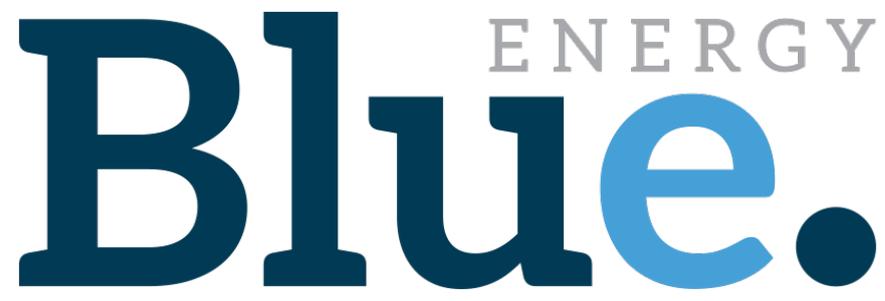


For personal use only



INTERIM FINANCIAL REPORT
For the half-year ended 31 December 2025

INTERIM FINANCIAL REPORT

For the half-year ended 31 December 2025

CONTENTS

DIRECTORS' REPORT	1
AUDITOR'S INDEPENDENCE DECLARATION	7
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	8
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	9
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	10
CONSOLIDATED STATEMENT OF CASH FLOWS	11
NOTES TO THE FINANCIAL STATEMENTS	12
DIRECTORS' DECLARATION	16
INDEPENDENT AUDITOR'S REVIEW REPORT	17

For personal use only

DIRECTORS' REPORT

For the half-year ended 31 December 2025

The Directors of Blue Energy Limited ("the Company") and its controlled entities ("the Group" or "Blue") submit herewith their report on the consolidated financial statements of the Company for the half-year ended 31 December 2025.

DIRECTORS

The names of the Directors who held office during or since the end of the half-year and to the date of this report:

John Ellice-Flint (Chairman)	(Appointed 5 April 2012)
John Phillips	(Appointed 28 June 2010)
Mark Hayward	(Appointed 16 February 2021)
John McCreery	(Appointed 1 December 2023)

REVIEW OF OPERATIONS

Blue is subject to continuous disclosure rules, and as such, anything materially affecting Blue and its exploration assets during the half-year and up to the date of this report has been disclosed to the market.

Reserve and Resource Position

Permit	Block	Date	Method	Certifier	1P (PJ)	1C (PJ)	2P (PJ)	2C (PJ)	3P (PJ)	3C (PJ)
ATP854P		25/01/2022	SPE/PRMS Det	NSAI	-	90	-	194	-	398
ATP814P	Sapphire	9/10/2023	SPE/PRMS Det	NSAI	-	171.2	90.7	251.7	287.0	256.0
ATP814P	Central	31/07/2023	SPE/PRMS Det	NSAI	-	39	-	111	-	469
ATP814P	Monslatt	8/12/2015	SPE/PRMS Det	NSAI	-	-	-	619	-	2,054
ATP814P	Lancewood	31/07/2023	SPE/PRMS Det	NSAI	-	203	-	232	-	573
ATP814P	Hillalong	27/02/2020	SPE/PRMS Det	NSAI	-	-	-	182	-	237
ATP814P	South	29/07/2013	SPE/PRMS Det	NSAI	-	15	-	27	6	30
Total (PJ)					-	518	91	1,617	293	4,017

Table 1: Blue Energy Gas Reserves and Contingent Resources (net) as at 31 December 2025.

These reserves are not yet developed, and there has been no commercial production of gas by the Group to deplete the reserves. All reserves and resources stated in the table are in respect of unconventional gas (Coal Seam Gas) and are undeveloped reserves and net to Blue cross the Blue Energy acreage portfolio (see Figure 4).

These reserves remain undeveloped due to local market conditions and limited pipeline infrastructure within the North Bowen Basin region. It is the Group's intention to develop these reserves by facilitating appropriate commercial transactions to enable the provision of appropriate infrastructure. To this end Blue has entered into a nonbinding Heads of Agreement (HoA) to supply 300 PJ of gas over 10 years to AGL and a similar agreement for 300 PJ of gas supply over 10 years to Origin Energy with both contract delivery points at Wallumbilla. These volumes are designated to supply the domestic east coast gas market. In addition, Blue has a Memorandum of Understanding with Queensland Pacific Metals to supply up to 112 PJ of gas over 15 years to their proposed nickel refinery in Townsville. Blue continues to negotiate with other gas users to build the contracted volume and facilitate development of its North Bowen Basin gas resources. The reserves being ear-marked in this agreement are proximate to existing production but require appropriate infrastructure and commercial arrangements to be put in place for them to be brought to market.

*Listing Rule 5.42 Disclosure

The estimates of Reserves and Contingent Resources noted Table 1 above and throughout this Directors' Report have been provided by Mr John Hattner of Netherland, Sewell and Associates Inc (NSAI) and were originally reported in the Company's market announcements of 25 January 2012, 26 February 2013, 19 March 2013, 8 December 2015, 28 February 2019, 22 January 2023, 14 July 2023, 31 July 2023 and 11 October 2023. NSAI independently regularly reviews the Company's Reserves and Contingent Resources. Mr Hattner is a full-time employee of NSAI, has over 30 years of industry experience and 20 years of experience in reserve estimation, is a licensed geologist and a member of the Society of Petroleum Engineers (SPE), and has consented to the use of the information presented herein. The estimates in the reports by Mr Hattner have been prepared in accordance with the definitions and guidelines set forth in the 2018 Petroleum and Resource Management System (PRMS) approved by the SPE, utilising a deterministic methodology.

Blue Energy confirms that it is not aware of any new information or data that materially affects the information included in any of the announcements relating to ATP 814 referred to in this report and that all the material assumptions and technical parameters underpinning the estimates in the announcements continue to apply and have not materially changed.

++ Listing Rule 5.28.2 disclosure: The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery

DIRECTORS' REPORT
For the half-year ended 31 December 2025

and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

Bowen Basin

ATP814P (Blue 100% and Operator)

Blue's 100% ATP814P currently contains 91 PJ+ of 2P reserves and 293 PJ+ of 3P reserves (as independently certified by NSAI – see Table 1). Significant upside also exists within the constituent blocks comprising the permit, with a combined 3,619 PJ+ of Contingent Resources in the combined area of ATP 814 held in the Company's granted Potential Commercial Areas (PCAs) and Production Licence 1034 (Sapphire). The volumes of gas in these tenements has also been certified by NSAI.

During the period, the Queensland Department of Natural Resources, Mines, Manufacturing, Regional and Rural Development awarded two Potential Commercial Areas (PCA 336 and PCA 337) to Blue Energy's wholly owned subsidiary Eureka Petroleum Limited. In addition, the Department has also renewed the underlying exploration permit, ATP 814, for a further term.

PCA 336 and 337 represent the Lancewood and Central Blocks respectively within ATP 814 (Figure 2) and which have been previously independently assessed by Netherland Sewell and Associates Inc of Dallas to contain recoverable gas of 573 PJ and 469 PJ of Continent (gas) Resource+ respectively. These are significant gas resources which will be appraised by the Company in due course with a view to converting the gas resources into gas reserves.

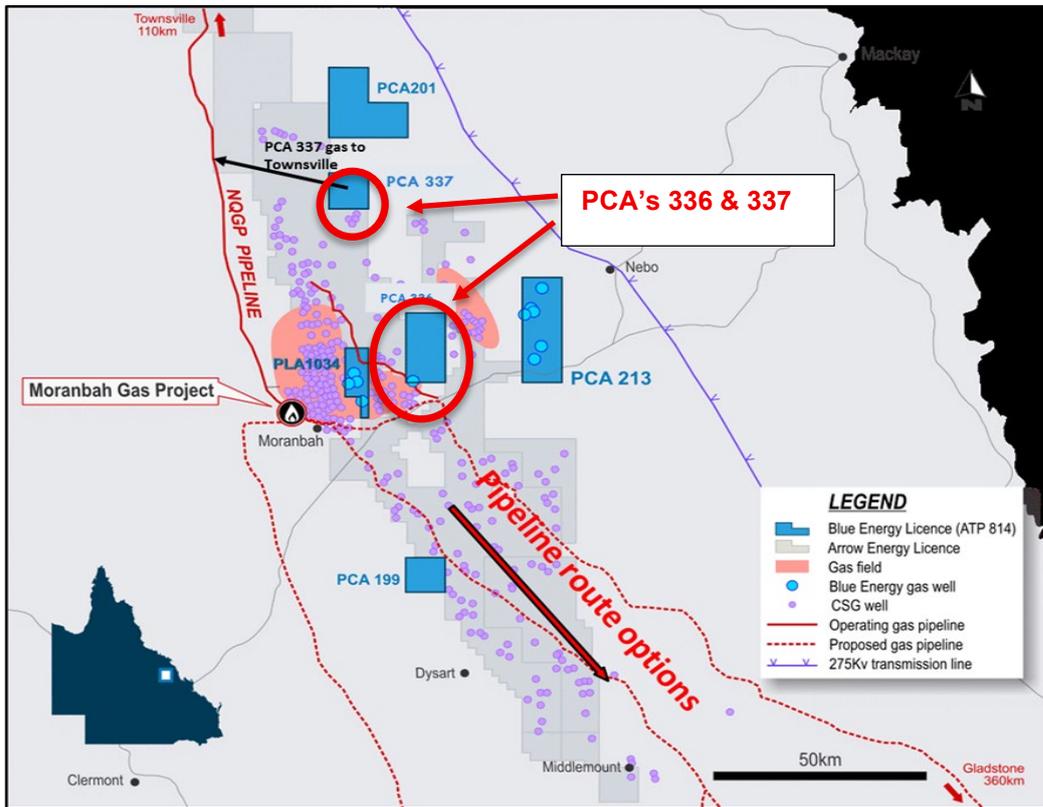


Figure 1 : Location of ATP814 and its constituent blocks showing recently awarded PCA's 236 & 237

In addition, Production Licence PL 1034 over Blue's 100% Sapphire project was granted to Blue's 100% wholly owned subsidiary Eureka Petroleum Pty Ltd, by the Department of Natural Resources, Mines, Manufacturing and Regional and Rural Development.

PL 1034 has been granted for a term of 20 years and allows Blue to drill up to 117 wells to develop the 91 PJ of 2P reserves and 287 PJ of 3P reserves estimated to be held within the coal seams of the Permian aged sequence in PL 1034, as assessed by independent reserve specialists and certifiers Netherland Sewell and Associates Inc (NSAI) of Dallas)

For personal use only

DIRECTORS' REPORT
For the half-year ended 31 December 2025

PL 1034 is located immediately adjacent to the Moranbah Gas Project (MGP) – See Figure 2. The MGP is a producing gas field which was recently acquired by Queensland Pacific Minerals Energy (QPME).

Blue Energy has an existing non-binding MoU to supply gas to QPME's proposed Nickel refinery in Townsville.

As previously advised Blue was granted in 2023 a Site-Specific Environmental Authority (EA) for the PL 1034 application area by the Queensland Department of Environment, Science and Innovation (now DETSI) after submitting the appropriate environmental investigative studies required. The EA covers the proposed development of the PL 1034 gas resource and is a requirement for grant of the Production Licence, by the State.

As also previously reported to the market, an appeal of the decision by DESI (now Department of Environment, Tourism, Science and Innovation – DETSI) to grant the EA was lodged against DESI in the Land Court by the Environmental Advocacy in Central Queensland Inc (EACQI). The proceedings were heard in the Land Court, and the decision of the court was handed down in March of 2025 and a new EA was issued by the Land Court. This decision facilitated the award of PL 1034 by the Queensland Minister for Natural Resources, Mines, Manufacturing and Regional and Rural Development, which occurred in September 2025



Figure 2: Location of the Sapphire Project area (PL 1034) in relation to the Moranbah Gas Project and the related gas producing wells. Also shown is the proposed pipeline connection from Sapphire to the MGP Node 3 connections and initial proposed Sapphire development.

Source : Blue Energy

Surat Basin, Queensland

ATP854P (Blue 100% and Operator)

Blue has lodged Potential Commercial Area (PCA) applications with the Queensland Government over this permit area to allow this tenure to progress toward assessing then developing the potential economic gas resources identified by Blue's exploration drilling work in the permit to date.

Blue continued working with the new Queensland Government during the half year period to secure the grants of these PCA's which if awarded will enable new gas supply to be appraised and brought to the market. Blue has previously reported 398 PJ+ of Contingent Resources (recoverable gas) in ATP 854 as assessed by Netherland, Sewell and Associates Inc (NSAI). The gas resource is located near the heart of the CSG-LNG Surat Basin gas supply precinct and has gas pipeline infrastructure linking Wallumbilla to Gladstone running directly through the permit (Figure 3 below).

For personal use only

DIRECTORS' REPORT
For the half-year ended 31 December 2025

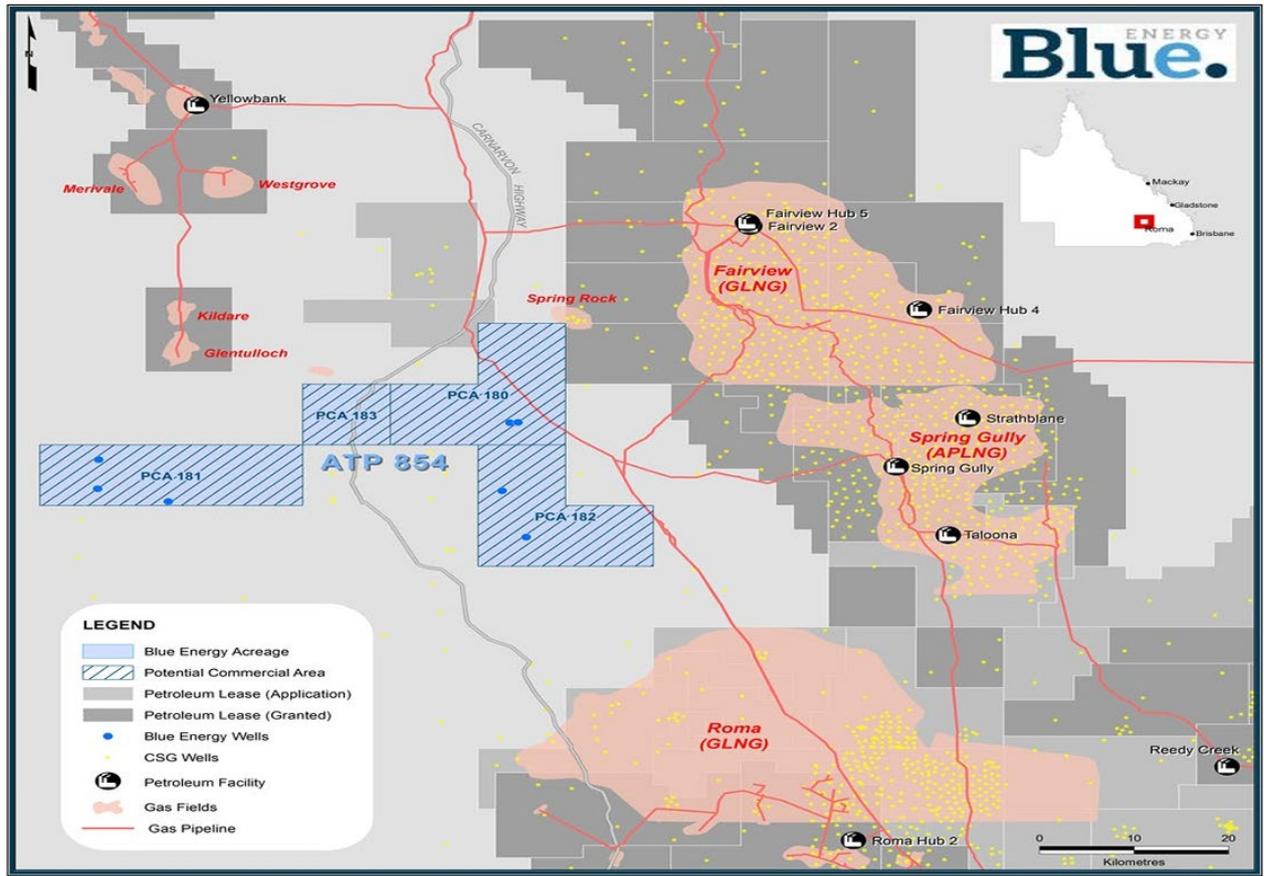


Figure 3 : Location of ATP 854 in relation to existing pipeline infrastructure and major gas fields.
Source : Blue Energy

Greater McArthur Basin, Northern Territory

EP199A, 200, 205, 206A, 207, 208A, 209A, 210A, 211A (Blue farming in and Operator)

During the half-year, Blue continued to advance land access negotiations to allow the 2D seismic acquisition.

The seismic processing and interpretation (of the Geoscience Australia seismic data acquired in 2023) undertaken by Blue has shown, (in conjunction with Lines PB 13-13 and PB 13-20 acquired by Pangaea in 2013 in the adjacent EP 198) that sedimentary sequences of the McArthur Group and potentially younger are likely to be present within Blue Energy's EP 208, 209, 210 and 211 Application areas. This therefore identifies a (to date unknown but) vast area of potentially gas prospective sedimentary basin, and which has very little subsurface geological data.

Blue was granted a Suspension and Extension (by the Northern Territory Government) of the EP 200, 205 and 207 tenures and their associated work programs to mid February 2027 to reflect the continuing land access negotiation delays.

For personal use only

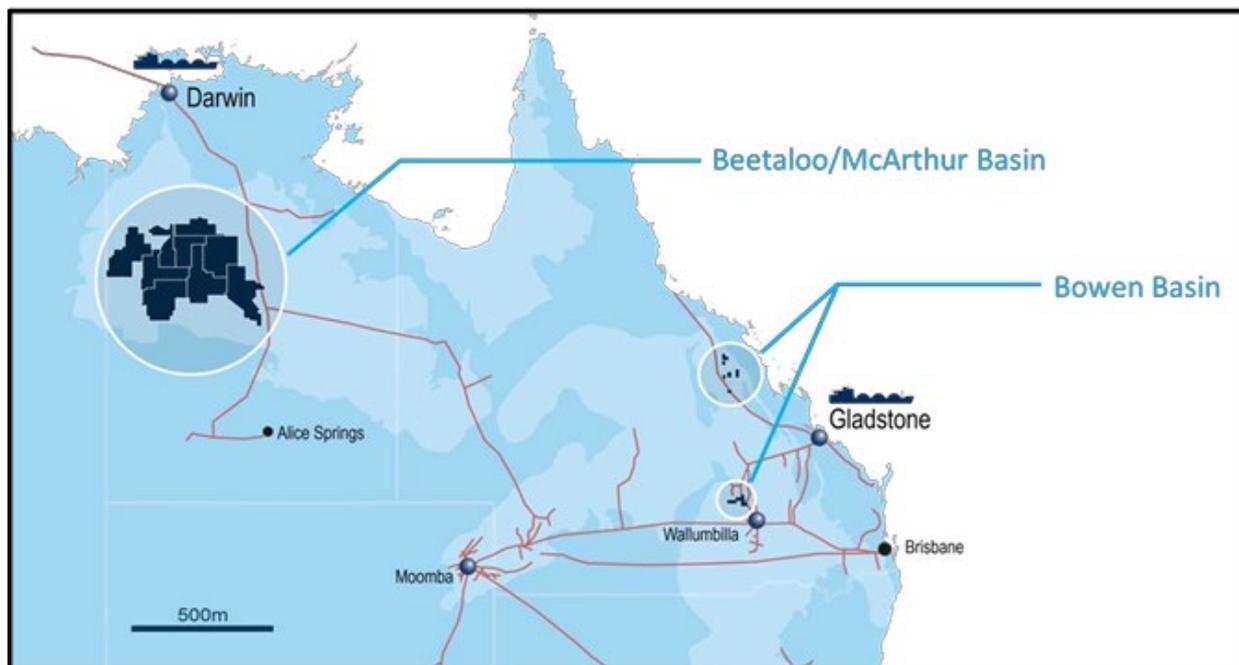


Figure 4 – The Blue Energy exploration asset portfolio

CORPORATE

Financial Position

The net assets of the Group have increased by \$4,867 thousand from 30 June 2025 to 31 December 2025 to \$77,248 thousand as a result of capital raising activities during the period raising funds of \$5,480 thousand (net of costs).

Cash expenditure on exploration and evaluation for the period was \$710 thousand (31 December 2024: \$1,439 thousand) with the Sapphire production testing program accounting for the majority of that expenditure.

Share & Option Issues

During the half year the Company issued the following fully paid ordinary shares:

- 640,000,000 shares at \$0.005 through a Placement, raising \$3,200 thousand; and
- 521,000,000 shares at \$0.005 through a Share Purchase Plan to existing shareholders, raising \$2,605 thousand.

Nil incentive performance rights were granted during the period under the current Employee Incentive Rights Plan.

SUBSEQUENT EVENTS

Except for the matters noted below, there has not been any matter or circumstance, other than those referred to above and in the financial statements or notes thereto, that has arisen, that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods:

- Subsequent to the reporting period the Company was granted a Suspension and Extension (by the Northern Territory Government) of the EP 200, 205 and 207 tenures and their associated work programs until mid February 2027 to reflect the continuing land access negotiation delays.

AUDITOR'S DECLARATION

The auditor's independence declaration under section 307C of the Corporations Act 2001, for the half-year ended 31 December 2025, is set out on page 7.

ROUNDING OF AMOUNTS

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial / Directors' Reports) Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in the Directors' Report and financial report. Amounts in the Directors' Report and the financial report are presented in Australian dollars, and all values are rounded to the nearest thousand (\$000 or thousand), except when otherwise indicated.

DIRECTORS' REPORT
For the half-year ended 31 December 2025

This report is signed in accordance with a resolution of the Board of Directors.



John Ellice-Flint
Non-Executive Chairman
Blue Energy Limited

Dated this 11th day of March 2026
Brisbane, Queensland

For personal use only

The Directors
Blue Energy Limited
Level 10, 26 Wharf Street
Brisbane QLD 4000

Auditor's Independence Declaration

In relation to the independent auditor's review for the half-year ended 31 December 2025, to the best of my knowledge and belief there have been:

- (i) no contraventions of the auditor independence requirements of the *Corporations Act 2001*; and
- (ii) no contraventions of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*.

This declaration is in respect of Blue Energy Limited and the entities it controlled during the period.

Pitcher Partners
PITCHER PARTNERS

J. Evans
JASON EVANS

Partner

Brisbane, Queensland
11 March 2026

For personal use only

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the half-year ended 31 December 2025

	Note	31 Dec 2025 \$'000	31 Dec 2024 \$'000
Financial income	2	39	67
Other income	2	3	14
Total income		42	81
Operating and administration expenses	3	(655)	(757)
(Loss) before income tax		(613)	(676)
Income tax benefit		-	-
(Loss) for the half-year attributable to the owners of the parent		(613)	(676)
Other comprehensive income		-	-
Total comprehensive (loss) for the half-year attributable to the owners of the parent		(613)	(676)
Earnings per share (cents per share):			
- basic		(0.03)	(0.04)
- diluted		(0.03)	(0.04)

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	Note	31 Dec 2025 \$'000	30 June 2025 \$'000
ASSETS			
Current Assets			
Cash and cash equivalents	11	4,972	913
Trade and other receivables	4	119	80
Other assets		64	71
Total Current Assets		5,155	1,064
Non-Current Assets			
Property, plant, and equipment		97	114
Right of use assets		62	71
Trade and other receivables		73	73
Exploration and evaluation expenditure	5	73,052	72,441
Total Non-Current Assets		73,284	72,699
TOTAL ASSETS		78,439	73,763
LIABILITIES			
Current Liabilities			
Trade and other payables		285	475
Lease liability		52	47
Provisions		285	287
Total Current Liabilities		622	809
Non-Current Liabilities			
Lease liability		11	25
Provisions		558	548
Total Non-Current Liabilities		569	573
TOTAL LIABILITIES		1,191	1,382
NET ASSETS		77,248	72,381
EQUITY			
Issued capital	6	174,167	168,687
Reserves		8,874	8,874
Accumulated losses		(105,793)	(105,180)
TOTAL EQUITY		77,248	72,381

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

As at 31 December 2025

	Issued Capital \$'000	Accumulated losses \$'000	Reserves \$'000	Total \$'000
Balance at 1 July 2024	168,687	(103,765)	8,873	73,795
Total comprehensive loss				
(Loss) for the half-year	-	(676)	-	(676)
Total comprehensive loss for the half-year	-	(676)	-	(676)
Transaction with owners in their capacity as owners				
Issue of new shares	-	-	-	-
Capital raising costs	-	-	-	-
Share-based payments	-	-	1	1
Total transactions with owners	-	-	1	1
Balance at 31 December 2024	168,687	(104,441)	8,874	73,120
Balance at 1 July 2025	168,687	(105,180)	8,874	72,381
Total comprehensive loss				
(Loss) for the half-year	-	(613)	-	(613)
Total comprehensive loss for the half-year	-	(613)	-	(613)
Transaction with owners in their capacity as owners				
Issue of new shares	5,805	-	-	5,805
Capital raising costs	(325)	-	-	(325)
Share-based payments	-	-	-	-
Total transactions with owners	5,480	-	-	5,480
Balance at 31 December 2025	174,167	(105,793)	8,874	77,248

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the half-year ended 31 December 2025

	Note	31 Dec 2025 \$'000	31 Dec 2024 \$'000
Cash flows from operating activities			
Receipts of refunds for GST		80	163
Payments to suppliers and employees		(774)	(1,224)
Interest received		10	94
Net cash used in operating activities		(684)	(967)
Cash flows from investing activities			
Funds used in exploration and evaluation		(710)	(1,439)
Research and development tax incentive received		-	-
Funds used to acquire property, plant, and equipment		-	-
Net cash used in investing activities		(710)	(1,439)
Cash flows from financing activities			
Proceeds from share issue	6	5,805	-
Capital raising costs	6	(325)	-
Proceeds from borrowings		-	-
Repayment of borrowings		(27)	(34)
Net cash flows provided by financing activities		5,453	(34)
Net increase / (decrease) in cash and cash equivalents held		4,059	(2,440)
Cash and cash equivalents at beginning of half-year		913	4,430
Cash and cash equivalents at end of half-year	11	4,972	1,990

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

1. BASIS OF PREPARATION

The half-year consolidated financial report is a general purpose financial report prepared in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standards AASB 134: Interim Financial Reporting.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2025 and any public announcements made by the Company and its controlled entities, during the half-year, in accordance with the continuous disclosure requirements arising under the Corporations Act 2001.

The Company and its controlled entities are of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/91, issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the Directors' Report and Financial Report. Amounts are rounded off to the nearest thousand dollars unless otherwise stated

The half-year report does not include full disclosures of the type normally included in annual condensed financial statements.

The half-year consolidated financial report was authorised for issue by the Board of Directors on 11 March 2026.

Reporting Basis and Conventions

The interim financial report has been prepared on an accruals basis and is based on historical cost modified by the revaluation of selected non-current assets, financial assets, and financial liabilities for which the fair value basis of accounting has been applied.

New standards, interpretations, and amendments thereof, adopted by Blue

The accounting policies adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the financial report for the financial year ended 30 June 2025.

Going concern

As the Group's operations are in the exploration and evaluation phase, Blue Energy Limited is currently non-revenue generating. As such, a major focus of the Board and management is on ongoing cash flow forecasting and management of cash flows to ensure that the Group has sufficient funds to cover its planned activities and any ongoing obligations.

At 31 December 2025, the Group had \$4,972 thousand in cash and cash equivalents, which includes \$411 thousand of restricted cash.

The Board is satisfied that the Group will successfully meet its minimum expenditure commitment (including through negotiating deferral of minimum expenditure commitments until access and activity approvals are received). Furthermore, it is recognised that the Group's cash and cash equivalents at 31 December 2025 are not sufficient for it to meet its full exploration expenditure commitments for its various tenements over the full terms of all its exploration tenures or facilitate an expanded exploration program should the Group elect to do so. In addition, the Group's ability to realise the carrying amount of its capitalised exploration and evaluation expenditure asset in the ordinary course of business, is contingent on it maintaining tenure for various areas of interest and being able to access tenements to be able to advance exploration and evaluation efforts.

This being the case, the Group is:

- Managing all tenures, and their respective work programs to ensure all renewals and/or grant of higher tenure types (PLAs and PCAs) are completed;
- Considering options for reduction in or deferral of cash expenditure; and
- Considering all funding options including capital raising and the establishment of Joint Venture partnerships.

On the basis of the above and taking into consideration the successful capital raising of \$5,805 thousand (before costs) undertaken during the period, the Directors are of the opinion the Group will be able to meet its debts as and when they fall due and realise its assets and settle its liabilities in the ordinary course of business. Should the Directors not be able to manage these inherent uncertainties and successfully secure funding, there would be material uncertainty that may cast significant doubt as to whether the Group would be able to meet its debts as and when they fall due and therefore continue as a going concern. Accordingly, the financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities may be necessary should the Group be unsuccessful in renegotiating or deferring its exploration expenditure commitments, attracting joint venture partners for the Group's exploration expenditure commitments and/or raising additional capital.

NOTES TO THE FINANCIAL STATEMENTS

2. INCOME

	31 Dec 2025	31 Dec 2024
	\$'000	\$'000
Financial income		
Interest received	39	67
	<u>39</u>	<u>67</u>
Other income		
Fuel tax credits received	3	14
	<u>3</u>	<u>14</u>
Total Income	<u>42</u>	<u>81</u>

3. PROFIT/(LOSS) FOR THE HALF YEAR

	31 Dec 2025	31 Dec 2024
	\$'000	\$'000
Operating and administration expenses include		
Employee benefit expenses	180	(26)
Superannuation	19	18
Depreciation and amortisation expense	40	42
Directors' fees	115	115
Share based payments expense / (income)	-	1
Finance costs	6	8

4. TRADE AND OTHER RECEIVABLES

	31 Dec 2025	30 June 2025
	\$'000	\$'000
GST receivable	32	22
Interest Receivable	33	4
Rental bonds and deposits	54	54
Total trade and other receivables	<u>119</u>	<u>80</u>

NOTES TO THE FINANCIAL STATEMENTS

5. EXPLORATION AND EVALUATION EXPENDITURE

	31 Dec 2025	30 June 2025
	\$'000	\$'000
Exploration and evaluation expenditure acquired and recognised on consolidation	13,648	13,648
Other exploration and evaluation expenditure	109,580	108,969
Restoration asset	790	790
Research and development tax incentive offset	(7,930)	(7,930)
Accumulated impairment and write off of exploration and evaluation expenditure asset	(43,036)	(43,036)
Total exploration and evaluation expenditure brought to account	73,052	72,441

The ultimate recoupment of capitalised exploration and development expenditure is dependent on the successful development and commercial exploitation, or alternatively sale, of the respective areas of interest.

6. ISSUED CAPITAL

	31 Dec 2025		30 June 2025	
	Shares	\$'000	Shares	\$'000
Ordinary shares:				
Issued and fully paid	3,011,973,596	174,167	1,850,973,596	168,687
Movements in ordinary shares in issue:				
Opening Balance	1,850,973,596	168,687	1,850,973,596	168,687
Issued shares at \$0.005 (Placement)	277,646,039	1,388	-	-
Issued shares at \$0.005 (Placement)	362,353,961	1,812	-	-
Issued shares at \$0.005 (SPP)	521,000,000	2,605	-	-
Less: capital raising costs	-	(325)	-	-
Closing Balance	3,011,973,596	174,167	1,850,973,596	168,687

7. SEGMENT INFORMATION

The Group operates in a single operating segment, being the oil and gas exploration industry. The Groups activity is carried out in a single geographical segment, being Australia.

8. CONTINGENT LIABILITIES

The Directors are not aware of any contingent liabilities or contingent assets at 31 December 2025, which are not otherwise disclosed in this report or in the annual financial report for the year ended 30 June 2025.

9. SUBSEQUENT EVENTS

Except for the matters noted below, there has not been any matter or circumstance, other than those referred to above and in the financial statements or notes thereto, that has arisen, that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods:

- Subsequent to the reporting period the Company was granted a Suspension and Extension (by the Northern Territory Government) of the EP 200, 205 and 207 tenures and their associated work programs until mid February 2027 to reflect the continuing land access negotiation delays.

10. DIVIDEND PAID OR PROVIDED FOR ON ORDINARY SHARES

There was no dividend paid or provided for at the reporting date (31 December 2024: \$nil).

11. CASH AND CASH EQUIVALENTS

At 31 December 2025, the Group had \$4,972 thousand (30 June 2025: \$913 thousand) in cash and cash equivalents, which includes \$411 thousand (30 June 2025: \$411 thousand) of restricted cash.

Restricted cash includes deposits secured against bank guarantees relating to financial assurances for ATPs.

12. FINANCIAL INSTRUMENTS

The financial assets and liabilities consist of trade and other receivables and trade and other payables. The financial assets and liabilities are carried at amortised cost, the carrying value is assumed to approximate their fair value due to their short term nature.

For personal use only

DIRECTORS' DECLARATION

DIRECTORS' DECLARATION

The directors of the Company declare that:

- (1) The financial statements and notes, as set out on pages 8 to 15, are in accordance with the Corporations Act 2001;
 - (a) comply with Accounting Standards and
 - (b) give a true and fair view of the consolidated entity's financial position as at 31 December 2025 and of its performance for the half-year ended on that date.
- (2) In the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



John Ellice-Flint
Director

Dated 11 March 2026

For personal use only

Independent Auditor's Review Report to the Members of Blue Energy Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Blue Energy Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 31 December 2025, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Blue Energy Limited does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of Blue Energy Limited's financial position as at 31 December 2025 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company 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 (including Independence Standards)* (the Code) that are relevant to our audit of the annual 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 review report.

Material Uncertainty Related to Going Concern

We draw attention to note 1 in the financial report, which describes events and/or conditions which indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect to this matter.

For personal use only

Responsibility of the Directors for the Financial Report

The directors of the Group are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2025 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Pitcher Partners
PITCHER PARTNERS

J. Evans

JASON EVANS
Partner

Brisbane, Queensland
11 March 2026

For personal use only