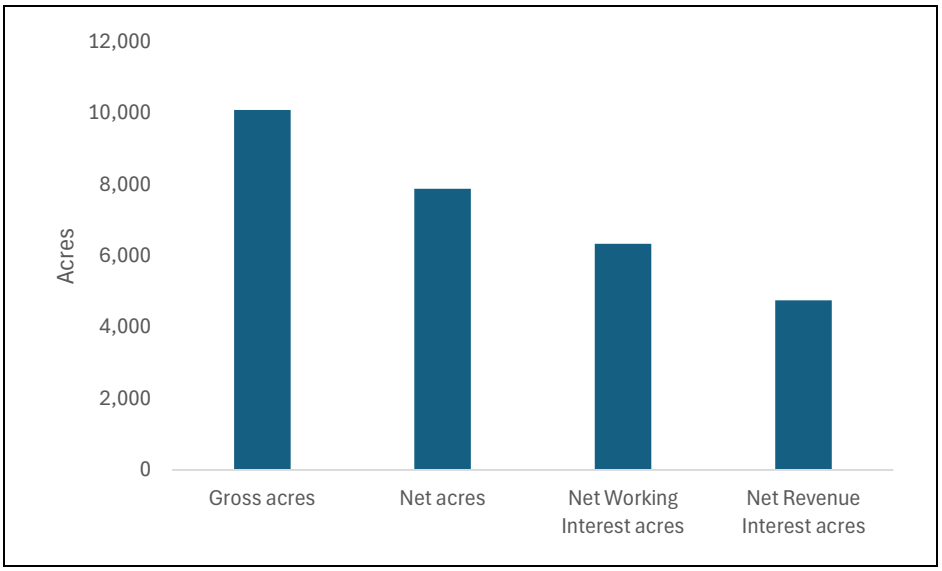
Source: Company

How Helios can re-rate from its current low level

Presidio has declined markedly in size since early 2022. At that time Helios Energy had leased or optioned more than 85,000 acres in 70% Working Interest terms. While still believing this acreage to be highly prospective, Helios from 2022 allowed most of these leases to expire or lapse (due to lack of access to capital, low commodity prices, management issues etc.), to the point where the current holding is only 6,917.8 (Net Working Interest) acres, representing a more than 90% decrease in the size of the project (see Figure 2).

The acreage that was dropped can be picked up again. The way the oil industry works in Texas is that the mineral rights to acreage both at surface and at multiple layers below the ground are owned freehold by either farmers or other mineral rights owners and the ownership recorded in deeds at local court houses. Oil and gas industry operators lease that acreage from the owners, with the main compensation being a royalty. This is usually around 25%, leaving the lessee with a 75% 'Net Revenue Interest' or NRI from any hydrocarbons produced. Helios may have allowed its leases to lapse, but it still knows who the owners are in most cases, so it can re-lease. It is now seeking to do so.

Figure 3: Helios Energy acreage at Presidio



Source: Company

The Presidio project has currently only 7,877.8 acres leased within 16 sections covering a gross 10,092 acres. Helios has various working interests across these sections and has a Net Working Interest (NWI) position of around 6,350 acres. When that Net Working Interest position is then further adjusted for a 25% royalty interest (RI), Helios has ultimately a Net Revenue Interest (NRI) acreage position of circa 4,756 acres (see Figure 3).

There is a 2C resource across the current Helios acreage of 17.5 mmboe. Helios released an Independent Contingent Resource Report in January 2025 (undertaken by Houston based firm Foundation Energy, LLC) that estimated the potential 2C resource across the Helios acreage at 17.5 mmboe as at September 2024, using an estimate of 5,234 NRI acres[2]. This estimate is entirely from just one zone, the Lower Ojinaga and there is potential upside noted in other zones within the Ojinaga and Eagle Ford formations.

'Entitlements enforced' covers acreage which Helios has now. 'Entitlements suspended' covers acreage which Helios can potentially re-lease.

At its peak Helios' historical leasehold tally in this vicinity of Presidio County was more than 85,000 gross acres. As we noted above, due to capital constraints, management changes, COVID, lower oil prices etc., the company allowed these leases to expire. It is the intention of new management to release the proportion of this area prospective for the Lower Ojinaga (~55,740 acres in total). Foundation Energy also made an estimate of the total

[2] 5,234 was the company's published estimate of its NRI at the time.

hydrocarbons contained within this broader area (41,805 post 25% RI assumed) and derived a potential best estimate resource of 140.6 mmboe (75% NRI basis). This is the ultimate prize that Helios is chasing in the Lower Ojinaga.

The slightly unusual terms which Helios uses to describe these two estimates are **'Entitlements Enforced'** (the 5,234 NRI acres noted above) and **'Entitlements Suspended'** (the 41,804 NRI acres covering the currently leased and the formerly leased ground prospective for the Lower Ojinaga), where the word 'entitlement' refers to the entitlement of the lessees.

Helios's Presidio Project can be valued two ways:

- **Valuing the 2C Contingent Resource in Enterprise Value dollars per mmboe.** As we note below, the market is currently valuing the 'Entitlements Enforced' 2C Resource at a reasonable valuation based on comparable ASX-listed companies. However, simply re-leasing the 'Entitlements Suspended' acreage represents an eight-fold increase in notional shareholder value.
- **Valuing the acreage at a dollar per acre value.** Oil and gas prospective locations change hands in the Permian Basin and elsewhere on a 'dollars per acre' basis. This can vary widely given that different acreage will have more oil and gas in place and some acreage will be producing while others will simply be 'locations' that will 'compete for capital' (that is, undeveloped ground where operators must decide which acreage to prioritise).

Figure 4: Recent Permian Basin transactions

Date	Acquirer	Counties	Net acres	Price (US$m)	Price per net acre	BOED	BOED/Net acre
Feb-25	Ring Energy	Andrews (Tx)	17,700	100	5,650	2,300	0.13
Feb-25	Diamondback Energy	Reagan (Tx) and Martin (Tx)	40,000	4,080	102,000	27,000	0.68
Nov-24	Coterra Energy	Lea (NM)	49,000	3,950	80,612	45,000	0.92
Jul-24	Permian Resources	Reeves (Tx), Eddy (NM)	29,500	818	27,712	15,000	0.51
Jun-24	Matador Resources	Lea (NM), Loving (Tx), Winkler (Tx)	33,500	1,905	56,866	25,500	0.76
				Average	54,568		

Source: Company data

Helios's re-leasing programming allows two re-rating steps:

- **The increase in acreage increases the value on EV/2C multiples**. Even if HE8 continued to trade at modest EV/2C multiples, there would be enormous upside. Our base case assumes the company re-rates to 1.5x EV/2C on entitlements enforced which would be ~$211m or $0.066 per share while our bull case assumes 2.4x which would be ~$337m or $0.105 per share.
- **Valuing Presidio on an acreage basis can increase value even further**. We took five recent Permian Basin transaction values and acreage amounts were reported. The average value of these transactions came in at around US$54,000 per net acre (see Figure 4). Now assume, for conservatism's sake, a two-thirds discount to reflect the fact that Presidio is, by Permian

standards, off the beaten track. That comes to US$18,000 per acre. Assume as well that the reported 'net acres' represent Net Revenue Interests. Then apply that to Presidio Entitlements Enforced Acres and the Entitlements Suspended. The result is an Enterprise Value of A$132m today rising to A$1.16bn once the field is fully leased (see Figure 5).

Figure 5: Helios Energy notionally valued on a per acre basis

Valuation (A$m)	Today	Fully leased
Price per acre (US$)	18,000	18,000
Price per acre (AU$)	27,692	27,692
Acres (NRI)	4,756	41,805
Value of acreage (A$ m)	**131.7**	**1,157.7**
Share outstanding (m)	3,210	3,210
Implied price (A$ cents)	**0.041**	**0.361**
Current price (A$ cents)	0.022	0.022
Upside (%)	186%	1639%

Source: Company

The key reasons to look at Helios

1) **Helios believes it has a potentially rich new oil shale in Presidio. The** Presidio Oil Project, targeting primarily the Lower Ojinaga formation, has been tested by four wells that have been drilled by the company. Helios believes based on the work it has done to date that it has made a new oil discovery potentially across a 55,740-acre fairway. As such the current 2C contingent resource estimate, as outlined above, only covers a small fraction of the total acreage in the play.
2) **Helios has the evidence to back it up**. The Independent Contingent Resource Report as of September 2024 estimated a 2C Resource of 17.5 mmboe in the leased acreage. A 2C contingent resource refers to the best estimate of potentially recoverable resources from a known accumulation that is not yet considered commercially viable. The 2C indicates a 50% probability that the actual amount recovered will be equal to or greater than the estimated volume. At the 90% confidence level of 1C, the estimate was still 12.2 mmboe. Importantly, the oil at Presidio is not just of high quantity, but quality. The Lower Ojinaga has very good porosity, excellent permeability, and the rock has high brittleness, meaning it should not be difficult to frack.
3) **There could be even further upside at the project**. The estimates in the Resource Report may well be an underestimation because only hydrocarbons in the Lower Ojinaga formation are currently classified as Contingent Resources. Others are completely excluded. Even as Helios looks towards development, exploration work at the project will continue and could result in additions to Presidio's resource and create shareholder value.
4) **2025 is a pivotal point for Helios.** With Helios having obtained its Independent Contingent Resource Report and overhauled its

management team in 2024, the company is now looking at commercial pathways, which may include Joint Ventures or Farm-in Agreements. The company is also continuing exploration and strategic land expansions. As well as this, Helios is planning a development pathway with W.D. Von Gonten, a renowned petroleum engineering consultancy.

5) **The Trump Administration's stance bodes well for Helios as an aspiring oil developer.** We think the Trump Administration will remain favourable for Helios. Notwithstanding that there are some consequences with potential to be unfavourable (such as the process of bringing supply chains onshore and geopolitical uncertainty impacting oil prices), we think that the most important concern for Helios will be securing necessary permitting, and the first Trump Administration was far more laissez-faire in this regard. Even though oil prices have dropped in 2025, it is not unprecedented for oil prices to fall early in Republican presidencies, and we think the regulatory environment and long-term picture for oil will provide medium term-momentum.
6) **Ongoing demand for oil in the longer-term justifies Presidio.** We believe that oil will continue to be an important part in the world's energy mix. Indeed, OPEC's 2024 World Oil Outlook anticipates that oil will continue to meet 50% of the world's energy needs by 2050. Moreover, it anticipates that demand will grow by 15 million barrels per day (or 13% on today's levels) over the next two decades. This will mean new sources of oil will be needed and Presidio could play a part because of the quantity and quality of the oil at the deposit and the lack of jurisdictional risk that other jurisdictions pose.
7) **Helios has a revitalised leadership team with significant dealmaking and oil industry experience.** Helios has overhauled its management team in the past 12 months, and we believe it is well equipped to take Helios to the next level. In particular, the hiring of new managing director Philipp Kin and former resources sector fund manager John Cathcart as a Non-Executive Director. The pair have extensive experience in energy investing, financing and deal structuring. Helios' non-board hires include a new US oil and gas experienced CFO in Edward May as well as oil and gas pioneer Paul Fudge as a Commercial Advisor.
8) **We believe Helios has significant upside** at its current market capitalisation. The market is not valuing the 2C Resource with entitlements suspended (acres not leased currently) at Presidio where Helios has already identified the play fairway and is currently finalising a (re-)lease strategy. Our base case scenario assumes the company re-rates to 1.5x EV/2C which would be ~$211m or $0.066 per share while our bull case assumes 2.4x which would be ~$337m or $0.105 per share.

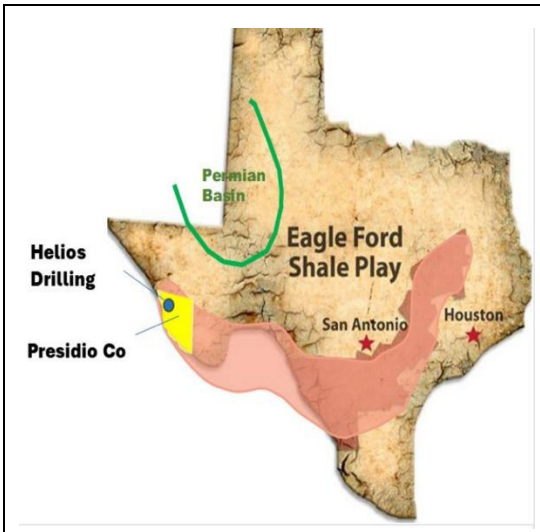
Helios' Presidio project – putting the Permian's Marfa sub-basin on the map

Presidio covers 7,900 acres in the Marfa Sub-Basin of the word-famous Permian Basin.

The Presidio project lies 250 miles from Midland, Tx. which is the epicentre of the Permian Basin oil industry. As we noted above, it currently covers 7,900 acres in the Marfa Sub-Basin (see Figure 6 and Figure 7). Presidio has been the subject of four wildcat wells, *all* of which have flowed hydrocarbons. All rigs, supplies and services are sourced from Midland and there is an oil refinery at El Paso, 170 miles away, that can process 135,000 barrels of oil per day. The Quinn Mesa and Quinn Creek wells at the project can be accessed

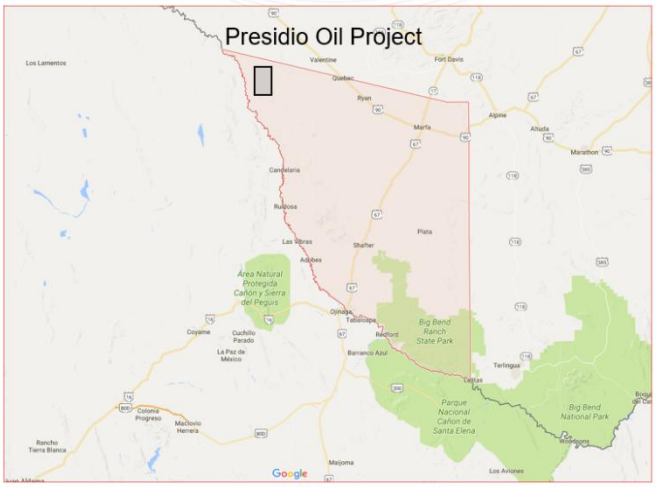
via a 25-mile unsealed, formed road branching off the sealed US-90 highway that Helios has constructed itself.

Figure 6: Presidio's location in the State of Texas



Source: Company

Figure 7: Presidio's location in Presidio County



Source: Company

A Permian Basin play. The Permian Basin, which covers 55 counties spread over 75,000 square miles in West Texas and southeast New Mexico, is one of the oldest oil and gas producing regions in the United States. The first successful well was Santa Rita No. 1 in Reagan County in 1923. Oil production grew from there until by the Basin accounted for over 20% of US oil supply. It declined from there before the shale revolution of the 2000s revived the basin. In 2024, at an average production of 6.3 million bopd. the Permian produced more crude oil than any other region, accounting for 48% of total US crude oil production.

Presidio is in the Marfa, a part of the Permian not known historically for its hydrocarbon endowment. The Permian has two main sub-basins, called Delaware and Midland, as well as a Central Basin Platform that separates these two sub-basins. Within the Permian region, the Wolfcamp, Bone Spring, and Spraberry plays produce most of the tight oil. Presidio is a long way south of that in a sub-basin called the Marfa that is connected to the Delaware by a structure called the Hovey Channel. Before Helios, drilling in the Marfa sub-basin had been sparse, but a few wells had been tested locally, producing 37-degree API oil with some associated gas. This derisked the play at the time it was taken public on ASX in 2017.

Presidio was originally multi-formation play. The Project lies within a relatively undisturbed zone of recurrent normal faulting along the western margin of the Diablo Platform and the eastern edge of the Eastern Chihuahuan Tectonic Belt. It is characterised by numerous graben or half graben features. The fault structures here provide the possibility for traps like those faulted structures which produce most of the Cretaceous-sourced oil in South Texas. The Presidio vendors worked on the assumption that the Eagle Ford passed through that area, but the formations originally identified were the Olmos Formation above it and the Edwards Limestone below it.

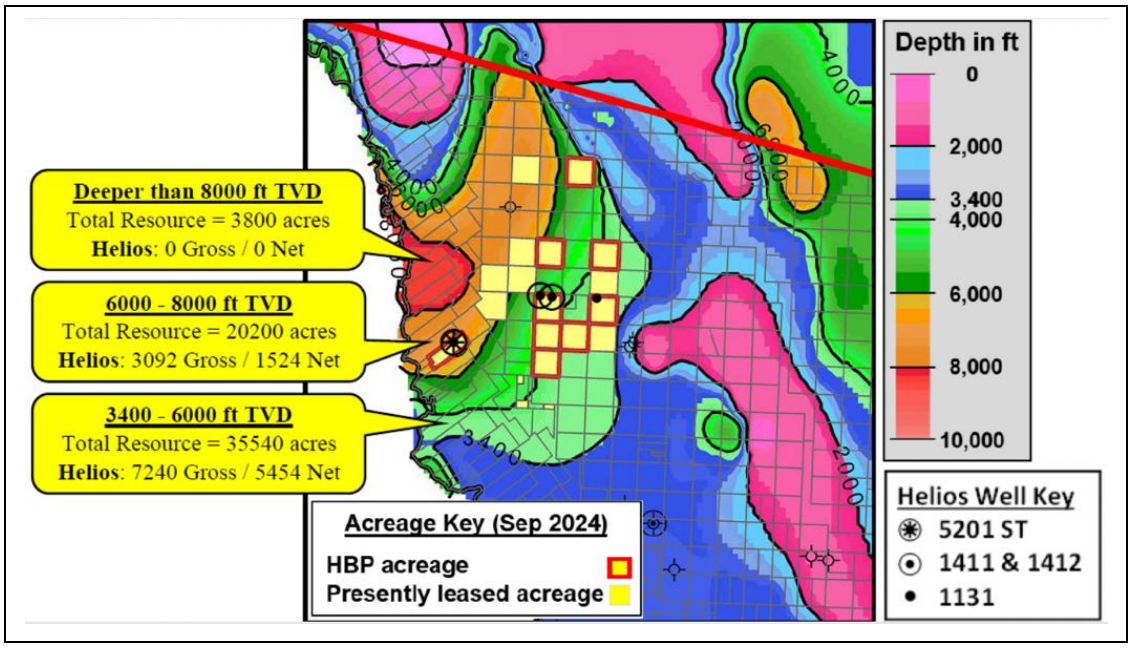
Presidio ended up being primarily an Ojinaga play. After the early drilling it became clear that the Ojinaga formation[3], an Upper Cretaceous play that is part of the Eagle Ford formation, was where the action was at. What Helios has found in the Lower Ojinaga is 330 feet of black shale with natural fracturing and porosity up to 12.5%. That's exciting because it's higher than the porosity found in a part of the Eagle Ford called Karnes Trough, which is a benchmark for world-class shale production[4]. Judging by the nature of the oil that has flowed, and the age of the rocks Helios believes that it can potentially yield another Austin Chalk field like the Giddings, of which more below. Helios now believes that all three Ojinaga benches – Upper, Middle and Lower – as well as the Upper and Lowe Eagle Ford Shales can yield good oil and gas resources at Presidio.

Helios has drilled four wells drilled into the Presidio, namely, Presidio 5201, Presidio 1412, Quinn Creek 141 and Quinn Mesa 113.

The four wells drilled at Presidio

Between 2017 and 2022 Helios drilled four wells drilled into the Presidio, namely Quinn Creek 1411, Quinn Mesa 1131, Presidio 1412, and Presidio 5201 (Figure 8). The wells have identified oil and gas primarily at 3,400-6,000 feet and to a lesser extent down to -8,000 feet True Vertical Depth (TVD).

Figure 8: Overview of Presidio



Source: Company

[3] The Ojinaga is so called because it was first identified in the Ojinaga Basin in Chihuahua state of northern Mexico.
[4] The Karnes Trough, named for Karnes County, Tx., extends north-eastward through Gonzales County and into central Fayette County where it merges with the East Texas basin. It also continues southwest of Karnes County through southeastern Atascosa County.

Figure 9: Quinn Creek 141 Well

Source: Company

Quinn Creek 1411 was fracked and the well flowed 260 barrels of oil and 1,345 barrels of completion fluid in just 168 hours.

Quinn Creek 141 was the discovery well, in 2017. The well was spudded in April 2017 with a target depth of 6,000 feet. The well was initially drilled to 5,000 feet and encountered live oil and gas shows from 3,000 feet to 5,000 feet through a thickened Austin Chalk age sequence of fractured shales and carbonates. Casing was then set to protect these oil and gas shows, and the well was then deepened to 6,000 feet and by doing so penetrated the upper Eagle Ford Shale as well as the Lower Eagle Ford Boquillas organic rich limestone before entering the Buda Carbonate (Figure 9).

From the live oil shows between 3,000 feet and 5,000 feet oil was recovered from the mud pits and subsequent oil analysis indicated that the oil is a very good quality, mature, Eagle Ford type, 33-degree API oil. Multiple zones worthy of testing have been identified in the well from 2,300 feet to 6,000 feet. These comprise the Buda Carbonate, lower Eagle Ford (Boquillas Limestone), upper Eagle Ford Shale, as well several intervals in the Austin Chalk equivalent section and the San Carlos Sandstone.

By May 2018 oil was flowing to surface. A one-stage vertical frack was completed in July 2018 showing good flows. By August Helios believed this was a discovery in the Ojinaga. The well flowed 260 barrels of oil and 1,345 barrels of completion fluid in 168 hours. The peak flow rate was 92 bopd and 474 mcfd. The oil produced is good quality, mature, 39-degree API gravity light oil similar in composition to Eagle Ford Shale oils. Gas was also produced at 456 mcf per day on a 34/64ths of one inch choke. This was even despite the frack being 'light' – only 1,500 pounds of proppant per foot were used, which is half the level oil players in the Permian basin ordinarily use.

Figure 10: Presidio 141#2

Source: Company

Quinn Mesa 113 was spudded in June 2017 in the same two 2 square mile area as Quinn Creek 141. It was designed to evaluate up-dip oil shows from 2 historical wells. This well was drilled to 4,000 feet to test the Olmos, Eagle Ford, Buda and Edwards formations. Several oil and gas shows were recorded during drilling between 2,400 and 4,000 feet but the well was not completed.

Presidio 141#2 was spudded in April 2019 (Figure 10). The well is located 2,300 feet to the east of the Quinn Creek 141 discovery well. The total measured depth of the well is believed to be 5,850 feet, including a 1,400 feet horizontal portion drilled into the primary target zone within the lower bench of the Ojinaga Formation. The well was fracked in August 2019 with well flow meeting expectations. It produced into 2020 after a pressure build up test.

Presidio 5201 was spudded in April 2022 with the Ojinaga Formation as its primary target but also the Eagle Ford Formation as well as a secondary target. The well went down to 8,806 feet. A four stage frack to test the Ojinaga and Eagle Ford was undertaken in January 2023, following which the well was sidetracked and completed as a vertical well, producing until July 2023 when an obstruction was found in the Eagle Ford stages. During the frack the peak flow rate was 81 bopd and 698 mcfd.

The four wells so far have shown that there is a significant quantity of potentially recoverable hydrocarbons principally in the Ojinaga and Eagle Ford and that they are frackable. What we are yet to find out is the kind of production type curve a Presidio well should have. Further wells will be required once a water disposal solution is obtained.

Helios' Resource

An Independent Contingent Report found a 2C Resource of 17.5 mmboe.

An Independent Contingent Report prepared by Foundation Energy in late 2024 has validated the work that Helios has done. Foundation Energy's Report is the first significant independent report over the asset. It found a 2C Resource (the best estimate of contingent resources) of 17.5 mmboe (Figure 11 and Figure 12). The confidence level at 2C is 50%, at a 90% confidence level (1C) the estimate was still 12.2 mmboe. The estimates in the Report may well be an underestimation because only hydrocarbons in the Lower Ojinaga formation are currently classified as Contingent Resources – others with identified potential were completely excluded.

Figure 11: Helios' Resource – Entitlements Enforced

Category	Oil (MMbbl)	Gas (BCF)	NGL (MMbl)	Total (MMBOE)
Low (1C)	4.88	35.6	2.49	12.2
Best (2C)	**6.47**	**46.5**	**3.26**	**17.5**
High (3C)	8.06	57.4	4.03	21.7

Source: Company

Figure 12: Maximum Recoverable Resources (1C-3C) – Entitlements Enforced

Product	Gross (100%) Estimate	Net (75% NRI) Estimate
Oil (MMbbl)	9-15	5 - 8
NGLs (MMbbl)	5-8	2 - 4
Gas (BCF)	74 - 118	36 - 57

Source: Company

For each 640-acre section of Helios, the expected recovery comes to 0.69 mmbl of oil and 0.36 mmbl for a downdip section.

These numbers mean that for each 640-acre section, the expected recovery comes to roughly 3.7Bcf of gas, 0.69 mmbl of oil and 0.27 mmbl of condensate for an up-dip section to 10 bcf of gas and 0.36 mmbl of oil and 0.62 mmbl for NGL in a downdip section.

If entitlements are enforced, there could be more

The report found that there is much greater potential in the broader Ojinaga Basin than shown in the 1-3C Contingent Resource. Specifically, it highlighted a very large resource in the acres unleased (entitlements are 'suspended') as well as those leased and containing the reported Contingent Resources (where entitlements are 'enforced'). The 'entitlements suspended' hydrocarbons are in zones that have not been leased by Helios. Under this scenario the best estimate NRI resource is estimated at 140.6 mmboe (Figure 13 and Figure 14).

Figure 13: Presidio's Resource – Entitlements Suspended

Category	Oil (MMbbl)	Gas (BCF)	NGL (MMbl)	Total (MMBOE)
Low (1C)	34.7	312.8	21.2	108.1
Best (2C)	**45.8**	**403.8**	**27.5**	**140.6**
High (3C)	56.9	494.9	33.8	173.1

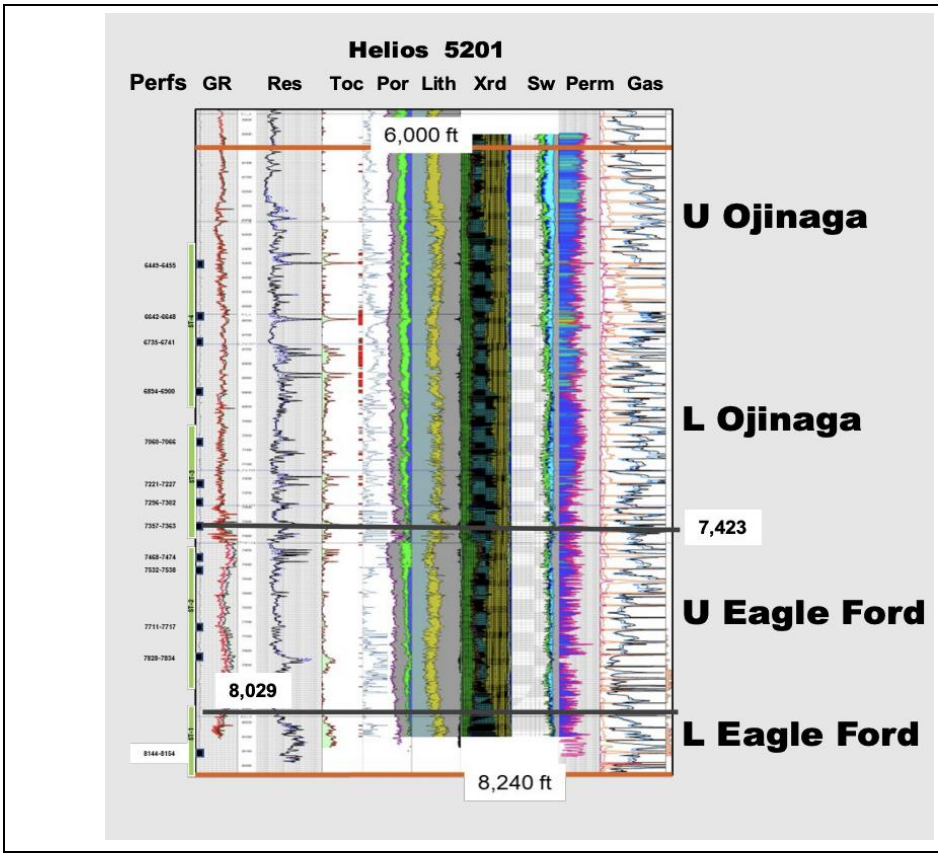
Source: Company

Figure 14: Maximum Recoverable Resources (Low-High) – Entitlements Suspended

Product	Gross (100%) Estimate	Net (75% NRI) Estimate
Oil (MMbbl)	46-76	35-57
NGLs (MMbbl)	28-45	21-34
Gas (BCF)	417-660	313-495

Source: Company

Figure 15: Helios 5201 quality



Source: Company

The oil is high quality with very good porosity and excellent permeability.

Quantity *and* quality

Presidios is not just an appealing project because of the quantity of oil but also because of the quality. Helios' petrophysical analysis of the 5201 well drilled (the most recent well drilled out of the 4 drilled to date) shows that oil at the project has:

- **Very good porosity**: Ranging between 4 and 12.5% based on petrochemical analysis with an average of 7.6% across the project; and
- **Excellent permeability**: Up to 0.75 uD (microDarcys).

Results of sidewall cores have also found that the lower bench of the Ojinaga Formation has a high percentage of non-clay content. This means the rock should not be difficult to 'frack'. A conservative recovery factor of 5%, which is good for unconventional hydrocarbons, has been estimated via horizontal drilling[5] (Figure 15).

[5] March 2025 investor presentation slide 6.

The Ojinaga - another Austin Chalk?

The characteristics of the Upper Ojinaga Shale Formation in which Helios' acreage at Presidio lies suggest that this formation is analogous to the Austin Chalk Formation.

The porosity and permeability characteristics of the Ojinaga Formation in which Helios' acreage at Presidio lies suggest that this formation is analogous to the Austin Chalk Formation in the Giddings Oil Field in Lee County of East Texas. It should be noted though that the Ojinaga formation is best described as a shale-dominated mixed carbonate formation. So predominantly shale with some carbonate interbedding, so differences to the Austin Chalk which the Company hopes will aid development.

The Austin Chalk field has been forgotten in the past couple of decades due to the emergence of the Eagle Ford Shale and the pivot of the industry towards it. Nonetheless, the Austin Chalk has produced around 1.2 billion barrels of oil since the first production came this formation in the 1950s. 600m of that has come since it was first hydraulically fractured in 1973[6].

The Austin Chalk is a wide spread of Upper Cretaceous marine chalk characterised by low matrix porosity and permeability. Chalk, being brittle in nature, is predominantly produced through fractures. The first production from the Austin Chalk was from vertical wells in the 1950s but with greater understanding of the production mechanism and advancements in technical capability, horizontal wells were extensively drilled from the early 1990s.

The Chalk has four main reservoirs - Pearsall, Giddings, Brookeland and Masters Creek - and all four produce both oil and gas, but a geological quirk leads to oil shallow and gas deep within the play. Well performance has a wide statistical variation and although profitable historically it is normally a long-term return on investment.

Helios has come to the view that Ojinaga is Austin Chalk based on data it has processed over the many years it has prospected at Presidio.

Austin Chalk is not without its faults. Companies commonly experience drilling challenges including high bottomhole temperatures, mud losses due to natural fractures, drilling issues related to long laterals, hole cleaning, torque and drag reduction. But companies prospecting in the area persist nonetheless because of the convenience of its location and surrounding infrastructure.

Helios is now moving to commercialisation of Presidio

The Contingent Resource Report highlighted three steps towards commercialisation:

1. **Enhanced technical evaluation**: Advanced reservoir modelling and recovery optimisation to refine resources estimates.
2. **Infrastructure and market access**: Exploring partnerships and infrastructure development to commercialise the substantial gas resource.
3. **Regulatory engagement**: Continued proactive collaboration with local and federal authorities to secure permits and approvals.

[6] https://www.mineralview.com/blogs/austin-chalk

There are several catalysts for Helios over the next 12 months

Over the next 12 months, and beyond, the company will work towards its goal of commercialisation and some of the steps could lead to the creation of shareholder value, even short of entering production. These include:

- **Working with W.D. Von Gonten Engineering to develop a plan for the project.** WDVG, a petroleum engineering firm based in Houston is renowned for its ability to unlock reservoirs through advanced technical solutions, and it has over 30 years' experience at doing so. Over this time, it has evaluated over 50,000 producing wells, more than 5,000 logs and more than 1,000 cores.

  WDVG will bring cutting-edge 3D hydraulic fracture modelling, advanced evaluations, and in-house laboratory testing to Presidio, to assist HE8's forward development strategy and significantly de-risk the project. A company like WDVG agreeing to work with Helios indicates its confidence in the project's prospects and that it will be able to make a difference by de-risking the project and informing the development strategy.
- Results of further field work and next phase drill program.
- The company is also looking at commercialisation pathways to maximise returns on the investment made. These might include a Joint Venture or a Farm-in arrangement.
- Permitting
- Strategic land expansions

In preparation for the next steps, the company has made multiple management hires and raised $4.3m in capital in recent months.

Helios has hired Paul Fudge as an Advisor to the Board of Directors. Fudge is the founder and Executive Chairman of Pangaea Resources which sold a Queensland coal seam gas tenement to Origin Energy for $600m in 2009. Helios has also hired Edward May as Chief Financial Officer. May is an accountant who has extensive experience in the Texan oil and gas industry.

In April 2025, Helios raised $3.6m through a Placement and fully underwritten Entitlement Offer, and a further $0.7m through the issuance of interest free Convertible Notes. We do not think the significance of this feat can be downplayed considering the market volatility during that month due to the Trump Administration's tariffs.

After closing the March quarter of 2025 with A$1.39m in cash and unused finance facilities, it has a balance of $5.6m which would be enough to last more than 2 years at the burn rate of the March quarter. It is not unreasonable to project that the next time the company raises finance, it could be to welcome a strategic investor and/or joint venture partner onboard, and the work from WDVG will be crucial in depicting the project's to would-be candidates for either of those roles.

Drill, baby, drill - The demise of oil has been greatly exaggerated

Although there is uncertainty in the medium term about the direction of oil prices, there is still a future for oil.

It would be impossible to discuss a future resources or energy project without talking about the future of that commodity. Specifically, about where prices are headed in the immediate and longer terms, as well as ongoing dynamics that will be influential in determining the commodity's fate. And this is particularly true with oil, a commodity that some perceive to be in its twilight years (to put it mildly).

If oil has no future in a literal sense, there is no point in prospecting for new discoveries or in raising money to develop them into commercial-scale wells. The world's energy needs continue to rise year on year, and the rise of artificial intelligence is only expected to increase. Even as renewable energy is increasingly used, there will still be space for oil to play a part in powering the world. In this section of the report, we'll first discuss the longer-term outlook for oil, then the shorter term (by which we mean the current Trump presidency) followed by a look at where prices are heading in the medium term.

The longer-term case for oil

Oil demand will reach 105.2m barrels per day in 2025, up from 103.75m in 2024, and will continue to grow in the years to come.

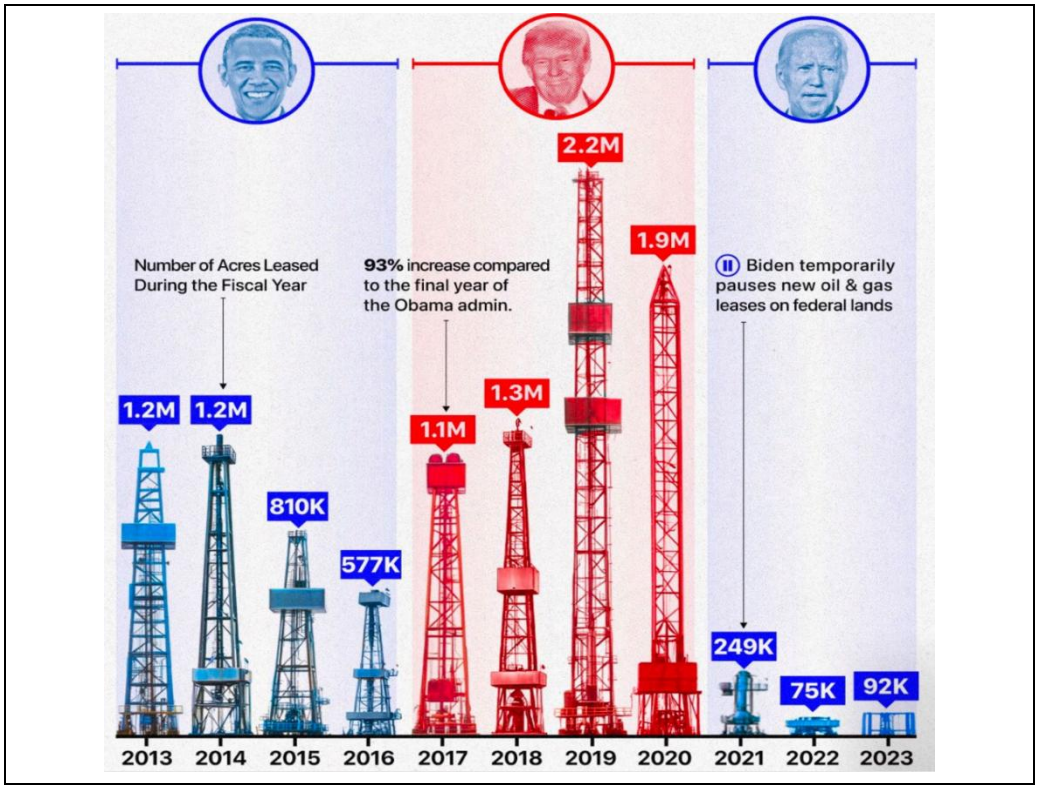
The rise of renewable energy has caused speculation as to what the future for oil holds or if indeed oil has any future. You might even be forgiven for thinking oil has been replaced with renewables. But the latter belief is nothing but a fantasy – global demand for oil in 2024 exceeded 100m barrels per day, specifically 103.75m, and demand is projected to reach 105.2m barrels per day in 2025[7]. OPEC's 2024 World Oil Outlook found that oil and gas make up over 50% of the energy mix and has projected this to still be the case in 2050[8].

With growing needs for energy, as populations (both working age and beyond working age) expand and urbanisation increases in countries with modern energy services, and as countries without modern energy services catch up, oil and gas will have a role to play. The world will need 118.9m bpd by 2045 which would be 13% higher than today's levels. Even though electric vehicles are growing, a majority will still be combustion, and the number of vehicles will more than double from today – 1.2bn to 2.9bn[9].

To meet the demands for oil alone, there will be a total of US$17.4tn in investments needed over the next 25 years. It goes without saying that Helios could be a lucrative project, as a new discovery in an oil-friendly jurisdiction. It must be conceded that US production is expected to peak in 2030, but output will be higher in Latin America and Canada, more than offsetting any decline in demand in the US. It should also soothe fears that new oil developments in the US would be 'white elephants'.

[7] https://theelectricityhub.com/opec-forecasts-surge-in-global-oil-demand-led-by-asia-and-transport-growth/
[8] https://static.poder360.com.br/2024/11/world-oil-outlook-2024-opep-arquivo-completo.pdf
[9] https://www.reuters.com/business/energy/opec-rolls-out-global-oil-outlook-2050-sees-no-peak-demand-2024-09-24/

Figure 16: The first Trump Administration was a boon for the oil and gas sector



Source: Company

If Trump's first term is any guide, his second should be positive for the oil and gas sector

In 2017, the first Trump Administration's first year, oil and gas leasing increased by over 90% (Figure 16). This was a result of deregulation in the oil space with the White House issuing several Executive Orders to this effect, in particular the March 2017 order 'Promoting Energy Independence and Economic Growth'.

On his first day back in office, President Trump signed several energy-related executive orders to boost US oil and gas production and exports.

There are promising signs that the second Trump Administration will be positive for the oil and gas sector. On his first day back in office, President Trump signed several energy-related executive orders to boost US oil and gas production and exports.

These EOs declared a national energy emergency on the basis that there was a shortage of domestic energy production. And it gave the executive branch more power to expedite approval for building infrastructure for 'energy resources', a definition that included crude oil, natural gas, lease condensates, natural gas liquids, refined petroleum products, among others. All agencies were mandates to conduct an immediate review of all existing regulations, orders, guidance documents, policies and other actions that burdened the development of domestic energy resources. It aimed to 'unleash America's affordable and reliable energy and natural resources' and lifted the former administration's restrictions on oil and gas production in Alaska.

The most important concern for Helios will be securing necessary permitting.

We think the Trump Administration will result in positive times for Helios over the next few years. Notwithstanding that there are some consequences with potential to be unfavourable in the immediate term (such as the process of bringing supply chains onshore and geopolitical uncertainty impacting oil

prices); we think that the most important concern for Helios will be securing necessary permitting and the first Trump Administration was far more laissez-faire in this regard, giving hope that the outcomes for Helios will be favourable.

Figure 17: West Texas Intermediate peaked post-COVID at over US$120/bbl

Source: CME

Will oil continue the downtrend which started in mid-2022?

Although oil prices have fallen in 2025, it is not completely unprecedented for prices to fall in early months of Republican presidencies – and there are catalysts for oil price growth in the coming months.

Some investors may be concerned about falling oil prices since Trump took office (see Figure 17). It is not completely unprecedented for oil prices to fall in the early days of Republican presidencies – oil prices fell over 10% in the first 100 days of the first term of the second President Bush. Beyond the tariffs, the liberalisation of oil policies means more supply enters the market and this puts downward pressure on oil prices.

A few catalysts for oil price growth that may be reflected in the coming months include:

- The recent emergency waiver allowing summer sales of E15 ethanol-blended gasoline,
- Plans to replenish the Strategic Petroleum Reserve.

Moreover, sanctions on Iran and Venezuela, coupled with pressure on Russia, could tighten supply chains and offset lower prices from US production gains. These measures, if implemented, could lead to increased demand and/or stabilised prices[10].

Most importantly for Helios is that even if 2025 ends with oil prices having retreated, industry analysts project growth in 2026 and 2027. Standard Chartered Bank expects WTI prices to be US$75 per barrel in 2026, and $80 per barrel in 2027. BMI expects the WTI price to be US$65/bbl over the rest of 2025 and $68/bbl in 2026. Where oil prices are today is less relevant a

[10] https://www.stout.com/en/insights/commentary/trumps-first-100-days-impacts-oil-prices-us-consumer

question than where they will be in 3-4 years' time, when Helios will realistically have a commercial-scale operation at Presidio.

Helios' study assumed an oil price of US$68.29/bbl; (starting January 2025) and slowly decreasing to US$63.43/bbl by January 2034. Obviously, we shouldn't expect prices to *only* fluctuate between these two amounts, but the latter price in 10 years' time would contradict a doomsday scenario where oil demand plateaus.

Helios Energy has a quality management team

Helios' board underwent significant renewal in 2024.

Helios' board underwent significant renewal in 2024, involving the hiring of Philipp Kinn and John Cathcart. The company's board has extensive experience in energy investing, financing and deal structuring. We think it is ideally placed to guide Helios towards achieving its commercial aspirations.

The company's current board is as follows (Figure 18):

Figure 18: Helios' leadership composition

Board of Directors	
Name and Designation	**Profile**
Philipp Kin Managing Director	Mr Kin has 18 years' experience in the Energy and Mining Sectors, particularly in analysis, financing and deal structuring. His career has spanned stockbroking, investment banking, mergers & acquisitions, debt capital markets, equity capital market and equity research in the energy space. His career roles have included Lead WA LNG Asset Economist at Shell, Head of Oil and Gas Research at Royal Bank of Scotland, Senior Investment Relations Advisor at Oil Search, and Director of Corporate Finance at Baillieu Holst. While at Shell, Mr Kin assisted the Gorgon LNG team to reach its Final Investment Decision. Mr Kin also is a Non-Executive Director of NH3 Clean Energy Limited (ASX: NH3).
John Cathcart Non-Executive Director	Mr Cathcart has 30 years' experience in energy and mining investment analysis including extensive experience in these sectors at a technical, corporate and financial level, working in oil, gas, gold, copper and nickel at several major operations. He made the successful transition to the financial sector and broking in 1994 where he established a very strong reputation with several brokers including Baillieu's, BT, HSBC and CommSec before running the Resources portfolio at Thorney Investments. Mr Cathcart has invested in oil and gas stocks in Australia and the USA for many years and has travelled extensively reviewing these investments. Previously, Mr Cathcart was an investment manager at Thorney Investments for a significant period and was recently a director of stockbroking firm Rawson Lewis. He is currently an advisor to Cygnet Capital.

Mark Lochtenberg Non-Executive Director	Mr Lochtenberg graduated with a Bachelor of Law (Hons) degree from Liverpool University, U.K. and has been actively involved in the coal industry for more than 30 years. Mr Lochtenberg is the former Executive Chairman and founding Managing Director of ASX listed Baralaba Coal Company Limited (formerly Cockatoo Coal Limited). He was a principal architect of Cockatoo's inception and growth from an early-stage grassroots explorer through to an emerging mainstream coal producer. Mr Lochtenberg was also formerly the co-head of Glencore International AG's worldwide coal division, where he spent 13 years overseeing a range of trading activities including the identification, due diligence, negotiation, acquisition and aggregation of the coal project portfolio that would become Xstrata Coal. Prior to this Mr Lochtenberg established a coal 'swaps' market for Bain Refco, (Deutsche bank) after having served as a senior coal trader for Hansen Neuerburg AG and as coal marketing manager for Peko Wallsend Limited. Mr Lochtenberg has previously been a Director of ASX listed Pacific American Coal Limited and Cumnock Coal Limited and of privately held United Collieries Pty Limited. Mr Lochtenberg is currently serving as Non-Executive Chairman of Evolve Power, Terracom Limited (ASX: TER) and Equus Mining (ASX: EQE). He is also Non-Executive Director for Nickel Industries (ASX: NIC).
John Kenny Non-Executive Director	Mr. Kenny is a co-founder of Helios. He is a lawyer by profession and has a combined Commerce/Law degree from the University of Western Australia. As a lawyer, he has specialised in venture capital, initial public offerings and M&A, particularly in the resources sector. He is also a venture capital investor, having funded several ASX mining floats and he also has experience in a number of Australian agribusiness directors, with involvement both as a director and an investor. Currently, Mr Kenny is also a Non-Executive Director at Winchester Energy (ASX:WEL).
Henko Vos Non-Executive Director and Company Secretary	Mr Vos is a member of the Australian Institute of Company Directors (AICD), the Governance Institute of Australia (GIA), and the Chartered Accountants in Australia and New Zealand (CAANZ) with more than 20 years' experience working within public practice, specifically within the area of corporate services and audit and assurance both in Australia and South Africa. He holds similar secretarial roles in various other listed public companies in both industrial and resource sectors. He is a Director at Nexia Perth, a mid-tier corporate advisory and accounting practice.

Source: Company

What could Helios Energy re-rate to?

We have valued Helios using an EV/2C BOE multiple.

As Helios is at least a couple of years away from commercial-scale production and does not have an NPV for its project, we think it is too early to use a DCF model to value the company. But it is not too early to envision upside scenarios, as a company with a 2C Oil and Gas Resource and we have chosen to use a Peer-Weighted Approach, using an EV/2C BOE (mmboe) multiple. We have first chosen a list of explorers and developer as peers (Figure 19) and then considered a list of the ASX's largest producers (Figure 20). The average EV/2C Resource is 1.5x amongst the list of Helios' explorers and developers and 6.2x amongst major producers.

Figure 19: Helios' peers (explorers and developers)

Name	Code	EV (A$m)	2C BOE (mmbbl)	EV/2C	2C Gas TCF
Tamboran Resources	TBN	139.7	35.4	3.95	0.21
Conrad Asia Energy	CRD	127.6	62.9	2.03	0.38
Jade Gas	JGH	46.5	24.7	1.88	0.15
Melbana Energy	MAY	76.7	46.0	1.67	0.00
Empire Energy	EEG	168.2	275.0	0.61	1.65
Omega Oil and Gas	OMA	72.2	288.3	0.25	1.73
Kinetiko Energy	KKO	79.8	1005.2	0.08	6.03
AVERAGE		**101.5**	**248.2**	**1.50**	**1.45**

Source: Company

Figure 20: Helios' peers (producers)

Company	Code	Resources	Value	Est. EV/2C
Amplitude Energy	AEL	48	487	10.06
Beach Energy	BPT	181	1,908	10.54
Karoon Energy	KAR	121	698	5.75
Santos	STO	3,338	16,383	4.91
Woodside Energy	WDS	5,870	29,030	4.95
Strike Energy	STX	64	76	1.17
AVERAGE		1,604	8,097	**6.23**

Source: Company

It is arguable the market has priced in the resource with entitlements enforced, but if entitlements are suspended, the market isn't valuing Helios at all.

Right now, considering only its 2C Resource with entitlements enforced, Helios is trading at 3.0x EV/2C which is a premium to many of its peers. But if the resource estimated including entitlements suspended is to be considered, the company is trading at just 0.4x EV/2C (Figure 21). The market may well be accounting for HE8's 2C Resource with entitlements enforced but is disregarding the resource with entitlements suspended which has been identified by the Company and is now a matter of leasing. To reiterate from earlier in this report, entitlements enforced is land Helios has under lease right now (amounting to ~5,000 acres), but the latter is land Helios has leased in the past but does not right now (~35,000 acres all up leading to a total area of ~40,000 acres).

Figure 21: Helios' present valuation

Valuation (A$m)	Entitlements Enforced	Entitlements Suspended
HE8's Current share price	**0.022**	**0.022**
Shares outstanding (m)	3,210	3,210
Equity Value (A$ m)	**70.6**	**70.6**
Net debt (cash)	0.33	0.33
Enterprise value (A$ m)	**70.3**	**70.3**
2C Resource (mmboe)	17.5	140.6
Implied multiple	**4.0**	**0.5**

Source: Pitt Street Research

There are several upside scenarios

We think that if Helios can enter production with the current resource, it could reach 6.2x. This would represent an enterprise value of $109m. Accounting for the number of shares on issue and the company's net cash position, this would equate to a share price of $0.035 per share.

But the real upside will be realised when the company can convert its entitlements suspended resource into an entitlements enforced resource, and this is our valuation scenario for HE8.

Our base case ascribes 1.5x EV/2C and our bull case ascribes 2.34x.

Our base case ascribes 1.5x (the average of HE8's peers right now) while our bull case ascribes 2.4x, a modest increment on 1.5x but less than many peer valuations. These would derive enterprise values of ~$211m and ~$337m respectively (Figure 22). Currently these equate to share prices of $0.066 and $0.105 respectively but these could change if or when the company raises further equity capital or if the company undertakes a share consolidation. If HE8 enters production and re-rates to 6.2, this would be $875.5m and $0.27 per share on the current number of shares on issue.

Of course, the latter number should not be taken literally given the dilution that will be required. But the immediately preceding number would not be entirely unreasonable based on its peers in production.

Figure 22: Our valuation of Helios

Valuation (A$m)	Base Case	Bull case
2C Resource (mmboe)	140.6	140.6
Multiple (x)	1.5	2.4
Enterprise Value (A$ m)	**210.9**	**337.44**
Net (debt) cash	-0.3	-0.33
Equity value (A$ m)	**210.6**	**337.1**
Share outstanding (m)	3,210	3,210
Implied price (A$ cents)	**0.066**	**0.105**
Current price (A$ cents)	0.022	0.022
Upside (%)	298%	477%

Source: Pitt Street Research

The risks

We see the following key risks to our investment thesis:

- **Funding risks**: Inevitably, Helios will require external funding to support its exploration and development plans. Raising funds on favourable terms (both debt and equity) along with timeliness can be a key challenge for companies in Helios' position and an inability to do so could be adverse for the company.
- **Regulatory risk.** The exploration of oil and gas is subject to extensive laws and regulations such as tax laws, environmental laws and industrial relations laws. There is potential for existing laws or for future laws to adversely impact the company and its operations. There is also the risk that private parties may pursue legal action against the company to enforce these regulations.
- **Commodity price fluctuation risk.** All commodities are subject to price fluctuations. Fluctuations in oil and gas prices, particularly if those fluctuations are downwards, may have a material impact on the company.
- **Exploration, geological and commercial risk**. There is the risk that the company may fail to find enough oil to make an ultimate oil field commercially viable. Even if it is found, the company will still be subject to commercial risks including lower demand for oil.
- **Key personnel risk**: There is the risk the company may lose key personnel and be unable to replace them and/or their contribution to the business

Appendix I – Helios' producer peers

Amplitude Energy	2P	mmboe	Price per mmboe	Value
	Reserves	33.0	7.7	253.8
	Resources	48.4	**10.06**	486.7
	Total	81.4		741

Beach Energy	2P	mmboe	Price per mmboe	Value
	Reserves	205.0	7.7	1576.9
	Resources	181.0	**10.5**	1908.4
	Total	386.0		3,485

Karoon Energy	2P	mmboe	Price per mmboe	Value
	Reserves	67.9	7.7	522.3
	Resources	121.4	**5.7**	697.6
	Total	189.3		1,219.9

Santos	2P	mmboe	Price per mmboe	Value
	Reserves	1,559	5.00	11,992
	Resources	3,338	**4.91**	16,383
	Total	4,897		28,375

Strike	2P	mmboe	Price per mmboe	Value
	Reserves	51.1	7.7	393.1
	Resources	64.3	**1.2**	75.5
	Total	115.4		469

Woodside	2P	mmboe	Price per mmboe	Value
	Reserves	3,092.2	7.7	23,786.2
	Resources	5,869.7	**4.95**	29,030.4
	Total	8,961.9		52,816.6

Source: Company

Note: Data as of 26 May 2025

Appendix II – Presidio's Petrophysical Parameters by Well

Well	Interval	Depths (ft MD)	Gross (ft)	NetPay (ft)	Clay (%)	Sw (%)	Porosity (%)	Perm (μD)	TOC (%)	OIIP * (MMB/ sec)	OIIP * (MBO/ acre)	Comments
1412	Upper OJ	2860-3611	751	4	31	59	8.4	0.119	0.4	0.5	0.8	
	Middle OJ	3611-3968	357	63	34	46	7.4	0.179	0.9	9.6	15	
	Lower OJ	3968-4640	672	176	33	48	7.5	0.175	0.9	25.4	39.7	
	Upper EGFD	4640-5050	410	31	47	46	6.6	0.138	2.1	4.3	6.7	
	Lower EGFD	X	X	X	X	X	X		X	X	X	was not penetrated
1411	Upper OJ	2975-4317	1,342	109	26	53	10	0.238	1.8	17.7	27.7	almost complete repeat section
	Middle OJ	4317-4712	395	59	26	50	7.4	0.148	1.8	8.3	13	
	Lower OJ	4712-5437	725	220	30	46	7.2	0.173	2.2	31.4	49.1	
	Upper EGFD	5437-5713	276	X	X	X	X	X	X	X	X	Upper EGFD has zero net pay
	Lower EGFD	5713-5910	197	58	19	35	4.6	0.086	1.6	6.5	10.2	
5201 ST	Upper OJ	5449-6307	858	23	30	55	10.2	0.235	1.5	4.1	6.4	
	Middle OJ	6307-6629	322	37	27	46	8.8	0.308	1.5	6.8	10.6	
	Lower OJ	6629-7423	794	163	33	44	7.9	0.254	1.9	28.2	44.1	
	Upper EGFD	7423-7796	373	15	44	34	6.6	0.223	1.9	2.5	3.9	
	Lower EGFD	7796-8029	233	13	42	37	4.5	0.08	0.4	1.4	2.2	
Average	Upper OJ		805	14	31	57	9.3	0.177	1.0	2.3	3.6	excludes 1411 partial repeat
	Middle OJ		358	53	29	48	7.9	0.212	1.4	8.2	12.9	
	Lower OJ		730	186	32	46	7.5	0.201	1.7	28.3	44.3	
	Upper EGFD		353	23	46	40	6.6	0.181	2.0	3.4	5.3	
	Lower EGFD		215	36	30	36	4.6	0.083	1.0	4.0	6.2	
Total or NetPay Wtd Avg =			2,461	311	32	45	7.3	0.187	1.6	46.2	72.2	Clay, Sw, Por, Perm, & TOC are NetPay Wtd Averages

** Cut-off parameters: Vclay = 60%, Sw = 60%, Minimum Permeability = 0.050 μD (microDarcy) = 50 nD (nanoDarcy).MMBO = millions of barrels of oil. MBO = thousands of barrels of oil. 1 section (sec) = 640 acres = 1 square mile ≈ 2.59 square kilometers (km) ≈ 259 hectares (ha).*

Source: Company

Appendix III - Glossary

1C – Contingent Reserves (90% confidence level)

2C – Contingent and Probable Reserves (50% confidence level)

3C – Contingent, Probable and Possible Reserves (10% confidence level)

Barrels (bbl) – 1 barrel is equivalent to 42 gallons or 159 litres.

Billions of cubic feet (BCF) – This is equivalent to 6.1 mmboe or 28.31bn litres.

Borehole – A hole drilled in the ground, narrowly shafted and constructed for a specific purpose including extraction of resources.

Choke – A device controlling fluid flow and pressure in oil wells being drilled.

Condensate – A liquid form of hydrocarbons obtained from natural gas processing.

Contingent Reserves/Resource Estimate - Quantities of petroleum estimated to be potentially recoverable, where it remains unknown if they are commercially recoverable.

Conventional – Oil that can be extracted using traditional drilling methods.

Crude oil – The naturally occurring liquid found in fields prospective for oil. It is a mixture of hydrocarbons that exist in liquid phase in natural underground reservoirs and remains liquid at atmospheric pressure.

Exploratory well – A deep borehole drilled for oil where there is no prior evidence of a viable oil or gas reserve.

Fault – A significant structural feature that can act both as a reservoir and a barrier to hydrocarbon flow.

Formation – A specific layer of rock that may contain oil and gas.

Frack/fracking – Hydraulic fracturing, a process used to stimulate the flow of oil and gas from rock formations. It is done by injecting high-pressure fluid into underground rock formations to create fractures and release trapped hydrocarbons.

Gallon – A gallon is a unit of liquid equal to 4.55 litres.

Hydrocarbons – A class of chemicals containing only hydrogen and carbon atoms.

Millions of barrels (mmbbl) – A million barrels

Millions of cubic Feet (mmcf) – A million cubic feet which equates to 1,039 British Thermal Units worth of energy.

Organisation of the Petroleum Exporting Countries (OPEC) – An organisation of oil producing nations that facilitates co-operation between those nations.

Permeability – The ability of a material to allow fluids to pass through them.

Petroleum – See crude oil above.

Porosity – A measure of the void (i.e. empty) spaces in a material. Porosity is being the fraction of the volume of voids over the total volume, it is reported as either a number between 0 and 1, or as a percentage between 0 and 100%.

Probable (Reserves) – Oil deposits with at least a 50% chance that what is there can be extracted for use.

Possible (Reserves) – Oil deposits where the probability of successful extraction is at least 10%.

Recovery – The process of extracting crude oil from an oil reservoir.

Shale – In the context of oil, it is a sedimentary rock where oil is likely to be, because they contain kerogen, which can yield oil.

Total Petroleum Initially In Place – The amount of crude oil first estimated to be in a reservoir.

Unconventional – Accumulations of oil where conventional methods of extraction will not work because oil and gas phases are that tightly bound to the rock fabric.

Vertical well – A well-aimed directly (i.e. straight down) at an oil or gas producing reservoir.

Well – A drillhole boring in the Earth designed to bring oil to the surface.

Appendix IV – Capital Structure

Security Class	Number	%
Ordinary shares	3,210,478,648	98.3%
Options	56,000,000	1.7%
Shares from convertible notes	53,000,000	1.6%
Total	3,319,478,648	

Source: Company.

Appendix V – Analysts' Qualifications

Stuart Roberts, lead analyst on this report, has been an equities analyst since 2002.

- Stuart obtained a Master of Applied Finance and Investment from the Securities Institute of Australia in 2002. Previously, from the Securities Institute of Australia, he obtained a Certificate of Financial Markets (1994) and a Graduate Diploma in Finance and Investment (1999).
- Stuart joined Southern Cross Equities as an equities analyst in April 2001. From February 2002 to July 2013, his research speciality at Southern Cross Equities and its acquirer, Bell Potter Securities, was Healthcare and Biotechnology. During this time, he covered a variety of established healthcare companies, such as CSL, Cochlear and Resmed, as well as numerous emerging companies. Stuart was a Healthcare and Biotechnology analyst at Baillieu Holst from October 2013 to January 2015.
- After 15 months over 2015–2016 doing Investor Relations for two ASX-listed cancer drug developers, Stuart founded NDF Research in May 2016 to provide issuer-sponsored equity research on ASX-listed Life Sciences companies.
- In July 2016, with Marc Kennis, Stuart co-founded Pitt Street Research Pty Ltd, which provides issuer-sponsored research on ASX-listed companies across the entire market, including Life Sciences companies.
- Since 2018, Stuart has led Pitt Street Research's Resources Sector franchise, spearheading research on both mining and energy companies.

Nick Sundich is an equities research analyst at Pitt Street Research.

- Nick obtained a Bachelor of Commerce/Bachelor of Arts from the University of Sydney in 2018 and a Financial Modeling and Valuation Analyst (FMVA) certification from the Corporate Finance Institute. He has also completed the CFA Investment Foundations program.
- He joined Pitt Street Research in January 2022. Previously he worked for over three years as a financial journalist at Stockhead.
- While at university, he worked for a handful of corporate advisory firms

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