



ASX Announcement

MARCH 2025 QUARTERLY ACTIVITY REPORT

Highlights

- Connection of acquired pipeline completed during the quarter for the Reclamation Board wells in Rio Vista Field.
- Subsequent to quarter end, Rec Board-8 well flowing greater than 200mcf/d. Rec Board-7 to be brought online.
- Management conducted site visit to Californian field operations with a view to increased production and reducing operational costs.
- Concurrently due diligence has been carried out on opportunities in California that could complement existing operations.
- Completion of Omnibus Agreement prior to quarter end, consideration marginally increased from original agreement.
- Currently reviewing Australian gas exploration opportunities with a focus on favourable regulatory jurisdictions with access to infrastructure in close proximity to east coast markets.

Australian Oil Company Limited (ASX:AOK) (AOK or the Company) is pleased to provide the Quarterly Activities Report for the quarter ending 31 March 2025.

ONSHORE CALIFORNIA (Majority Operated)

During the quarter, AOK's wholly owned subsidiary, PEOCO LLC (**PEOCO**), completed its acquisition of additional pipeline infrastructure in the Sacramento Basin, connecting the pipeline into another gathering system with significantly lower back pressures. This has allowed the 100% owned Rio Vista wells to increase gas flows. Installation of meters, assignment of easements and installation of new pipeline length was completed during the quarter.

Subsequent to quarter-end, gas sales agreements were executed and lines tested for the re-commencement of gas flows at Reclamation Board-8 (**Rec Board-8**). The well was brought back online at more than 200mcf/d free flow (unassisted). Rec Board-7 is anticipated to be brought back online in the coming week. The acquisition is expected to allow increased gas flows from current wells up to four times the previous gas volumes observed from the Rio Vista wells, with no or nominal additional operating cost. Accordingly, the Company has set a goal of 50,000mcf of Quarterly gas flows from the acquired pipeline on a gross basis.

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During the quarter, production was temporarily down, primarily due to the shut-in of the Rec Board pipeline and wells whilst the connection was effected for the acquisition from PG&E.

California Gas Flows (mcf ¹)	March 2025 Quarter	December 2024 Quarter
Gross Gas Flows	22,799	33,532
AOK Gas Flows after Royalty	10,730	19,156
¹ mcf = Thousand Cubic feet gas		

A strategic review of all leases and well inventory (Figure 1 and 2) was carried out during the quarter to understand the inventory of opportunities as well as lease tenure. As part of this review and as confirmed and disclosed in the Company's annual report, the Company has identified that all the Alvares leases have expired around four (4) years ago. As part of original plans to re-enter the Alvares-1 well, an assignment of well inventory was taken place between the landowner and the Company necessary for approval from the regulator if the Alvares-1 well was to be re-entered and only on the basis the Company had leases. The well was never re-entered, is still abandoned and was never listed or covered as part of the Company's blanket bond.

Other reviews of leases are continuing subsequent to the quarter as well as ongoing due diligence to both opportunities in California that complement the Company's lease position in the Sacramento Basin as well as new venture opportunities where there are gas supply deficiencies in Australia.



Figure 1 The Company's operated Dempsey 1-15 well with field personnel located in close proximity to the Stoney Creek Master Meter Station

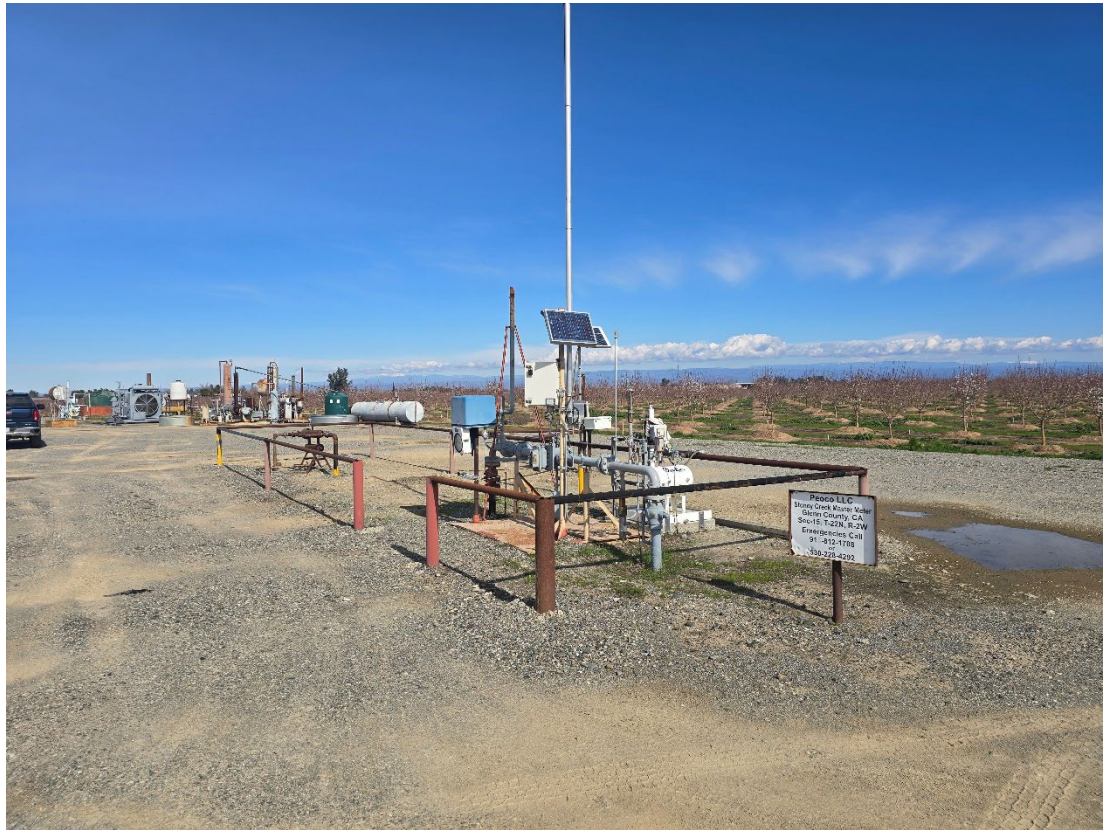


Figure 2 The Company's Stoney Creek Master Meter Station that measures production from Stoney Creek wells and Dempsey 1-15

CORPORATE

Omnibus Settlement Agreement

During the quarter, the Company reached completion on the Omnibus Settlement Agreement (**Omnibus**) with Blue Sky Resources Ltd. (**Blue Sky**) with additional consideration agreed as consideration for payment timing deferral. Activity during the quarter was as follows:

- additional consideration for an agreed upon payment timing deferral of \$38,782 by way of 4,309,087 Xstate Resources Limited shares (**ASX:XST**);
- two final tranches received during the period, amounting to A\$1,200,000; and
- interest payment for original 2024 timing deferrals agreed upon totalling \$12,908 paid prior to quarter end.

Annual General Meeting

During the quarter, AOK commenced preparation for the Annual General Meeting to be held on 15th May and looks forward to participation from its shareholders, particularly so it can expand on its review of operation in more detail as well as discuss plans for the remainder of the year both in terms of its current business and new business opportunities.



JUNE 2025 QUARTER OBJECTIVES

- Management to proactively engage with the market and shareholders as to its plan and strategy for its Californian projects and future complementary projects;
- Execute strategic plan to execute on inventory of opportunities and consider options to restructure debt that include efforts to make Californian production operations profitable;
- Implement recommendations from the review of current Californian operations by participation of management on the ground with new advisors including implementing operational efficiencies at Malton and assessing the merits of leases in Contra Costa County;
- Complete due diligence on domestic and Californian opportunities; and
- Bring Reclamation Board-7 online and consider bringing online another Stoney Creek producing well.

LISTING RULE 5 DISCLOSURES

LR 5.4.1: Exploration expenditure payments during the quarter totalled \$24k, comprising the acquisition costs for the pipeline in California.

LR 5.4.2: Production expenditure payments during the quarter totalled \$247k.

LR 5.4.3:

- No petroleum tenements acquired or disposed of during the quarter. It is noted that the Alvares leases were confirmed as expired during the quarter. No disclosure was made as the Company does not consider these material to the operations of the Group;
- Petroleum tenements held at quarter end identified in the table above;
- No farm-in or farm-out agreements entered into during the quarter; and
- No farm-in or farm-out agreements current in earn-in stage to report.

LR 5.4.4: Not applicable

LR 5.4.5: Payments to related parties totalled \$123k. These were in respect of Directors' salaries and superannuation payments.



AOK TENEMENT TABLE (31 March 2025)

PROJECT NAMES	LEASES; RELATED GAS FIELD (HBP LEASES); OR KEY WELL	PROJECT TYPE	WORKING INTEREST (WI)*
Dempsey Area Project	Rancho Capay Unit, Big Jake, Rio Grande and Stoney Creek wells are associated with HBP Leases as well as intermittent production from Dempsey 1-15;	Exploration, Appraisal and Rework	40-60%
Borba Project	Borba 1-7 exploration well is associated with the Oil and Gas Mineral Leases	Exploration	66.67%
Los Medanos Project	Los Medanos Gas Field. The main wells are the Neely wells where shut in royalties are being paid.	Appraisal and Rework	90%
Malton Project	Malton Gas Field HBP Leases are associated with the VBC producing wells.	Exploration, Appraisal and Rework	45-70%
Dutch Slough Gas Project	Dutch Slough Gas Field. Scopes and Reedy wells are shut in with associated royalties being paid.	Exploration, Appraisal and Rework	70%
Rio Vista Gas Project	Rio Vista Field Wells Rec Board 7 and 8 are producing wells associated with HBP Leases.	Gas flow, development, and Rework	100%
Alvares Project	Alvares 1 well (P&A)	All leases have expired. There has been found to be no WI in any Alvares well.	0%
Dempsey Area Project	Rancho Capay Unit, Big Jake, Rio Grande and Stoney Creek wells are associated with HBP Leases as well as intermittent production from Dempsey 1-15;	Exploration, Appraisal and Rework	40-60%

* Approximate WI across the referenced Project

- ENDS -

This announcement has been authorised by the Board of Directors of the Company.



About Australian Oil Co

Australian Oil is an Australian-based energy company focused on under-explored, recently overlooked, world class oil and gas opportunities near under-supplied markets.

The Company is currently focused on conventional oil and gas exploration and production in the Sacramento Basin in California. Australian Oil has a portfolio of natural gas and oil producing wells, in addition to prospects and discoveries at various exploration and appraisal stages.

Australian Oil Company Limited

ACN: 114 061 433

ASX Code: AOK

Shares on Issue

1,001,782,997

Unlisted Options

10,000,000 exercisable \$0.025 on or before 30-Apr-2029

10,000,000 exercisable \$0.035 on or before 30-Apr-2029

10,000,000 exercisable \$0.045 on or before 30-Apr-2029

125,937,937 exercisable \$0.008 on or before 30-Jun-2026

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Australian Oil Company Limited

ABN

83 114 061 433

Quarter ended ("current quarter")

31 March 2025

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	132	132
1.2	Payments for		
	(a) exploration & evaluation	(24)	(24)
	(b) development	-	-
	(c) production	(247)	(247)
	(d) staff costs	(94)	(94)
	(e) administration and corporate costs	(427)	(427)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	6	6
1.5	Interest and other costs of finance paid	(50)	(50)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (JV Receipts)	-	-
1.9	Net cash from / (used in) operating activities	(704)	(704)

2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant, and equipment	-	-
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant, and equipment	-	-
	(d) investments	1,215	1,215
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	1,215	1,215

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(8)	(8)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (Right of Use Lease Liability)	-	-
3.10	Net cash from / (used in) financing activities	(8)	(8)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period*	896	896
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(704)	(704)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	1,215	1,215

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(8)	(8)
4.5	Effect of movement in exchange rates on cash held	2	2
4.6	Cash and cash equivalents at end of period	1,401	1,401

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000*
5.1	Bank balances*	1,401	896
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (petty cash)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,401	896

* Closing cash balance as at 31 December 2024 varies from previous 5B as result of an administrative error. Cash balances reported in the Company's Annual Report are correct.

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amounts of payments to related parties and their associates included in item 1	123
6.2	Aggregate amounts of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7.	Financing facilities	Total facility amounts at quarter end \$A'000	Amount drawn at quarter end \$A'000
	<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1	Loan facilities	1,000	1,000
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	1,000	1,000
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
	Parent entity debt facility Unsecured loan facility with Dungay Resources Pty Ltd, dated 1 May 2024 for \$1,000,000, earning interest at 10% p.a., extended until 1 August 2025 .		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(704)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(704)
8.4	Cash and cash equivalents at quarter end (item 4.6)	1,401
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	947
8.7	Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	1.28
	<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: No. Operating cash flows incurred in the March quarter included significant downtime on the Company's Californian operations, resulting in reduced receipts. The entity anticipates the outflow from operations to decrease in the June 2025 quarter and potentially putting Californian operations into a cash neutral position.

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: Yes, the Company continues to actively optimise gas flow rates in an effort to increase receipts and improve the profitability of the Californian segment. In addition, the Company is in active communication with operators in the Californian area for potential value accretive operations to increase cash inflows. The Company also retains the capacity to raise funds from investors.

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes, based on the responses in 8.8.1 and 8.8.2.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 30 April 2025

Authorised by: Board of Directors
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.