H3 Energy Limited

ACN 079 432 796

CLEANSING AND OPTIONS PROSPECTUS

Pursuant to this Prospectus, the Company makes an offer of:

(a) 1,000 Shares at an issue price of $0.005 per Share (**Cleansing Offer**); and

(b) up to 75,000,000 million T2 Placement Options with an exercise price of $0.015 to the T2 Placement Participants on the basis of one T2 Placement Option for every two Shares issued pursuant to the T2 Placement, to be granted for nil consideration (**T2 Placement Option Offer**),

(together, the **Offers**).

The issue of the T2 Placement Options is subject to Shareholder approval at the Company's General Meeting to be held on or around 18 March 2026.

This Prospectus has also been prepared for the purposes of section 708A(11) of the Corporations Act, to remove trading restrictions on the T1 Placement Options and any Shares that may be issued pursuant to the exercise of the T1 Placement Options and the T2 Placement Options prior to the Closing Date.

There is no general offer of securities in the Company offered under this Prospectus.

IMPORTANT NOTICE

This is an important document that should be read in its entirety. This Prospectus is a "transaction specific prospectus" issued in accordance with section 713 of the Corporations Act. In preparing this Prospectus, regard has been had to the fact that the Company is a "disclosing entity" for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

Investment in the New Securities offered under this Prospectus should be considered highly speculative.

If you are in any doubt as to the course you should follow you should consult your stockbroker, solicitor, accountant or other professional adviser.

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1. KEY DATES

Lodgement of Prospectus with ASIC and ASX	5 February 2026
Opening Date	5 February 2026
General Meeting	18 March 2026
Proposed issue of the T2 Placement Options	19 March 2026
Commencement of trading of T2 Placement Options on ASX	20 March 2026
Closing Date	5.00pm (Adelaide time), 15 May 2026

Notes:

All references to time are to the time in Adelaide, South Australia. This timetable is indicative only and subject to change. The Directors may vary these dates, subject to the Listing Rules and the Corporations Act. The Directors also reserve the right not to proceed with the whole or part of the Offers any time before the allotment and issue of the New Shares or T2 Placement Options.

2. IMPORTANT INFORMATION

General

This Prospectus is dated 5 February 2026. A copy of this Prospectus was lodged with ASIC on the same date. Neither ASIC or ASX takes any responsibility for the contents of this Prospectus.

This Prospectus is a "transaction-specific prospectus" for an offer of continuously quoted securities and options to acquire continuously quoted securities (as defined in the Corporations Act) prepared in accordance with section 713 of the Corporations Act, which allows the issue of a concise prospectus in relation to an offer of continuously quoted securities and options to acquire continuously quoted securities, and therefore does not contain the same level of disclosure as a full prospectus. In preparing this Prospectus, regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and their professional advisors. The Prospectus is intended to be read in conjunction with information about the Company which is publicly available and has been notified to ASX.

Prospectus Expiry Date

No securities will be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

Exposure Period

The Company is listed on the ASX and its Shares are quoted on the ASX. Accordingly, no exposure period applies to this Prospectus under the Corporations Act.

Investment Advice

This Prospectus does not take into account your financial circumstances, financial objectives or particular needs (including your financial or taxation issues). Therefore, this Prospectus does not constitute investment advice. You should obtain professional investment advice before subscribing for New Securities under this Prospectus.

No Offer Where Offer Would Be Illegal

This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer. The distribution of this Prospectus (including an electronic copy) outside Australia may be restricted by law. If you come into possession of this Prospectus, you should observe such restrictions and should seek your own advice on such restrictions. Any noncompliance with these restrictions may constitute a violation of applicable securities laws. The Company disclaims all liability to such persons.

Risk Factors

Investors should note that there are a number of risks attached to their investment in the Company (**Risk Factors**). Please refer to Section 8 of this Prospectus for further information on those risks.

These risks, together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of Shares in the future. Accordingly, an investment in the Company should be considered speculative.

Defined Terms

A number of capitalised terms are used in this Prospectus. These terms are defined in Section 13 of this Prospectus. Unless otherwise stated or implied, references to time and currency in this Prospectus are to the time in Adelaide, Australia, and Australian dollars, respectively.

Electronic Prospectus

A copy of this Prospectus can be downloaded from the Company's website at www.h3energy.com.au or ASX's website or at www.asx.com.au (under "H3E"). The Prospectus should be read in conjunction with the Company's continuous and periodic disclosures given to ASX, which are available on the Company's website at www.h3energy.com.au or at ASX's website at www.asx.com.au (under “H2E”). Any person accessing the electronic version of this Prospectus for the purpose of making an investment in the Company must be an Australian resident and must only access this Prospectus from within Australia.

Past Performance

Investors should note that the Company's past performance, including past share price performance, cannot be relied upon as an indicator of (and provides no guidance as to) the Company's future performance including the Company's future financial position or share price performance.

Forward Looking Statements

This Prospectus contains various forward-looking statements which are identified by words such as ‘may’, ‘could’, ‘believes’, ‘estimates’, ‘expects’, ‘intends’ and other similar words that involve risks and uncertainties. Statements other than statements of historical fact may be forward looking statements. The Company believes that it has reasonable grounds for making all statements relating to future matters attributed to it in this Prospectus.

Investors should note that such statements are subject to inherent risks and uncertainties in that they may be affected by a variety of known and unknown risks, variables and other factors, many of which are beyond the control of the Company.

The forward-looking statements in this Prospectus only reflect views held as at the date of this Prospectus. Subject to any continuing obligations under law or the Listing Rules, the Company and its Directors disclaim any obligation to revise or update after the date of this Prospectus any forward-looking statements to reflect any change in the views, expectations or assumptions on which those statements are made. Any forward-looking statement in this Prospectus is qualified by this cautionary statement.

These forward-looking statements are subject to the Risk Factors, which could cause actual results to differ materially from the results expressed or anticipated in these statements. The Risk Factors are set out in Section 8 of this Prospectus.

Target Market Determination

In accordance with the design and distribution obligations under the Corporations Act, the Company has determined the target market for the offer of T2 Placement Options issued under this Prospectus. The Company will only distribute this Prospectus to those investors who fall within the target market determination (**TMD**) as set out on the Company’s website (www.h3energy.com.au). By making an application under the T2 Placement Option Offer, you warrant that you have read and understood the TMD and that you fall within the target market set out in the TMD.

No Representation Other Than In this Prospectus

No person is authorised to give information or to make any representation in connection with this Prospectus or the Offers that is not contained in this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

Enquiries

If you have any questions about this Prospectus or the Offers, please contact:

(i) the Company Secretary, Katlin Smith: at katlin.smith@h3energy.com.au or on +61 8 8232 8800;

(ii) the Share Registry, Computershare Investor Services Pty Ltd, on +61 3 9415 4000, or

(iii) your stockbroker, legal or financial advisor.

3. KEY DETAILS OF THE OFFERS

Size	A maximum of **1,000** New Shares and **75,000,000** T2 Placement Options.
Issue price	$0.005 per New Share. Nil for the T2 Placement Options.
Eligibility to participate in the Offers	• **Cleansing Offer** – the Cleansing Offer is open to investors who are invited by the Company to subscribe for New Shares. • **T2 Placement Options Offer** – the T2 Placement Options Offer is open to T2 Placement Participants only. T2 Placement Participants will be entitled to apply for T2 Placement Options under this Offer, on the basis of one T2 Placement Option for every two Shares subscribed for and issued under the T2 Placement.

Capital structure

Indicative capital structure	
Securities on issue as at the Prospectus Date	
Shares	853,512,677
Convertible Notes	125,000
Options	
• *Existing Options*[1]	441,614,698
• *T2 Placement Options*	-
Securities on issue on completion of the Offers[2]	
Shares	853,513,677
Convertible Notes	125,000
Options	
• *Existing Options*	441,614,698
• *T2 Placement Options*[3]	75,000,000
• *Broker Options*	37,500,000

***Notes**:*

1. *The terms of the existing Options on issue are set out in detail in the Annual Report.*
2. *Assumes that the Offers are fully subscribed, and no further securities in the Company are issued.*
3. *See Section 10 for the terms and conditions of the T2 Placement Options. The issue of the T2 Placement Options is conditional upon (amongst other things) the Shareholder at the General Meeting approving to the issue of the T2 Placement Options.*

4. INVESTMENT OVERVIEW

This Section is intended to highlight key information for potential investors. It is an overview only, and is not intended to replace the Prospectus. Potential investors should read the Prospectus in full before deciding to invest in New Securities.

Key Information	Further Information
Transaction specific prospectus This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with Section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.	
Offers This Prospectus contains an offer of: (a) up to 1,000 Shares to be issued to investors who are invited by the Company to subscribe for shares (**Cleansing Offer**); and (b) up to 75,000,000 T2 Placement Options to be issued to T2 Placement Participants, on the basis of one free-attaching T2 Placement Option for every two Shares subscribed for and issued under the T2 Placement (**T2 Placement Options Offer**), (together, the **Offers**).	
Eligibility The Cleansing Offer is open to investors who are invited by the Company to subscribe for shares and is not open to the general public. The T2 Placement Options Offer is open to T2 Placement Participants only.	Sections 5.2 and 5.3
What is the purpose of the Prospectus? The primary purpose of the Prospectus is to: • make an offer under section 708A(11) of the Corporations Act, to remove trading restrictions on Shares that may be issued on conversion of the T1 Placement Options prior to the Closing Date; • make the offer of T2 Placement Options offered under the T2 Placement Offer; and • ensure that the on-sale of the T2 Placement Options and the Shares issued on conversion of the T2 Placement Options do not breach section 707(3) of the Corporations Act.	Section 5.4

Are the Offers conditional? The T2 Placement Option Offer is conditional on Shareholder approval to their issue at the General Meeting to be held on or around 18 March 2026. The Cleansing Offer is not conditional.	Section 5.3
What are the terms of the T2 Placement Options? The T2 Placement Options will be exercisable at $0.015 each and will expire on 15 May 2027. The full terms of the T2 Placement Options are set out in Section 10.	Section 10
Are the Offers underwritten? The Offers are not underwritten.	-
Use of funds No funds will be raised from the issue of the New Shares or T2 Placement Options offered pursuant to this Prospectus as the Shares offered would raise a token amount of $5.00 and the T2 Placement Options are free-attaching to the T2 Placement Shares issued under the T2 Placement.	Section 3.2
Effect on control of the Company It is not expected that the Offers will have any effect on the control of the Company.	Section 3.4
Effect of the Offers The effect of the Offers on the capital structure is set out below (assuming no other securities in the Company are issued and no existing Options are exercised):	

Indicative capital structure	
Securities on issue as at the Prospectus Date	
Shares	853,512,677
Convertible Notes	125,000
Options	
• *Existing Options*	441,614,698
• *T2 Placement Options*	Nil
Securities on issue on completion of the Offers	
Shares	853,513,677
Convertible Notes	125,000
Options	

• *Existing Options*	441,614,698	Section 7.1
• *T2 Placement Options*	75,000,000	
• *Broker Options*	37,500,000	
The Company does not consider that the Offers will have a material effect on the financial position of the Company. The expenses of the Offers will be met from the Company's existing cash reserves. The Offer will have an effect on the Company's financial position of reducing the cash balance by approximately $37,516. Please refer to Section 11.5 for further details on the estimated expenses of the Offers.		

5. DETAILS OF THE OFFERS

5.1 Background to the Placements

On 29 October 2025, the Company announced to ASX that it had successfully received commitments for a placement of 150,000,000 new Shares to institutional, sophisticated, and professional investors at an issue price of $0.005 per Share to raise $750,000 (before costs) (**T2 Placemen**t). For every two Shares issued under the T2 Placement, each participant will also be entitled to apply (if shareholder approval to their issue is obtained at the General Meeting) for one free attaching option to acquire one fully paid new Share exercisable at $0.015 (**T2 Placement Option**).

The T2 Placement is the second placement made by the Company in 2025, with the first being made in February 2025. That first placement (**T1 Placement**) raised $2 million through the issue of 307,692,309 Shares as well as the issue of 153,846,155 options to subscribe for Shares on the same terms of the T2 Placement Options (**T1 Placement Options**).

5.2 Cleansing Offer

The Company is offering, pursuant to this Prospectus, 1,000 Shares at an issue price of $0.005 each to raise up to $5.00 (before costs) (**Cleansing Offer**). Shares issued under the Cleansing Offer will be issued as fully paid ordinary shares and will rank equally in all respects with the existing Shares on issue.

Refer to Section 9 for a summary of the rights and liabilities attaching to the New Shares under the Cleansing Offer.

Only investors who are invited by the Company to subscribe for shares are eligible to Participate in the Cleansing Offer.

5.3 T2 Placement Options Offer

The Company is offering pursuant to this Prospectus a maximum of 75,000,00 T2 Placement Options, exercisable at $0.015 each and expiring 15 May 2027, on the basis of one free-attaching Option for every two T2 Placement Shares subscribed for and issued under the T2 Placement (**T2 Placement Options Offer**).

The T2 Placement Option Offer is conditional upon the Company obtaining Shareholder approval to issue the T2 Placement Options at the General Meeting. If Shareholder approval is not obtained for the T2 Placement Option Offer, the T2 Placement Options will not be issued.

The T2 Placement Options are otherwise subject to the terms and conditions set out in Section 10.

Based on the number of Shares issued under the T2 Placement, 75,000,000 T2 Placement Options may be issued under the T2 Placement Offer. No funds will be raised from the issue of the T2 Placement Options under this Prospectus.

Shares issued on exercise of the T2 Placement Options will rank equally with the Shares on issue at the Prospectus Date. Please refer to Section 9 for further information regarding the rights and liabilities attaching to the Shares.

Further details concerning the T2 Placement Option Offer are as follows:

(a) ***The Placement Option Offer***

Under this Prospectus, the Company invites participants in the T2 Placement (**T2 Placement Participants**) to apply for one T2 Placement Option for every two Shares subscribed for under the T2 Placement.

(b) ***Offer Price***

Participants in the T2 Placement are being offered the opportunity to acquire T2 Placement Options for nil consideration.

(c) ***Conditional Offer***

As noted above, the T2 Placement Options Offer is subject to Shareholder approval at the General Meeting, and no T2 Placement Options will be issued without such approval.

(d) ***Participation in the T2 Placement Option Offer***

Participation in the T2 Placement Option Offer is optional and is only open to participants in the T2 Placement. Participants may apply for a maximum number of one T2 Placement Option for every two Shares subscribed for by them under the T2 Placement.

The Company reserves the right to reject any Application for T2 Placement Options under this Prospectus to the extent it considers that the Application (whether alone or in conjunction with other Applications) does not comply with these requirements.

(e) ***Underwriting***

TheT2 Placement Option Offer is not underwritten.

(f) ***Variation and termination of the T2 Placement Option Offer***

The Company may modify or terminate the T2 Placement Option Offer at any time including closing the T2 Placement Option Offer early. The Company will notify the ASX of any modification to, or termination of, the T2 Placement Option Offer.

The omission to give notice of any modification to, or termination of, the T2 Placement Option Offer or the failure of ASX to receive such notice will not invalidate the modification or termination.

The Company may settle in any manner it thinks fit, any difficulties, anomalies or disputes which may arise in connection with, or by reason of, the operation of the T2 Placement Option Offer, whether generally or in relation to any participant or Application, and the decision of the Company will be conclusive and binding on all participants and other persons to whom the determination relates.

The Company reserves the right to waive strict compliance with any provision of the terms and conditions of this Prospectus. The powers of the Company under this Prospectus may be exercised by the Directors or any delegate of the Directors.

5.4 Purpose of the Offers

Generally, section 707(3) of the Corporations Act requires that a prospectus is issued in order for a person to whom securities were issued without disclosure under Part 6D of the Corporations Act to on-sell those securities within 12 months of the date of their issue. The Corporations Act provides an exception to section 707(3) where an entity issues a 'cleansing' notice under section 708A(5) within 5 business days of the date of issue of the securities.

As:

(a) the T1 Placement Options issued pursuant to the T1 Placement were not of class quoted on ASX at the time of their issue, no ‘cleansing’ notice was able to be issued in respect of them; and

(b) the Company intends to seek official quotation for the T1 Placement Options at the same time as official quotation of the T2 Placement Options is sought,

the holders of the T1 Placement Options will not, following the quotation of those Options, be permitted to on-sell them until 15 May 2026, being the date which is 12 months after the last day on which they were issued.

Section 708A(11) of the Corporations Act provides another exemption from the general requirement under section 707(3) where:

(a) the relevant securities are in a class of securities of the company that are already quoted on ASX;

(b) a prospectus is lodged with ASIC either:

(i) on or after the day on which the relevant securities were issued but before the day on which the sale offer is made; or

(ii) before the day on which the relevant securities are issued and offers of securities that have been made under the prospectus are still open for acceptance on the day on which the relevant securities were issued; and

(c) the prospectus is for an offer of securities issued by the company that are in the same class of securities as the relevant securities.

The purpose of the Offers is to comply with section 708A(11) of the Corporations Act to remove any trading restrictions on the T1 Placement Options (and any Shares that may be issued upon the exercise of the T1 Placement Options) prior to the Closing Date, so that holders of those T1 Placement Options and Shares may, if they choose to, sell those T1 Placement Options and Shares (as applicable) within 12 months from the date of their issue without the issue of a prospectus.

The Company has also issued this Prospectus for the offer of the T2 Placement Options to T2 Placement Participants and to facilitate secondary trading of the T2 Placement Options to be issued under the Offer as well as the Shares to be issued upon exercise of the T2 Placement Options. Issuing the T2 Placement Options under this Prospectus will enable persons who are issued the T2 Placement Options to on-sell those T2 Placement Options as well as the Shares issued on exercise of the T2 Placement Options pursuant to *ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80*.

Accordingly, the primary purposes of this Prospectus are to:

(a) make the offer of T2 Placement Options offered pursuant to the T2 Placement;

(b) ensure that the on-sale of the T2 Placement Options and the Shares issued on conversion of the T2 Placement Options do not breach section 707(3) of the Corporations Act;

(c) ensure that the on-sale of the T1 Placement Options prior to the Closing Date do not breach section 707(3) of the Corporations Act; and

(d) comply with section 708A(11) of the Corporations Act to remove any trading restrictions on Shares that may be issued on conversion of the T1 Placement Options prior to the Closing Date.

5.5 Opening and Closing Dates

The Company will accept Application Forms from 5 February 2026 (**Opening Date**) until 5.00pm (Adelaide time) on 15 May 2026 or such other date as the Directors in their absolute discretion determine, subject to the requirements of the Listing Rules (**Closing Date**).

The above dates are indicative only and subject to change without notice. The Company may vary these dates, including to close the Offer early, extend the Closing Date or to withdraw the Offer at any time prior to issue of the Securities. If any of the dates are changed, subsequent dates may also change.

You are encouraged to lodge your Application Form as soon as possible after the Opening Date. The Company will accept Application Forms for the Offer from the Opening Date until 5.00pm (Adelaide time) on the Closing Date or such other date as the Directors in their absolute discretion determine, subject to the requirements of the Listing Rules and the Corporations Act.

5.6 ASX listing – New Securities

Application for Official Quotation of all T2 Placement Options and New Shares offered pursuant to this Prospectus will be made within 7 days of the date of this Prospectus. If ASX does not grant Official Quotation of the T2 Placement Options and New Shares offered pursuant to this Prospectus before the expiration of 3 months after the date of issue of the Prospectus (or such period as varied by the ASIC), the Company will not proceed with the Cleansing Offer but will proceed with the issue of the T2 Placement Options, however they will not be listed for trading on ASX.

The fact that ASX may grant Official Quotation is not to be taken in any way as an indication of the merits of the Company or the securities offered pursuant to this Prospectus. ASX takes no responsibility for the contents of this Prospectus.

5.7 CHESS

The Company participates in the Clearing House Electronic Sub-register System, known as CHESS. ASX Settlement Pty Limited, a wholly owned subsidiary of ASX, operates CHESS in accordance with the Listing Rules and the ASX Settlement Operating Rules.

Under CHESS, Applicants will not receive a certificate but will receive a statement of their holding of Securities pursuant to their acceptance of an Offer.

If you elect to hold your New Securities on the CHESS sub-register, ASX Settlement Pty Limited will send you a CHESS statement.

If you elect to hold your Securities on the Issuer Sponsored sub-register, your statement will be despatched by the Share Registry and will contain the number of New Securities issued to you under this Prospectus and your security holder reference number.

The CHESS statement will specify the number of New Securities issued under this Prospectus, provide details of your holder identification number, the participant identification number of the sponsor and the terms and conditions applicable to the New Securities.

A CHESS statement or Issuer Sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their Shareholding changes. Shareholders may request a statement at any other time; however, a charge may be made for additional statements.

5.8 Risk factors

An investment in New Securities should be regarded as speculative. In addition to the general risks applicable to all investments in listed securities, there are certain specific risks associated with an investment in the Company which are detailed in Section 8.

5.9 Taxation implications

The Directors do not consider it appropriate to give Applicants advice regarding the taxation consequences of subscribing for New Shares or T2 Placement Options.

The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Applicants. As a result, Applicants should consult their professional tax adviser in connection with subscribing for New Shares or T2 Placement Options.

5.10 Major activities and financial information

A summary of the major activities and financial information relating to the Company, for the financial year ended 30 June 2025, can be found in the Annual Report. Copies of this document are available free of charge from the Company. The Company's continuous disclosure notices (i.e. ASX announcements) since 30 June 2025 are listed in Section 11.1. The Directors strongly recommend that Applicants review the Annual Report and all other announcements prior to deciding whether or not to participate in the Offers.

The disclosures in this Prospectus take into account that the only offerees are Directors of the Company or their controlled entities.

5.11 Enquiries concerning Prospectus

Enquiries relating to this Prospectus should be directed to the Company by telephone on +61

8 8232 8800 or email at katlin.smith@h3energy.com.au

For general Shareholder enquiries, please contact the Share Registry on 1300 850 505 (within Australia) or +61 3 9415 4000 (international).

6. APPLICATION FOR NEW SHARES OR T2 PLACEMENT OPTIONS

2.1 Application Form

The Cleansing Offer is being extended to investors who are invited by the Company to subscribe for Shares and is not open to the general public. The Company may determine in its discretion whether to accept any or all of the Applications.

Applications must be made using the relevant Application Form attached to or made available with a copy of this Prospectus. The Application Form must be completed in accordance with the instructions set out on the form. To the maximum extent permitted by law, the Directors will have discretion over which Applications to accept.

If the number of New Securities subscribed for under any Offer is more than the number of New Securities to which the Applicant is entitled under that Offer, the Company reserves the right to return the Application Form and not issue any New Securities to the Applicant or to accept it in respect of a lesser number of New Securities.

If you are in doubt as to the course of action, you should consult your suitably qualified professional advisor.

Completed Application Forms must be received by the Company prior to the Closing Date. Application Forms should be delivered in accordance with the instructions contained in the Application Form.

2.2 Acceptance of Application

Acceptance of a completed Application Form by the Company creates a legally binding contract between the Applicant and the Company for the number of New Securities accepted by the Company. The Application Form does not need to be signed to be a binding acceptance of New Securities under an Offer. If the Application Form is not completed correctly it may still be treated as valid. The Directors' decision as to whether to treat the acceptance as valid and how to construe, amend or complete the Application Form, is final.

By completing and returning an Application Form, Applicants will be deemed to have represented and warranted on behalf of themselves or each person on whose account they are acting, that the law in their place of residence and/or where they have been given the Prospectus does not prohibit them from being given the Prospectus and that they:

(a) agree to be bound by the terms of the applicable Offer;

(b) declare that all details and statements in the Application Form are complete and accurate;

(c) declare that they are over 18 years of age and have full legal capacity and power to perform all their rights and obligations under the Application Form;

(d) authorise the Company and its respective officers or agents, to do anything on their behalf necessary for the Securities to be issued to them, including to act on instructions of the Company's Share Registry upon using the contact details set out in the Application Form;

(e) acknowledge that the information contained in, or accompanying, the Prospectus is not investment or financial product advice or a recommendation that the New Securities are suitable for them given their investment objectives, financial situation or particular needs;

(f) acknowledge that the New Securities have not, and will not be, registered under the securities laws in any other jurisdictions outside Australia; and

(g) in the case of T2 Placement Options, meet the eligibility criteria of the expected target market for the T2 Placement Options outlined in the TMD, a copy of which can be accessed at the Company's website (www.h3energy.com.au).

7. EFFECT OF THE OFFERS

7.1 Capital structure on completion of the Offers

The principal effects of the Offers, assuming all New Shares and T2 Placement Options offered under this Prospectus are issued, will be to:

(a) increase the number of Shares on issue by a maximum of 1,000 Shares; and

(b) increase the number of Options currently on issue by a maximum of 75,000,000 Options.

Application will be made for these Shares and T2 Placement Options to be quoted on ASX, creating a new class of quoted Options.

Assuming that no further Shares and Options are issued and none of the existing Options are converted, the effect of the Offers on the Company's issued capital as at the Prospectus Date is as shown in the following table:

Indicative capital structure	
Securities on issue as at the Prospectus Date	
Shares	853,512,677
Convertible Notes	125,000
Options	
• *Existing Options*[1]	441,614,698
• *T2 Placement Options*	Nil
Securities on issue on completion of the Offers[2]	
Shares	853,513,677
Convertible Notes	
Options	
• *Existing Options*	441,614,698
• *T2 Placement Options*[3]	75,000,000
• *Broker Options*[4]	37,500,000

***Notes**:*

1. *The terms of the existing Options on issue are set out in detail in the Annual Report*
2. *Assumes that the Offers are fully subscribed, and no further securities in the Company are issued.*
3. *See Section 5.2 for the terms and conditions of the T2 Placement Options. The issue of the T2 Placement Options is conditional upon (amongst other things) the Shareholders approving their issued at the General Meeting.*
4. *These Options are being issued to the Lead Manager for its services provided in connection with the Placement. See Section 11.5.*

7.2 Use of funds

No funds will be raised from the issue of the New Shares and T2 Placement Options pursuant to this Prospectus as:

(a) the issue of the New Shares pursuant to this Prospectus would raise a token amount of $5.00; and

(b) the T2 Placement Options issued pursuant to this Prospectus are free-attaching to the T2 Placement Shares issued under the T2 Placement.

The following indicative table sets out the proposed use of funds raised from the T2 Placement and any funds raised from the exercise of the T2 Placement Options:

Proposed use of funds	$	%
Warro Work program	30,000	4%
Rickerscote Work Program	286,000	38%
Working capital and general operations and corporate purposes	413,000	54.9%
Costs of the Offers	23,202	3.1%
	752,202	100%

The above is a statement of current intentions at the Prospectus Date. Intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way the funds are applied on this basis.

The application of any funds from the exercise of T2 Placement Options will depend on when T2 Placement Options are exercised and the status of the Company's projects and requirements at the relevant time.

7.3 Substantial Shareholders

Based on available information as at the date of this Prospectus, those persons which together with their associates have a voting power in 5% or more of the Shares on issue are set out below:[1]

Substantial Shareholders	Number of shares	Voting power[3]
10 Bolivianos Pty Ltd		7.3%
JCR Investments Co Pty Ltd		5.41%

7.4 Effect of the Offer on control of the Company

The Company is of the view that the Offer will not affect the control (as defined by section 50AA of the Corporations Act) of the Company. No new investor or existing Shareholder will gain or increase a voting power greater than 20% as a result of the completion of the Offer.

7.5 Financial effect of the Offer

Please refer to Section 11.5 for further details on the estimated expenses of the Offers.

8. INVESTMENT RISKS

8.1 Introduction

The New Securities offered under this Prospectus are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors to consider the risk factors described below, together with information contained elsewhere in this Prospectus and to consult their professional advisers before deciding whether to apply for New Securities pursuant to this Prospectus.

There are specific risks which relate directly to the Company's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this Section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the New Securities.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

8.2 Risks specific to the Company

(a) ***Exploration and appraisal activities***

Potential investors should understand that subsurface exploration and development are high-risk undertakings. There can be no assurance that exploration and appraisal of the Company's projects, or any other permits or tenure rights that may be acquired in the future, will result in the discovery and development of an economic gas resource or reserve. Even if an apparently viable resource is identified, there is no guarantee that it can be economically exploited. The future exploration and appraisal activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, native title process, changing government regulations and many other factors beyond the control of the Company. The success of the Company will also depend upon the Company having access to sufficient development capital, being able to maintain title to its tenure rights and obtaining all required approvals for its activities. In the event that exploration and appraisal programs prove to be unsuccessful this could lead to a diminution in the value of its permits, a reduction in the case reserves of the Company and possible relinquishment of the tenure rights. The exploration and appraisal costs of the Company are based on certain assumptions with respect to the method and timing of exploration and appraisal. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.

(b) ***Potential acquisitions***

As part of its business strategy, the Company may make acquisitions of, or significant investments in, complementary companies, projects, blocks or prospects and make asset divestments. Any such transactions would be accompanied by the risks commonly encountered in making such acquisitions and any divestment activity could result in realising values less than fair value.

(c) ***Title of permits***

The Company's title to its various projects are regulated by the relevant petroleum laws applying in the place of their location and are typically evidenced by the granting of licences, permits or contracts. Each licence, permit or contract is typically for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could lose title to, or its interest in, these assets if the imposed conditions are not met or if insufficient funds are available to meet expenditure commitments.

(d) ***Additional requirements for capital***

The Company's capital requirements depend on numerous factors. If the Company identifies a new opportunity in which it wishes to invest, the Company is likely to have insufficient funds to pursue the acquisition of such an interest without the raising of further funds (either through equity or debt or a combination of both).

There can be no assurance that such funding will be available on satisfactory terms or at all. Any inability to obtain finance will adversely affect the business and financial condition of the Company and its performance. Existing shareholders may be diluted if additional funds are raised by equity securities.

8.3 Reliance on key personnel

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees ceases their employment with the Company.

8.4 Industry specific

(a) ***Hydrocarbon reserve estimates***

Hydrocarbon reserve estimates are expressions of judgment based on knowledge, experience, interpretation and industry practice. Estimates that were valid when made may change significantly when new information becomes available. In addition, reserve estimates are necessarily imprecise and depend to some extent on interpretations, which may prove inaccurate. Should the Company encounter gas deposits or formations that are different from those predicted by past drilling, sampling and similar examinations, then reserve estimates may have to be adjusted and production plans may have to be altered in a way which could adversely affect the Company's operations. Where possible, the Company will seek to have any such estimates verified or produced by an independent party with sufficient expertise in their chosen field.

Subsurface exploration, production and related operations are subject to extensive rules and regulations promulgated by federal, state and local agencies. Failure to comply with such rules and regulations can result in substantial penalties. The regulatory burden on the gas industry increases the cost of doing business and affects profitability. Because such rules and regulations are frequently amended or reinterpreted, the Company is unable to predict the future cost or impact of complying with such laws.

(b) ***Farm in partners and contractors***

Subsurface ventures are typically operated under a farm in and/or joint venture arrangements. These arrangements include provisions that often require certain decisions relating to the projects to be passed with unanimous or majority approval of all participants. Where a venture partner does not act in the best commercial interest of the project, it could have a material adverse effect on the interests of the Company.

The Company is unable to predict the risk of:

- financial failure, non-compliance with obligations or default by a participant in any venture to which the Company is, or may become, a party; or
- insolvency or other managerial failure by any of the contractors used by the Company in any of its activities; or
- insolvency or other managerial failure by any of the other service providers used by the Company for any activity,
- all of which could have a material adverse effect on the operations and financial performance of the Company

(c) ***Drilling***

Subsurface drilling activities are subject to numerous risks, many of which are beyond the Company's control. The Company's drilling operations may be curtailed, delayed or cancelled due to a number of factors including weather conditions, mechanical difficulties, shortage or delays in the availability or delivery of rigs and/or other equipment and compliance with governmental requirements. Hazards incident to the exploration and development of gas properties such as unusual or unexpected formations, pressures or other factors are inherent in drilling and operating wells and may be encountered by the Company. Completion of a well does not assure a profit on the investment or recovery of drilling, completion and operating costs.

(d) ***Insurance***

The Company seeks to maintain appropriate policies of insurance consistent with those customarily carried by organisations in their industry sector. Any increase in the cost of the insurance policies of the Company or the industry in which they operate could adversely affect the Company's business, financial condition and operational results. The Company's insurance coverage may also be inadequate to cover losses it sustains. Uninsured loss or a loss in excess of the Company's insured limits could adversely affect the Company's business, financial condition and operational results.

(e) ***Environmental***

The Company will be subject to environmental laws and regulations with operations. The Company intends to conduct its activities in an environmentally responsible manner and in accordance with all applicable laws. However, the Company may be the subject of accidents or unforeseen circumstances that could subject the Company to extensive liability.

Further, the Company may require approval from the relevant authorities before it can undertake activities that are likely to impact the environment. Failure to obtain such approvals may prevent the Company from undertaking its desired activities. The Company is unable to predict the effect of additional environmental laws and regulations that may be adopted in the future, including whether any such laws and regulations would materially increase the Company's cost of doing business or affect its operations in any area.

(f) ***Contractual disputes***

The Company's business model is dependent in part on contractual agreements with third parties that have an interaction with the Company's target market. The Company is aware that there are associated risks when dealing with third parties including but not limited to insolvency, fraud and management failure. Should a third party contract fail, there is the potential for negative financial and brand damage for the Company.

8.5 **General risks**

(a) ***Economic & political***

General economic conditions, introduction of tax reform, new legislation, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's activities, as well as on its ability to fund those activities.

Adverse changes in the general economic and political climate in Australia and on a global basis that could impact on economic growth, gas prices, interest rates, the rate of inflation, taxation and tariff laws and domestic security, which may affect the viability of any gas activity that may be conducted by the Company upon its projects.

(b) ***Market conditions***

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- general economic outlook;
- introduction of tax reform or other new legislation;
- interest rates and inflation rates;
- changes in investor sentiment toward particular market sectors;
- the demand for, and supply of, capital; and
- terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and industrial stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(c) ***Litigation***

The Company is exposed to the risk of actual or threatened litigation or legal disputes in the form of customer claims, intellectual property claims, personal injury claims, employee claims and other litigation and disputes. If any claim was successfully pursued it may adversely impact the financial performance, financial position, cash flow and share price of the Company.

As at the date of this Prospectus, the Company is not aware of any pending litigation.

8.6 Investment risk

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the New Securities offered under this Prospectus.

Therefore, the New Securities to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those New Securities.

Potential investors should consider that the investment in the Company is highly speculative and should consult their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

9. RIGHTS AND LIABILITIES ATTACHING TO NEW SHARES

The following is a summary of the more significant rights attaching to the New Shares. **This summary is not exhaustive** and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights attaching to Shares are set out in the Company's Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

Ordinary shares

The New Shares to be issued under this Prospectus will rank equally with the existing fully paid ordinary Shares on issue in the Company. The rights attaching to Shares are set out in the Company's Constitution and, in certain circumstances, are regulated by the Corporations Act, the Listing Rules and general law.

General meetings

Shareholders are entitled to be present in person or by proxy, attorney or representative to attend and to vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution.

Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at general meetings of Shareholders or of classes of Shareholders:

(a) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;

(b) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and

(c) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each Share held by that person or in respect of which the person is appointed proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid Shares shall have a fraction of a vote equivalent to the proportion which the amount paid up bears to the total issue price for the Share.

Dividend rights

The Board may from time to time declare and pay or credit a dividend in accordance with the Corporations Act. Subject to any special right as to dividends attaching to a Share, all dividends will be declared and paid according to the proportion of the amount paid on the Share to the total amount payable in respect of the Shares (but any amount paid during the period in respect of which a dividend is declared only entitles the Shareholder to an apportioned amount of that dividend as from the date of payment). The Directors may from time to time pay or credit to Shareholders such interim dividends as they may determine. No dividends shall be payable except out of profits. A determination by the Board as to the profits of the Company shall be conclusive. No dividend shall carry interest as against the Company.

The Board may from time to time grant to Shareholders or to any class of Shareholders the right to elect to reinvest cash dividends paid by the Company by subscribing for Shares on such terms and conditions as the Directors think fit. The Directors may at their discretion resolve, in respect of any dividend which it is proposed to pay or to declare on any Shares, that holders of such Shares may elect to forgo their right to the whole or part of the proposed dividend and to receive instead an issue of Shares credited as fully paid to the extent and on the terms and conditions provided for in the Constitution. The Directors may set aside out of the profits of the Company such amounts as they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may properly be applied.

Winding-up

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he or she considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any Shares or other securities in the Company in respect of which there is any liability.

Transfer of Shares

Generally, Shares are freely transferable, subject to formal requirements, and so long as the registration of the transfer will not result in a contravention of or failure to observe the provisions of a law of Australia, including the Corporations Act and the Listing Rules.

Variation of rights

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of at least three quarters of the issued shares of that class or, if authorised by a special resolution passed at a separate meeting, of the holders of the shares of that class.

10. TERMS OF T2 PLACEMENT OPTIONS

The T2 Placement Options entitle the holder to subscribe for Shares on the following terms and conditions:

(a) Entitlement

Each T2 Placement Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) Exercise Price

Subject to paragraph (i) the amount payable upon exercise of each T2 Placement Option will be A$0.015 (**Exercise Price**)

(c) Expiry Date

Each T2 Placement Option will expire at 5:00 pm AEST on 15 May 2027(**Expiry Date**). A T2 Placement Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) Exercise Period

The T2 Placement Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) Notice of Exercise

The T2 Placement Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the T2 Placement Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each T2 Placement Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) Exercise Date

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each T2 Placement Option being exercised in cleared funds (**Exercise Date**).

(g) Timing of issue of Shares on exercise

Within 5 Business Days after the Exercise Date, the Company will:

(i) issue the number of Shares required under these terms and conditions in respect of the number of T2 Placement Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;

(ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

(iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the T2 Placement Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) Shares issued on exercise

Shares issued on exercise of the T2 Placement Options rank equally with the then issued shares of the Company.

(i) Reconstruction of capital

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

11. ADDITIONAL INFORMATION

11.1 Continuous disclosure obligations

The Company is a "disclosing entity" (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose to the market any information it has which a reasonable person would expect to have a material effect on the price or the value of the Company's securities. The New Securities that will be issued pursuant to this Prospectus will be in the same class of Shares that have been quoted on the official list of ASX during the 12 months prior to the issue of this Prospectus.

In general terms, "transaction specific prospectuses" are only required to contain information in relation to the effect of the issue of securities on the Company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

Other than as set out below, and having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 12 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

The Company confirms that, to the extent to which it is reasonable for investors and their professional advisers to expect to find information in this Prospectus, there is no information:

(a) that has been excluded from a continuous disclosure notice in accordance with ASX Listing Rules; and

(b) is information that investors and their professional advisors would reasonably expect and reasonably require for the purpose of making an informed assessment of:

   (i) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and

   (ii) the rights and liabilities attaching to the New Securities being offered.

   Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act, states that:

(c) it is subject to regular reporting and disclosure obligations;

(d) copies of documents lodged with ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of ASIC; and

(e) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:

   (i) the annual financial report most recently lodged by the Company with ASIC;

   (ii) any half year financial report lodged with ASIC by the Company after the lodgement of the annual financial report referred to in paragraph (i) and before the lodgement of this Prospectus with ASIC; and

   (iii) any documents used to notify ASX of information relating to the Company during that period in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act.

For details of documents lodged with ASX since 30 September 2025, being the date of lodgement of the Company's latest annual financial report refer to the table set out below.

Date	Description of Announcement
5/2/26	Updated Image Log identifies 11 targets in Warro 3
30/1/26	Quarterly Activities/Appendix 5B Cash Flow Report
29/1/26	Becoming a substantial shareholder
23/12/2025	Domestic gas shortage strengthens Warro's value to WA
18/12/2025	Change of Company Name & Code
17/12/2025	Technical evaluation enhances commercial potential of Warro
10/12/2025	Soil Gas Survey Results at Rickerscote & on PELs 253 & 81
8/12/2025	Change of Directors Interest Notice - RK
8/12/2025	Appointment of Chief Executive Officer
4/12/2025	Notification regarding unquoted securities – Appendix 3G
3/12/2025	Proposed issue of securities – Appendix 3B
3/12/2025	Notification of cessation of securities – Appendix 3H
28/11/2025	Results of Meeting
28/11/2025	AGM Presentation
28/11/2025	Chair's Address to Shareholders
24/11/2025	WBE accelerates studies for the Warro Gas Field
7/11/2025	Cleansing Notice - Placement
7/11/2025	Application for quotation of securities – Appendix 2A
31/10/2025	Quarterly Activities/Appendix 5B Cash Flow Report
30/10/2025	Investor Webinar
29/10/2025	Notice of Annual General Meeting/Proxy Form - Update
29/10/2025	Notice of Annual General Meeting/Proxy Form
29/10/2025	Appendix 4G and Corporate Governance Statement
29/10/2025	Annual Report to shareholders
29/10/2025	Investor Webinar
29/10/2025	Proposed issue of securities – Appendix 3B
29/10/2025	Proposed issue of securities – Appendix 3B
29/10/2025	Proposed issue of securities – Appendix 3B
29/10/2025	Re-evaluation of Warro Gas Field Confirms New Gas Zones
27/10/2025	Trading Halt
27/10/2025	Pause in Trading
22/10/2025	Presentation - The Hydrogen Potential of the Officer Basin

ASX maintains files containing publicly available information for all listed companies. The documents listed above are available through the Company's website or on the Company's ASX announcements page.

11.2 Directors' interests

Other than as set out below or elsewhere in this Prospectus, no Director (or proposed Director) nor any organisation in which such a Director is a partner or director, has or had within 2 years before the lodgement of this Prospectus with ASIC any interest in:

(a) the promotion or formation of the Company;

(b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the offer of New Securities pursuant to this Prospectus; or

(c) the offer of New Securities pursuant to this Prospectus,

and no amounts have been paid or agreed to be paid (in cash, Shares, Options or otherwise) to any Director or to any organisation in which any such Director is a partner or director, either to induce him to become, or to qualify him as, a Director or otherwise for services rendered by him or by the firm in connection with the promotion or formation of the Company.

AE Advisors (of whom Mr Mark Lindh is a Director) acted as the Lead Manager to the T2 Placement. Details of the amounts paid, and the Options agreed to be issued, to AE Advisors for acting as the Lead Manager for the T2 Placement are detailed in Section 11.5 below.

Directors' fees

The Directors are entitled to receive directors' fees for their services to the Company. In respect of the financial year ending 30 June 2025, the Company has agreed to pay annual fees to the Directors as set out below:

Director	Position	Base remuneration
Mark Lindh	Chairman	$65,000
Giustino Guglielmo	Non-Executive Director	$50,000
Rosalind Archer	Non-Executive Director	$50,000
Richard King*	Non-Executive Director	$50,000

*Notes: * Appointed 26 May 2025.*

Directors' security holdings

The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus is set out in the table below:

Director	Shares	Options*
Mark Lindh**	17,302,051	5,419,263
Giustino Guglielmo	7,799,986	10,000,000
Rosalind Archer	-	-
Richard King***	5,572,827	23,347,276

*Notes: * Calculated on the Company's share capital as at the date of this Prospectus.*

*** Shares and options held in the name of Chesser Nominees Pty Ltd of which Mark Lindh is a Director. Chesser Nominees Pty Ltd applied for 20,000,000 Shares under the T2 Placement and will be entitled to apply for 10,000,000 T2 Placement Options under the T2 Placement Option Offer.*

****Shares and options held in the name Dubwell Pty Ltd ATF Wexford & Waterford Trust. Richard King is a Director of Dubwell Pty Ltd and a beneficiary of the Wexford & Waterford Trust.*

11.3 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, all persons named in this Prospectus as having performed a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus, do not have, and have not had in the 2 years before the date of this Prospectus any interest in:

(a) the promotion or formation of the Company;

(b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the offer of New Securities pursuant to this Prospectus; or

(c) the offer of New Securities pursuant to this Prospectus;

and no amounts have been paid or agreed to be paid (in cash, Shares, Options or otherwise) to any expert or to any firm in which any such expert is a partner, either to induce the person to become or to qualify the person as an expert or otherwise for services rendered by the person or by the firm in connection with the promotion or formation of the Company or the Offers.

11.4 Consents

The following consent has been given in accordance with the Corporations Act and has not been withdrawn as at the date of lodgement of this Prospectus with ASIC.

Computershare Investor Services Pty Ltd has given its written consent to being named as share registry to the Company and have not withdrawn their consent prior to lodgement of this Prospectus with ASIC.

Computershare Investor Services Pty Ltd has not authorised or caused the issue of this nor accepts any liability to any persons in respect of any false or misleading statement in, or omission from, any part of this Prospectus.

11.5 Estimated expenses of the Offer

The estimated expenses of the Offers are as follows:

Expenses*	$
ASIC fees	$3,206
ASX fees**	$20,310
Legal expenses	$12,000
Lead Manager Fees***	$0
Miscellaneous expenses	$2,000
Total	**$37,516**

Notes: * The above fees do not include GST, if payable.

** This estimate is based on the issue of the maximum amount of New Securities offered under this Prospectus as well as the issue of the T2 Placement Shares.

*** The Lead Manager is Adelaide Equity Partners Limited T/A AE Advisors (**AE**) of whom Mr Lindh is a Director. While AE received no fees in connection with the provision of its services in connection with the T2 Placements, AE (or its nominee) will be entitled to be issued 37,500,000 Options on the same terms as the T2 Placement Options for the provision of those services, subject to the Company's shareholders approving the issue of those Options at the General Meeting.

11.6 Market price of Shares

The highest and lowest market closing prices of the Shares on the ASX during the three months immediately preceding the date of the announcement of the Offers under this Prospectus and the respective dates of those sales were:

	Price	Date
Highest	$0.01	29 October 2025, 12 and 14 November 2025, 28 January 2026
Lowest	$0.003	15 September 2025

11.7 Privacy

By completing an Application Form to apply for New Securities under the Offers, you are providing personal information to the Company and the Share Registry.

The Company, and the Share Registry on its behalf, collect, hold and use that personal information in order to process your Application, service your needs as a Shareholder or Optionholder, provide facilities and services that you request and carry out appropriate administration. If you do not provide the information requested in the Application Form, the Company and the Share Registry may not be able to process or accept your Application.

Your personal information may also be used from time to time to inform you about other products and services offered by the Company which it considers may be of interest to you. Your personal information may also be provided to the Company's agents and service providers on the basis that they deal with such information in accordance with the Company's privacy policy. The Company's agents and service providers may be located outside Australia where your personal information may not receive the same level of protection as that afforded under Australian law. The types of agents and service providers that may be provided with your personal information and the circumstances in which your personal information may be shared are:

- the Share Registry for ongoing administration of the shareholder and optionholder registers;
- printers and other companies for the purpose of preparation and distribution of statements and for handling mail;
- market research companies for the purpose of analysing the Company's shareholder and optionholder base and for product development and planning; and
- legal and accounting firms, auditors, contractors, consultants and other advisers for the purpose of administering, and advising on, the New Securities and for associated actions.

You may request access to your personal information held by (or on behalf of) the Company. You may be required to pay a reasonable charge to the Share Registry in order to access your personal information. Access requests must be made in writing or by telephone call to the Company's registered office or the Share Registry's office, details of which are disclosed in the Corporate Directory.

The Corporations Act requires the Company to include information about security holders (including name, address and details of securities held) in its public register. The information contained in the Company's public register must remain there, even if that person ceases to be a security holder. Information contained in the Company's public register is also used to facilitate distribution of payments and corporate communications (including financial results, annual reports and other information that the Company may elect to utilise to communicate with its security holders) and compliance by the Company for legal and regulatory requirements. For instance, in certain circumstances details of security holder's names and holdings must be disclosed by the Company in its annual reports.

11.8 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

11.9 Governing law

The information in this Prospectus, the Offers, and the contracts formed on acceptance of the Application Form are governed by the law applicable in South Australia, Australia. Any person who applies for New Securities under the Offers submits to the non-exclusive jurisdiction of the courts of South Australia, Australia

The terms and conditions set out in this Prospectus prevail to the extent of any inconsistency with the Application Form.

12. DIRECTORS' CONSENT

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with sections 351 and 720 of the Corporations Act, each Director has consented in writing to the lodgement of this Prospectus with ASIC.

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Mark Lindh

Chairman

Dated: 5 February 2026

13. DEFINITIONS

In this Prospectus:

Annual Report means the Company's annual financial report for the year ended 30 June 2025.

Applicant means a person who submits an Application Form pursuant to this Prospectus.

Application means an application for New Securities under the Offers by way of the Company's receipt of a duly completed Application Form.

Application Form means an application form accompanying this Prospectus on which an Application for New Securities may be made by invited persons or T2 Placement Participants (as applicable).

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691), or the financial market operated by it, as the context requires, of 20 Bridge Street, Sydney, NSW 2000.

ASX Listing Rules or **Listing Rules** means the official listing rules of the ASX and any other rules of the ASX which are applicable while the Company is admitted to the Official List of the ASX, as amended or replaced from time to time, except to the extent of any express written waiver by the ASX.

ASX Settlement means ASX Settlement Pty Limited ACN 008 504 532.

ASX Settlement Operating Rules means ASX Settlement Operating Rules of ASX Settlement.

A$**, **$, **dollar** or **cents** means Australian currency, unless otherwise specified.

Board or **Board of Directors** means the board of Directors of the Company as at the date of this Prospectus.

Business Day means a day on which trading takes place on the stock market of ASX.

Chairman means the Chairman of the Board of Directors.

CHESS means the Clearing House Electronic Sub-register System.

Closing Date means the closing date for receipt of Applications under this Prospectus as set out in Sections 1 and 5.5 of this Prospectus.

Company means H3 Energy Limited ACN 079 432 796.

Constitution means the Company's Constitution as at the date of this Prospectus.

Corporations Act means the *Corporations Act* 2001 (Cth) as amended or replaced from time to time.

Directors means directors of the Company at the date of this Prospectus.

Expiry Date means the expiry date of the T2 Placement Options offered under this Prospectus.

General Meeting means the general meeting of the Company to be held on or about 18 March 2026, and at which (among other things) approval will be sought to issue the T2 Placement Options offered under this Prospectus.

Group means the Company and its subsidiaries.

HIN or **Holder Identification Number** means the number issued to identify a holder's registration on the CHESS Subregister.

H3 Energy means the Company.

Lead Manager means the lead manager to the T2 Placement, being Adelaide Equity Partners Limited trading as AE Advisors.

New Securities means the New Shares and/or T2 Placement Options offered pursuant to this Prospectus.

New Shares means the new Shares offered under the Cleansing Offer.

Offers means each the Cleansing Offer and T2 Placement Option Offer on the terms set out in this Prospectus.

Official Quotation or **Official List of ASX** means official quotation on ASX.

Opening Date means the opening date for receipt of Application Forms under this Prospectus, as set out in Sections 1 and 5.5 of this Prospectus.

Option means an option to acquire a Share on payment of the applicable exercise price.

Prospectus means this prospectus dated 5 February 2026 and lodged with ASIC, including any supplementary or replacement prospectus in relation to this prospectus.

Prospectus Date means date of this Prospectus.

Prospectus Expiry Date means the date being 13 months after the date on which this Prospectus was lodged with ASIC.

Register means the register of all Shareholders maintained by the Share Registry.

Related Party has the meaning given to it in section 228 of the Corporations Act.

Risk Factors means the risks attached to an investment in the Company, as further detailed in Section 8.

Share means a fully paid ordinary share in the capital of the Company.

Share Registry means Computershare Investor Services Pty Ltd.

Shareholder means a person holding a Share.

T1 Placement means the Company's institutional and sophisticated investor placement announced on 5 February 2025.

T1 Placement Options means the free Options offered under the T1 Placement and which are on the same terms as the T2 Placement Options.

T2 Placement means the Company's institutional and sophisticated investor placement announced on 29 October 2025.

T2 Placement Option Offer means the offer of Options to T2 Placement Participants.

T2 Placement Options means the new Options to be issued under the T2 Placement Option Offer made pursuant to this Prospectus, the terms of which are set out in Section 10 of this Prospectus.

T2 Placement Participant means a participant in the Company's T2 Placement.

Voting Power has the meaning given to it in section 610 of the Corporations Act.

14. CORPORATE DIRECTORY

Directors

Mark Lindh - Chairman

Giustino Guglielmo - Non-Executive Director

Rosalind Archer - Non-Executive Director

Richard King - Non-Executive Director

Company Secretary

Katlin Smith

Registered Office

Level 12, 50 Pirie Street,
Adelaide SA 5000

ASX Code

H3E

Share Registry*

Computershare Investor Services Pty Ltd
Level 11, 172 St George Terrace,
Perth WA 6000

*This party has been included for information purposes only. They have not been involved in the preparation of this Prospectus.