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ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024
ABN 94 099 116 275

Contents

CORPORATE DIRECTORY	2
MANAGING DIRECTOR'S LETTER.....	3
DIRECTORS' REPORT	4
AUDITOR'S INDEPENDENCE DECLARATION.....	24
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME ..	25
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	26
CONSOLIDATED STATEMENT OF CASHFLOWS	27
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	28
NOTES TO THE FINANCIAL STATEMENTS.....	29
CONSOLIDATED ENTITY DISCLOSURE STATEMENT	47
DIRECTORS' DECLARATION	48
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS.....	49
SHAREHOLDER INFORMATION	53

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CORPORATE DIRECTORY

Non-Executive Chairman	Mr Robert Annells
Managing Director	Mr Andrew Knox
Non-Executive Director	Mr Adrien Wing
Company Secretaries	Mr Adrien Wing Ms Pauline Moffatt
Registered & Principal Office	Level 2, 480 Collins Street Melbourne VIC 3000
Auditor	RSM Australia Partners Level 27 120 Collins Street Melbourne VIC 3000
Solicitors	Johnson Winter Slattery Level 9 211 Victoria Square Adelaide SA 5000
Website Address	www.redskyenergy.com.au
Stock Exchange Listings	Red Sky Energy Ltd shares are listed on the Australian Securities Exchange under the code ROG
Share Registry	XCEND Level 2, 477 Pitt Street Haymarket NSW 2000 Phone: 61 2 8591 8509

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MANAGING DIRECTOR'S LETTER

Dear Shareholders,

I am pleased to report that Red Sky has enjoyed a stellar 2024 of operational delivery, cash generation and portfolio growth. The Company has enjoyed its first full inaugural year of production which has translated into an increased cash position and established our reserves for further development. The acquisition on new years eve of our first licence, 06/24, in offshore Angola has set the scene for further growth this year.

Looking back on the year it is apparent that your Company has been focused on what it set out to achieve. We have made substantial advances in enhancing our asset portfolio while having to endure constant delays and frustrations. The team has been resilient in our endeavours to create value for the Company through organic growth and acquisition.

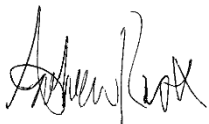
It is with pleasure we were able to announce our first international foray with the award of the Cegohna oil field in block 06/24 offshore Angola. The field has a best estimate in place volume of 106million barrels and Red Sky holds a 35% working interest in the licence. There are in addition several nearby structures which have substantial potential to hold recoverable resources. The Company is also continuing to work on additional opportunities to add to the portfolio.

The operational results at the Yarrow gas field within the Innamincka project with the Yarrow 3 well have been satisfactory despite substantial down time. Further development during the year was marred by the delays re-entering Yarrow 1 due to a lack of ullage in the grid but this was rectified earlier this year with the successful flow test of Yarrow 1 and bodes well for future development.

The challenges with the crudes viscosity and available markets at Killanoola have continued. We have been working tirelessly to establish alternative markets for the crude and I am pleased to advise that we have found a resolution to the matter. This was a precursor to our planned work program which can now proceed with the caveat of costs and rig availability.

The domestic and international landscape is tumultuous and constantly changing and combined with market and cost pressures has made for a challenging and somewhat uncertain business environment. However sound financial management and steadfast focus is yielding results. Small steps are being taken within but we are also mammoth hunting. The Company is poised to capitalise on the opportunities before it and remains dedicated to unlocking the value in our portfolio, driving operations and pursuing acquisitions that align with our value accretive vision for growth.

Finally I extend my gratitude to our dedicated board and management and in particular our shareholders for your continued support and commitment to our vision for the future. We are on the cusp, watch the space.



Andrew Knox
Managing Director

DIRECTORS' REPORT

Your directors present their report consisting of Red Sky Energy Ltd (the Company) and controlled entities (the Group) as at the end of, or during, the year ended 31 December 2024.

Directors

The following persons were directors of Red Sky Energy Ltd during the whole year and up to the date of this report, unless otherwise stated:

Mr Robert Annells - Non-Executive Chairman
Mr Andrew Knox – Managing Director
Mr Adrien Wing – Non-Executive Director

Company Secretaries

Mr Adrien Wing
Ms Pauline Moffatt

Principal Activities

The principal activities of the Group during the year were the production of and exploration for economic deposits of oil and gas.

Significant Changes in State of Affairs

There were no significant changes in the state of affairs of the Group during the year.

Operating Results

The net operating profit of the Group for the year ended 31 December 2024 after tax was \$272,410 (31 December 2023: loss of \$1,559,814).

Review of Operations

HIGHLIGHTS

Highlights during the year were as follows:

Innamincka

- Yarrow 3 has generated gross production receipts of \$3.18 million year-to-date.
- Approximately 85% of revenue comes from gas sales, with the remainder from LPG and condensate.
- The well's current flow rate remains steady, reflecting stable operational performance.
- Surveillance and flow testing in September of Yarrow 1 indicated minimal reservoir pressure depletion and low water production, suggesting strong future well performance.
- Analysis identified high wellbore skin, leading to a planned fracture stimulation to improve gas flow and overall well productivity.
- Planned work involved re-sleeving the casing and conducting fracture stimulation in two stages, with anticipated post-fracture production rates of 1.6 to 3.6 MMscf/d.
- Re-entry of Yarrow 1 well in the Yarrow gas field commenced in the first week of November, with workover rig mobilised.
- Pre-fracture workover at Yarrow 1 completed in December, preparing the well for fracture stimulation in March 2025.
- Yarrow 1 expected to have the well tied in and fully operational in Q3 2025.
- The expected ultimate recovery from Yarrow 1 is estimated at 2.4 BCF gross, distributed on a 50:50 basis between the Patchawarra and Tirrawarra formations.
- The Yarrow 1 re-entry is projected to boost Red Sky's cash flow in 2025, complementing the revenue streams from Yarrow 3.
- Successful re-entry at Yarrow 1 enhances Red Sky's potential for long-term cash flow from its Innamincka portfolio, supporting the Company's growth strategy.

Killanoola

- Red Sky finalised an agreement with Viva Energy Australia Pty Ltd (ASX:VEA) to purchase all crude from the Killanoola oil field project, ensuring a steady revenue stream.
- Negotiations with additional potential crude buyers are ongoing.
- Red Sky is actively exploring its own storage and offtake plan.
- Ongoing discussions continue regarding condensate blending to alleviate pour point issues.
- Initial flow rates from the DW1 well showed promise despite subsequent mechanical issues.

- Red Sky intends to drill a high impact well, KN2, based on 3D seismic interpretation.
- Plans for new Killanoola KN2 well involve a separate well pad in a new location, necessitating site construction.
- Drilling a vertical well at the KN2 site will enhance operational efficiency.
- To optimise mob/demob costs it was decided to combine the workover and drilling operations.
- Activity Notification to carry out the workover at DW1 has been submitted to SA DEM for approval.
- Activity Notifications (ANs) to be submitted for DEM approval for KN2 and SE2 well site preparations, and drilling of KN2 and SE2 wells.
- Discussions with other operators are underway to determine rig contractor selection to reduce costs.

Block 6/24, Angola

- On 31 December 2024, Red Sky was awarded a 35% interest in Block 6/24, located offshore Angola in the Kwanza Basin.
- Block 6/24 spans 4,930 km², includes extensive seismic coverage and is located in a region with multiple oil discoveries and high prospectivity.
- Red Sky's acquisition marks a transformational milestone, introducing a highly prospective oil asset with potential for early production and significant cash flow generation.
- Analysis of available data reveals that nine wells have been drilled in Block 6/24, including one that discovered the Cegonha oil field. Preliminary evaluations suggest this could be a commercial discovery, with geological and geophysical studies now underway to validate the resources.
- The Block's substantial resource potential will be evaluated by JV partners, with multiple parties expressing interest in fully financing the project's development.
- The Company is commissioning its own independent review of the resource potential.
- This acquisition diversifies Red Sky's portfolio, complementing its Innamincka and Killanoola projects, and supports long-term growth and geographic balance.

Corporate

- Managing Director Andrew Knox participated in the Angola Oil and Gas Conference in Luanda in October.
- The Company continues to evaluate further acquisition opportunities.
- The Company had cash reserves as at 31 December 2024 of \$2.96m.

Innamincka Dome Projects

YARROW 3 PRODUCTION CONTINUES TO GENERATE CASH RECEIPTS

Since commencing gas production in August 2023 through to the end of December 2024, Yarrow 3 has generated \$3.31 million in cash receipts. Approximately 85% of this revenue stems from gas sales, with the remainder contributed by LPG and condensate. In December 2023, Red Sky announced the receipt of its initial revenues for November under its bilateral gas sales agreement (MBA) with Origin Energy Limited (ASX:ORG). This milestone followed the completion of pipeline construction by Santos Limited (ASX:STO) and its successful integration into the grid south of the Yarrow gas field.

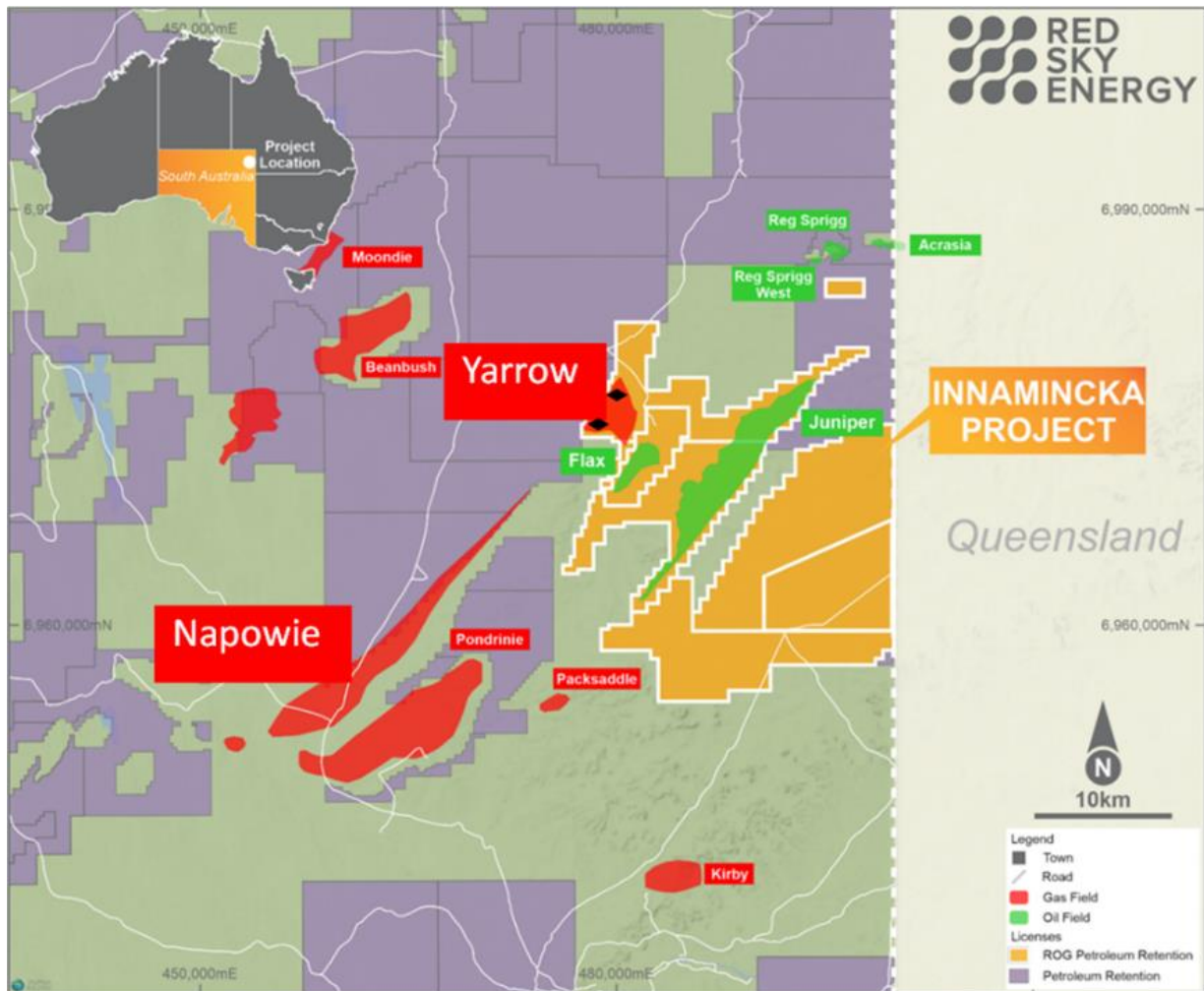


Figure 1: Innamincka Dome Projects location map with Yarrow and Napowie highlighted

3D SEISMIC INTERPRETATION

Red Sky, in partnership with Santos, successfully completed a 3D seismic acquisition program at the Innamincka Dome, specifically covering areas in PRL14 and PRL17 in December 2023. The program, which started in October 2023, aimed to gather detailed subsurface data to inform future drilling and exploration decisions.

All field operations concluded with the demobilisation of crews and equipment. The joint venture with Santos was cost-effective, leading to a shared benefit from the seismic data, which will enhance understanding of the subsurface structures crucial for well placement and exploration. The focus has now shifted to the processing and interpretation of the acquired seismic data.

The seismic data interpretation is expected to be completed by the third quarter of 2025, with no new development wells planned until late 2025. This schedule supports Red Sky's strategy of optimising current production while setting the stage for future growth. This seismic acquisition is vital for Red Sky, as it provides the necessary data to make informed decisions on where to drill the new

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development wells and may also provide further drilling opportunities, potentially increasing the efficiency and success rate of drilling operations. Red Sky holds a 20% working interest in six PRLs (14, 17, 18, 180, 181, 182) at the Innamincka Dome.

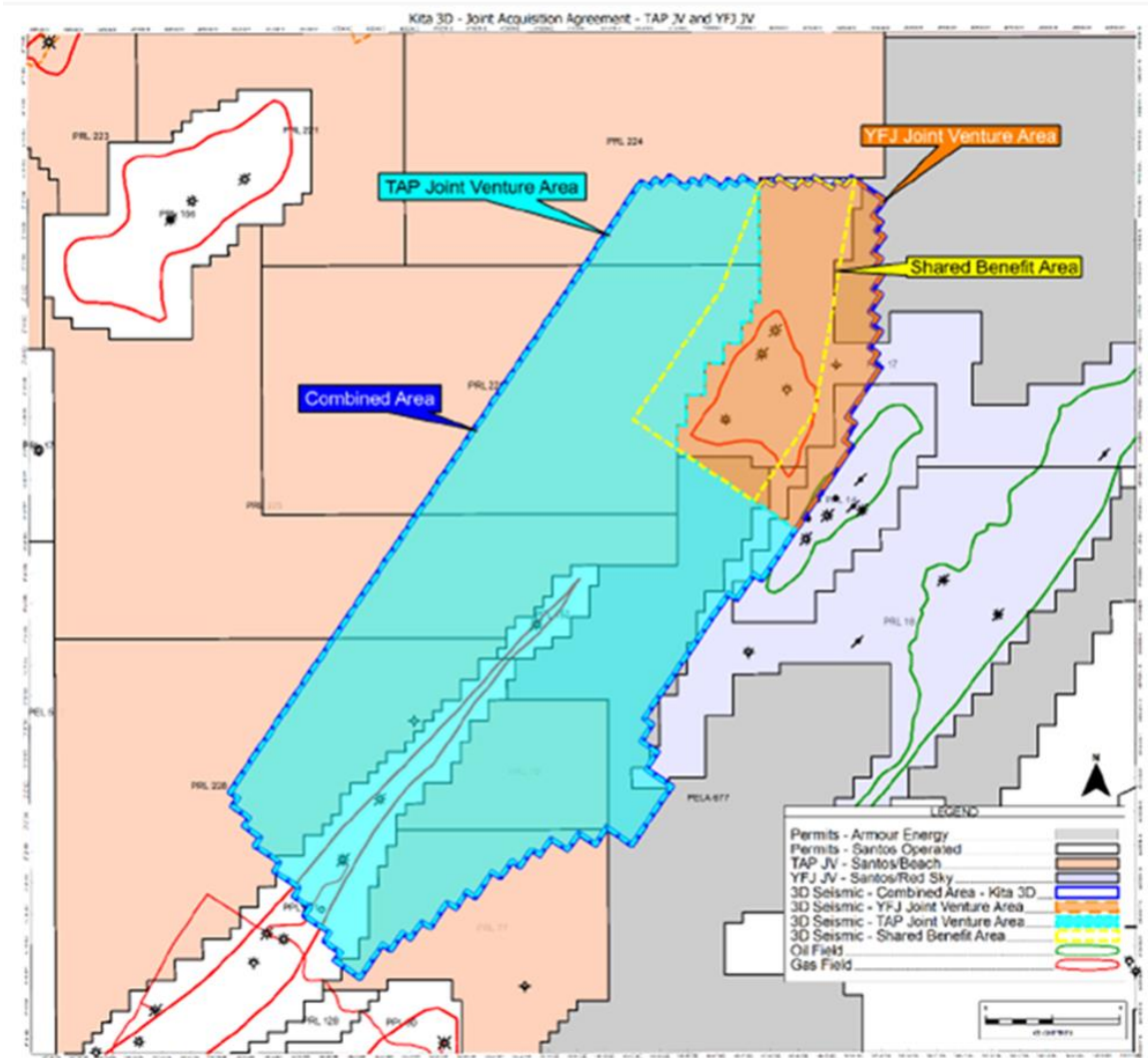


Figure 2: Shared Benefit Area Map and Coordinates

RE-ENTRY OF YARROW 1

In December 2024, Red Sky provided an update from Santos regarding progress at the Yarrow 1 well. Pre-fracture workover activities proceeded as planned, with a critical milestone achieved through the successful cementing of the 4.5" sleeve. This step is essential in preparing the well for fracture stimulation. The workover rig was demobilised as scheduled on 19 December 2024, marking the completion of this preparatory phase.

The demobilisation of the workover rig involved safely dismantling and removing the rig and its associated equipment from the well site. This signifies the readiness of the site for the next critical phase: fracture stimulation, which is designed to enhance gas flow. During the workover, typical challenges associated with legacy wells were encountered but addressed safely, ensuring that the main fracture stimulation target remains uncompromised.

Post year end the Yarrow 1 well underwent fracture stimulation, in late February 2025. This pivotal operation unlocked the well's full production potential, with post-fracture production rates projected to significantly increase gas flow, providing a positive outlook for future production.

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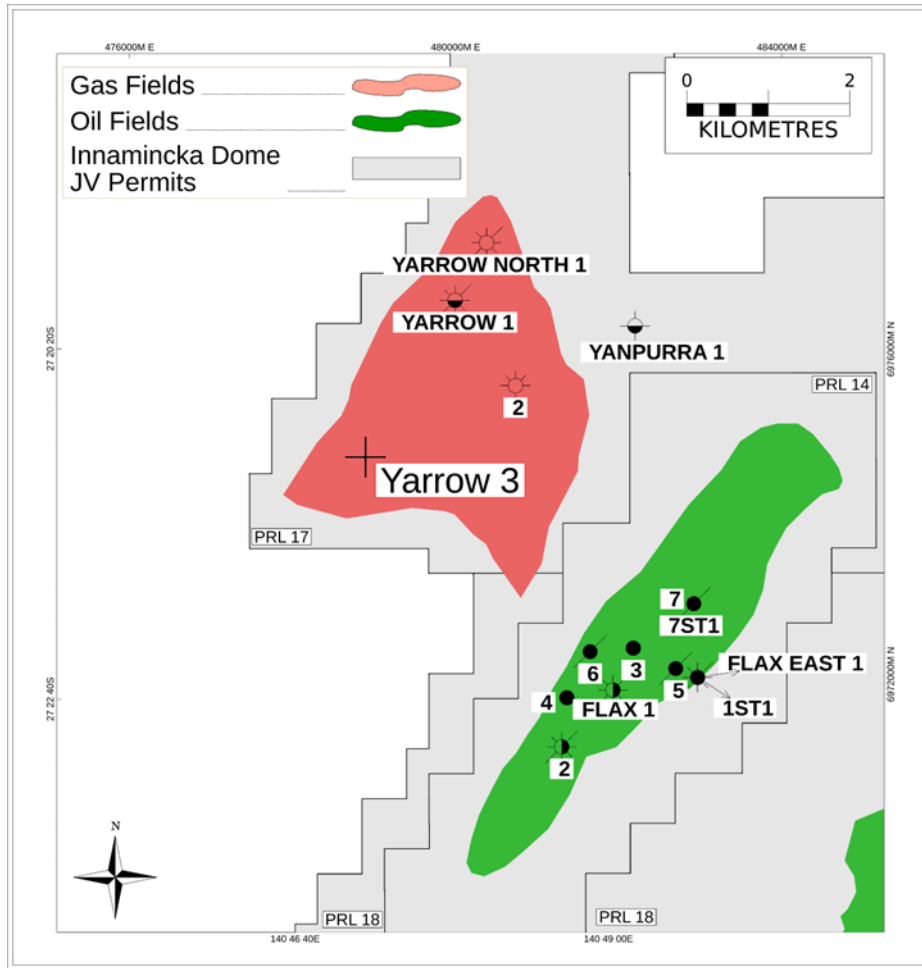


Figure 3: Location of Yarrow 1 Well

Background

Red Sky announced in late October 2024 that Santos had advised that the re-entry of the Yarrow 1 well in the Innamincka Dome remained on schedule to commence in the first week of November. The re-entry is a critical milestone in the Company's growth strategy, expected to unlock significant gas production potential and enhance the Company's future cash flow profile.

Santos completed surveillance gathering for the Yarrow 1 well in September 2024. The static pressure survey and flow test results indicated negligible reservoir pressure depletion and low water production, positively reflecting the well's performance. During a repeatable flow test conducted over three days, sustained gas flow to the surface was estimated at approximately 1.8 million standard cubic feet per day, at around 500 psig FTHP.

Additionally, the pressure transient analysis (PTA) of the surface pressure build-up (PBU) suggests a relatively high wellbore skin (+10), supporting the case for implementing fracture stimulation to enhance well productivity. As a result, Santos recommended proceeding directly with the full recompletion and fracture stimulation plan as scheduled to improve gas output and reduce wellbore skin effects.

Given the low water production observed during flow testing, the decision was made to skip the cased hole neutron logging scope. The remaining downhole work involved a 7-inch casing re-sleeve to selectively fracture and stimulate the Patchawarra and Tirrawarra formations in two stages. Following these enhancements, the updated project rate assessment post-fracture stimulation is expected to be between 1.6 and 3.6 million standard cubic feet per day with a 2-3/8 inch single tubing configuration.

In November, Red Sky announced that Santos had mobilised the workover rig to the Yarrow 1 well site. The rigging process was underway, with Santos commencing the pre-fracture stimulation workover scoping. This milestone brought Red Sky and Santos closer to completing the re-entry and re-sleeving activities at Yarrow 1, which are aimed at optimising gas flow and improving production

efficiency from the well. The preface workover scope included targeted interventions to prepare the well for fracture stimulation, expected to significantly enhance gas production capabilities.

Technical Details on the Workover and Rigging Process

As part of the Yarrow 1 re-entry, the workover rig is being utilised to perform critical preparatory tasks for the fracture stimulation. The rigging-up phase involves assembling and securing rig components, including the derrick, blowout preventers (BOP), and other control equipment necessary for safe well intervention. This setup is essential to allow for the re-sleeving of the casing, which will selectively isolate certain zones within the wellbore, optimising the focus of the fracture stimulation on high-potential gas-bearing formations.

Once rigging was completed, the pre-frac workover scope involved:

1. **Cleaning and Conditioning the Wellbore:** Ensuring all obstructions are cleared for optimal flow.
2. **Re-sleeving Operations:** The insertion of sleeves to isolate zones that will be selectively fractured, maximising the flow from the most productive formations.
3. **Pressure Testing and Pre-Fracture Diagnostics:** These assessments will verify the well's readiness for stimulation and ensure pressure integrity, crucial for safe and efficient fracture stimulation.

This multi-step process not only prepared the well for enhanced production but will also contribute to greater long-term asset efficiency by optimising gas extraction.

KILLANOOLA PROJECT

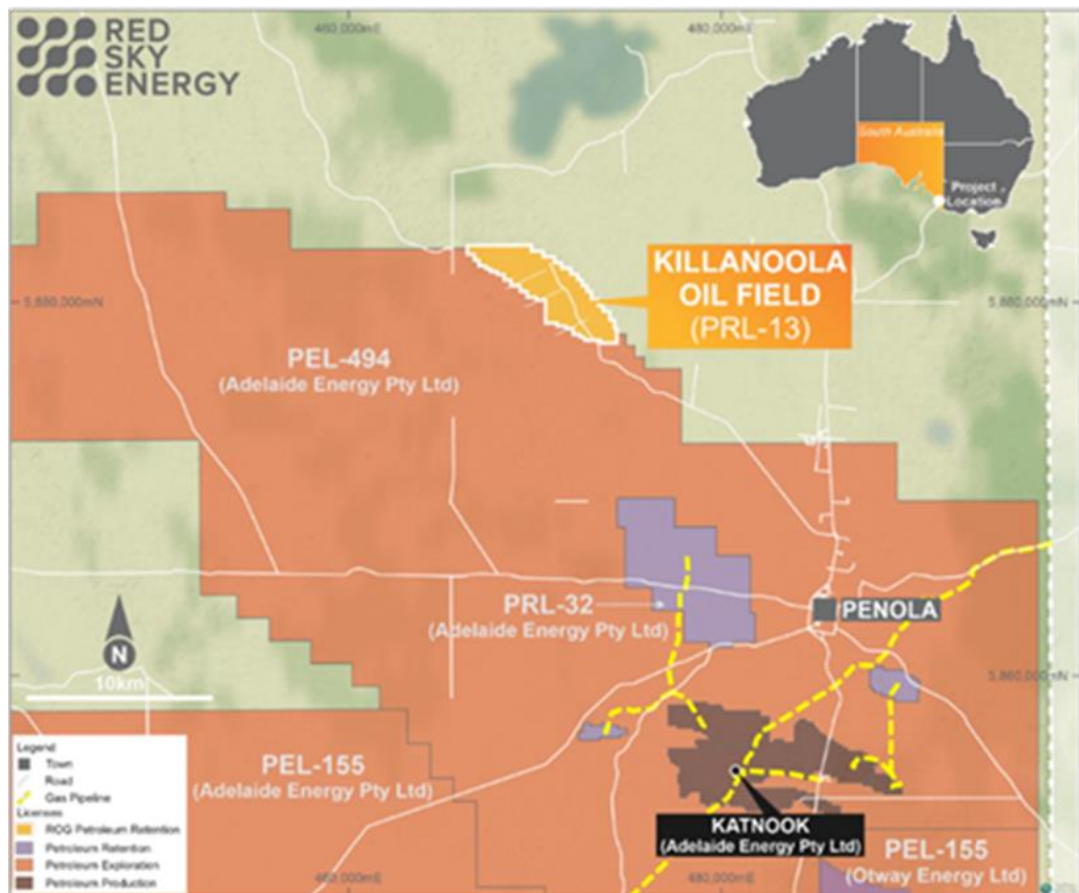


Figure 4: Killanoola Oil Field (PRL-13) location map
(Adelaide Energy Pty Ltd is a subsidiary of Beach Energy Ltd (ASX:BPT))

In August 2023 Red Sky signed a conditional agreement with Viva Energy Australia Pty Ltd (ASX:VEA) to purchase all crude from the Killanoola oil field project, subject to required quality specifications. Delivery would be made to Viva Energy's Geelong refinery by road tanker, approximately four hours southeast of the project site. Work is ongoing regarding flow assurance, considering options such as heating or blending, while negotiations with other potential crude buyers and performing our own offtake sales are also in progress.

In December 2023, works to prepare the well for the extended production test commenced after Red Sky received approval from the Government of South Australia (SA) Department for Energy and Mining (DEM), and contractors were mobilised to the site. However, operations at the DW1 well were suspended shortly after due to a downhole mechanical failure of the existing pump, which led to the well losing its capacity to lift fluid to the surface. Operations were halted pending the installation of a new pump.

Despite encountering mechanical issues, initial flow rates were promising. An initial rate of 62 bbl/day, on an increasing trend, was observed. The forward programme at Killanoola was further revised as announced in May 2024.

Red Sky has decided to drill a high impact well, KN2, based on 3D seismic interpretation, with the well pad for KN2 shown in the accompanying figure. The spud date for KN2 is subject to costs, alignment with other operators to form a drilling consortium firstly and importantly as a prerequisite, satisfactory offtake arrangements. Drilling a vertical well at this site is expected to provide more efficient operations. The same rig will be used for the workover at DW1 and the completion of the suspended well at SE1. Work on the AN for the KN2 well pad is complete.

This revised approach aligns with our broader strategy to optimise resource utilisation, reduce operational risks and costs, and enhance shareholder value through careful and calculated project management.



Figure 5: Location of well pad to be built at KN2

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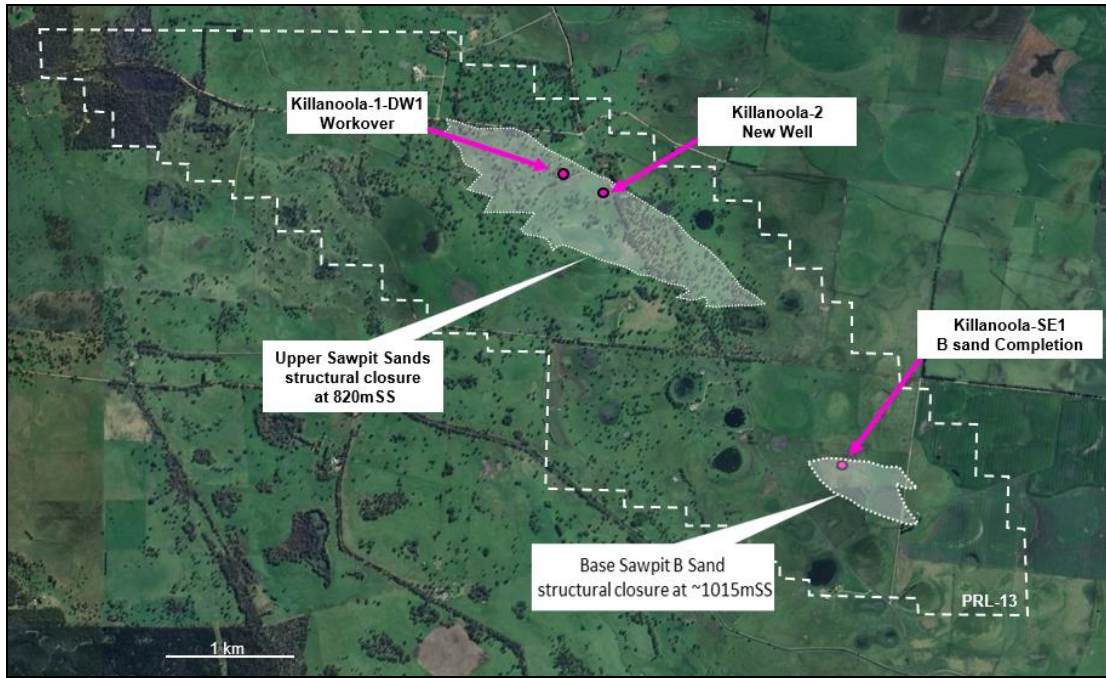


Figure 6: Aerial View of the Revised Forward Programme

BLOCK 6/24, ANGOLA

On 31 December 2024, Red Sky and the Angolan National Agency for Oil, Gas and Biofuels (ANPG) signed a Risk Service Contract (RSC) for offshore Block 6/24 in partnership with ACREP Exploração Petrolífera SA (ACREP) and Sonangol Exploracao e Produção SA (Sonangol E&P). The RSC for offshore Block 6/24 is the result of direct negotiations undertaken by Red Sky with ANPG.

Over recent years, Red Sky has actively pursued opportunities to acquire producing or near-production assets, leveraging prospects arising from the global shift away from fossil fuels by major energy companies. The signing of the RSC for Block 6/24 marks the Company's first entry into Angola and represents a transformational milestone. The Block contains a potential commercial oil discovery that the JV partners aim to evaluate for early production and cash flow generation, with significant resource potential identified through 2D and 3D seismic data. The Company is currently pursuing the preparation of its own independent competent persons report on the potential of this project.

This acquisition enhances Red Sky's asset portfolio by introducing a highly prospective offshore block. Several parties have expressed interest in fully financing the project's development, which will improve the Block's economics. Block 6/24 diversifies Red Sky's holdings, complementing its Innamincka gas and Killanoola oil projects, and positions the Company for long-term growth and stability through a balanced, geographically diverse investment strategy.

BLOCK 6/24 OWNERSHIP AND LOCATION

Sonangol E&P is the operator of the Block with a 50% participating interest. Red Sky Energy will hold a 35% participating interest, and ACREP will hold the remaining 15% participating interest.

Block 6/24 is located 12 kilometres offshore Angola in the Kwanza Basin, in water depths ranging from 70 to 80 metres. The Block is covered by 1,531km² of 2D seismic and 1,465 km² of 3D seismic.

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Red Sky was granted access to a data room by the Angolan National Agency for Oil, Gas and Biofuels (ANPG) during the direct negotiation process. As a result of its review of the available materials in that data room at that time, the Company estimates there is significant potential for oil to be found in Block 6/24. In addition, the Block contains the Cegonha oil discovery, and further studies are to be undertaken to determine the commerciality of that discovery.

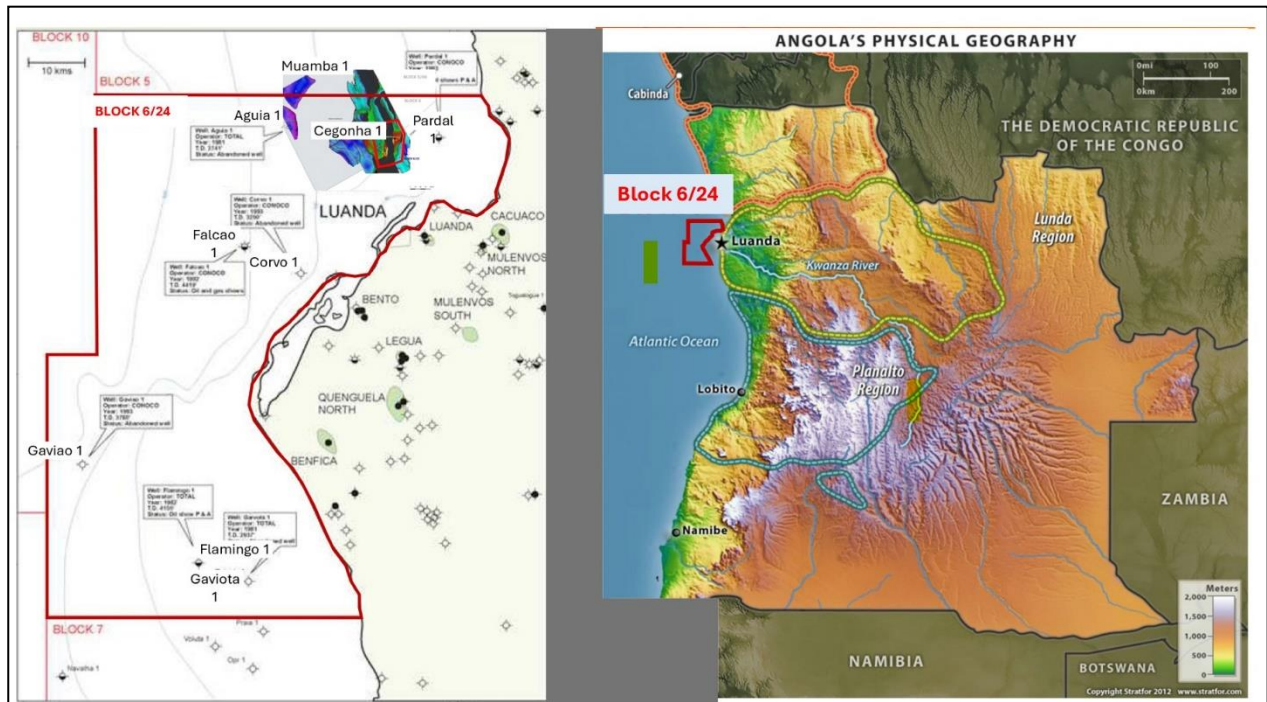


Figure 7: Block 6/24 Location

NEXT STEPS

The immediate next steps following the signing of the Risk Service Contract (RSC) include:

- **Implementation of a Joint Venture Operating Agreement (JV OA):** Formalising roles, responsibilities, and operational frameworks among the JV partners.
- **Independent Competent Persons Report (CPR):** The Company is commissioning its own CPR on the discovery and prospective resources of the licence.
- **Parliamentary Ratification:** Approval of the RSC by the Angolan Parliament, expected within approximately 90 days.
- **Execution of Geological & Geophysical (G&G) Studies:** Over the first three years, focusing on seismic reprocessing and detailed subsurface evaluation.
- **Optional Well Decision:** A decision on drilling an optional well in Year 4, contingent on the results of initial studies.
- **Importantly it should be noted this forms part of the formal work programme agreed but which can be brought forward.**

ANGOLA CONTEXT

In recent years, Angola has made significant strides to create a more favourable environment for foreign investment, particularly in the oil and gas sector. The country has implemented regulatory reforms to streamline the process for foreign investors, making it easier to do business in the country. This includes the establishment of the Angolan National Agency for Oil, Gas and Biofuels (ANPG) to oversee the oil and gas sector.

Angola is investing in infrastructure development, which supports the operations of foreign companies, particularly in the oil and gas industry. It has also been actively seeking and establishing strategic partnerships with foreign companies to further develop its natural resources and maximise their value.

Relative stability, in conjunction with security and an attractive exploration and production landscape, provides the country with the edge over regional peers. While challenges remain, Angola is generally considered friendly to foreign investment, particularly in sectors like oil and gas, where it seeks to leverage foreign expertise and capital to develop its resources.

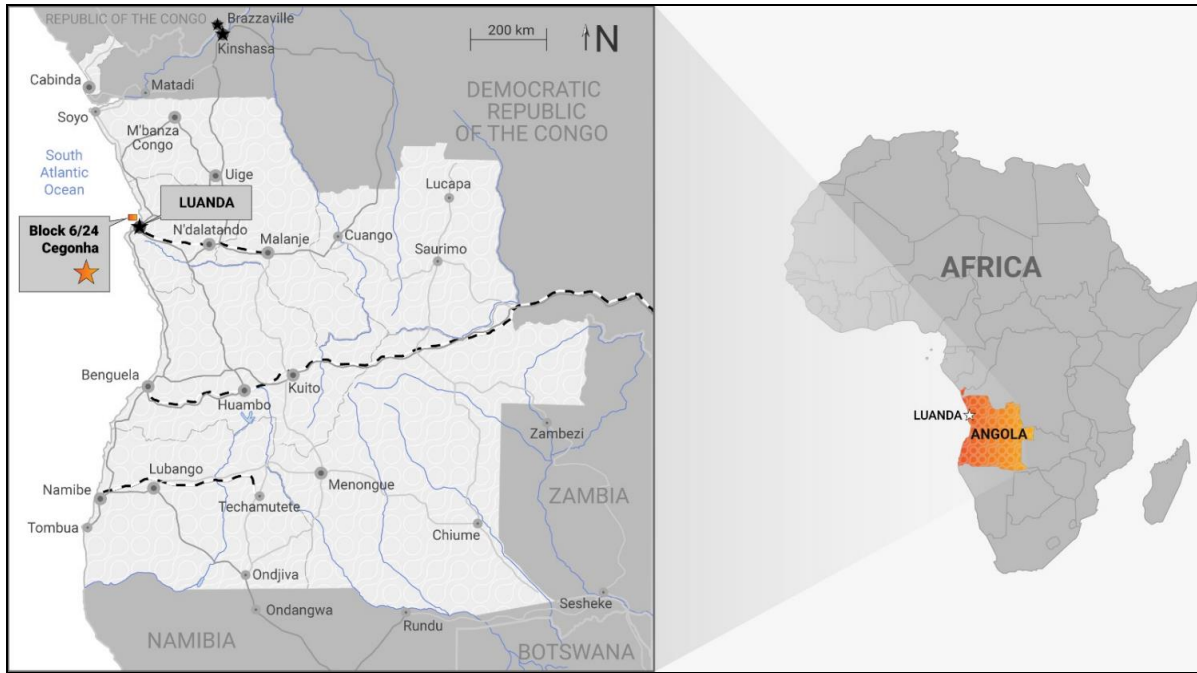


Figure 8: Angola location map with the approximate location of Block 6/24

RISK SERVICE CONTRACT

The Risk Service Contract (**RSC**) entered into by Red Sky is an agreement typically used in the oil and gas industry where one or more companies (the contractors) agree to explore, develop, and produce hydrocarbons in a specific area on behalf of the host government or national oil company. The key features of the RSC include:

Assumption of Operational and Financial Risk: The contractor parties (Red Sky, ACREP, and Sonangol E&P) assume all financial and operational risks associated with the undertaking of exploration, development, and production activities within the Block.

Cost Recovery: The contractors are entitled to recover their exploration and development costs from the production revenues generated from the sale of hydrocarbons produced from Block 6/24.

Profit Share: In addition to cost recovery, the contractors earn a share of the profits generated from the sale of such hydrocarbons based on certain performance metrics set out in the RSC.

Ownership and Control: ANPG retains ownership of all hydrocarbons produced from Block 6/24. However, it is contractually required to make payments in kind to the contractors on account of their cost recovery and profit share entitlements when such hydrocarbons are sold. Sonangol E&P, as the operator appointed under the RSC, is afforded exclusive operational control of all exploration and production activities undertaken in Block 6/24.

Duration: The RSC has an initial 6-year exploration and appraisal period, and if no commercial discovery is made or declared, the RSC expires at the end of this period. If a commercial discovery is made or declared, then the RSC remains in force and effect for a further 30 years in respect of the applicable development area.

Minimum Work Obligations: The RSC requires that the contractors undertake geological and geophysical studies and seismic data reprocessing during the first 3 years of the initial research period, and if they elect to enter the 4th year, they are then obliged to drill an exploration or appraisal well. If however they do not elect to enter the 4th year, then they are taken to have withdrawn from the RSC without penalty.

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GOLD NUGGET, WYOMING

The Gold Nugget well was post year end plugged and abandoned. The Company will no longer be involved in the USA and is focused on its core assets in Australia and Angola.

STRATEGIC ACQUISITIONS

Red Sky continues to assess opportunities in two regions of interest, Southeast Asia and Sub-Saharan Africa, as part of its strategy of acquiring producing or near production assets. The recent signing of the Risk Service Contract with the Angolan National Agency for Oil, Gas and Biofuels (ANPG) for offshore Block 6/24 is a result of this strategy. A number of potential acquisitions are currently being pursued.

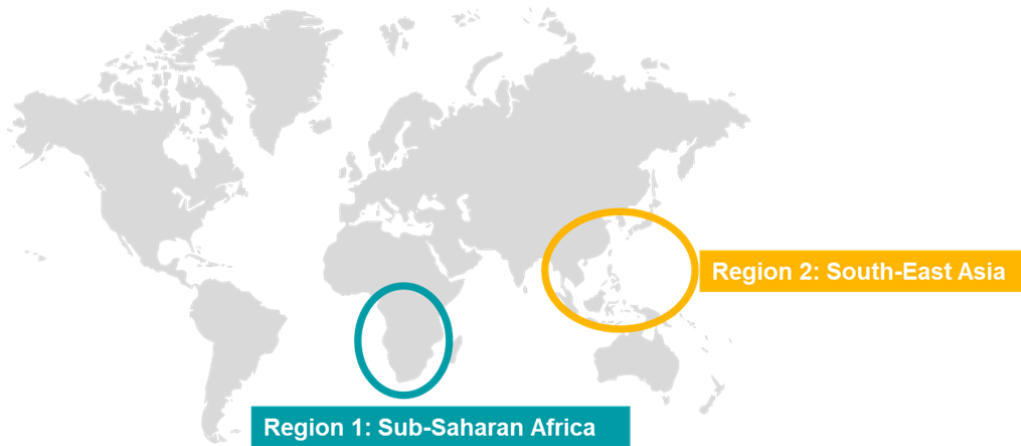


Figure 9: Red Sky's regions of interest for strategic acquisitions

In October, Red Sky's Managing Director, Andrew Knox, and New Ventures Manager, Serge Toulekima, attended the Angola Oil and Gas Conference in Luanda, Angola. Focused on diversifying and de-risking its asset base, Red Sky was attracted by Angola's favourable environment for oil and gas investment. Andrew joined a panel of experts for a roundtable discussion on "Synergies through Collaboration: International Ventures in Angola's Oil Sector."



Figure 10: Red Sky Energy Managing Director, Andrew Knox, and New Ventures Manager, Serge Toulekima, at the Angola Oil and Gas Conference

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Figure 11: Red Sky's Andrew Knox speaking at a roundtable at the Angola Oil and Gas Conference

Risks and Uncertainties

The business and operations of Red Sky are subject to numerous risks, many of which are beyond Red Sky's control. Red Sky considers the risks set out below to be some of the most significant to the Company, but not all of the risks associated with the Company. If any of these risks materialise into actual events or circumstances or other possible additional risks and uncertainties of which Red Sky is currently unaware or which it considers to be material in relation to Red Sky's business actually occur, the Company's assets, liabilities, financial condition, results of operations (including future results of operations), business and business prospects, are likely to be materially and adversely affected.

- (a) Red Sky has limited financial resources and limited operating revenues. To earn and/or maintain its interest in its oil and gas projects, the Company has contractually agreed or is required to make certain payments and expenditures for and on such projects. Red Sky's ability to continue as a going concern is dependent upon, among other things, Red Sky establishing commercial quantities of oil and gas reserves on its projects and obtaining the necessary financing and permits to develop and profitably produce such products or, alternatively, disposing of its interests on a profitable basis, none of which is assured.
- (b) Until this year Red Sky has only generated losses and may require additional funds to further explore its projects. Aside from revenue being generated from the Innamincka project, the only sources of funds for exploration programs, or if such exploration programs are successful for the development of economic ore bodies and commencement of commercial production thereon, presently available to Red Sky are the sale of equity or farming out its oil and gas projects to third party for further exploration or development. Red Sky's ability to arrange financing in the future will depend, in part, upon the prevailing capital market conditions as well as its business performance. There is no assurance such additional funding will be available to Red Sky when needed on commercially reasonable terms or at all. Additional equity financing may also result in substantial dilution thereby reducing the marketability of Red Sky's shares. Failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration and the possible, partial or total loss of the Company's interest in its projects.
- (c) Oil and gas production and exploration are subject to a high degree of risk, which even a combination of experience, knowledge and careful evaluation may fail to overcome. These risks may be even greater in Red Sky's case given its formative stage of development and the fact that its oil and gas projects are still in their early stage. Furthermore, exploration activities are expensive and seldom result in the discovery of a commercially viable resource. There is no assurance that Red Sky's exploration will result in the discovery of an economically viable project.
- (d) Red Sky activities are subject to the risks normally encountered in the petroleum production and exploration business. The economics of exploring, developing and operating resource projects are affected by many factors including the cost of exploration and development operations, variations of the quality of the oil and gas and the rate of resource extraction and fluctuations in the price of resources produced, government regulations relating to royalties, taxes and environmental protection and title defects.
- (e) Red Sky's oil and gas projects may be subject to prior unregistered agreements, interests or land claims and title may be affected by undetected defects. In addition, the Company's activities require certain licences and permits from various governmental authorities. There is no assurance that Red Sky will be successful in obtaining the necessary licences and permits on a timely basis or at all to undertake its activities in the future or, if granted, that the licences and permits will be on the basis applied or remain in force as granted.
- (f) Red Sky must comply with environmental laws and regulations governing air and water quality and land disturbance and provide for reclamation and closure costs in addition to securing the necessary permits to advance activities at its oil and gas projects. Environmental legislation is evolving in a manner that will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects, and a heightened degree of responsibility for companies and their officers, directors and employees. Compliance with environmental laws and

regulations may require significant capital outlays on behalf of the Company and may cause material changes or delays in the Company's intended activities. Furthermore, environmental hazards may exist on the Company's projects that are unknown to the Company at present and that have been caused by the Company or by previous owners or operators of the projects, or that may have occurred naturally. The Company may be liable for remediating such damages.

- (g) Although the Company's immediate focus will be on the existing projects, as with most exploration entities, it will pursue and assess other new business opportunities in the resource sector over time which complement its business. These new business opportunities may take the form of direct project acquisitions, joint ventures, farm-ins, acquisition of tenements/permits, and/or direct equity participation. The acquisition of projects (whether completed or not) may require the payment of monies (as a deposit and/or exclusivity fee) after only limited due diligence or prior to the completion of comprehensive due diligence. There can be no guarantee that any proposed acquisition will be completed or be successful. If the proposed acquisition is not completed, monies advanced may not be recoverable, which may have a material adverse effect on the Company. If an acquisition is completed, the Directors will need to reassess at that time the funding allocated to current projects and new projects, which may result in the Company reallocating funds from the projects and/or raising additional capital (if available). Furthermore, notwithstanding that an acquisition may proceed upon the completion of due diligence, the usual risks associated with the new project/business activities will remain.
- (h) Several of the Permits overlap with certain third-party interests that may limit or impose conditions on the Company's ability to access the Permits to conduct exploration and production activities or that may cause delays in the Company's activities. In particular, under South Australia and Commonwealth legislation, the Company may be required to obtain the consent of and/or pay compensation to the holders of third-party interests, including private land, pastoral leases, petroleum tenure and other mining tenure which overlay areas within the Permits in respect of any proposed exploration or production activities on the Permits. The Company is also required to obtain the consent of the relevant Minister for activities on certain Permit areas.
- (i) The Company is reliant on a number of key personnel and consultants, including members of the Board. The loss of one or more of these key contributors could have an adverse impact on the business of the Company. It may be particularly difficult for the Company to attract and retain suitably qualified and experienced people given the current high demand in the industry and relatively small size of the Company, compared with other industry participants.
- (j) Climate change is a risk the Company has considered, particularly related to its operations in the petroleum industry. The climate change risks particularly attributable to the Company include:
- a. The emergence of new or expanded regulations associated with the transition to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its profitability. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences; and
 - b. Climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and long-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.

The above list of risks, uncertainties and other factors is not exhaustive.

Environmental Issues

The Group's operations are subject to various environmental regulations. The majority of the Company's activities involve low level disturbance associated with its programs. As at the date of this report the group complies fully with all such regulations.

Health

The Company continued to monitor and comply with the preventive measures and controls authorities require business to apply.

Safety

There were no significant incidents or injuries during the year and at 31 December 2024, the year to date performance for Minor Injuries, Medical Treatment Injuries and Lost Time Injuries was zero.

Environment

There were no significant incidents or environmental events during the period and the Company continues to collaborate with local landholders to ensure the Company's exploration work programs have minimal impact on agri-business activities and rehabilitation is completed to a high standard.

Community

In preparation for undertaking work activities there has been extensive landholder or landowner consultation and coordination meetings. During work programs there is regular communication with landholders to ensure company activities have a minimal impact on agri-business activities.

Information on Directors and Secretaries

Robert Annells – Non-Executive Chairman

Mr Annells has over 30 years experience with public upstream oil and gas companies. He is a former member of the Australian Stock Exchange with over 40 years of experience in the Securities Industry, and is also a qualified accountant. His experience includes Managing Director of Securities firms Credit Lyonnais and subsequent directorship of Daiwa Securities Ltd. He was Chairman of Lakes Oil Ltd for in excess of 30 years, founding Director of Gippsland Offshore Petroleum and founding Chairman of Greenerth Energy Ltd. Mr Annells was appointed Chairman on 8 February 2021.

Current Directorships:

Nil

Other Directorships within the last three years:

Nil

Andrew Knox – Managing Director – B.Comm, CA, CPA, FAICD

Mr Knox has over 40 years of experience in the upstream oil and gas sector. He has worked extensively throughout Australasia, Southeast Asia and North America with several entities predominantly in oil and gas and has been a director of several public resource companies. Mr Knox was appointed Director on 6 July 2018.

Current Directorships:

Rimfire Pacific Mining NL (since 18 March 2020)

Other Directorships within the last three years:

Nil

Adrien Wing – Non Executive Director and Joint Company Secretary, B.Acc, CPA

Mr Wing is a Certified Practising Accountant. He practised in the audit and corporate advisory divisions of a chartered accounting firm before working with a number of public companies listed on the Australian Securities Exchange as a corporate/accounting consultant and company secretary. Mr Wing was appointed Company Secretary on 3 February 2011 and Non-Executive Director on 7 March 2014. Mr Wing resigned as a Director on 22 March 2016 and was re-appointed on 15 December 2016.

Current Directorships:

Cleo Diagnostics Limited

New Age Exploration Limited

Sparc Technologies Limited

Other Directorships within the last three years:

Mitre Mining Corporation Limited (from 21 May 2021 to 9 March 2023)

Pauline Moffatt – Joint Company Secretary, B.Comm, GAICD, FGIA ICSA

Ms Moffatt is a graduate of the Australian Institute of Company Directors (GAICD) and a fellow GIA ICSA of the Governance Institute of Australia. Ms Moffatt has a wealth of experience, providing specialised accounting and company secretary services to public companies for over 20 years. Ms Moffatt was appointed Joint Company Secretary on 15 January 2019.

Meetings of Directors

The number of meetings held by the Company's directors during the year and the number of meetings attended by each director were:

Director	Board meetings held	Board meetings attended
Robert Annells	8	8
Adrien Wing	8	8
Andrew Knox	8	8

Securities held and controlled by Directors

As at the date of this report, the interests of Directors in securities of the Company were as follows:

Holder	Ordinary Shares	Performance Rights
Robert Annells	20,625,000	100,000,000
Andrew Knox	255,500,000	175,000,000
Adrien Wing	78,240,111	100,000,000
Total	354,365,111	375,000,000

Performance Rights and incentives granted to directors

Performance Rights were issued to directors following shareholder approval and others on 10 June 2021 (Mr Andrew Knox 175,000,000, Mr Robert Annells 100,000,000 and Mr Adrien Wing 100,000,000). The Performance Rights issued were subject to the following vesting conditions:

- The Company achieving a market capitalisation of equal to or greater than \$100 million for 5 consecutive trading days within 5 years; and
- The recipient remaining continuously employed or engaged up to the date of satisfaction of the market capitalisation vesting condition.

These Performance Rights are being expensed over the 5-year term up to the expiry date.

Shares under option

There are currently no options on issue.

Dividends Paid or Recommended

No dividend was paid or declared during the period and the Directors do not recommend the payment of a dividend.

Events Subsequent to Balance Date

No matters or circumstances have arisen since 31 December 2024 that have significantly affected, or may significantly affect the group's operations, the results of those operations, or the group's state of affairs in future years.

Likely developments

The group will focus on the producing of and the exploration for economic deposits of oil and gas. It is the intention of the Board to continue the strategy of acquiring an oil and gas portfolio.

Remuneration Report (audited)

The information provided in this remuneration report has been audited as required by section 308(3C) of the Corporation Act 2001.

This report outlines the remuneration arrangements in place for Directors and executives of Red Sky Energy Limited. This report has been set out under the following main headings:

- A. Principles Used to Determine the Nature and Amount of Remuneration
- B. Service Agreements
- C. Details of Remuneration
- D. Key Management Personnel Equity Holdings
- E. Share-based Compensation
- F. Other Transactions with Key Management Personnel
- G. Additional Information

A. Principles Used to Determine the Nature and Amount of Remuneration

The Board of Directors is responsible for determining and reviewing compensation arrangements for the Directors and Executive Officers. The Board will assess the appropriateness of the nature and amount of emoluments of such officers on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high-quality Board and executive team.

The objective of the Group's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with achievement of strategic objectives, and the creation of value for shareholders, and conforms to market best practice for delivery of reward. The Board ensures that executive reward satisfies the following key criteria for good reward governance practices:

- Competitiveness and reasonableness
- Acceptability to shareholders
- Performance linkage/alignment of executive compensation
- Transparency
- Capital management

The board policy is to remunerate Non-executive Directors at fair market rates for comparable companies for the relevant time, commitment and responsibilities. The board determines payments to the non-executive Directors and reviews their remuneration annually based on market practice, duties and accountability. The maximum amount of fees that can be paid to Non-executive Directors is subject to approval by shareholders at the Annual General Meeting. The maximum amount approved is \$250,000. Fees for non-executive Directors are not linked to the performance of the Group. However, to align Director's interests with shareholder interests the Directors are encouraged to hold shares in the Company and may be issued with additional securities as deemed appropriate.

The Board believes that the remuneration policy is appropriate given the stage of development of the Company and the activities which it undertakes and is appropriate for aligning Director and executive objectives with shareholder and business objectives. The board will continually develop new practices which are appropriate to the Company's size and stage of development.

Executive Officers are those directly accountable for the operational management and strategic direction of the Company and the Group. All contracts with Directors and executives may be terminated by either party with three months notice.

Fixed remuneration

Fixed remuneration consists of a base remuneration package, which includes Directors' fees (in the case of Directors), salaries, consulting fees and employer contributions to superannuation funds.

B. Service Agreements

The directors and key management personnel during the current year included:

Directors

Mr Robert Annells – Non-Executive Chairman

- Director fees set at \$48,000 per annum inclusive of superannuation. Effective 1 February 2024, the salary for Mr Annells was increased to \$85,000 per annum inclusive of superannuation.

Mr Andrew Knox – Managing Director

- Director salary set at \$260,000 per annum plus superannuation. Effective 1 February 2024, the salary for Mr Knox was increased to \$360,000 per annum plus superannuation. Effective 1 April 2024, the salary for Mr Knox was increased to \$468,000 per annum plus superannuation upon the Company's EBITDA exceeding \$4,000 per day for 90 consecutive days (average).
- In addition to annual reviews, Mr Knox's base salary may increase to \$624,000 per annum plus superannuation upon the Company's EBITDA exceeding \$6,000 per day for 90 consecutive days (average).
- The Company may terminate Mr Knox's salary by giving not less than 6 months written notice, or upon payment of 6 months' base salary in lieu of notice.

Mr Adrien Wing – Non-Executive Director and Company Secretary

- Director fees set at \$48,000 per annum. Effective 1 February 2024, the salary for Mr Wing was increased to \$60,000 per annum.
- The company has an agreement with Northern Star Nominees Pty Ltd (a related party of Mr Wing) for company secretarial services at a rate of \$5,500 per month. Effective 1 February 2024, the rate was increased to \$5,775 per month.

Performance Rights were issued to directors following shareholder approval and others on 10 June 2021 (Mr Andrew Knox 175,000,000, Mr Robert Annells 100,000,000 and Mr Adrien Wing 100,000,000, Employees 50,000,000 (currently reduced to 25,000,000 due to employee resignation) and Consultants 50,000,000). The Performance Rights issued were subject to the following vesting conditions:

- The Company achieving a market capitalisation of equal to or greater than \$100 million for 5 consecutive trading days within 5 years; and
- The recipient remaining continuously employed or engaged up to the date of satisfaction of the market capitalisation vesting condition.

These Performance Rights are being expensed over the 5-year term up to the expiry date.

C. Details of Remuneration

The key management personnel of Red Sky Energy Limited during the years ended 31 December 2024 and 2023 included all directors mentioned above. There are no other executives of the Company which are required to be disclosed.

Remuneration packages contain the following key elements:

- Primary benefits – salary and consulting fees;
- Equity – share options, performance rights and other equity securities; and
- Other benefits.

Nature and amount of remuneration:

2024	Short-term employee benefits			Post - employe nt benefits	Other long-term benefits	Equity Performance related		Total \$
	Director Fees/Salary \$	Company secretarial, or other benefits \$	Leave Accruals \$	Super- annuation \$	Leave accruals \$	Performance Rights \$	Performance Based %	
Directors								
R Annells	73,627	-	-	8,290	-	130,452	61.4%	212,369
A Knox	432,667	3,127	45,310	48,898	26,807	228,290	29.1%	785,099
A Wing	59,000	69,025	-	-	-	130,452	50.5%	258,477
TOTAL	565,294	72,152	45,310	57,188	26,807	489,194		1,255,945

2023	Short-term employee benefits			Post - employment benefits	Equity Performance related		Total \$
	Director Fees/Salary \$	Company secretarial, or other benefits \$	Leave Accruals \$	Superannuation \$	Performance Rights \$	Performance Based %	
Directors							
R Annells	43,538	-	-	4,462	130,452	73.1%	178,452
A Knox	260,000	2,608	29,709	27,950	468,290	59.4%	788,557
A Wing	48,000	66,000	-	-	130,452	53.4%	244,452
TOTAL	351,538	68,608	29,709	32,412	729,194		1,211,461

D. Key Management Personnel Equity Holdings

As at 31 December 2024, the interests of the Directors in shares, options and performance rights of the Company were:

Ordinary Shares

Holder	Balance at beginning of the year	Initial Interest	Achievement of Milestone	Net change other *	Final Interest	Balance at end of the year
Robert Annells	20,625,000	-	-	-	-	20,625,000
Andrew Knox	135,067,222	-	120,000,000	432,778	-	255,500,000
Adrien Wing	78,240,111	-	-	-	-	78,240,111

* Net change other includes shares acquired or disposed of during the year.

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Performance Rights

Holder	Balance at beginning of the year	Granted as compensation	Rights vested	Rights lapsed	Final Interest	Balance at end of the year
Robert Annells	100,000,000	-	-	-	-	100,000,000
Andrew Knox	295,000,000 (i)	-	(120,000,000)	-	-	175,000,000
Adrien Wing	100,000,000	-	-	-	-	100,000,000

(i) 120,000,000 Performance Rights were issued following shareholder approval on 15 May 2019 subject to the following vesting condition:

- The achievement of production (being production of a saleable quantity) at the Innamincka Dome Project. This vesting condition was achieved during 2024.

E. Share-based Compensation

Other than the above Performance Rights granted as compensation, there was no share-based compensation granted to key management personnel.

F. Related party transactions with key management personnel

There were no loans to/from related parties during the year.

G. Additional information

Principles used to determine the nature and amount of remuneration: relationship between remuneration and Company performance.

In considering the Company's performance and its effect on shareholder wealth, the Board has regard to a broad range of factors, some of which are financial and others of which relate to the progress on the Company's projects, results and progress of exploration and development activities, joint venture agreements, etc.

The Board also gives consideration to the Company's result and cash consumption for the year. It does not utilise earnings per share as a performance measure or contemplate payment of any dividends in the short to medium term given that all efforts are currently being expended to build the business and establish self-sustaining revenue streams.

The earnings of the Group for the five years to 31 December 2024 are summarised below:

	2020	2021	2022	2023	2024
	\$	\$	\$	\$	\$
Revenue and other income	97,961	28,415	45,608	472,506	3,000,488
Net profit/(loss) before tax	(1,779,122)	(1,512,352)	(1,675,163)	(1,559,814)	272,410
Net profit/(loss) after tax	(1,779,122)	(1,512,352)	(1,675,163)	(1,559,814)	272,410

The factors that are considered to affect total shareholders return (TSR) are summarised below:

	2020	2021	2022	2023	2024
Share price at start of year (\$)	0.003	0.002	0.008	0.005	0.005
Share price at end of year (\$)	0.002	0.008	0.005	0.005	0.011
Basic earnings/(loss) per share (cents per share)	(0.10)	(0.03)	(0.03)	(0.03)	0.01
Diluted earnings/(loss) per share (cents per share)	(0.10)	(0.03)	(0.03)	(0.03)	0.01

END OF AUDITED REMUNERATION REPORT

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

During the financial year, the Company maintained an insurance policy which indemnifies the Directors and Officers of Red Sky Energy Limited in respect of any liability incurred in connection with the performance of their duties as Directors or Officers of the Company. The Company's insurers have prohibited disclosure of the amount of the premium payable and the level of indemnification under the insurance contract.

The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor. During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the court under section 237 of the *Corporations Act 2001*.

NON-AUDIT SERVICES

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the Group are important.

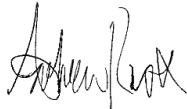
There were no non-audit services provided during the year.

AUDITOR'S INDEPENDENCE DECLARATION

Section 307C of the *Corporations Act 2001* requires the consolidated entity's auditor, RSM Australia Partners to provide the directors with a written Independence Declaration in relation to their audit of the financial report for the year ended 31 December 2024. The written Auditor's Independence Declaration is attached at page 21 and forms part of this Director's Report.

RSM Australia Partners continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.



Andrew Knox
Managing Director

28 March 2025

RSM Australia Partners

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the annual financial report of Red Sky Energy Limited for the financial year ended 31 December 2024, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

**RSM AUSTRALIA PARTNERS****R J MORILLO MALDONADO**
Partner

Melbourne, Victoria
Dated: 28 March 2025

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RSM Australia Partners is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Partners ABN 36 965 185 036

Liability limited by a scheme approved under Professional Standards Legislation

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2024

	Notes	Group	
		2024	2023
		\$	\$
Sales revenue	5	2,896,956	357,903
Other income	5	103,532	114,603
Costs of sales		(845,138)	(172,159)
Administration and travel expenses		(481,919)	(392,874)
Employee entitlements		(662,623)	(450,871)
Employee entitlements – share based payments		(521,805)	(821,805)
Legal fees		(12,714)	(20,882)
Corporate advisory and investor relations		(93,117)	(78,110)
Exploration costs expensed		(25,588)	(42,741)
Depreciation	11	(52,032)	(52,878)
Amortisation of oil and gas assets	13	(33,142)	-
Profit/(loss) from continuing operations before income tax		272,410	(1,559,814)
Income tax expense/benefit	7	-	-
Net profit/(loss) for the year		272,410	(1,559,814)
Other comprehensive income			
Items that may be reclassified to profit or loss:			
Foreign currency translation		-	-
Total comprehensive profit/(loss) for the year, net of tax		272,410	(1,559,814)
Basic and diluted profit/(loss) per share – overall (cents per share)	18	0.01	(0.03)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes to the financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

	Notes	Group	
		2024 \$	2023 \$
Current Assets			
Cash and cash equivalents	8	2,964,776	2,670,063
Trade and other receivables	9	262,739	259,432
Inventories	10	-	181,983
Prepayments		98,319	97,317
Total current assets		3,325,834	3,208,795
Non-Current Assets			
Plant and equipment	11	147,299	199,331
Other financial assets – security deposits		824,633	823,513
Exploration and evaluation assets	12	4,261,607	3,632,035
Oil and gas assets	13	50,215	83,357
Total Non-Current Assets		5,283,754	4,738,236
Total Assets		8,609,588	7,947,031
Current Liabilities			
Trade and other payables	14	298,512	595,255
Provisions – employee entitlements	15	162,608	100,977
Total Current Liabilities		461,120	696,232
Non-Current Liabilities			
Provisions - rehabilitation	15	800,000	800,000
Provisions – employee entitlements	15	69,684	31,454
Total Non-Current Liabilities		869,684	831,454
Total Liabilities		1,330,804	1,527,686
Net Assets		7,278,784	6,419,345
Equity			
Issued share capital	16	50,628,088	50,328,088
Reserves	17	2,434,195	2,147,166
Accumulated losses		(45,783,499)	(46,055,909)
Total Equity		7,278,784	6,419,345

The above consolidated statement of financial position should be read in conjunction with the accompanying notes to the financial statements.

CONSOLIDATED STATEMENT OF CASHFLOWS

For the year ended 31 December 2024

	Notes	Group	
		2024	2023
		\$	\$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		3,192,872	131,656
Payments to suppliers and employees (inclusive of GST)		(2,365,841)	(945,832)
Interest received		97,254	118,984
Net cash provided by/ (used in) operating activities	19	924,285	(695,192)
Cash flows from investing activities			
Exploration and evaluation expenditure		(629,572)	(804,698)
Payments for plant and equipment		-	-
Net cash used in investing activities		(629,572)	(804,698)
Net increase/ (decrease) in cash and cash equivalents		294,713	(1,499,890)
Cash and cash equivalents at the beginning of the financial year		2,670,063	4,169,953
Cash and cash equivalents at the end of the financial year	8	2,964,776	2,670,063

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes to the financial statements.

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

Consolidated	2023			
	Issued Capital	Accumulated Losses	Reserves	Total (Deficiency)/Equity
Balance at beginning of year	50,328,088	(44,496,095)	1,260,673	7,092,666
Loss for the year	-	(1,559,814)	-	(1,559,814)
Other comprehensive loss for the year	-	-	-	-
Total comprehensive loss for the year	-	(1,559,814)	-	(1,559,814)
Transactions with equity holders in their capacity as equity holders				
Share based payments - Performance Rights	-	-	886,493	886,493
	-	-	886,493	886,493
Balance at the end of the year	50,328,088	(46,055,909)	2,147,166	6,419,345
Consolidated	2024			
	Issued Capital	Accumulated Losses	Reserves	Total Equity
Balance at beginning of year	50,328,088	(46,055,909)	2,147,166	6,419,345
Profit/(Loss) for the year	-	272,410	-	272,410
Other comprehensive loss for the year	-	-	-	-
Total comprehensive loss for the year	-	272,410	-	272,410
Transactions with equity holders in their capacity as equity holders				
Share based payments - Performance Rights	-	-	587,029	587,029
Performance rights shares issued	300,000	-	(300,000)	-
	300,000	-	287,029	587,029
Balance at the end of the year	50,628,088	(45,783,499)	2,434,195	7,278,784

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes to the financial statements.

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

1. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the year presented, unless otherwise stated. The financial report includes separate financial statements for Red Sky Energy Limited as an individual entity and the consolidated entity consisting of Red Sky Energy Limited and its subsidiaries.

(a) Basis of Preparation

The financial report is a general-purpose financial report that has been prepared in accordance with Australian Accounting Standards and Interpretations and the *Corporations Act 2001*. Red Sky Energy Limited and its subsidiaries (the Group) is a for-profit entity for the purpose of preparing the financial statements.

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated. The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

(i) Compliance with IFRSs

Australian Accounting Standards include Australian Equivalents to International Financial Reporting Standards (AIFRSs). Compliance with AIFRSs ensures that the financial report of the Group complies with International Financial Reporting Standards (IFRSs).

(ii) Critical accounting estimates

The preparation of financial statements in conformity with AIFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies (refer note 3).

(iii) Going Concern

The financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the recognition and settlement of liabilities in the normal course of business. As disclosed in the financial statements, the consolidated entity earned a profit of \$272,410 (2023: loss of \$1,559,814) and had net cash inflow from operating activities of \$924,285 (2023: outflow of \$695,192) for the year ended 31 December 2024. As at that date the consolidated entity had net current assets of \$2,864,714 and net assets of \$7,278,784.

The Directors believe that it is reasonably foreseeable that the consolidated entity will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report on the basis that the entity has prepared a cash flow forecast for the next 12 months which allows for future expenditure to be paid from existing cash reserves.

(b) Parent Entity Information

In accordance with the *Corporations Act 2001*, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 25.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

1. MATERIAL ACCOUNTING POLICY INFORMATION

(c) Principles of Consolidation

(i) Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Red Sky Energy Limited ("Company" or "parent entity") as at 31 December 2024 and the results of all subsidiaries for the year then ended. Red Sky Energy Limited and its subsidiaries together are referred to in this financial report as the Group or the consolidated entity.

Subsidiaries are all those entities (including special purpose entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases. Inter-Company transactions, balances and recognised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries are consistent with the policies adopted by the Group.

Investments in subsidiaries are accounted for at cost in the individual financial statements of Red Sky Energy Limited.

(ii) Joint arrangements

Under AASB 11 *Joint Arrangements*, investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations each investor has, rather than the legal structure of the joint arrangement. The Group has assessed the nature of its joint arrangements and concluded that the correct classification is 'joint operations'.

The proportionate interests in the assets, liabilities, income and expenditure of joint operations have been incorporated in the financial statements under the appropriate headings.

(d) Segment reporting

The Group currently operates in the oil and gas industry. Refer to Note 4 for details.

(e) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Sale of gas and liquids is recognised at the point of sale (Sales point ex the gate at Moomba for the Innamincka project), which is where the customer has taken delivery of the goods, the risks and rewards are transferred to the customer and there is a valid sales contract. Amounts disclosed as revenue are net of sales returns and trade discounts.

Interest income is recognised on a time proportion basis using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument and continues unwinding the discount as interest income.

(f) Foreign currency translation

The financial statements are presented in Australian dollars, which is the Group's functional and presentation currency.

Foreign currency transactions

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity. The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

1. MATERIAL ACCOUNTING POLICY INFORMATION

(g) Trade and other receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less allowance for doubtful debts. Trade receivables are due for settlement between thirty (30) and ninety (90) days from the date of recognition.

(h) Plant and Equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Computer equipment	3 years
Motor vehicles	8 years
Plant and equipment	5 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

(i) Inventories

Inventories are stated at the lower of cost and net realisable value on a 'first in first out' basis. Cost comprises direct materials and delivery costs, direct labour, import duties and other taxes, and an appropriate proportion of variable and fixed overhead expenditure based on normal operating capacity. The cost of purchased inventory is determined after deducting rebates and discounts received or receivable.

(j) Exploration, evaluation and development expenditure

Exploration, evaluation and development expenditure incurred is either written off as incurred or accumulated in respect of each identifiable area of interest. Costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves. Restoration, rehabilitation and environmental costs necessitated by exploration and evaluation activities are expensed as incurred and treated as exploration and evaluation expenditure. Proceeds from the sale of exploration permits or recoupment of exploration costs from farm-in arrangements are credited against exploration costs previously capitalised. Any excess of the proceeds over costs recouped are accounted for as a gain on disposal.

(k) Oil and Gas assets

Capitalised oil and gas development costs include expenditures incurred to develop new oil or gas fields or to expand the capacity of a field and to maintain production. Development costs also include costs transferred from exploration and evaluation phase once production commences in the area of interest.

Amortisation of oil and gas development costs is computed by the units of production basis over the estimated proved and probable reserves. Proved and probable oil and gas reserves reflect estimated quantities of economically recoverable reserves which can be recovered in the future from known fields. These reserves are amortised from the date on which production commences. The amortisation is calculated from recoverable proven and probable reserves.

Restoration costs expected to be incurred are provided for as part of the development phase that give rise to the need for restoration.

(l) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year, which remain unpaid at year end. The amounts are unsecured and are usually paid within 60 days of recognition. They are recognised at fair value on initial recognition and subsequently at amortised cost.

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(m) Contributed Equity

Issued and paid-up capital is recognised at the fair value of the consideration received by the Company. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction, net of tax, of the share proceeds received.

(n) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary share and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

(o) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(p) Employee benefits

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave for services rendered to the reporting date, when it is probable that settlement will be required, and they are capable of being measured reliably. The calculation of employee benefits includes all relevant on-costs and is calculated as follows at the reporting date.

(i) Wages and Salaries, Annual Leave and Long Service Leave

Provisions made in respect of employee benefits are measured based on an assessment of the existing benefits to determine the appropriate classification under the definition of short term and long-term benefits, placing emphasis on when the benefit is expected to be settled. Short-term benefits provisions that are expected to be settled within 12 months are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Long-term benefits are not expected to be wholly settled within 12 months and consequently are measured as the present value of the estimated future cash outflows to be made by the Group in respect of services provided by employees up to reporting date. Consideration is given to the expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date to estimate the future cash flows at a pre-tax rate that reflects current market assessments of the time value of money.

Regardless of the expected timing of settlement, provisions made in respect of employee benefits are classified as a current liability unless there is an unconditional right to defer the settlement of the liability for at least 12 months after the reporting date, in which case it would be classified as a non-current liability. Provisions made for annual leave and unconditional long service leave are classified as a current liability where the employee has a present entitlement to the benefit. A non-current liability would include long service leave entitlements accrued for employees with less than 10 years of continuous service who do not yet have a present entitlement.

(ii) Accumulated superannuation contribution plans

Obligations for contributions to accumulated superannuation contribution plans are recognised as an expense as incurred.

(p) Share Based Payments

The Group may at times provide benefits to employees (including directors) and consultants of the Group in the form of share-based payment transactions, whereby employees and consultants render services in exchange for shares or rights over shares ('equity-settled transactions'). The cost of these equity-settled transactions with employees and consultants is measured by reference to the fair value at the date at which they are granted. The fair value is determined using the Black & Scholes or Monte-Carlo simulation methods. The cost of equity-settled transactions is recognised, together with a corresponding increase in equity over the year in which the performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ('vesting date').

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the number of awards that, in the opinion of the directors of the Group, will ultimately vest. This opinion is formed based on the best available information at balance date. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any increase in the value of the transaction as a result of the modification, as measured at the date of modification. Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph. The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share.

(q) Cash and cash equivalents

Cash and short-term deposits in the balance sheet comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(r) Income Tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Deferred income tax is provided on all temporary differences at the balance sheet date arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements and are recognised for all taxable temporary differences:

- Except where the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, except where the timing of the reversal of the temporary differences can be controlled, and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses can be utilised:

- Except where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor the taxable profit or loss; and
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests and joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future extent that it is probable that the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. Income taxes relating to items recognised directly in equity are recognised in equity and not in the income statement.

(s) Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

2. FINANCIAL RISK MANAGEMENT

The Group's principal financial instruments comprise receivables, payables, cash and short-term deposits. The Group manages its exposure to key financial risks in accordance with the Group's financial risk management policy. The objective of the policy is to support the delivery of the Group's financial targets while protecting future financial security.

The main risks arising from the Group's financial instruments are interest rate risk, credit risk and liquidity risk. The Group does not speculate in the trading of derivative instruments. The Group uses different methods to measure and manage different types of risks to which it is exposed. These include monitoring levels of exposure to interest rates and assessments of market forecasts for interest rates. Ageing analysis of and monitoring of receivables are undertaken to manage credit risk, liquidity risk is monitored through the development of future rolling cash flow forecasts.

The Board reviews and agrees policies for managing each of these risks as summarised below. Primary responsibility for identification and control of financial risks rests with the Board. The Board reviews and agrees policies for managing each of the risks identified below, including for interest rate risk, credit allowances and cash flow forecast projections.

Details of the material accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset and financial liability are disclosed in note 1 to the financial statements.

Risk Exposures and Responses

Market Risk

Interest rate risk

The Group's exposure to risks of changes in market interest rates relates primarily to the Group's cash balances. The Group constantly analyses its interest rate exposure. Within this analysis consideration is given to potential renewals of existing positions, alternative financing positions and the mix of fixed and variable interest rates. As the Group has no interest-bearing borrowings its exposure to interest rate movements is limited to the amount of interest income it can potentially earn on surplus cash deposits.

At reporting date, the Group had the following financial assets exposed to variable interest rates not designated in cash flow hedges:

	Group	
	2024	2023
	\$	\$
Security deposits	24,633	23,755
Cash and cash equivalents (interest-bearing accounts)	2,964,776	2,670,063
Net exposure	2,989,409	2,693,818

The following sensitivity analysis is based on the interest rate risk exposures in existence at the reporting date. At the reporting date, if interest rates had moved, as illustrated in the table below, with all other variables held constant, post tax profit and equity relating to financial assets of the Group would have been affected as follows:

Judgments of reasonably possible movements:		
Post tax profit – higher / (lower)		
+ 0.5%	14,947	13,469
- 0.5%	(14,947)	(13,469)
Equity – higher / (lower)		
+ 0.5%	14,947	13,469
- 0.5%	(14,947)	(13,469)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

2. FINANCIAL RISK MANAGEMENT

Commodity Price and Foreign Currency Risk

The Group's exposure to commodity price is minimal at present.

Foreign currency risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured, monitored and managed using cash flow forecasting. The consolidated entity does not enter into any hedging contracts. The carrying amount of the consolidated entity's foreign currency denominated financial assets and financial liabilities the reporting date was minimal.

Liquidity Risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Typically, the Group ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The financial liabilities the Group had at reporting date were trade payables incurred in the normal course of the business. Trade payables were non-interest bearing and were due within the normal 30-60 days terms of creditor payments.

Maturities of financial liabilities

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Group						
	Less than 1 month	1 - 3 months	3 months - 1 year	1 - 5 years	5+ years	Total contractual cash flows	Carrying amount
	\$	\$	\$	\$	\$	\$	\$
As at 31 December 2024							
Non-interest bearing							
Trade and other payables	298,512	-	-	-	-	298,512	298,512
As at 31 December 2023							
Non-interest bearing							
Trade and other payables	595,255	-	-	-	-	595,255	595,255

Credit risk

Credit risk arises from the financial assets of the Group, which comprise deposits with banks, security deposits and trade and other receivables. The Group's exposure to credit risk arises from potential default of the counter party, with the maximum exposure equal to the carrying amount of these instruments. The carrying amount of financial assets included in the consolidated statement of financial position represents the Group's maximum exposure to credit risk in relation to those assets. The Group does not hold any credit derivatives to offset its credit exposure.

The Group trades mainly with recognised, credit worthy third parties and as such collateral is not requested nor is it the Group's policy to securities its trade and other receivables. Receivable balances are monitored on an ongoing basis with the result that the Group does not have a significant exposure to bad debts.

There are no other significant concentrations of credit risk within the Group.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

2. FINANCIAL RISK MANAGEMENT

Capital Management Risk

Management controls the capital of the Group in order to maximise the return to shareholders and ensure that the Group can fund its operations and continue as a going concern.

Management effectively manages the Group's capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of expenditure, debt levels and share and option issues.

There have been no changes in the strategy adopted by management to control capital of the Group since the prior year.

3. CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Estimation of useful lives of assets

The consolidated entity determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and oil and gas assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

(ii) Exploration expenditure

Exploration expenditure that does not form part of the cash generating units assessed for impairment has been carried forward on the basis that exploration and evaluation activities have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active and significant operations in relation to the area are continuing. In the event that significant operations cease and/or economically recoverable reserves are not assessed as being present, this expenditure will be expensed to the Income Statement.

(iii) Rehabilitation provision

A provision has been made for the present value of anticipated costs for future rehabilitation of land explored or used in production. The consolidated entity's production and exploration activities are subject to various laws and regulations governing the protection of the environment. The consolidated entity recognises management's best estimate for assets retirement obligations and site rehabilitations in the period in which they are incurred. Actual costs incurred in the future periods could differ materially from the estimates. Additionally, future changes to environmental laws and regulations, life of field estimates and discount rates could affect the carrying amount of this provision.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

(iv) Revenue from contracts with customers involving sale of goods

When recognising revenue in relation to the sale of goods to customers, the key performance obligation of the consolidated entity is considered to be the point of delivery of the goods to the customer, as this is deemed to be the time that the customer obtains control of the promised goods and therefore the benefits of unimpeded access.

(v) Share-based payment transactions

The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

4. SEGMENT REPORTING

The Group operated predominantly as an explorer with the view to identify attractive oil and gas deposits of sufficient scale to provide sustainable returns to shareholders.

The directors do not believe that there are any reportable segments that meet the requirements of Accounting Standard AASB 8 *Segment Reporting*, on the basis that the chief operating decision maker, being the Board of Directors, review geological results and other qualitative measures as a basis for decision making. Financial results are reviewed on a consolidated group basis.

Types of products and services

The Group currently has significant revenue from gas and liquids sales.

Major customers

The Group has no reliance on major customers.

Geographical areas

The Group's production and exploration assets were located in Australia during the year ended 31 December 2024.

5. REVENUE AND OTHER INCOME

	Group	
	2024	2023
	\$	\$
<i>Sales revenue</i>		
Sales of gas and liquids	2,896,956	357,903
Total	2,896,956	357,903

All revenue is earned in Australia and recognised at a point in time.

	2024	2023
	\$	\$
<i>Other income</i>		
Interest income calculated using the effective interest method	103,532	114,603
Total	103,532	114,603

6. EXPENSES

	Group	
	2024	2023
	\$	\$
Loss from continuing operations before income tax has been determined after including payroll related expenses as follows:		
Directors and employee superannuation	39,885	24,563
Directors and employee leave entitlements	99,861	48,023

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

7. INCOME TAX

	Group	
	2024	2023
	\$	\$

The prima facie income tax benefit on pre-tax accounting loss from operations reconciles to the income tax benefit in the financial statements as follows:

	2024	2023
Profit/(loss) before tax	272,410	(1,559,814)
Income tax benefit calculated at 25% (2023: 30%)	68,103	(467,944)
Effect of expenses that are not deductible in determining taxable profit	150,331	259,226
Prior years tax losses recognised	(218,434)	-
Temporary differences and tax losses in the current year for which no deferred tax asset has been brought to account	-	208,718
Income tax benefit	-	-

Deferred tax assets:

	2024	2023
Deferred tax assets not brought to account arising from temporary differences and tax losses, the benefits of which will only be realised if the conditions for deductibility set out in Note 1(t) occur:	7,824,791	9,042,744

8. CASH AND CASH EQUIVALENTS

	Group	
	2024	2023
	\$	\$
Cash at bank	2,964,776	2,670,063

9. TRADE AND OTHER RECEIVABLES

	Group	
	2024	2023
	\$	\$
Current		
Trade debtors	171,429	-
Accrued income	75,732	238,225
Other receivables	15,578	21,207
Total	262,739	259,432

There is no expected credit losses or bad debt provision.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

10. INVENTORIES

	Group	
	2024	2023
Current	\$	\$
Gas and liquids	-	181,983

11. PLANT AND EQUIPMENT

	Group	
	2024	2023
Non-Current	\$	\$
Plant and equipment	278,710	278,710
Less: Accumulated depreciation	(131,411)	(79,379)
	147,299	199,331
Reconciliations of movements:		
Opening balance	199,331	252,209
Additions	-	-
Depreciation expense	(52,032)	(52,878)
Closing Balance	147,299	199,331

12. EXPLORATION AND EVALUATION ASSETS

	Group	
	2024	2023
	\$	\$
Opening balance	3,632,035	2,738,031
Additions	629,572	977,361
Transfer to Oil and Gas assets (Note 13)	-	(83,357)
	4,261,607	3,632,035

13. OIL AND GAS ASSETS

	Group	
	2024	2023
	\$	\$
Opening balance	83,357	-
Innamincka costs transferred from Exploration and Evaluation assets (Note 12)	-	83,357
Amortisation of oil and gas assets	(33,142)	-
	50,215	83,357

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

14. TRADE AND OTHER PAYABLES

	Group	
	2024	2023
	\$	\$
Trade creditors	55,760	110,812
Accrued expenses	224,324	484,443
Other payables	18,428	-
	298,512	595,255

15. PROVISIONS

	Group	
	2024	2023
	\$	\$
Current		
Annual leave entitlements	162,608	100,977
Non-Current		
Long service leave entitlements	69,684	31,454
Rehabilitation	800,000	800,000
	869,684	831,454

16. ISSUED CAPITAL

(a) Share Capital

	Group	
	2024	2023
	\$	\$
5,422,227,197 fully paid ordinary shares (31 December 2023: 5,302,227,197)	50,628,088	50,328,088

On 9 February 2024, 120,000,000 shares valued at \$300,000 were issued to Mr Andrew Knox following the achievement of production (being production of a saleable quantity) at the Innamincka Dome Project. This was a vesting condition of Performance Rights issued following shareholder approval on 15 May 2019.

No other movements occurred during the year.

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value, and the company does not have a limited amount of authorised capital. On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

16. ISSUED CAPITAL (continued)

(b) Options

No Options were issued during the year:

(c) Performance Rights

The following table sets out the movements in Performance Rights during the year:

Grant Date	Expiry Date	Fair Value per Right (cents)	Amount expensed during 2024 \$	Recipients	Number on issue at beginning of the year	Vested during the year	Number on issue at year end
10/6/2021	9/6/2026	0.70	586,493	Directors, Employees and Consultants	450,000,000	-	450,000,000
Total			586,493		450,000,000	-	450,000,000

Performance Rights were issued to directors following shareholder approval and others on 10 June 2021 (Mr Andrew Knox 175,000,000, Mr Robert Annells 100,000,000 and Mr Adrien Wing 100,000,000, Employees 50,000,000 and Consultants 50,000,000). The Performance Rights issued were subject to the following vesting conditions:

- The Company achieving a market capitalisation of equal to or greater than \$100 million for 5 consecutive trading days within 5 years; and
- The recipient remaining continuously employed or engaged up to the date of satisfaction of the market capitalisation vesting condition.

These Performance Rights are being expensed over the 5-year term up to the expiry date.

The fair value of the Performance Rights granted is estimated using a trinomial model taking into account the terms and conditions upon which the Performance Rights were granted. The model inputs used an expected volatility of 81%, and a share price at the grant date of 0.8 cents.

There were also long-term incentives to receive 30,000,000 Shares issued during 2018 to Mr Andrew Knox in 3 tranches of 10,000,000 each subject to the following vesting conditions:

- Tranche 1: The volume weighted average price (VWAP) of the Company's shares over 14 consecutive days on which trades in the Company's shares are recorded meets or exceeds 0.6 cents. Tranche 1 was achieved during 2021.
- Tranche 2: The VWAP of the Company's shares over 14 consecutive days on which trades in the Company's shares are recorded meets or exceeds 1.2 cents. Tranche 2 was agreed to be cancelled during 2021.
- Tranche 3: The VWAP of the Company's shares over 14 consecutive days on which trades in the Company's shares are recorded meets or exceeds 2.4 cents. Tranche 3 was agreed to be cancelled during 2021.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

17. RESERVES

	Group	
	2024 \$	2023 \$
Share based payments reserve	2,429,448	2,142,419
Foreign currency translation reserve	4,747	4,747
	2,434,195	2,147,166
Opening balance	2,147,166	1,260,673
Movements during the year:	-	-
Performance rights shares issued	(300,000)	-
Share based payments – performance rights	587,029	886,493
	2,434,195	2,147,166

Nature and purpose of reserves:

Share based payments reserve records the value of options and performance rights issued which have been taken to expenses.

Foreign currency translation reserve recognises exchange differences arising from translation of the financial statements of foreign operations to Australian dollars.

18. EARNINGS PER SHARE

	Group	
	2024 \$	2023 \$
Net profit/(loss)	272,410	(1,559,814)
Calculation of basic and dilutive EPS – continued operations (cents)	0.01	(0.03)
Weighted average number of ordinary shares outstanding during the year used in calculation of basic EPS	Number 5,409,440,312	Number 5,302,227,197
Weighted average number of ordinary shares outstanding during the year used in calculation of dilutive EPS	Number 5,859,440,312	Number 5,302,227,197

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

19. CASH FLOW INFORMATION

Reconciliation of cash flow from operations with profit/ (loss) from continuing operations after income tax:

	GROUP	
	2024 \$	2023 \$
Profit/ (loss) after income tax	272,410	(1,559,814)
Non-cash flows in loss:		
Share based payments	587,029	886,493
Depreciation	52,032	52,878
Amortisation of exploration assets	33,142	-
Changes in assets and liabilities:		
(Decrease)/increase in trade creditors and accruals	(315,171)	275,776
(Decrease)/increase in provisions	99,861	48,024
(Increase)/decrease in trade and other receivables	14,001	(218,821)
(Increase)/decrease in inventories	181,983	(181,983)
(Increase)/decrease in prepayments	(1,002)	2,255
Cash flows provided by/ (used in) operating activities	924,285	(695,192)

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

20. RELATED PARTY TRANSACTIONS

(a) Parent entity

Red Sky Energy Ltd is the parent entity.

(b) Key management personnel

Disclosures in relation to key management personnel are set out in Note 21 and the Remuneration Report in the Directors' Report.

(c) Transactions with related parties

Directors and officers, or their personally related entities, did not provide any services other than as disclosed in the Remuneration Report.

(d) Loans to/from related parties

None.

(e) Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

(f) Controlled entities

	Country of Incorporation	Ownership Interest	
		2024 %	2023 %
Red Sky NT Pty Ltd	Australia	100	100
Red Sky Killanoola Pty Ltd	Australia	100	100
Red Sky Gold Nugget LLC	United States	100	100
Red Sky Angola Limited	British Virgin Islands	95	-

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

21. KEY MANAGEMENT PERSONNEL DISCLOSURES

Details of the names and positions of key management personnel and their remuneration are provided in the remuneration report in the Directors' Report. Summary disclosures are as follows:

	Group	
	2024 \$	2023 \$
Key Management Personnel Compensation		
Short-term employee benefits	682,756	449,855
Post employment benefits	57,188	32,412
Other long-term benefits	26,807	-
Share-based payments	489,194	729,194
Total	1,255,945	1,211,461

22. REMUNERATION OF AUDITORS

	GROUP	
	2024 \$	2023 \$
Amounts received or due and receivable by RSM Australia Partners for:		
Audit and audit review services	52,190	47,809

23. COMMITMENTS AND CONTINGENCIES

The consolidated entity has no commitments or contingencies.

24. EVENTS SUBSEQUENT TO BALANCE DATE

No matters or circumstances have arisen since 31 December 2024 that have significantly affected, or may significantly affect the group's operations, the results of those operations, or the group's state of affairs in future financial years.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

25. PARENT ENTITY DISCLOSURES

(a) Summary financial information

	Parent	
	2024	2023
	\$	\$
Financial Position		
Assets		
Current assets	3,078,673	3,208,795
Non-current assets	5,283,754	4,738,236
Total assets	8,362,427	7,947,031
Liabilities		
Current liabilities	414,620	696,232
Non-current liabilities	2,720,841	831,454
Total liabilities	3,135,461	1,527,686
Net assets	5,226,966	6,419,345
Equity		
Issued share capital	50,328,088	50,328,088
Share based payments reserve	2,729,448	2,142,419
Accumulated losses	(47,830,570)	(46,051,162)
Total equity	5,226,966	6,419,345
Financial Performance		
Loss for the year	(1,779,408)	(1,559,814)
Other comprehensive income	-	-
Total comprehensive income	(1,779,408)	(1,559,814)

(b) Guarantees

Red Sky Energy Limited has not entered into any guarantees in relation to the debts of its subsidiaries.

(c) Other Commitments and Contingencies

Red Sky Energy Limited has no commitments to acquire property, plant and equipment, and has no contingent liabilities.

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CONSOLIDATED ENTITY DISCLOSURE STATEMENT

For the year ended 31 December 2024

Name of entity	Country of Incorporation	Taxi Residency	Equity holding % 2024	Equity holding % 2023
Red Sky Energy	Australia	Australia	n/a	n/a
Red Sky Gold Nugget LLC	United States	Unites States	100	100
Red Sky NT Pty Ltd	Australia	Australia	100	100
Red Sky Killanoola Pty Ltd	Australia	Australia	100	100
Red Sky Angola Limited	British Virgin Islands	British Virgin Islands	95	-

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DIRECTORS' DECLARATION

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the consolidated entity disclosure statement on page 47 is true and correct;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2024 and of its performance for the financial year ended on that date; and
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2024 and of its performance for the financial year ended on that date; and

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors:



Andrew Knox
Managing Director

Melbourne, Victoria
28 March 2025

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INDEPENDENT AUDITOR'S REPORT To the Members of Red Sky Energy Limited

Opinion

We have audited the financial report of Red Sky Energy Limited ('the Company') and its subsidiaries (together 'the Group'), which comprises the consolidated statement of financial position as at 31 December 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the financial year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of Red Sky Energy Limited is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Group's financial position as at 31 December 2024 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters (continued)

Key Audit Matter	How our audit addressed this matter
Revenue Recognition Refer to Note 5 to the financial statements	
<p>During the year ended 31 December 2024, the Group incurred revenue amounting to \$2,896,956 relating to the sale of gas and liquid commodities.</p> <p>We have assessed this to be a Key Audit Matter because it is the most significant account balance in the consolidated statement of profit or loss and other comprehensive income; and giving consideration that the Group is still on early stages of producing saleable output and recognised income.</p>	<p>Our audit included the following procedures:</p> <ul style="list-style-type: none"> Assessing whether the Group's revenue recognition policies were in compliance with Australian Accounting Standard <i>AASB 15 Revenue from Contracts with Customers</i>; Gathering and updating our understanding of the Group's revenue transaction cycle, including performing walkthrough testing; Testing a sample of revenue transactions to supporting documentation and ensuring these transactions were recognised in accordance with the Group's accounting policies; and Requesting and corroborating data to the production reports to ensure an appropriate amount of revenue has been recognised.
Carrying value of Exploration and Evaluation assets Refer to Note 12 to the financial statements	
<p>As at 31 December 2024, the carrying value of the Group's Exploration and evaluation assets amounted to \$4,261,607 (approx. 50% of the Group's total assets). We assessed this to be a Key Audit Matter because of the materiality of the balance at the reporting date and due to the significant management judgment involved in assessing the carrying value in accordance with <i>AASB 6 Exploration for and Evaluation of Mineral Resources</i>, including:</p> <ul style="list-style-type: none"> Assessing whether the capitalised exploration expenditure meets the criteria of being capitalised in accordance with AASB 6; and Assessing whether any indicators of impairment are present, and if so, to quantify any impairment loss. 	<p>Our audit procedures in relation to the carrying value of Exploration and evaluation assets included:</p> <ul style="list-style-type: none"> Reviewing the Group's accounting policy and criteria recognition of capitalisation of exploration expenditure and assessed whether it is in line with AASB 6; Agreeing a sample of the additions to capitalised Exploration and evaluation asset during the year to supporting documentation, and ensuring that these meet the Group's accounting policy; Reviewing management's assessment of impairment indicators, including assessing the reasonableness of their conclusions; Ensuring that the right to tenure of the areas of interest was current through confirmation with the relevant government departments; and Assessing the reasonableness of the basis on which it was determined that exploration activities associated with the Innamincka mine have progressed to the point where the existence or otherwise of an economically recoverable mineral resource has been determined.

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Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 31 December 2024; but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of:

- a. the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- b. the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*,

for such internal control as the directors determine is necessary to enable the preparation of:

- i. the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- ii. the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar2.pdf. This description forms part of our auditor's report.

Report on the Remuneration Report*Opinion on the Remuneration Report*

We have audited the Remuneration Report included in pages 19 to 22 of the annual report for the year ended 31 December 2024.

In our opinion, the Remuneration Report of Red Sky Energy Limited for the year ended 31 December 2024, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

**RSM AUSTRALIA PARTNERS****R J MORILLO MALDONADO**

Partner

Melbourne, Victoria

Dated: 28 March 2025

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SHAREHOLDER INFORMATION

TWENTY LARGEST SHAREHOLDERS

SHAREHOLDERS (Fully Paid Ordinary) 20 March 2025

	NUMBER OF SHARES	Percentage
MR GEORGE SPIROS PAPACONSTANTINOS	344,412,893	6.35
ABACUS ENTERPRISES PTY LTD	255,067,222	4.70
MR LUKE CARLO ROSSI	207,517,545	3.83
MR GEORGE SPIROS PAPACONSTANTINOS	117,548,170	2.17
CITICORP NOMINEES PTY LIMITED	97,579,490	1.80
MR BRETT PARTRIDGE & MRS CHRISTINE JOANNE PARTRIDGE<PARTRIDGE FAMILY S/F A/C>	79,367,227	1.46
PARTRIDGE & CLEVEN PTY LTD<PARTRIDGE FAMILY A/C>	75,645,300	1.40
MR BRETT PARTRIDGE & MRS CHRISTINE JOANNE PARTRIDGE	75,388,331	1.39
MR MICHAEL HOUGH	75,000,000	1.38
MJG APEXN PTY LTD<THE MJG FAMILY A/C>	67,000,000	1.24
NORTHERN STAR NOMINEES PTY LTD	66,646,111	1.23
FINLAYSON INVESTMENTS PTY LTD<FINLAYSON SUPER FUND A/C>	65,822,114	1.21
MR MARK JOHN WARD	50,400,000	0.93
MR GREGORY JAMES SERATO	48,050,000	0.89
SELLICKS BEACH PTY LTD	40,500,000	0.75
MR PETER DAVID AMOS	33,000,000	0.61
BIT NOMINEES PTY LTD<BOURNE FAMILY A/C>	30,000,000	0.55
BNP PARIBAS NOMS PTY LTD	29,949,609	0.55
MR SEONG YUN KANG	29,491,001	0.54
MR ARTHUR BROMIDIS	28,000,000	0.52
TOP 20 SHAREHOLDERS	1,816,385,013	33.50
TOTAL ISSUED SHARES	5,422,227,197	100.00

Distribution schedule of the number of fully paid ordinary shareholders in each class of equity security as at 20 March 2025.

By Class	Holder of Ordinary shares	Number of Ordinary shares	Percentage
1 – 1,000	592	278,582	0.01
1,001 - 5,000	562	1,420,184	0.03
5,001 – 10,000	175	1,361,400	0.03
10,001 – 100,000	1,508	91,323,519	1.68
100,001 and over	2,736	5,327,843,512	98.25
Totals	5,573	5,422,227,197	100.00

ADDITIONAL SHAREHOLDER INFORMATION

A. CORPORATE GOVERNANCE

Refer to the Company's Corporate Governance Statement at www.redskyenergy.com.au

B. SHAREHOLDING

1. Substantial Shareholders

George Spiros Papaconstantinos	461,961,063 shares	8.52% voting power
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There are no other substantial shareholders recorded.

2. Unquoted Securities

There are no unlisted Options present.

3. Number of holders in each class of equity securities and the voting rights attached.

At the general meeting, every ROG shareholder present in person or by proxy, representative or attorney has one vote on a show of hands and on a poll, one vote for each share (which is fully paid). There are 6,320 holders of fully paid ordinary shares.

4. Marketable parcel

There were 327 Shareholders with less than a marketable parcel as at 20 March 2025.

C. EXPLORATION PROJECTS

1. Australian interests

Project		Interest owned %
Innamincka Dome, South Australia	PRL 14	20.00
Innamincka Dome, South Australia	PRL 17	20.00
Innamincka Dome, South Australia	PRL 18	20.00
Innamincka Dome, South Australia	PRL 180	20.00
Innamincka Dome, South Australia	PRL 181	20.00
Innamincka Dome, South Australia	PRL 182	20.00
Killanoola, South Australia	PRL 13	100.00

2. Angola interests

Project		Interest owned %
Kwanza Basin	Block 6/24	35.00

D. OTHER DETAILS

1. **Company Secretaries**

Mr Adrien Wing
Ms Pauline Moffatt

2. **Address and telephone details of the entity's registered and administrative office**

The address and telephone details of the registered and administrative office:

Level 2, 480 Collins Street
Melbourne VIC 3000

Telephone: + (61) 03 9614 0600
Facsimile: + (61) 03 9614 0550

3. **Address and telephone details of the office at which a register of securities is kept**

The address and telephone number of the office at which a registry of securities is kept:

XCEND
Level 2, 477 Pitt St
Haymarket NSW 2000

Telephone: +61 (2) 7208-8033

4. **Stock exchange on which the Company's securities are quoted**

The Company's listed equity securities are quoted on the Australian Stock Exchange.

5. **Restricted Securities**

The Company has no restricted securities on issue.

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