



ASX Announcement

SEPTEMBER 2025 QUARTERLY ACTIVITY REPORT

Highlights

- Capital Raising of \$800,000 post quarter-end
- Continued assessment of new ventures with Neil Taylor appointed New Business Manager East Africa to assist with this key part of the process
- Dempsey 1-15 returned to flowing gas, initially reaching 300 mscf/d and stabilising above 100 mcf/d
- Dempsey East step-out prospect identified as a potential sidetrack opportunity
- Malton VBC wells targeted for restart via California Resources' pipeline and compression network
- California Resources' merger with Berry Corp valued at US\$717m, signaling consolidation of Californian operators



AUSTRALIAN OIL CO.

Australian Oil Company Limited (ASX:AOK) (AOK or the Company) is pleased to provide the Quarterly Activities Report for the quarter ending 30 September 2025.

ONSHORE CALIFORNIA (Majority Operated)

The Company has achieved encouraging production results from its Sacramento Basin wells during the quarter, specifically bringing Dempsey onto sustained production and maintaining commercial rates from the Rec Board area. The improved gas flows in these areas have resulted in increased volumes of gas from the previous quarter volumes.

California Gas Flows (mcf ¹)	September 2025 Quarter	June 2025 Quarter
Gross Gas Flows	34,130	32,830
AOK Gas Flows after Royalty	27,897	26,530
¹ mcf = Thousand Cubic feet gas		

Improvements in gas flows and streamlined operations coincide with industry consolidation in California, following large independent CRCs' proposed merger with Berry Corporation. CRC has stated in the media on the 15th September 2025 that it would acquire rival Berry Corporation "hoping to create a bigger, more cost-efficient oil and gas producer" in California as the state eases its stringent environmental regulations.

The all-stock deal values Berry at \$717 million (including debt) and comes shortly after lawmakers in California passed a bill aimed at boosting oil drilling in Kern County. The passing of the bill targets making oil supply more affordable for the state's refineries and keeping prices in check.

The statements by CRC and Berry in light of the merger and the passing of bills mark a major turning point for energy companies like AOK that have faced challenges in permitting of new drilling for oil and gas and possibly trigger a consolidation of Californian Operators and an increase in deal flow and exploration.

Southern Sacramento Basin Lease Activities

The Reclamation Board (Rec Board) 7 and 8 gas wells produced between 130–235 mscf/d during the quarter, with gas flows enhanced through the use of on-site compression at lower revolutions. Temporary downstream maintenance on the CRC pipeline system increased delivery pressures, prompting operational changes that have since improved stability and uptime. During the latter part of the quarter the downstream pipeline gathering system was shut-in to facilitate CRC to undertake remediation of a pipeline leak and other maintenance activities.

The Company has also identified new infill drilling targets near Rec Board-5 and Rec Board-6 as part of its plan to grow production from the Rio Vista Field. Assessment of the Los Medanos and Dutch Slough Gas Fields continued, with technical work evaluating commercial tie-in options following the removal of the PG&E meter.

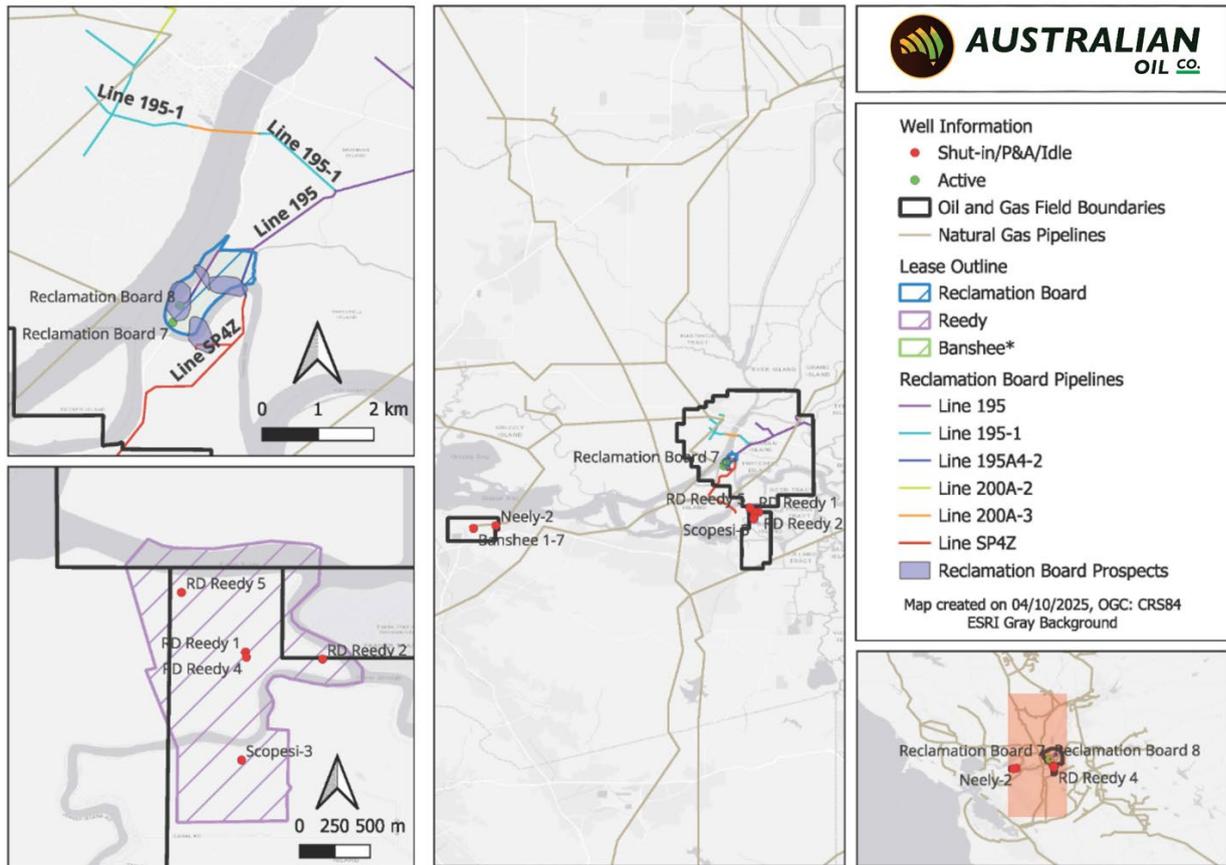


Figure 1 South Sacramento Basin Lease Interests

Northern Sacramento Basin Lease Activities

During the quarter, the Company flowed gas from seven (7) wells: Rancho Capay (2), Big Jake (1), Dempsey (1), Stoney Creek (1), and Rio Grande (2). The Dempsey 1-15 well was successfully brought back to production, initially flowing at 117 mscf/d and sustaining rates above 100 mscf/d for several days before cycling off to manage produced water.

The Company is adopting a cyclical production approach—alternating flowing and shut-in periods—to extend well life and optimise gas recovery through the Stoney Creek Master Meter.

A step-out prospect within the Kione Formation has also been identified as a potential sidetrack from Dempsey, pending review of well integrity and reservoir conditions.

In the Malton area, AOK advanced discussions with California Resources Corporation (CRC) and PEOCO on reconnecting the VBC-1, VBC-2 and VBC-3 wells to existing pipeline and compression networks. The proposed tie-in could deliver improved gas throughput, reduce operating costs, and unlock further upside from nearby prospects in the Northern Sacramento Basin.

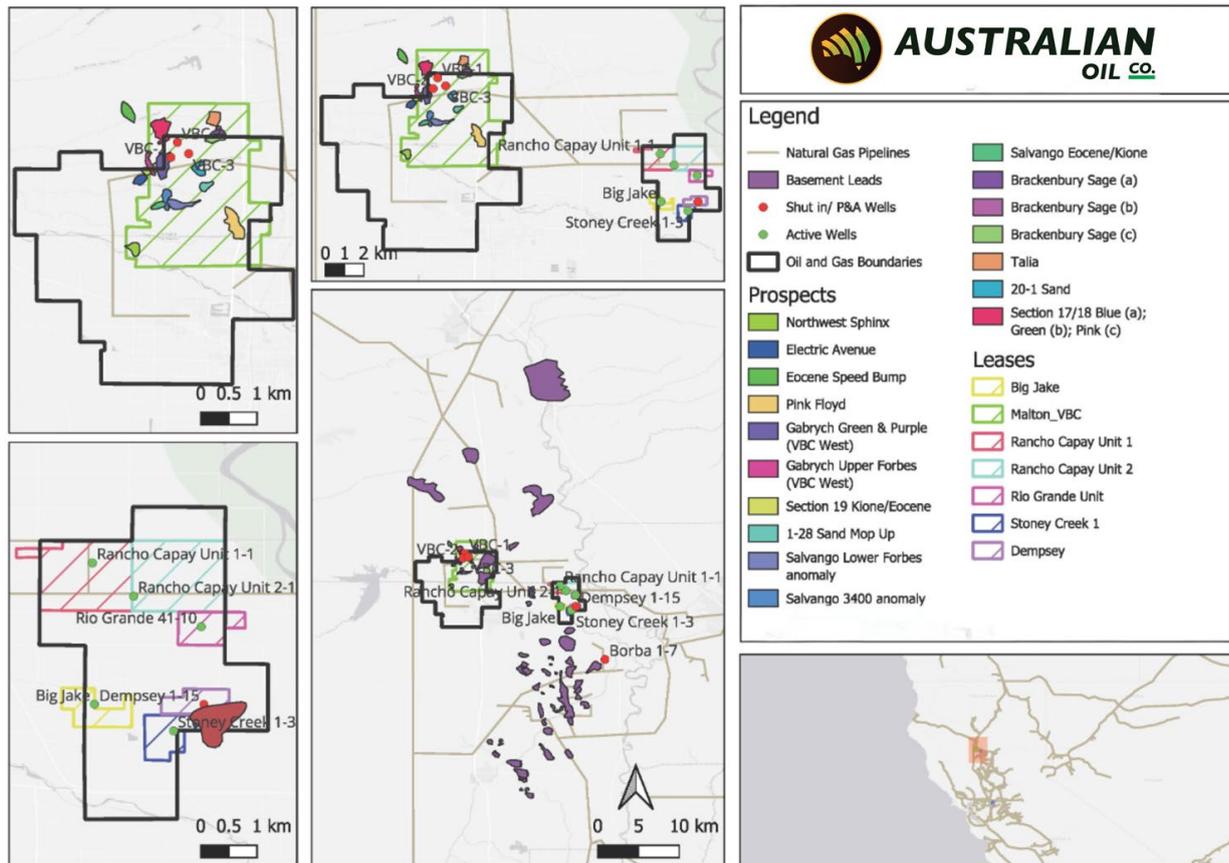


Figure 2 North Sacramento Basin Lease Interests including Dempsey East prospect (far left)

CORPORATE AND NEW VENTURES

AOK continues to assess new venture opportunities in Australia and East Africa, with a focus on assets that complement the Company’s Californian production and provide exposure to longer-term growth.

The appointment of Neil Taylor as New Business Manager – East Africa strengthens AOK’s capability in frontier exploration. Mr Taylor’s background includes technical and leadership roles with majors and juniors where he was instrumental in developing Swala’s East African portfolio prior to IPO.

In parallel, AOK continues to evaluate domestic opportunities aligned with Australia’s tightening gas supply and emerging liquids shortfall, consistent with its objective of balancing near-term cash flow with longer-term exploration upside.

Subsequent to the quarter, The Company was pleased to announced that it had received firm commitments for a two-tranche capital raising of fully paid ordinary shares to raise \$800,000 (before costs) as follows:

- Tranche 1: 190,945,748 shares at \$0.0021 per share to raise \$400,986 (before costs);
- Tranche 2: 306,933,792 shares at \$0.0013 per share to raise \$399,014 (before costs), subject to shareholder approval; and
- Options: One option for every two shares subscribed (248,939,770 options at \$0.004, expiring two years from issue)

Funds raised will be applied towards assessment of new venture opportunities and due diligence, advancing the Company’s Californian operations, production optimization and maintenance and for general working capital. Sanlam Private Wealth Pty Ltd acted as Lead Manager to the placement.



DECEMBER 2025 QUARTER OBJECTIVES

- Progress due diligence and commercial evaluation of East African and Australian new ventures;
- Strengthen corporate profile through strategic marketing and investor engagement;
- Advance the tying in of VBC wells to adjacent infrastructure to increase gas flows;
- Advance planning and approvals for infill drilling at Rec Board-5 and Rec Board-6;
- Continue technical review of Dempsey side-track opportunity; and
- Restore production to Rec Board area post remediation of downstream pipeline.

AOK TENEMENT TABLE (30 September 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 ("Dempsey");	HBP* leases. Dempsey 1-15 is not flowing with plans to try and bring it back on to flow shortly. A reconciliation of royalty payments versus revenues and costs are being assessed to determine if the Dempsey specific lease will be held or relinquished.	40-60%
Borba Project	Borba 1-7 exploration well	Not a commercial discovery and leases have expired.	66.67%
Los Medanos Project	Los Medanos Gas Field. The main wells are the Neely wells were shut in royalties are being paid.	Shut-in royalties are being paid to hold the leases until gas flows can be reinstated requiring commerciality assessments.	90%
Malton Project	Malton Gas Field HBP Leases are associated with the VBC producing wells.	Shut-in royalties being paid while Company assesses the potential to tie in VBC wells to another Operator's meter. Company is also looking at opportunities that can be accessed by deepening VBC wells	45-70%
Dutch Slough Gas Project	Dutch Slough Gas Field. Scopes and Reedy wells are shut in with associated royalties being paid.	Shut-in royalties being paid due to lack of market and infrastructure.	70%
Rio Vista Gas Project	Rio Vista Field Wells Rec Board 7 and 8 are producing wells associated with HBP Leases.	Leases are HBP*.	100%

* Approximate WI across the referenced Project and HBP is held by production



AUSTRALIAN OIL CO.

LISTING RULE 5 DISCLOSURES

LR 5.4.1: Exploration expenditure payments during the quarter totalled \$53k, comprising the acquisition costs for the pipeline in California.

LR 5.4.2: Production expenditure payments during the quarter totalled \$211k.

LR 5.4.3:

- No petroleum tenements acquired or disposed of during the quarter.
- 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 \$53k. These were in respect of Directors' salaries and superannuation payments.

- 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

1,252,228,745

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")

30 September 2025

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	111	327
1.2 Payments for		
(a) exploration & evaluation	(53)	(77)
(b) development	-	-
(c) production	(211)	(607)
(d) staff costs	(30)	(276)
(e) administration and corporate costs	(223)	(911)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	5	18
1.5 Interest and other costs of finance paid	(29)	(80)
1.6 Income taxes paid	6	6
1.7 Government grants and tax incentives	-	-
1.8 Other (JV Receipts)	-	-
1.9 Net cash from / (used in) operating activities	(424)	(1,600)

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	-	-

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant, and equipment	-	-
	(d) investments	-	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
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	(1)	(1)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(14)	(40)
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	(15)	(41)
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	903	896
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(424)	(1,600)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	1,215

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(15)	(41)
4.5	Effect of movement in exchange rates on cash held	(14)	(20)
4.6	Cash and cash equivalents at end of period	450	450

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	450	903
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)	450	903

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	53
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	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
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.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(424)
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)	(424)
8.4 Cash and cash equivalents at quarter end (item 4.6)	450
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	450
8.7 Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	1.06
<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. The Company anticipates operational outflows to be comparable to this quarter but anticipates inflows to be marginally improved depending on the nature of when the Rec Board wells are reinstated to flowing gas.

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, as announced to ASX on 23 October company has received firm commitments for a two-tranche capital raising of fully paid ordinary shares to raise \$800,000 (before costs).

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: 31 October 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.