

Key Activities & Highlights

29 October 2026

Australis Oil & Gas Limited
ABN: 34 609 262 937

ASX: ATS

Australis is an upstream oil and gas company seeking to provide shareholders value and growth through the strategic development of its quality onshore oil and gas assets in the United States of America.

The Company's acreage within the core of the oil producing TMS provides significant upside potential for ATS with 62 million bbls of 2P+2C net reserves and resources including 165 thousand bbls producing reserves^{2,3}.

The Company was formed by the founders and key executives of Aurora Oil & Gas Limited, a team with a demonstrated track record of creating and realising shareholder value.

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Having secured a farmin with a large US publicly listed oil and gas company to participate in an appraisal and development program in the TMS the focus during this reporting quarter has been preparation for the Willson 1H (Initial Test Well) and leasing acreage within the TMS Core.

Our Development Partner is required to carry Australis' interest on the first US\$46.25 million work program to earn certain interests in our undeveloped acreage¹.

Development Activities

- Australis received approval to proceed with the planning and execution of the Willson 1H well program from the Development Partner
- Following tendering exercises, contracts awarded for the majority of drilling and facilities construction services for the Willson 1H and long-lead items have been secured
- Rig procurement discussions continue to advance, with suitably specified rigs identified and potentially available for a targeted Q4 2026 spud
- Permits approved for the Mathieu 1H and the Baker 1H
- Carried Initial Leasing Program nearing completion with Australis currently holding 48,725 net acres

Production and Finance

- Sales volume during the quarter from the retained 10% working interest in the TMS producing well inventory totalled 6,060 bbls
- Australis held cash and cash equivalents of US\$10.1 million at the end of Q3 2026 (vs US\$11.2 million in Q2 2026). Australis made payments for leasing and long lead items which are recoverable under the Carry Program and the outstanding receivable balance was US\$0.28 million at the end of Q3 2026

To learn more about this announcement and our asset please [Click Here](#)

DEVELOPMENT TRANSACTION ACTIVITIES

Having received approval from our Development Partner to proceed with the first farmin well under the Carried Program, the Willson 1H, in late July, Australis has been:

- working with our Development Partner on further detailed scope and advanced planning for the well;
- completing tender exercises for major contracts;
- securing long lead items such as casing, separators, tanks, flares etc to ensure availability based on a proposed Q4 2026 spud schedule; and
- working with potential drilling rig providers to secure a rig with suitable specs from the spot market, i.e. an active rig.

The rig market has continued to tighten with the prevailing oil price and global events. Australis has identified a number of suitable candidate rigs, however the existing contract holders often have extension options, typically at 30-days notice, and currently are retaining those option rights for as long as possible as market conditions evolve. Australis is awaiting resolution of these options for several rigs, which would allow for a Q4 2026 spud of the Willson 1H.

Land

Australis and the Development Partner continue to work closely on preferred focus areas within our Area of Mutual Interest (**AMI**) for leasing activities. Australis has managed the leasing activity associated with the permitting of the Willson, Mathieu and Baker units. Our Development Partner has focused on leasing activity outside those units. In combination, these programs have spent or committed the full US\$1 million carry under the Initial Leasing Program. Once the committed amounts have been expended, future leases taken by the Development Partner will be dealt with under the AMI provisions, meaning Australis will have the right to participate at 20% working interest.

During the Mississippi State Oil & Gas Board (**MSOGB**) hearings held in August and September the well permits for the Mathieu 1H and Baker 1H, respectively, were approved. These wells are planned to be drilled from the same pad as the Willson 1H and were permitted as 10,000 ft laterals.

Table 1 below provides an update on the Australis acreage position at the end of the quarter. It differentiates between the different contractual arrangements for leasehold under the Development Transaction which are as follows:

- **Excluded Leases** – these are HBP leases that were not included in the Development Transaction and are not subject to the farm out provisions
- **Transaction Leases** – these are a combination of HBP and term leases included in the Development Transaction and subject to the farm out provisions, such that if the carry commitments are satisfied then Australis will assign 80% of these leases to our Development Partner
- **Promoted Leases** – these are leases secured under the US\$1 million carried Initial Leasing Program and represent a 20% working interest in the total leases taken during that Program. The remaining 80% interest is beneficially held by our Development Partner, but will revert to Australis if the carry commitments are not satisfied

- **AMI Leases** – these are leases secured under the terms of, our AMI with our Development Partner, whereby Australis has the right to participate and fund a 20% interest in any leases taken within the AMI. As at the reporting date no leases have been secured in this category

Description	Excluded Leases (Net Acres)	Transaction Leases (Net Acres)	Promoted Leases (Net Acres)	AMI Leases (Net Acres)	Total (Net Acres)
Opening Balance	2,028	46,048		0	48,076
Expired Leases					0
New Leases			649		649
Renewed/Extended Leases					0
Total Net Acreage	2,028	46,048	649	0	48,725
				HBP Acreage	40,782

Table 1: Australis TMS Lease position at 30/09/26

Our lease position of 48,725 acres is 84% HBP status, with the balance of ~7,900 acres in term leases having expiry dates out to 2031. The 4,000 net acres due to expire in 2026 are subject to a one-year extension option in our favour and the majority would be converted to HBP status if the three permitted wells were drilled.

Figure 1 below showing the lease expiry profile of our lease position as at 30 September 2026.

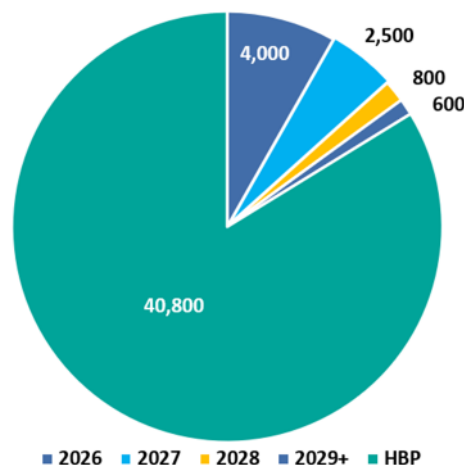


Figure 1 : Expiry profile of ATS TMS acreage

FIELD PRODUCTION OPERATIONS

Australis holds a minority working interest (10% or less) in 48 TMS producing wells, the majority of which are operated by EQV who assumed operatorship of those wells from Australis in Q1 2026.

Production during the quarter was broadly in line with expectations and there were no workovers carried out.

Key Operating and Financial Results

The following Table 2 summarises key operating and financial results in the quarter relating to our retained working interest in producing wells.

Key Metrics	Unit	Q3 2026
TMS Land (Net)	Acres	48,725
Net Oil resource (2P + 2C)	MMbbls	62 ^{2,3}
Sales Volumes (WI)	Bbls	6,060
Average Realised Price ^A	US\$/bbl	\$87.29
Average Achieved Price ^B	US\$/bbl	\$86.56
Sales Revenue (WI) ^B	US\$MM	\$0.5
Field Netback ^B	US\$MM	\$0.2

Table 2: Key Revenue metrics for Q3 2026

^A excludes effect marketing fees

^B includes the marketing fee of US\$0.004 million

FINANCE AND CORPORATE

Cash and Capital

Results for the quarter include:

- Sales Revenue (WI) of US\$0.525 million from our retained interests in the TMS wells, which includes adjustment for marketing fees payable to the operator.
- The Company had a cash position of US\$10.1 million at the end of the quarter.
- During the quarter Australis paid US\$0.481 million in leasing costs and deposits for long lead items for the Willson 1H, which are recoverable from the Development Partner as part of the carried commitments. As at quarter end the outstanding receivable balance was US\$0.276 million.
- Post the reporting period Australis received the first advance payment from the Development Partner under the carry program funding arrangements, which ensures Australis is prefunded for all imminent operations during the program.

Oil Price Hedging

Australis has no hedges in place for our modest production profile but will continue to review the hedge program and position from time to time, specifically as production commences from new wells as part of the contemplated carry program.

Business Development and Corporate Strategy

Australis has continued to pursue potential transactions within the TMS Core but outside the AMI established with our Development Partner. Whilst discussions are progressing there is no guarantee that acceptable terms can be reached.

Appendix 5B

Attached is a copy of the Appendix 5B for the quarter ended 30 September 2026.

This ASX announcement was authorised for release by the Australis Disclosure Committee.

**Further
Information:**

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To receive alerts for ASX announcements and the latest updates from Australis please visit our website www.australisoil.com or use the QR code to visit our Willson 1H project page and consider signing up to stay up to date with our progress

Ends

ABOUT AUSTRALIS

Australis (ASX: ATS) is an ASX listed oil and gas company seeking to provide shareholders value and growth through the strategic development of its quality onshore oil and gas assets in the United States of America. The Company was formed by the founder and key executives of Aurora Oil & Gas Limited, a team with a demonstrated track record of creating and realising shareholder value.

With approximately 48,700 net acres (84% HBP) within the production delineated core of the proven oil producing TMS, Australis retains significant upside potential with approximately 160 net future drilling locations.

At year end 2025 Ryder Scott independently assessed the Australis acreage held at that time with 62 MMbbls of 2P + 2C recoverable volume including 165 Mbbls 2P producing reserves providing net field cash flow^{2,3}. The contingent oil resource is only contingent on a qualifying development program and Australis will carry out a reassessment of its undeveloped reserve position when a program is agreed with our Development Partner

Corporate Strategy and Forward Plan

Australis successfully completed two transactions¹ in November 2025 which achieved a number of corporate objectives that management have sought to address for some time.

- Partnered in the TMS with an established and aligned US-listed independent oil and gas company with onshore development and exploration operations in multiple unconventional basins.
- The application of up to US\$46 million of development capital for new wells in the TMS from the Development Partner (**Carry Program**), including funding Australis for a 20% working interest in that program, in order to earn an 80% working interest in undeveloped HBP acreage and Term leasehold of approximately 46,100 net acres.
- Australis and the Development Partner have formed an Area of Mutual Interest (**AMI**) within the TMS Core area. The Development Partner will carry Australis for a 20% working interest for the first US\$1 million of leasing within the AMI (**Initial Leasing Program**) and thereafter Australis can participate at a 20% working interest in further leasing activity inside the AMI.
- The Carry Program, Initial Leasing Program and strengthened balance sheet having sold 90% of its working interest in the TMS producing well inventory to EQV ensures that Australis is funded for the forward program.

The Development Partnering Transaction was executed on 25 November 2025 and included an up-front payment of US\$1 million to Australis in addition to the US\$1 million initial leasing program commitment. For more details on the deal terms please refer to the relevant announcement¹.

The EQV Financing Transaction was closed on 30 December 2025 (see separate announcement¹). EQV assumed field production operatorship from Australis and acquired 90% of the Australis working interest in all Australis operated wells.

TMS Assets & Background

The Tuscaloosa Marine Shale is a Cretaceous shallow marine unconventional shale that is present across central Louisiana and southwest Mississippi. The play is the same geological age as the Eagle Ford Shale in South Texas and the Woodbine Shale in East Texas.

The play is relatively deep, high pressured and oil weighted. As experienced in most unconventional plays, early well results (2010–2014) demonstrated variable production performance and relatively high costs, driven by initial operational difficulties encountered whilst drilling and completing the wells. The activity that did take place delineated a core area of the play where production results were consistent and comparable to other, far more developed, unconventional plays such as the Eagle Ford and the Permian. This area is shown in the blue oblong in Figure 2 and represents Australis' interpretation of the TMS Core and is a representation of the acreage position that Australis holds within the TMS Core as well as the recently permitted drilling units.

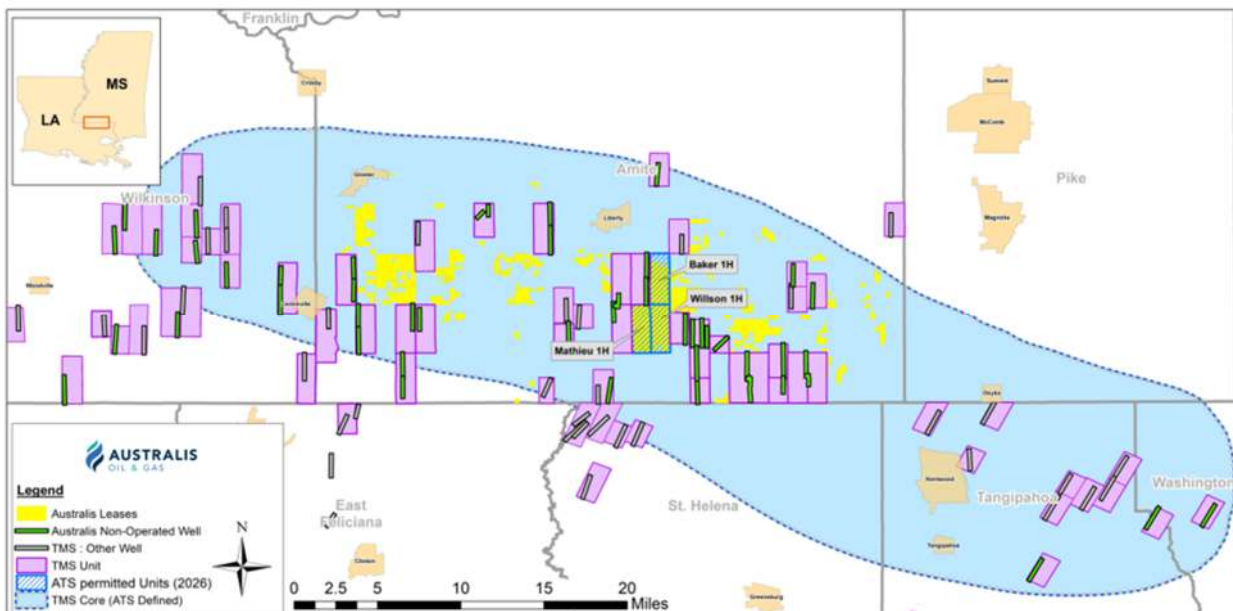


Figure 2 : Location of Australis acreage, TMS wells and permitted Development Units

GLOSSARY

Unit	Measure	Unit	Measure
B	Prefix – Billions	bbl	Barrel of oil
MM	Prefix – Millions	boe	Barrel of Oil equivalent (1bbl = 6 mscf)
M or k	Prefix – Thousands	scf	Standard cubic foot of gas
/d	Suffix – per day	Bcf	Billion cubic feet of gas

Term	Definition
1P	Proved Developed Reserves (PDP + PDNP)
2P	Probable Reserves
3P	Possible Reserves
AMI	Area of Mutual Interest within the TMS Core where Australis has the right to participate with Development Partner at a 20% working interest in any new leases taken
AMI Leases	Leases secured under the AMI provisions
C	Contingent Resources (1C/2C/3C equivalent to low/most likely/high)
Carry Program	The carried TMS development work program contemplated by the Development Transaction, pursuant to which Development Partner will carry Australis for a 20% working interest
Development Partner	A US listed independent oil and gas company with a multi-billion dollar enterprise value and active onshore development and exploration operations in multiple unconventional US basins
Development Transaction	A transaction executed on 25 November 2025 whereby, among other things, Australis agreed to farm down 80% of its working interest in undeveloped acreage to the Development Partner on conclusion of a carried work program of \$46.25 million and satisfaction of other obligations
EQV	An affiliate of the EQV Group
EUR	Estimated Ultimate Recovery of a well
Excluded Leases	HBP leases that were excluded from the Development Transaction and are retained 100% by Australis
Transaction Leases	These leases are subject to an 80% assignment to the Development Partner if the Development Transaction carry commitments are fully met
Field Netback	Oil and gas sales net of royalties, production and state taxes, inventory movements, hedging gains or losses and field-based production expenses but excludes depletion and depreciation
Finance Transaction	A Transaction closed on 30 December 2025 whereby Australis sold 90% of its working interest in producing TMS wells for US\$16.9 million, subject to customary closing adjustments
HBP	Held by production – within a formed unit a producing well meets all lease obligations within that unit. Primary term remains valid whilst well is on production
Initial Leasing Program	US\$1 million lease program within the AMI under the Development Transaction where Australis is carried by the Development Partner for a 20% working interest
IP30	The average oil production rate over 30 days of production following clean up
Initial Test Well	The first carried well to be drilled under the Development Transaction
Net or NRI	Company beneficial interest after royalties or burdens
Net Acres	Working Interest before deduction of royalties or burdens
NPV(10)	Net Present Value (@ discount rate)
PDNP	Proved Developed Not Producing Reserves
PDP	Proved Developed Producing Reserves

Promoted Leases	The beneficial interest that Australis holds in acreage secured under the carried Initial Leasing Program
Royalty	Interest in a leasehold area providing the holder with the right to receive a share of production associated with the leasehold area
TMS	Tuscaloosa Marine Shale
TMS Core	The Australis designated productive core area of the TMS delineated by production history
TMS Type Curve	The history matched production performance of 15 wells drilled in the TMS by Encana in 2014. Corresponds to an average treated horizontal length of 7,200ft. Refer to the Appendix of the Australis Corporate Presentation
WI	Company beneficial interest before royalties
WTI	West Texas Intermediate oil benchmark price
YE	Year end

Notes

1. See ASX Announcement titled 'TMS Development Partnering and Financing Transactions' released on 26 November 2025 and ASX Announcement titled 'TMS Financing Transaction Completed' released on 31 December 2025.
2. Estimates from the independent Ryder Scott report, effective 31 December 2025 and dated 29 January 2026, which was initially disclosed in the announcement titled 'Quarterly Activities and Annual Reserve Report' issued on 30 January 2026. The report was prepared in accordance with the definitions and disclosure guidelines contained in the Society of Petroleum Engineers (SPE), World Petroleum Council (WPC), American Association of Petroleum Geologists (AAPG), and Society of Petroleum Evaluation Engineers (SPEE) Petroleum Resources Management (SPE-PRMS) as revised in June 2018. Ryder Scott generated their independent reserve and contingent resource estimates using deterministic methods. The achieved price and NPV(10) values quoted are for the project only, they do not include any impact from any oil price hedges that Australis had entered into at that time. Australis is not aware of any new information or data that materially affects the information included in the referenced announcement and all the material assumptions and technical parameters underpinning the estimates in the original announcement continue to apply and have not materially changed.
3. The figures quoted is the rounded arithmetic sum of the 2P reserve and 2C resource estimate as reported in the Ryder Scott reserve report dated 29 January 2026. That report included the following reserve and resource estimates of oil.

	Net Oil Reserves (Mbbbls)		Contingent Oil Resources (Mbbbls)
1P	128	1C	19,709
2P	165	2C	62,156
3P	213	3C	112,498

The 1P, 2P and 3P figures provided are the arithmetic summation by category and are referenced to the individual well oil metering at each producing well location.

The 1C, 2C and 3C figures provided are the arithmetic summation by category.

Forward Looking Statements

This document may include forward looking statements. Forward looking statements include, but are not necessarily limited to, statements concerning Australis' planned operation program and other statements that are not historic facts. When used in this document, the words such as "could", "plan", "estimate", "expect", "intend", "may", "potential", "should" and similar expressions are forward looking statements. Although Australis believes its expectations reflected in these statements are reasonable, such statements involve risks and uncertainties, and no assurance can be given that actual results will be consistent with these forward-looking statements.

Appendix 5B

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

Name of entity

AUSTRALIS OIL & GAS LIMITED

ABN

34 609 262 937

Quarter ended ("current quarter")

30 SEPTEMBER 2026

Consolidated statement of cash flows		Current quarter \$US'000	Year to date (9 months) \$US'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	467	1,892
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	(369)	(1,402)
	(d) staff costs	(727)	(3,321)
	(e) administration and corporate costs	(294)	(1,278)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other – Net leasing and well planning expenditure. Balance recoverable from Development Partner pursuant to carry program	(276)	(311)
	Received on behalf of Operations Partner EQV	28	81
1.9	Net cash (used in) operating activities	(1,171)	(4,339)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-

Consolidated statement of cash flows		Current quarter \$US'000	Year to date (9 months) \$US'000
	(c) property, plant and equipment	(11)	(11)
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	(21)
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (interest received)	112	275
2.6	Net cash from / (used in) investing activities	101	243

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	(2)	(5)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	(2)	(5)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	11,184	14,230
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,171)	(4,339)

Consolidated statement of cash flows		Current quarter \$US'000	Year to date (9 months) \$US'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	101	243
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(2)	(5)
4.5	Effect of movement in exchange rates on cash held	28	11
4.6	Cash and cash equivalents at end of period	10,140	10,140

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 \$US'000	Previous quarter \$US'000
5.1	Bank balances	10,140	11,184
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	10,140	11,184

6.	Payments to related parties of the entity and their associates	Current quarter \$US'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	-
6.2	Aggregate amount 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 <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>	Total facility amount at quarter end \$US'000	Amount drawn at quarter end \$US'000
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	\$US'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(1,171)
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)	(1,171)
8.4 Cash and cash equivalents at quarter end (item 4.6)	10,140
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	10,140
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	9
<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>	
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:	
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:	

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

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:

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: 29 October 2026.....

Authorised by: .. By the Disclosure Committee.....
(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.