31 July 2026

A S X   A N N O U N C E M E N T

Quarterly Activities Report
For the Quarter ending 30 June 2026

Highlights

- **Farmout processes advanced on both flagship assets - multiple parties are now working in the Warro (Perth Basin) data room, with significant interest also received in Alinya (Officer Basin).**
- **Velseis completed the Warro 3D Pre Stack Time Migration (PSTM) stack, delivering a significant improvement on the legacy imaging.**
- **The reprocessed volume is a key step on the path to commercialisation and is being provided to third parties currently evaluating the asset for farm-in.**
- **Detailed drilling and reservoir engineering studies on the Warro Field are 50% complete with inGauge Engineering. Results to date are encouraging, with completion expected by October 2026.**
- **Tranche 2 of the placement completed, raising A$1.9 million (before costs) and leaving H3E in a strong financial position to deliver its work programs.**

H3 Energy Limited (ASX:H3E, H3 Energy or the Company) is pleased to present its Quarterly Activities Report for the 3 months ending 30 June 2026 (period or quarter).

Officer Basin – South Australia

The Company continued to work with LAB Energy Advisors Ltd on the farm-out of its flagship Alinya project, which is drawing strong interest from the global investment community across both the hydrocarbon and hydrogen/helium potential of the Project.

The Company also continued its review of the broader hydrogen and helium potential across PEL 81 and PEL 253. Early indications show the Alinya Formation and Pindyin Reservoir extending to the east, increasing the prospectivity of the Milford and Milford East structures.

Warro Gas Project – Western Australia

During the period, H3 Energy continued its comprehensive technical re-evaluation of the Warro Gas Field aimed at improving the understanding of reservoir behaviour and commercial development potential.

A key milestone was achieved in the Warro 3D reprocessing project with the PSTM workflow having now been completed and the Pre Stack Depth Migration ("PSDM") processing about to commence. The project is supported by a $50,000 EIS grant that was awarded to the company by the Department of Mines, Energy and Exploration through the Exploration Incentive Scheme (EIS) in April 2026 (ASX announcement 4 May 2026).

The next phase of evaluation is underway on the engineering front, with detailed drilling and reservoir engineering work assessing how best to access the Phase 1 targets in the most cost-effective way. The design of an appraisal campaign capable of definitively testing the commercial potential of the reservoir will be the key deliverable from this work and is expected to be completed by October 2026.

Corporate

Financials

H3 Energy held a cash balance of A$0.9 million as at 30 June 2026. Payments to related parties of the entity and their associates totalled $69,499.68 (inclusive of GST) during the period. This includes payment of $16,500 to AE Advisors (a related party of Mr Mark Lindh, Chairman) in respect of corporate advisory fees and a total of $52,999.68 to Directors in respect of director fees.

Subsequent to the end of the quarter, the Company completed Tranche 2 of its placement, raising A$1.9 million (before costs). Together with the cash balance above, this leaves H3 Energy with approximately A$2.63m in cash at July 18; well-funded to progress the Warro appraisal planning and the Alinya farm-out process.

Outlook

- Complete the in-depth engineering analysis on Warro and formulate a detailed, costed intervention plan.
- Secure a farm-out partner for the Warro gas field.
- Secure a farm-out partner for the Rickerscote-1 well in the Officer Basin.
- Secure an extension to the RL7 Retention Lease.

Chairman's Statement

The June quarter was a period of continued momentum for H3 Energy as the Company took meaningful steps to advance both the commercialisation pathway for the Warro Gas Field and strategic partnership discussions for the flagship Alinya project in the Officer Basin.

At the Warro Gas Field in Western Australia, the Company reached a key milestone in its 3D seismic reprocessing programme, with Velseis completing the Pre Stack Time Migration stack, a significant improvement on the legacy imaging, and more processing about to commence. The reprocessed volume is already with third parties assessing the asset for farm-in. Building on Phase 1 of the technical re-evaluation, detailed drilling and reservoir engineering with inGauge Engineering is now approximately 50% complete and will deliver the design of an appraisal campaign capable of definitively testing the commercial potential of the reservoir by October 2026.

In South Australia, the farm-out of our flagship Alinya project continued to advance with LAB Energy Advisors, attracting strong interest from the global investment community in both the hydrocarbon and the hydrogen/helium potential of the acreage. Our review of the broader hydrogen and helium potential across PEL 81 and PEL 253 also progressed, pointing to increased prospectivity in the Milford and Milford East structures and supporting the case for a partner to fund the Rickerscote-1 well.

With Tranche 2 of the placement now completed, H3 Energy is well funded and remains focused on progressing the Warro redevelopment, attracting a suitable farm-out partner for the Officer Basin, and delivering value across its portfolio of energy assets.

Tenement Schedule

Project	Area	Location	Change during the quarter
Alinya Project (PEL 253)	4,097sqkm	South Australia	No change
Alinya Project (PEL 81)	15,336sqkm	South Australia	No change
Warro JV – RL7	222sqkm	Western Australia	No change
Jackson Geothermal - EPG 2050	1,766sqkm	South West Queensland	No change

This announcement has been approved for release by the Board of H3 Energy Limited.

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About H3 Energy Limited

H3 Energy Limited (ASX: H3E) ("H3E" or the "Company") is an ASX-listed exploration company focused on exploring and delivering hydrocarbons, natural hydrogen and helium for the energy transition. The company has extensive exploration acreage in the Officer Basin located in South Australia; a substantial contingent gas resource in Western Australia; and a geothermal exploration permit over a proven conventional hot water production location in southwest Queensland.

Appendix 5B

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

Name of entity

H3 ENERGY LIMITED

ABN	Quarter ended ("current quarter")
68 079 432 796	30 June 2026

Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation	(122)	(707)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(67)	(240)
	(e) administration and corporate costs	(337)	(1,172)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	3	14
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	52
1.8	Other (provide details if material)	-	-
1.9	**Net cash from / (used in) operating activities**	**(523)**	**(2,053)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(2)	(7)
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 months) $A'000
	(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 (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**(2)**	**(7)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	1,600	2,350
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	(133)	(188)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(141)	(141)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material) Funds in advance for shares	-	-
3.10	**Net cash from / (used in) financing activities**	**1,326**	**2,021**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	100	941
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(523)	(2,053)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(2)	(7)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,326	2,021
4.5	Effect of movement in exchange rates on cash held	(1)	(2)
4.6	**Cash and cash equivalents at end of period**	**900**	**900**

5.	**Reconciliation of cash and cash equivalents** at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	**Current quarter $A'000**	**Previous quarter $A'000**
5.1	Bank balances	900	100
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)**	**900**	**100**

6.	**Payments to related parties of the entity and their associates**	**Current quarter $A'000**
6.1	Aggregate amount of payments to related parties and their associates included in item 1	70
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

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.

7.	**Financing facilities** *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.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (Finance Lease)	-	-
7.4	**Total financing facilities**	-	-
7.5	**Unused financing facilities available at quarter end**		-

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

8.	Estimated cash available for future operating activities	$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(523)
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)	(523)
8.4	Cash and cash equivalents at quarter end (item 4.6)	900
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	900
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	1.72

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.

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: Yes – The company will continue to accelerate work activities to derisk and mature the Alinya and Warro Project.

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

Answer: Yes – the company has successfully raised $1.9 million (before costs) via a placement in July 2026.

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

Answer: Yes – for the reason outlined above

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

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: ....31 July 2026...

Authorised by: ...... The Board of Directors of H3 Energy Limited................

(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.