

ADVENT ENERGY LIMITED

ACN 109 955 400

OFFER INFORMATION STATEMENT

ENTITLEMENT ISSUE

For a non-renounceable entitlement issue of 3 Shares for every 5 Shares held by those Shareholders registered at the Record Date at an issue price of \$0.05 per Share to raise up to \$7,440,142 (based on the number of Shares on issue as at the date of this Offer Information Statement) (**Offer**).

It is proposed that the closing date of the Offer is 5:00pm (WST) on 31 May 2025. The Directors reserve the right to extend this date without notice.

Grandbridge Securities Pty Ltd (ABN 84 087 432 353) (AFSL 517246) (**Grandbridge** or **Lead Manager**) is the lead manager to the Offer.

IMPORTANT NOTICE

This is an important document and requires your immediate attention. It should be read in its entirety and in conjunction with the Company's Annual Report for the year ended 30 June 2024.

Please note that an Offer Information Statement (**OIS**) is not a prospectus and has a lower level of disclosure requirements than a prospectus. Investors should read this Offer Information Statement in its entirety (including the key risks summarised in Section 7 of this OIS) and obtain appropriate professional investment advice before accepting the Offer.

If you are in doubt about what to do, you should consult your professional adviser without delay.

The Shares offered by this OIS should be considered speculative.

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1. CORPORATE DIRECTORY

Directors

David Breeze
Chairman and Executive Director

Stephen Kelemen
Non-Executive Director

Steve James
Non-Executive Director

Anthony (Tony) Huston
Non-Executive Director

Company Secretary

David Breeze

Registered Office

Unit 12, Level 1
114 Cedric Street
STIRLING WA 6021

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Facsimile: +61 8 9328 8733

Email: david@grandbridge.com.au

Website: www.adventenergy.com.au

Auditor

Moore Australia Audit (WA)
Level 15, Exchange Tower
2 The Esplanade
PERTH WA 6000

Solicitors

Steinepreis Paganin
Lawyers and Consultants
Level 14, QV1 Building
250 St Georges Terrace
PERTH WA 6000

Lead Manager

Grandbridge Securities Pty Ltd
(AFSL 517246)
114 Cedric Street
STIRLING WA 6021

Email: admin@grandbridge.com.au

Telephone: +61 8 9328 8400

2. OFFER INFORMATION SUMMARY

The Offer:

3 Shares for every 5 Shares held by those Shareholders registered at the Record Date at an issue price of \$0.05 per Share to raise up to approximately \$7,440,142.

Timetable:

Lodgement Date	16 December 2024
Record Date	5:00pm (WST) 13 December 2024
Exposure Period ends²	23 December 2024
Offer opens¹	24 December 2024
Proposed closing date of Offer¹	5:00pm (WST) on 31 May 2025
Issue date of Shares under the Offer^{1, 3}	On or before 5 June 2025

Notes:

1. These dates are indicative only and are subject to change. The Directors reserve the right to extend this date without notice.
2. Unless extended by ASIC.
3. It is intended that Shares are issued progressively as funds are received.

Key Statistics of the Offer:

	MAXIMUM SUBSCRIPTION (\$7,440,142)
Offer Price per Share	\$0.05
Shares on issue at date of this OIS	248,004,731
Number of Shares to be issued¹	148,802,839
Total Shares on issue post-Offer^{1, 2}	396,807,570
Gross proceeds of Offer²	\$7,440,142

Notes:

1. These numbers are approximate and subject to rounding.
2. Based on the Maximum Subscription being raised under the Offer.

3. INVESTMENT OVERVIEW

ITEM	SUMMARY	FURTHER INFORMATION
Offer Details		
Who is the issuer of this OIS?	Advent Energy Limited (ACN 109 955 400) (Advent or Company).	Offer Information Summary
Who is the Company?	Advent is an unlisted oil and gas exploration, and development company based in Perth, Western Australia, with onshore and offshore exploration and near-term development assets around Australia and overseas.	Section 5 and Section 6
What are the Company's assets?	Advent's assets include: (a) the PEP-11 permit located in the offshore Sydney Basin (PEP-11 Permit). Advent has an 85% interest in the PEP-11 Permit as part of a joint venture between its 100% owned subsidiary Asset Energy Pty Ltd (Asset Energy) and ASX listed Bounty Oil Limited and Gas NL (ASX: BUY) (Bounty Oil), who holds a 15% interest and together with Asset Energy are the joint venture parties (Joint Venture Parties) for the PEP-11 Permit; (b) 100% owned Retention Licence 1 (RL1) in the onshore Bonaparte Basin in northern Australia; (c) a 3.9% interest in Clean Hydrogen Technologies Corporation, a hydrogen technology company that is incorporated in the United States of America (Clean Hydrogen); and (d) an investment in ASX listed MEC Resources Limited (ASX:MMR) (MEC) with a value of approximately \$758,053 as at 30 November 2024.	Section 5 and Section 6
Summary of the Company's Business Model	The principal activity of Advent is to maximise its oil and gas resources, including its recent investment into hydrogen technology. Advent's permits (RL1 and PEP-11) are located next to a ready market considered by the Company as an excellent infrastructure, thereby maximising Advent's ability to optimise any resources.	Section 6
What are the key objectives of the Company?	The Company's key objectives are to acquire and to optimise a range of hydrocarbon permits which contain near term production opportunities with pre-existing infrastructure and exploration upside. The Company will continue to evaluate and invest in a range of other resource projects as appropriate.	Section 6.1
What are the key risks in the investment in the Company	This OIS contains a number of risk factors as set out in detail in Section 7 and you must read these risks in full. Some of the key risk factors include: (a) going concern; (b) application risk;	Section 4.2 and Section 7

ITEM	SUMMARY	FURTHER INFORMATION
	(c) material uncertainty regarding the carrying value of exploration expenditure and financial assets; (d) litigation risk; (e) liquidity risk, (f) control risk; (g) oil and gas risk; (h) economic risk; and (i) additional requirements for capital. Relevantly, Asset Energy and Bounty Oil as the Joint Venture Parties to the PEP-11 Permit, have two applications that are currently under assessment by the National Offshore Petroleum Title Authority (NOPTA) and the Commonwealth – NSW Offshore Petroleum Joint Authority (Joint Authority) for: (a) the variation of the PEP-11 Permit work program and a 24-month suspension of the Permit Year 4 Work Program Commitment; and (b) an application for a 24—month extension of the PEP-11 Permit term, (together, the PEP-11 Applications). As at the date of this OIS, and on and from 4 December 2024, the Applications' status as reflected on the NOPTA website (NEATS) currently shows as "Joint Authority For Decision". There can be no assurance that the PEP-11 Applications will be successful, or that there will not be unfavourable conditions imposed on the PEP-11 Permit. If the PEP-11 Applications are unsuccessful, the PEP-11 Permit is at risk. If the PEP-11 Applications are not successful, or are granted with significant conditions, the Company's ability to create a return for Shareholders may be affected. The imposition of new conditions by NOPTA and/or the Joint Authority, or the inability to meet those conditions may adversely affect the operations of the PEP-11 Permit joint venture, financial position and/or performance of the Company.	
Who are the Directors?	The current Board of the Company is: (a) David Breeze (Chairman and Executive Director); (b) Stephen Kelemen (Non-Executive Director); (c) Steve James (Non-Executive Director); and (d) Tony Huston (Non-Executive Director).	Corporate Directory
What is the Offer?	The Company is offering a non-renounceable entitlement issue of 3 Shares for every 5 Shares held at \$0.05 per Share to raise up to approximately \$7,440,142 (Offer).	Offer Information Summary and Section 5.2

ITEM	SUMMARY	FURTHER INFORMATION															
What are the significant interests of Directors in the Company?	<table border="1"> <thead> <tr> <th>DIRECTOR</th><th>SHARES</th><th>OPTIONS¹</th></tr> </thead> <tbody> <tr> <td>Stephen Kelemen</td><td>nil</td><td>3,500,000</td></tr> <tr> <td>David Breeze</td><td>2,000,000</td><td>nil</td></tr> <tr> <td>Steve James</td><td>nil</td><td>3,500,000</td></tr> <tr> <td>Tony Huston</td><td>nil</td><td>3,500,000</td></tr> </tbody> </table> Notes: 1. Each comprising 2,000,000 Options expiring on 30 November 2029 at an exercise price of \$0.10 and 1,500,000 Options expiring on 30 November 2026 at an exercise price of \$0.20.	DIRECTOR	SHARES	OPTIONS ¹	Stephen Kelemen	nil	3,500,000	David Breeze	2,000,000	nil	Steve James	nil	3,500,000	Tony Huston	nil	3,500,000	Section 5.16
DIRECTOR	SHARES	OPTIONS ¹															
Stephen Kelemen	nil	3,500,000															
David Breeze	2,000,000	nil															
Steve James	nil	3,500,000															
Tony Huston	nil	3,500,000															
Who are the substantial Shareholders of the Company?	<table border="1"> <thead> <tr> <th>SHAREHOLDERS</th><th>SHARES</th><th>%</th></tr> </thead> <tbody> <tr> <td>BPH Energy Limited</td><td>88,800,320</td><td>35.8%</td></tr> <tr> <td>Grandbridge Limited</td><td>21,856,500</td><td>8.81%</td></tr> <tr> <td>MEC Resources Ltd</td><td>94,118,320</td><td>37.95%</td></tr> </tbody> </table> Details of the substantial Shareholders' Entitlement and potential effect on control of the Company as a result of the Offer is set out in Section 5.12. MEC is intending to participate in the Offer up to a maximum of \$1,600,000. BPH is considering participating in the Offer subject to discussions with ASX in relation to ASX Listing Rule 10.1 and 10.11.	SHAREHOLDERS	SHARES	%	BPH Energy Limited	88,800,320	35.8%	Grandbridge Limited	21,856,500	8.81%	MEC Resources Ltd	94,118,320	37.95%	Section 5.12			
SHAREHOLDERS	SHARES	%															
BPH Energy Limited	88,800,320	35.8%															
Grandbridge Limited	21,856,500	8.81%															
MEC Resources Ltd	94,118,320	37.95%															
Is the Offer underwritten?	No, the Offer is not underwritten.	Section 5.2															
Is there a minimum subscription to the Offer?	There is no minimum subscription.	Section 5.4															
What is the effect of the Offer on control?	As at the date of this OIS, substantial shareholder MEC, is the Company's largest shareholder and is a related party of the Company for the purposes of the Corporations Act. As noted above, MEC is intending to take up part of its Entitlement and subscribe for no more than \$1,600,000. The issue of Shares under the Offer to MEC may increase its interests in the Company and dilute the shareholding of other Shareholders to the extent they elect not to participate in the Offer. As at the date of this OIS, MEC has a voting power of approximately 37.95%. Assuming no other Shareholder takes up their Entitlement, and MEC subscribes for 32,000,000 Shares, this would result in a maximum aggregate holding by MEC of 126,118,320 Shares and a maximum potential shareholding of 40.95%. MEC may rely on the 3% creep exception under item 9 of section 611 of the Corporations Act to increase its relevant interest in the Company from a starting point above 20% provided that its relevant	Section 5.13															

ITEM	SUMMARY	FURTHER INFORMATION
	interest does not increase above 40.95%, being the maximum interest MEC may acquire within its 3% creep limit under the Corporations Act. Notwithstanding the potential control effect of MEC under the Offer, the Company understands that MEC has no present intention of making any significant changes to the business or management of the Company. The Company confirms that no Shares will be issued to an Applicant under the Offer if the issue of Shares would contravene the takeover prohibition in section 606 of the Corporations Act and will ensure that the Offer is otherwise consistent with the policy guidelines contained in ASIC Regulatory Guide 6 and Takeovers Panel Guidance Note 17.	

4. IMPORTANT INFORMATION & KEY DATES

This Offer Information Statement (**OIS**) is dated 16 December 2024 and was lodged with the Australian Securities and Investments Commission (**ASIC**) on that date. ASIC and its officers take no responsibility for the contents of this OIS or the merits of the investment to which this OIS relates.

This OIS is subject to an exposure period of 7 days from the date of this OIS (**Exposure Period**). No Applications for Shares will be accepted until the Exposure Period has expired and no preference will be given to Applicants who lodge their Entitlement and Acceptance Forms during the Exposure Period. The Company will make this OIS generally available to the public during the Exposure Period by placing a copy on the Company's website www.adventenergy.com.au. The Company will provide a copy of this OIS to any person on request.

The following are key dates relating to the Offer that you need to be aware of:

- (a) Record Date for Entitlement to participate in the Offer: 5:00pm (WST) on 13 December 2024.
- (b) Closing Date: 5:00pm (WST) on 31 May 2025.

These dates are indicative only and are subject to change. The Company reserves the right to amend this indicative timetable at any time and in particular, subject to the *Corporations Act 2001* (Cth) (**Corporations Act**), to extend the latest date for receipt of Entitlement and Acceptance Forms, to accept late Entitlement and Acceptance Forms either generally or in particular cases or to cancel the Offer without prior notice.

In accordance with the Corporations Act, no Shares will be issued on the basis of this OIS after that date which is 13 months after the date of this OIS.

The Company's Annual Report for the period ended 30 June 2024 is included in this OIS.

Certain words and terms used in this OIS have defined meanings, which are described in the Glossary of this OIS. Money as expressed in this OIS is in Australian dollars unless otherwise indicated. Any discrepancies between totals in tables and sums of components in tables in this OIS and between those figures and figures referred to in the other parts of this OIS are due to rounding. All references to time in this OIS are to Western Standard Time (**WST**) unless otherwise stated.

4.2 Risk Factors

This OIS contains a number of risk factors in Section 7, and you must read these risks in full. Some key risks specific to the Company include:

(a) **Going Concern Risk**

The Company's annual financial report for the year ending 30 June 2024 (**Annual Report**) has been prepared on a going concern basis, which assumes the continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Annual Report notes the operating loss for the group after tax for the year ending 30 June 2024 of \$661,213 (2023: loss of \$480,442). The group has a net current asset deficit of \$421,737 (2023: surplus of \$775,606). Included in non-current financial liabilities are loans payable to MEC of \$4,122,155 which will be recoverable by MEC only by the means set out in Section 9.1.1. Included in trade and other payables are balances totalling \$1,006,362 (2023: \$1,045,918) payable to current and former directors.

The Directors have reviewed their expenditure and commitments for the consolidated entity and have implemented methods of costs reduction. The Directors, as a part of their cash monitoring, have voluntarily suspended cash payments for their directors' fees to conserve cash resources until such time that the consolidated entity has sufficient cash resources.

The Directors have prepared cash flow forecasts that indicate that the group will have sufficient cash flows to meet its non-exploration commitments and a portion of exploration commitments for a period of at least 12 months from the date of the Annual Report. Based on the cash flow forecasts and the monitoring of operational costs, the Directors are satisfied that, the going concern basis of preparation is appropriate.

If the consolidated entity is not successful in raising additional funds through the issue of new equity, there is a material uncertainty that may cast significant doubt as to whether or not the consolidated entity will be able to continue as a going concern and therefore, whether it will realise its assets and discharge its liabilities as and when they fall due and in the normal course of business and at the amounts stated in the Annual Report.

The financial statements do not include any adjustments relative to the recoverability and classification of recorded asset amounts or, to the amounts and classification of liabilities that might be necessary should the entity not continue as a going concern.

(b) **PEP-11 Application Risk**

As set out in Section 3 above, as at the date of this OIS, the PEP-11 Applications remain with the Joint Authority for decision. There can be no assurance that the PEP-11 Applications will be successful, or that there will not be unfavourable conditions imposed on the PEP-11 Permit. If the PEP-11 Applications are unsuccessful, the PEP-11 Permit is at risk. If the PEP-11 Applications are not successful, or are granted with significant conditions, the Company's ability to create a return for Shareholders will likely be affected. The imposition of new conditions by NOPTA or the Joint Authority or the inability to meet those conditions may adversely affect the operations of the joint venture, financial position and/or performance of the Company.

(c) **Litigation risk**

The Company is exposed to possible litigation risks including intellectual property claims, contractual disputes, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position.

On 6 August 2024, Asset Energy, filed an Originating Application for Judicial Review on behalf of the Joint Venture Parties in the Federal Court of Australia seeking the following:

- (i) a declaration that the Joint Authority has breached an implied duty by failing to make a decision under the Offshore Petroleum and Greenhouse Gas Storage Act 2006 (Cth) (the **GGG Act**) with respect to the PEP-11 Applications; and
- (ii) an order that the Joint Authority be compelled to determine the PEP-11 Applications within 45 days.

Following conferral between the parties to the Federal Court proceedings, on 9 October 2024 orders were made adjourning the proceedings to a date on or after 7 February 2025. The parties have liberty to apply to bring the matter back before the Federal Court on 3 days' notice. There can be no assurance that the proceedings in the Federal Court will be successful. If the proceedings are unsuccessful, the PEP-11 Permit is at risk.

(d) **Ability of Advent to realise the carrying value of the exploration assets and financial assets**

The Company has reported in the Annual Report a material uncertainty regarding the ability to realise the carrying value of exploration and evaluation assets which is dependent upon the Company's ability to do all things necessary to maintain tenure of the underlying tenements and to successfully develop and/or sell its interest in the tenements. In particular, the Annual Report highlights the matters and associated risks in relation to the ongoing PEP-11 Applications regarding the PEP-11 Permit, which is a significant asset to the Company. If the PEP-11 Applications are unsuccessful, the PEP-11 Permit is at risk.

Further, the Company has an investment in MEC of \$758,053 as at 30 November 2024. MEC was reinstated to trading on the ASX on 2 December 2024. There is uncertainty as to whether or not the book value attributed to the investment in MEC can be recovered in full.

Accordingly, the above indicates a material uncertainty that may affect the ability of Advent to realise the carrying value of the exploration and evaluation assets, and its assets generally, in the ordinary course of business.

(e) **Liquidity Risk**

There is no guarantee that any active market in the Shares will develop or that the price of these Shares will increase. There may be relatively few buyers or sellers of these Shares as the Company is not listed. For this reason, any investment in the Shares is illiquid.

(f) **Control Risk**

MEC is currently the largest Shareholder of the Company and has a relevant interest in approximately 37.95% of the Shares in the Company. Assuming MEC takes up part of its Entitlement up to the maximum value of \$1,600,000, and no other Shareholders accept their entitlements, MEC's voting power in the Company could be as high as 40.95%.

MEC's significant interest in the capital of the Company means that it is in a position to potentially influence the financial decisions of the Company, and its interests may not align with those of all other Shareholders.

MEC holds a relevant interest in more than 25% of the Company which means that it has the potential to prevent a special resolution from being passed by the Company (such resolution requiring at least 75% of the votes cast by members entitled to vote on the resolution). Special resolutions are required in relation to approve certain Company matters including amending the Constitution, approving the voluntary winding up of the Company and, if at any time the share capital of the Company is divided into different classes of Shares, approving the variation of the rights attached to any such class.

4.3 No Representations

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

Except as required by law, and only to the extent so required, none of the Company, or any other person, warrants or guarantees the future performance of the Company or any return on any investment made pursuant to this OIS.

4.4 Overseas Shareholders

This Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this OIS.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of Shares these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offer is not being extended will not be issued to Shareholders with a registered address which is outside Australia.

4.5 Future performance and forward-looking statements

Any forward-looking statements, opinions and estimates (which are identified by words such as 'may', 'believes', 'expects' or 'intends' and other similar words) provided in this OIS are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions.

Any forward-looking statements, including projections, guidance on future revenues, earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Such forward looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Company and its officers, employees, agents and advisers, which may cause actual results to differ materially from those expressed or implied in any forward-looking statements. There can be no assurance that actual outcomes will not differ materially from these forward-looking statements.

The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this document will actually occur and potential investors are cautioned not to place undue reliance on these forward-looking statements. The Company will not update or revise forward looking statements in the future regardless of any new information received, except where required by law.

4.6 Privacy

If you complete an Application Form, you will be providing personal information to the Company. The Company collects, holds, and will use that information to assess your application, service your needs as an investor and to facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Share Registry.

You can access, correct and update the personal information that is held about you. If you wish to do so, please contact the Share Registry on the relevant contact numbers set out in the Corporate Directory.

Collection, maintenance, and disclosure of certain personal information is governed by legislation, including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain other rules. You should note that if all information required on the Application Form is not provided, the Company may not be able to accept or process your Application.

5. COMPANY UPDATE AND DETAILS OF THE OFFER

5.1 Company Update

The Company's key objectives are to acquire and to optimise a range of hydrocarbon permits which contain near term production opportunities with pre-existing infrastructure and exploration upside. The Company's most recent activities have centred on the development of the Company's assets, including the PEP-11 Permit and its investment into Clean Hydrogen.

As noted in Section 4.2, on 6 August 2024, Asset Energy, filed an Originating Application for Judicial Review in the Federal Court of Australia on behalf of the Joint Venture Parties in relation to the PEP-11 Applications, and which proceedings are currently adjourned until, a date on or after 7 February 2025 pending a decision by the Joint Authority in the meantime. The Directors have confidence that a suitable outcome will be achieved in relation to the PEP-11 Permit, however there is no certainty at this stage that the PEP-11 Applications will be successful. The PEP-11 Permit will continue in operation until the relevant decisions are made by NOPTA and the Joint Authority.

On 17 June 2020, Advent and Asset Energy each served notices of demand on MEC in respect of costs incurred by Advent and its subsidiaries but claimed by MEC for the 30 June 2018 and 2019 periods, lodging research and development (**R&D**) tax incentive claims with the Australian Taxation Office for conducting R&D activities in the PEP-11 Permit. The claim against MEC by Advent was \$242,155, and the claim by Asset Energy was \$593,343, plus interest and costs of \$36,790 giving a total claim of \$872,288 (together the **Debt**). Advent and Asset Energy subsequently commenced proceedings in the District Court of Western Australia against MEC for recovery of the Debt.

On 13 December 2021, MEC received Shareholder approval to convert the Debt into equity. On 18 December 2021 MEC issued 124,708,409 Shares to Advent at a deemed issue price of \$0.0044 per Share to clear \$511,972 plus interest and costs of \$36,790 of the Debt. On 26 November 2024, MEC issued 64,804,800 shares at an issue price of \$0.005 per share to settle the remaining balance being \$324,024. Completion of the District Court proceedings was subject to MEC's reinstatement to trading on the ASX, which occurred on 2 December 2024 and as at the date of this OIS, the parties are in the process of withdrawing the proceedings by consent.

There have been no changes to the Company's board since April 2023.

5.2 The Offer

The Offer is being made as a non-renounceable entitlement issue of 3 Shares for every 5 Shares held by eligible Shareholders at the Record Date, at an issue price of \$0.05 per Share. Fractional elements will be rounded up to the nearest whole number.

The number of Shares to which you are entitled is shown on the accompanying Entitlement and Acceptance Form.

The Board also invites all Eligible Shareholders to apply for Shortfall Shares in excess of their Entitlements (Refer to Section 5.15 for further details).

Based on the capital structure of the Company as at the date of this OIS, a maximum of 148,802,839 Shares will be issued pursuant to this Offer to raise up to \$7,440,142.

A description of the rights associated with the Shares is set out in Section 5.20 below. To participate in the Offer, you must submit a completed Entitlement and Acceptance Form together with the application money.

Entitlements to Shares are non-renounceable. This means that Eligible Shareholders are not able to renounce (sell) their Entitlements which they do not wish to accept.

Pursuant to section 709(4) of the Corporations Act, the maximum amount that can be raised by an entity pursuant to an offer information statement is \$10 million. As the Company has previously issued an OIS on:

- (a) 30 December 2020 and raised \$2,507,575;
- (b) 23 December 2022 where it raised \$Nil; and

(c) 23 December 2023 where it raised \$Nil,

it is entitled to raise up to \$7,492,425 in aggregate now or in the future using an OIS.

5.3 Lead Manager

The Company has appointed Grandbridge Securities Pty Limited (**Grandbridge**), as the lead manager to the Offer pursuant to a lead manager mandate dated on 10 December 2024 (**Lead Manager Mandate**). In consideration for its engagement, the Company has agreed to pay Grandbridge a lead manager fee of 2% of the total amount of funds raised under the Offer. The Lead Manager Mandate otherwise contains terms that are standard for an agreement of this type.

Mr David Breeze, a Director of the Company, is a director of Grandbridge and therefore Grandbridge is a related party for the purposes of the Corporations Act. The Directors, other than Mr David Breeze (due to his directorship of Grandbridge), who do not have a material personal interest in Grandbridge consider the engagement to be on arm's length terms for the following reasons:

- (a) Grandbridge was considered to be the best alternative Lead Manager by the Board given the industry that the Company operates under, and the corporate knowledge required by the Company.
- (b) Grandbridge has the unique knowledge of the background and history of the Company.
- (c) Grandbridge are not participating in the Offer and are not receiving any additional benefit over and above any other potential lead manager. Accordingly, the Company considers that the arrangement with Grandbridge is beneficial to the Company.
- (d) The terms of the Lead Manager Mandate do not impact on the Company financially as the fee charged by Grandbridge, being 2% of the total funds raised, is much less than other alternatives.
- (e) The Lead Manager Mandate otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties and confidentiality provisions).
- (f) The Company has a strong, resourceful team with many years of experience and no third-party expert advice as to a decision on the lead manager was required in the circumstances.

Grandbridge, as the appointed Lead Manager will be responsible for paying all commissions that they and the Company agree with any other licenced securities dealers or Australian financial services licensees.

5.4 Minimum subscription

There is no minimum subscription.

5.5 Use of funds

- (a) The following is a summary of the proposed use of funds raised pursuant to the Offer and is indicative only. The amounts in the table may be subject to variation of quantum and timing.
- (b) The Company's growth plan will be scaled accordingly to ensure it operates within the constrained cash available at any given time.

INTENDED USE	MAXIMUM SUBSCRIPTION
PEP-11 Permit	\$3,800,000
RL1 and other/new investment opportunities ²	\$2,772,795
Working capital	\$683,621

INTENDED USE	MAXIMUM SUBSCRIPTION
Offer costs ¹	\$183,726
TOTAL FUNDS	\$7,440,142

Notes:

1. Refer to Section 5.6 below for further details with respect to the costs of the Offer.
2. The Company and Board are continuously looking to evaluate and identify new investment opportunities in a range of other resource projects as appropriate and that align with the Company's objectives.

The Company expects that if all the Shares are subscribed for (being the Maximum Subscription), the funds raised will be sufficient to meet the Company's long-term objectives over the next 18 – 24 months.

If less than the Maximum Subscription is raised, the funds raised will first be applied to the expenses of the Offer and then to the other line items noting that the Company will scale back production activities and continue to focus its cash resources on proposed drilling and exploration services and general working capital costs.

The above table is a statement of present intentions as at the date of this OIS. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied.

5.6 Costs of the Offer

The Company shall pay for the costs associated with the Offer. Costs associated with the Offer are estimated to be up to approximately \$183,726 (excluding GST) and are expected to include the following:

- (a) ASIC fees (\$1,924);
- (b) Legal fees (\$15,000);
- (c) Lead Manager fees (up to \$148,802); and
- (d) Printing and miscellaneous fees (\$18,000).

The costs associated with the Offer will be reduced subject to the amount raised, based on the Lead Manager raising fees being adjusted accordingly. The above shows the maximum amount of Lead Manager fees based on the Maximum Subscription being raised.

5.7 Effect of the Offer

The principal effect of the Offer, assuming all Entitlements are accepted, will be to:

- (a) increase the cash reserves by up to \$7,256,416 (on the basis that the Maximum Subscription is raised) after deducting the expenses of the Offer, to be expended by the Company in line with the use of funds outlined in Section 5.5 above; and
- (b) increase the number of Shares on issue from 240,004,731 Shares to 396,807,570 Shares following completion of the Offer. Please refer to Section 5.10 for further details on the Company's capital structure.

5.8 Pro-forma balance sheet

The audited balance sheet as at 30 June 2024 and the unaudited pro-forma balance sheet are set out in Appendix 2 and have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma balance sheet has been prepared assuming all Shares under the OIS are issued.

The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

5.9 Annual Financial Report

The Company's Annual Report for the financial year ended 30 June 2024 is included as Appendix 1 to this OIS and has been prepared on the basis of the accounting policies normally adopted by the Company.

5.10 Effect on Capital Structure

The effect of the Offer on the capital structure of the Company, assuming all Shares are taken up, is set out below:

Shares

	MAXIMUM SUBSCRIPTION
Shares currently on issue	248,004,731
Shares to be issued pursuant to the Offer	148,802,839
Total Shares on issue after completion of the Offer	396,807,570

Options

	MAXIMUM SUBSCRIPTION
Options currently on issue ¹	12,000,000
Options to be issued pursuant to the Offer	Nil
Total Options on issue after completion of the Offer²	12,000,000

Notes:

1. Comprising 6,000,000 Options exercisable at \$0.20 each on or before 30 November 2026 and 6,000,000 Options exercisable at \$0.10 on or before 30 November 2029. The Options are issued to existing Directors of the Company, Stephen Kelemen, Steve James and Tony Huston and 1,500,000 Options exercisable at \$0.20 and expiring on or before 30 November 2026 are issued to former director Tom Fontaine.
2. The Company is proposing to issue up to 3,000,000 Options to various consultants in early 2025, but as at the date of this OIS, has not entered into any agreement or arrangement for the proposed issue.

5.11 Eligible Shareholders

To qualify for the Offer, a Shareholder must be registered as a Shareholder at 5:00pm (WST) on the Record Date.

Eligible Shareholders may, in addition to their Entitlement, apply for Shortfall Shares regardless of the size of their present holding.

The Offer has been extended to Shareholders in the Company at the Record Date with registered addresses in Australia.

The distribution of this OIS in any jurisdiction other than Australia may be restricted by law and therefore persons into whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of applicable securities laws. This OIS does not constitute an offer of Shares in any jurisdiction where, or to any person to whom, it would be unlawful to issue this OIS.

5.12 Substantial Holders

As at the date of this OIS, the Shareholders which have a relevant interest in 5% or more of the Shares on issue are set out below:

SHAREHOLDERS	SHARES	%	ENTITLEMENT SHARES	ENTITLEMENT
BPH Energy Limited ¹	88,800,320	35.81%	53,280,192	\$2,664,010
Grandbridge Limited ²	21,856,500	8.81%	13,113,900	\$655,695
MEC Resources Ltd ³	94,118,320	37.95%	56,470,992	\$2,823,550

Notes:

1. As at the date of this OIS, BPH will not be taking up its Entitlement under the Offer. If it intends to participate in the Offer prior to the Closing Date, it will need to discuss with ASX the potential application of ASX Listing Rules 10.1 and 10.11 prior to such participation.
2. Grandbridge Limited will not be taking up its Entitlement under the Offer.
3. MEC will take up part of its Entitlement under the Offer, up to a maximum of \$1,600,000 (32,000,000 Shares).

In the event that all Entitlements are accepted there will be no change to the substantial Shareholders on completion of the Offer.

5.13 Effect on Control

As at the date of this OIS, substantial Shareholder MEC, is the Company's largest Shareholder and is a related party of the Company for the purposes of the Corporations Act. As noted above, MEC is intending to take up part of its Entitlement and subscribe for no more than \$1,600,000. The issue of Shares under the Offer to MEC may increase its interests in the Company and dilute the shareholding of other Shareholders to the extent they elect not to participate in the Offer.

As at the date of this OIS, MEC has a voting power of approximately 37.95%. Assuming no other Shareholder takes up their Entitlement, and MEC subscribes for a maximum of 32,000,000 Shares, this would result in a maximum aggregate holding by MEC of 116,791,628 Shares and a maximum potential shareholding of 40.95%.

It is a general rule under section 606 of the Corporations Act that a person cannot acquire a relevant interest in issued voting shares in a company if, because of the acquisition, that person's voting power in the company increases from 20% or below to more than 20%, or from a starting point that is above 20% and below 90%.

MEC may rely on the 3% creep exception under item 9 of section 611 of the Corporations Act to increase its relevant interest in the Company from a starting point above 20% provided that its relevant interest does not increase above 40.95%, being the maximum interest MEC may acquire within its 3% creep limit under the Corporations Act.

Notwithstanding the potential control effect of MEC under the Offer, the Company understands that MEC has no present intention of making any significant changes to the business or management of the Company. The Company confirms that no Shares will be issued to an Applicant under the Offer if the issue of Shares would contravene the takeover prohibition in section 606 of the Corporations Act and will ensure that the Offer is otherwise consistent with the policy guidelines contained in ASIC Regulatory Guide 6 and Takeovers Panel Guidance Note 17.

MEC's present relevant interest and voting power under several scenarios are set out in the table below and are based on the assumption that MEC takes up part of its Entitlement:

EVENT	MEC	
	SHARES HELD BY MEC	VOTING POWER OF MEC
Date of OIS:	94,118,320	37.95%
Fully subscribed	126,118,320	31.78%
75% subscribed	126,118,320	35.07%

EVENT	MEC	
	SHARES HELD BY MEC	VOTING POWER OF MEC
50% subscribed	126,118,320	39.12%
25% subscribed	116,791 628	40.95%

5.14 Potential dilution to Shareholders

Shareholders should note that if they do not participate in the Offer their holdings, are likely to be diluted by approximately 37.5% (as compared to their holdings and number of Shares on issue as at the date of the OIS). Examples of how the dilution may impact Shareholders (assuming the Offer is fully subscribed) is set out in the table below:

HOLDER	HOLDING AS AT RECORD DATE	% AT RECORD DATE	ENTITLEMENT UNDER THE OFFER	HOLDINGS IF OFFER NOT TAKEN UP	% POST OFFER
Shareholder 1	10,000,000	4.03%	6,000,000	10,000,000	2.52%
Shareholder 2	5,000,000	2.02%	3,000,000	5,000,000	1.26%
Shareholder 3	1,500,000	0.60%	900,000	1,500,000	0.38%
Shareholder 4	400,000	0.16%	240,000	400,000	0.10%
Shareholder 5	50,000	0.02%	30,000	50,000	0.01%

5.15 Shortfall Offer

Any Entitlement not taken up pursuant to the Offer will form the Shortfall Offer. The Shortfall Offer is a separate offer pursuant to this OIS and will remain open for up to 13 months after the date of this OIS. The Directors reserve the right to close the Shortfall Offer at any time.

Eligible Shareholders (including Directors) who take up their Entitlement can apply for Shortfall Shares over and above their Entitlement at the same price as the Shares offered under the Offer. The issue price for each Shortfall Share shall be \$0.05 being the price at which the Shares have been offered under the Offer.

Should there be a Shortfall the Lead Manager in consultation with the Company will exercise its discretion to allocate the Shortfall Shares firstly, to Eligible Shareholders seeking Shortfall Shares. The Board does not intend to refuse an application for Shortfall Shares from Eligible Shareholders other than in circumstances of oversubscription or where acceptance may result in a breach of the Corporations Act. If the number of Shortfall Shares applied for by Eligible Shareholders exceeds the total of the Shortfall allocated to Eligible Shareholders, the Shortfall Shares will be allocated among applying Eligible Shareholders proportionate to their existing holdings at the Directors discretion.

All decisions regarding the allocation of Shortfall Shares will be made by the Directors and will be final and binding on all applicants under the Shortfall Offer and as such there is no guarantee that any Shortfall Shares applied for will be issued to Eligible Shareholders. The Company will have no liability to any Applicant who receives less than the number of additional Securities they applied for under the Shortfall Offer. If the Company scales back any applications for Shares under the Shortfall Offer any application monies will be returned (without interest) as soon as practicable.

5.16 Directors Interest in Securities

- (a) The relevant interest of each of the Directors in the securities of the Company as at the date of this OIS, together with their respective Shares that each is to take up pursuant to the Offer is set out in the table below.

DIRECTOR	SHARES	OPTIONS ²	SHARES POST COMPLETION OF OFFER
Stephen Kelemen	nil	3,500,000	nil

DIRECTOR	SHARES	OPTIONS ²	SHARES POST COMPLETION OF OFFER
David Breeze	2,000,000 ¹	Nil	2,000,000
Steve James	nil	3,500,000	nil
Tony Huston	nil	3,500,000	nil

Notes:

1. David Breeze will not be participating in the Offer and will not take up his Entitlement.
2. Comprising 1,500,000 Options exercisable at \$0.20 on or before 30 November 2026 and 2,000,000 Options exercisable at \$0.10 on or before 30 November 2029.

The Board recommends all Shareholders take up their Entitlements. The Directors will not be participating in the Offer, or the Shortfall Offer.

- (b) The following table shows the previous and current annual remuneration paid to both executive and non-executive directors.

DIRECTOR	PREVIOUS FINANCIAL YEAR ENDED 30 JUNE 2024	CURRENT FINANCIAL YEAR ENDING 30 JUNE 2025
David Breeze	\$97,000	\$97,000 ¹
Stephen Kelemen	\$25,000	\$50,784 ²
Steve James	\$25,000	\$50,784 ²
Tony Huston	\$25,000	\$50,784 ²

Notes:

1. Comprising Director and consulting fees of \$97,000.
2. Comprising Directors' fees of \$25,000 and share-based payments of \$25,784.

5.17 Issue of Shares

The Shares issued under the Offer are expected to be issued on or before 5 June 2024 (subject to variation at the discretion of the Company) and on a progressive basis.

Any Shares issued pursuant to the Shortfall Offer will be issued on a progressive basis. Where the number of Shares issued is less than the number applied for, or where no issue is made surplus application monies will be refunded without any interest to the Applicant as soon as practicable after the closing date of the Shortfall Offer.

5.18 Application Monies

Pending the issue of the Shares or payment of refunds pursuant to this OIS, the Company will hold Application Monies on trust in a separate bank account as required by the Corporations Act.

Any interest accrued on Application Monies will be retained by the Company and will not be paid to the relevant Applicant including if the Offer is cancelled or withdrawn.

Where Application Monies are to be returned, they will be returned as soon as practicable.

5.19 Application for Shortfall Shares

Eligible Shareholders who wish to subscribe for Shortfall Shares should complete the relevant field on their Entitlement and Acceptance Form accompanying this OIS and return it to the Company together with appropriate payment of \$0.05 per Share.

Other investors who wish to subscribe for Shortfall Shares should complete the relevant fields on the Shortfall Application Form accompanying this OIS and return it to the Company together with appropriate payment of \$0.05 per Share.

The Company notes that no Shares will be issued to an applicant under this OIS or via the Shortfall Offer if the issue of Shares would contravene the takeover prohibition in section 606 of the Corporations Act.

5.20 Rights and Liabilities attaching to Shares

The following is a summary of the more significant rights and liabilities attaching to Shares.

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

(a) General meetings

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

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

(b) Voting rights

Subject to the Constitution and to any rights and restrictions attaching to any class of shares, at meetings of shareholders or other classes of shareholder, each shareholder entitled to attend, and vote may attend and vote in person or by proxy or by attorney and, where the shareholder is a body corporate, by representative.

On a show of hands every Shareholder present having the right to vote at the meeting has one vote. On a poll every Shareholder present has one vote for each fully paid Share and, the case of partly paid Shares or Share held by the Shareholder, a fraction of a vote equivalent to the proportion which the amount paid (but not credited) is of the total amounts paid and payable (excluding amounts credited) on the Share or Shares held.

(c) Dividends

All Shareholders have a right to receive any dividends declared and paid by the Company. The directors have a discretion and may resolve to pay dividends, subject to their obligations under the Corporations Act (for example, they cannot pay dividends unless the Company's assets are sufficiently in excess of its liabilities immediately before the dividend is declared and where it may materially prejudice the Company's ability to pay its creditors).

(d) Winding-up

If the Company is wound up and there are any assets left over after all the Company's debts have been paid, the surplus is distributed to holders of ordinary shares after secured and unsecured creditors of the Company. Holders of fully paid ordinary voting shares rank ahead of other classes of shares (if any).

(e) Variation of rights

Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to Shares.

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

(f) Partly paid shares

The Directors may, subject to compliance with the Constitution and the Corporations Act, issue partly paid shares upon which there are outstanding amounts payable. These shares will have limited rights to vote and to receive dividends.

(g) **Directors**

The Constitution states that the minimum number of Directors is three.

(h) **Powers of the Board**

Except as otherwise required by the Corporations Act, any other law, or the Constitution, the Directors have power to manage the business of the Company and may exercise every right, power or capacity of the Company to the exclusion of the members (except to sell or dispose of the main undertaking of the Company).

(i) **Capital reduction**

Subject to the Corporations Act, the Company may reduce its share capital.

5.21 Speculative Investment

The Shares to be issued pursuant to this OIS carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

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

5.22 Taxation Implications

Investors should be aware that there may be taxation implications of participating in the Offer and subscribing for the Shares. The taxation consequences of participating in the Offer and/or acquiring the Shares may vary depending on the individual circumstances of each investor. Investors should consult their own professional taxation advisers to obtain advice in relation to the taxation laws and their personal circumstances.

5.23 Risks

There are a number of risks associated with an investment in the Company which may affect its financial performance, financial position, cash flows, distributions, growth prospects and Share value.

The key risk factors have been summarised in Section 7 of this OIS.

6. DESCRIPTION OF THE BUSINESS OF THE COMPANY

6.1 Company Overview

The Company was incorporated on 8 July 2004 and is an unlisted oil and gas exploration, and development company based in Perth, Western Australia, with onshore and offshore exploration and near-term development assets around Australia and overseas. The Company will continue to develop its portfolio projects including the PEP-11 Permit, RL1 and Clean Hydrogen, as well as evaluating and investing in a range of other resource projects as appropriate.

6.2 Corporate Structure

Advent has four 100% owned subsidiary companies, Asset Energy, Offshore Energy Pty Ltd, Onshore Energy Pty Ltd and Aotearoa Offshore Limited (8284023) (New Zealand).

On 25 November 2024, the Company received confirmation from the New Zealand Companies Office that its application to remove its subsidiary Aotearoa Offshore Limited (8284023) from the Companies Register in New Zealand had been accepted. On 12 December 2024, a public notice of the New Zealand Companies Office intention to remove the company from the register was made and the company will be removed from the register within 20 working days if there are no objections.

6.3 PEP11 Oil and Gas Permit

The Company considers that the location of the PEP-11 Permit offers a significant offshore exploration area with large scale structuring and potentially multi-Trillion cubic feet gas charged Permo-Triassic reservoirs. Undiscovered gross prospective recoverable gas within the PEP-11 Permit has been estimated at approximately 5.665 trillion cubic feet of gas, as announced in a clarification announcement released by BPH to ASX on 21 March 2023.

Mapped prospects and leads within the offshore Sydney Basin are generally located less than 50km from the Sydney-Wollongong-Newcastle greater metropolitan area and gas pipeline network. The offshore Sydney Basin has been lightly explored to date including a multi-vintage 2D seismic data coverage and a single exploration well, New Seaclem-1 (2010). The PEP-11 Permit parallels the New South Wales (**NSW**) coastline, taking up an area which extends between 10 to 100 km offshore from the coast of Newcastle within the Sydney Basin region. Based on its location and it being the only NSW offshore petroleum title, the Company is of the view that the PEP-11 Permit provides a significant opportunity should commercial natural gas be discovered in commercial quantities.

Advent has demonstrated considerable gas generation and migration within the PEP-11 Permit, with mapped prospects and leads highly prospective for the discovery of gas. It has previously interpreted significant seismically indicated gas features in the PEP-11 Permit. Key indicators of hydrocarbon accumulation features have been interpreted following review of the 2004 seismic data (reprocessed in 2010). The seismic features include apparent Hydrocarbon Related Diagenetic Zones, Amplitude Versus Offset anomalies and potential flat spots.

In addition, a geochemical report reviewed the hydrocarbon analysis performed on sediment samples obtained in the PEP-11 Permit during 2010 which has provided support for a potential exploration well. The report supports that the Baleen Prospect, which is situated approximately 30km off the coast, south-east of Newcastle and in the PEP-11 Permit area and prospective for natural gas, appears best for hydrocarbon influence relative to background samples. In addition, the report found that the Baleen Prospect appears to hold a higher probability of success than other prospects.

The offshore Sydney Basin has Carbon Capture Storage (**CCS**) (geo-sequestration of CO₂ emissions) potential, but it has never been definitively evaluated due to lack of well data. In December 2020, the Company retained Professor Peter Cook as an advisor on geo-sequestration (the geological storage of carbon dioxide). NSW has been identified to have one of the largest concentrations of stationary CO₂ emission sources in Australia, and represents 25% of total Australian CO₂ emissions,¹ with only modest potential for onshore storage solutions (studies undertaken by Geoscience Australia and Cooperative Research

¹ Refer also to the article 'NSW greenhouse gas emissions' available online at: www.climatechange.environment.nsw.gov.au/why-adapt/causes-climate-change/nsw-emissions.

Centre for Greenhouse Gas Technologies). The PEP-11 Permit will enable the Company to evaluate the storage potential of an offshore basin that is strategically close to most of NSW's major emissions sources.

The Company will investigate the potential for a large-scale geological storage project for NSW through offshore drilling of a gas exploration well, Seablue-1, at the PEP-11 Permit to evaluate and investigate the CCS potential. While the Seablue-1 well is being drilled to explore for gas, data will be gathered from the well to enable evaluation to be undertaken to assess and explore the potential for CCS. To ensure the above two objectives will be met, the Seablue-1 well has been designed in consultation with Professor Cook, to accommodate both a cost effective and safe penetration of prospective hydrocarbon zones to 2,150m, yet facilitate deepening to 3,150m, ensuring all prospective injection reservoirs for CO₂ are identified and evaluated.

Following exploration from Seablue-1 well drilling, if gas is not discovered, additional tests may be completed on deeper zones, for CCS potential. Subject to the data on the available storage capacity, it is the Company's intention that the Seablue-1 well will be 'plugged and abandoned' and then carbon capture would take place onshore with liquid CO₂ gas pumped through pipelines to be stored offshore at PEP-11.

In normal times offshore hydrocarbon developments typically have a timeline from an initial commercial discovery to production in the order of +/- 5 years. This is dependent on several factors: water depth, hydrocarbon type, proximity to shore and regulatory approvals being the most critical four.

In the case of the Seablue-1 well, with the relatively shallow water depth, its' location adjacent to the Eastern seaboard (27km from the Jemena gas line and Colongra Power Station) and with the hydrocarbon type proven to be gas based on geophysical seismic correlation with onshore formations and seabed sampling of gas seeps, Advent believes, with the government driving major project approval, that this timeline can be significantly reduced to circa 2 years after a commercial discovery has been proven.

With today's population size and rate of energy consumption and based on the geological structures identified at PEP11, provided that the gas prospects across PEP11 are proven to be of commercial value, the Company is of the view that it could have the potential to supply up to 20 years' worth of gas for NSW.²

As stated in Section 5.1 above, the PEP-11 Applications are with the Joint Authority for consideration. Subject to the PEP-11 Applications being successful, Bounty Oil and Asset Energy are moving to drill ready status.

6.4 Northern Territory – onshore Bonaparte Basin

Advent's wholly owned subsidiary, Onshore Energy Pty Ltd (**Onshore Energy**), holds 100% of Retention Licence 1 (**RL1**). On 3 May 2024, Advent was issued a renewal of RL1 for a five-year term commencing on 8 May 2024.

RL1 is situated in the onshore Bonaparte Basin in northern Australia. The Bonaparte Basin is, in the Company's view, one of Australia's most prolific hydrocarbons producing basins with significant oil and gas reserves. Most of the basin is located offshore, covering 250,000 square kilometres, compared to just over 20,000 square kilometres onshore. RL1 is 166 square kilometres in area, which covers the Weaber Gas Field in the Northern Territory.

The current rapid development of the Kununurra region in northern Western Australia, including the Ord River Irrigation Area phase 2, the township of Kununurra, and numerous regional resource projects provides an exceptional opportunity for Advent to potentially develop its nearby gas resources. The prospectivity of the Bonaparte Basin is evident from the known oil and gas fields in both the offshore and onshore portions of the basin. Advent has identified significant shale areas in RL1.

Potential commercialisation of Advent's gas fields in the Bonaparte area may be via the virtual pipeline methodology, whereby gas produced at the wellhead is liquefied (or compressed) and trucked to end users as liquefied natural gas (**LNG**) or compressed natural gas (**CNG**). This method allows multiple customers to be connected to the one gas

² This is not a production forecast or a forecast of future performance of the Company. This statement is an aspirational statement and is not referring to the Company's advanced exploration targets based on existing exploration results.

field, without the need for construction of permanent gas pipelines. The Company has also conducted its own investigations with respect to the demand of power throughout Northern Australia and has identified significant market demand of power generation capacity across the Kimberley region.

Onshore Energy and Clean Hydrogen (refer to Section 6.5 for further information) have entered into a hydrocarbon process agreement (**Process Agreement**), whereby the parties propose to develop plans for Clean Hydrogen to process the hydrocarbons from Onshore Energy's rights at RL1. Clean Hydrogen is developing its "Commercial System" where it will satisfy scale and commercial objectives resulting in the development of income from sale of hydrogen products produced. The Commercial System means an end-to-end system which consumes and processes hydrocarbons, using Clean Hydrogen's thermocatalytic process. The Process Agreement is non-binding and binding material contractual terms have yet to be agreed.

EP 386

Onshore Energy made an application for suspension and extension of the permit conditions in EP 386 in the Western Australian onshore Bonaparte basin, which was not accepted the Department of Mines, Industry, Regulation and Safety. Onshore Energy lodged an appeal against this decision with the State Administrative Tribunal (**SAT**). The SAT determined that it did not have the coverage to hear the appeal, and the decision allowed for the matter to be determined through the Supreme Court of Western Australia.

6.5 Clean Hydrogen

Advent has a 3.9% interest in Clean Hydrogen, an entity incorporated in the United States of America with technology to produce clean hydrogen and clean Carbon NanoTube (**CNT**) products. Over the past 3 years, significant developments have occurred by Clean Hydrogen.

Clean Hydrogen has established a pilot plant in India, 6 hours north of Mumbai, for the purposes of research and development of its hydrogen technology. In 2019, the International Energy Agency reported that the transitioning from hydrocarbons such as coal and oil to hydrogen, produced with no CO₂ emissions, is now presenting real economies and growth globally (report prepared for the G20 held in Japan, titled *The Future of Hydrogen Seizing Today's Opportunities*). Although natural gas also presents continued growth and will play a role for many years to come, it too will need to become a source of energy with no CO₂ emissions.

Clean Hydrogen has developed and tested its processing capabilities which have successfully produced hydrogen, with no CO₂ emissions, achieving on average above 80% cracking efficiency. Cracking efficiency refers to the percentage of hydrocarbons broken into solid carbon and hydrogen per hour. This high level of cracking efficiency has been consistently achieved across stages of growth in engineering and product volumes from 2022 to 2024.

Clean Hydrogen has started selling its carbon composite products (as defined below), moving from proof of concept to commercial production. Clean Hydrogen uses their own unique patented catalysts and bespoke engineering processes to generate clean hydrogen and a highly conductive carbon composite with CNTs used to manufacture batteries. Clean Hydrogen cracks hydrocarbons from natural gas using a process called thermo-catalytic pyrolysis. Importantly, there are no CO₂ emissions from the core process since the carbon becomes a solid carbon composite product rendering natural gas a clean (no CO₂ emissions) source of 2 products: turquoise hydrogen and a solid carbon composite (**Carbon Composite**).

Turquoise hydrogen is the industry term used for hydrogen sourced from natural gases, using thermo-catalytic pyrolysis. Since there are no CO₂ emissions, the carbon becomes solid in the form of a fine black dust type material, which in Clean Hydrogen's case is a carbon composite made from CNTs and Alumina. Pyrolysis is defined as the method of heating solids, liquids, or gases in the absence of oxygen. The pyrolysis process is not new and has been used by the oil industry for many years. What is new, is Clean Hydrogen's success in the efficiency of its cracking the methane into turquoise hydrogen with non-CO₂ emissions and the quality of the carbon produced, being majority CNTs, which are highly conductive and used in battery manufacturing.

6.6 MEC

The Company has an investment in ASX listed MEC. MEC is a registered Pooled Development Fund and invests into small and medium sized exploration entities, both listed and unlisted, that are in, but not limited to, the energy resources sector. MEC was recently reinstated to trading on the ASX on 2 December 2024. MEC's current investments include an investment into ASX listed BPH and also an investment into Advent, and it is considering new investments in line with its approved investment mandate framework.

6.7 Future Plans

(a) PEP11

Heightening the prospectively and critical positioning of PEP11, the Australian Energy Market Operator (**AEMO**) has warned that the developed gas reserves in eastern and south-eastern Australia can only meet forecast demand for a short period of time (AEMO, *Gas Statement of opportunities for Central and eastern Australia*, March 2023). The supply of gas into NSW has historically been from gas fields in the Bass Strait and Cooper Basin in South Australia. These gas reserves are declining, and Australian east coast industrial gas prices are high because of these factors.

There is continuing uncertainty about the longer-term gas supply outlook. AEMO has warned about potential supply shortages emerging on the east coast within five years, particularly in the southern states. The gas supply crisis on the east coast of Australia has created a significant market opportunity to raise the funding to drill with the objective of developing the PEP-11 Permit.

Asset Energy decided to commence work necessary for environmental approvals in advance of the PEP-11 Applications' decision, such that it can be prepared to drill the planned Seablue-1 well, as soon as possible thereafter a positive decision from the Joint Authority and NOPTA, as follows:

- (i) Advent appointed Xodus Group to prepare the environment plan for the first submission to NOPSEMA for the Seablue-1 well at the PEP-11 Permit. The environmental plan is a pre-requisite for the planned drilling of the Seablue-1 well and will be released in due course as part of the regulated process under NOPSEMA.
- (ii) Asset Energy also engaged Perth based offshore environmental consultancy specialists Klarite Pty Ltd, to initiate the environmental consulting for the Seablue-1 exploration well.
- (iii) Asset Energy has been investigating the availability of work program conditions and a mobile offshore drilling unit to drill the proposed Seablue-1 well on the Baleen prospect which would take approximately thirty-five days to complete. Asset Energy is in communication with drilling contractors and other operators who have recently contracted rigs for work in the Australian offshore in 2025.

The PEP-11 Permit continues in force and the Joint Venture is in compliance with the contractual terms of PEP-11 Permit with respect to such matters as reporting, payment of rents and the various provisions of the GGS Act

(b) RL1

Advent has been evaluating the commercialisation of RL1 and intends to convert the retention licence into a production licence. Onshore Energy has commenced the regulatory process to enable a re-entry to the Weaber-4 well and has prepared and submitted a Well Operations Management Plan and an Environmental Management Plan for the re-entry to Weaber-4.

(c) Clean Hydrogen

In 2024 Clean Hydrogen proved the commercial viability of its Carbon Composite product by selling small scale amounts to a battery manufacturer. Clean Hydrogen also developed further critical production skills with investment in compression for bottled hydrogen.

Clean Hydrogen is now finalising designs for its production plant, which will require a move from the current site in India. The selection of the production site and designs for compliance with regulations in India and in USA is now underway and is planned for completion during the first calendar quarter of 2025.

During the first and second calendar quarters of 2025, Clean Hydrogen will also build and deploy its first production reactors at the new production site. This will initially be 2-3 reactors before scaling out to as many reactors as the site can support which is targeted for up to 30 full scale production reactors. Once the new production plant in India has established successful operation for 4+ reactors, Clean Hydrogen will then look to finalise its USA production plant and similarly deploy reactors selling its turquoise hydrogen and Carbon Composite in the USA.

This period sees Clean Hydrogen move from its pilot plant in India to full scale production plants in India and the USA.

6.8 BPH Energy Limited Loans

BPH has loaned \$2,400,000 to the Company during the financial year ending 30 June 2024 to fund the Company's current workplans and investments. As at 30 June 2024, the Company owes a total of \$5,521,035 (including applicable interest) to BPH under the Loan Agreement set out below (**BPH Loan**), of which \$3,055,227 was classified as a current liability in the Annual Report.

During the year, the BPH Loan was reduced by \$1,187,500 as a result of a conversion of debt into equity in Clean Hydrogen pursuant to a Loan Conversion Agreement dated 10 October 2023 between BPH, Advent and Clean Hydrogen. BPH received shareholder approval in September 2024 for its loan to Advent to be converted into equity in Clean Hydrogen.

As at 30 November 2024, the Company owes \$5,250,000 to BPH under the BPH Loan (including applicable interest).

The Company confirms that the proceeds of the Offer will not be used by the Company to repay the balance of the BPH Loan and will be used in accordance with the Use of Funds table at Section 5.5 of the OIS.

Loan Agreement

TERM	SUMMARY
Date	8 September 2022
Principal Amount	\$2,750,000
Approved Purpose	Funding of AOLNZ's farmin with OMV NZ (this agreement has since been terminated), PEP-11 Permit, operating capital and other investments as approved by the Company's Directors.
Interest	5.1% on and from the Draw Date calculated daily on the outstanding amount of the loan.
Default Interest Rate	If the loan and any outstanding monies owing under the loan agreement, including interest accrued, are not repaid by Advent in accordance with the terms of the agreement, on and from the Repayment Date interest will accrue daily and will be calculated on daily balances on the amount outstanding at a rate of 9.6% per annum until the outstanding amounts are repaid.
Draw Date	Any advance from BPH to Advent from 18 January 2022 to 31 December 2022, or such other date agreed by BPH and Advent under the terms of the loan agreement.
Repayment Date	24 months after the Draw Date.
Unsecured	The loan is unsecured.

TERM	SUMMARY
Repayment	Advent shall fully and finally pay the loan together with any other outstanding monies such as accrued interest to BPH on the earlier of the Repayment Date or five (5) Business Days after the date on which Advent receives notice from BPH or such other date as Advent and BPH may agree in writing.
Early Repayment	Advent is at liberty to repay the whole or any part of the outstanding amount due under the loan agreement before it is due to be paid without penalty.
Breach	If Advent commits a breach of any of its obligations under the loan agreement, BPH may by written notice declare all monies owing pursuant to the agreement are due and payable within 5 Business Days after receipt of the notice.
Compromise by Lender	BPH may determine from time to time not to enforce its rights under the loan agreement and may from time to time make any arrangement or compromise with Advent as in its sole discretion it thinks fit.

7. RISK FACTORS

7.1 Introduction

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

The Company's business is subject to risk factors, both specific to its business activities and of a general nature. Individually, or in combination, these might affect the future operating performance of the Company and the value of an investment in the Company. There can be no guarantee that the Company will achieve its stated objectives or that any forward-looking statements or forecasts will eventuate. An investment in the Company should be considered in light of relevant risks, both general and specific. Each of these risks set out below could, if it eventuates, have a material adverse impact on the Company's operating performance and profits.

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

7.2 Company Specific

(a) Going concern

The Company's Annual Report has been prepared on a going concern basis, which assumes the continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Annual Report notes the operating loss for the group after tax for the year ending 30 June 2024 of \$661,213 (2023: loss of \$480,442). The group has a net current asset deficit of \$421,737 (2023: surplus of \$775,606). Included in non-current financial liabilities are loans payable to MEC of \$4,122,155 which will be recoverable by MEC only by the means set out in Section 9.1.1. Included in trade and other payables are balances totalling \$1,006,362 (2023: \$1,045,918) payable to current and former directors.

The Directors have reviewed their expenditure and commitments for the consolidated entity and have implemented methods of costs reduction. The Directors, as a part of their cash monitoring, have voluntarily suspended cash payments for their directors' fees to conserve cash resources until such time that the consolidated entity has sufficient cash resources.

The Directors have prepared cash flow forecasts that indicate that the group will have sufficient cash flows to meet its non-exploration commitments and a portion of exploration commitments for a period of at least 12 months from the date of the Annual Report. Based on the cash flow forecasts and the monitoring of operational costs, the Directors are satisfied that, the going concern basis of preparation is appropriate.

If the consolidated entity is not successful in raising additional funds through the issue of new equity, there is a material uncertainty that may cast significant doubt as to whether or not the consolidated entity will be able to continue as a going concern and therefore, whether it will realise its assets and discharge its liabilities as and when they fall due and in the normal course of business and at the amounts stated in the Annual Report.

The financial statements do not include any adjustments relative to the recoverability and classification of recorded asset amounts or, to the amounts and classification of liabilities that might be necessary should the entity not continue as a going concern.

(b) **Control Risk**

As noted above, MEC is currently the largest Shareholder of the Company and has a relevant interest in approximately 37.95% of the Shares in the Company. Assuming MEC takes up part of its Entitlement to the value of \$1,600,000, and no other Shareholders accept their entitlements, MEC's voting power in the Company could be as high as 40.95%.

MEC's significant interest in the capital of the Company means that it is in a position to potentially influence the financial decisions of the Company, and its interests may not align with those of all other Shareholders.

MEC holds a relevant interest in more than 25% of the Company which means that it has the potential to prevent a special resolution from being passed by the Company (such resolution requiring at least 75% of the votes cast by members entitled to vote on the resolution). Special resolutions are required in relation to approve certain Company matters including amending the Constitution, approving the voluntary winding up of the Company and, if at any time the share capital of the Company is divided into different classes of Shares, approving the variation of the rights attached to any such class.

(c) **Ability of Advent to realise the carrying value of the exploration assets and financial assets in the ordinary course of business**

The Company has reported in the Annual Report a material uncertainty regarding the ability to realise the carrying value of exploration and evaluation assets which is dependent upon the Company's ability to do all things necessary to maintain tenure of the underlying tenements and to successfully develop and/or sell its interest in the tenements. In particular, the Annual Report highlights the matters and associated risks in relation to the PEP-11 Permit, which is a significant asset to the Company. If the PEP-11 Applications are unsuccessful, the PEP-11 Permit is at risk.

If Asset Energy loses its right of tenure in respect of PEP 11 then the book value of capitalised exploration and evaluation expenditure of \$15.18 million at 30 June 2024 will need to be written off to the Statement of Profit or Loss and Other Comprehensive Income. There is a risk that the PEP-11 Applications will not be successful and in these circumstances the Company will need to consider its next steps in respect of the PEP11 Permit.

Advent is continually seeking and reviewing potential sources of both equity and debt funding. Management has confidence that a suitable outcome will be achieved however there is no certainty at this stage that this will result in further funding being made available. Asset Energy has invested over \$25 million in the PEP-11 Permit and, along with Bounty Oil, is committed to continuing to explore for and ultimately exploit any petroleum accumulations which may be identified in this title area, subject to a favourable decision on the PEP-11 Applications being made.

If Onshore Energy loses its right of tenure in respect of RL1, then the book value of capitalised exploration and evaluation expenditure of \$2.29 million at 30 June 2024 will need to be written off to the Statement of Profit or Loss and Other Comprehensive Income. If Advent is unable to source further funding for each of the PEP-11 Permit and RL1, each of these permits are at risk.

Further, the Company has an investment in MEC of \$758,053 as at 30 November 2024. MEC was reinstated to trading on the ASX on 2 December 2024. There is uncertainty as to whether or not the book value attributed to the investment in MEC can be recovered in full.

Accordingly, the above indicates a material uncertainty that may affect the ability of Advent to realise the carrying value of the exploration and evaluation assets, and its assets generally, in the ordinary course of business.

(d) **Risk of litigation, claims and disputes**

The Company is exposed to the risk of actual or threatened litigation or legal disputes in the form of claims by joint venture partners, personal injury and property damage claims, environmental and indemnity claims, employee claims and other litigation and disputes. There is a risk that such litigation, claims and disputes could materially and adversely affect the Company's operating and financial performance due to the cost of defending and/or settling such claims, and could affect the Company's reputation.

Further information in relation to current litigation and claims are set out in Section 9.1.

(e) **Covid-19**

The outbreak of the coronavirus disease (SARS-CoV-2 (severe acute respiratory syndrome coronavirus 2), coronavirus disease 2019 or COVID 19, including any future resurgence or evolutions or mutations thereof or any related or associated epidemic, pandemic or disease outbreak) (**COVID-19**) may continue to impact global economic markets. While COVID-19 is not currently materially affecting the Company's operations, with the potential for further outbreaks and new strains of the virus, the ongoing nature and extent of the effect of the outbreak on the performance of the Company remains unknown.

(f) **Geopolitical, Regulatory and Sovereign Risk**

Exploration for and development, exploitation, production and sale of oil and natural gas is subject to laws and regulations, including complex tax laws and environmental laws and regulations, employment law and other laws. Existing laws or regulations, as currently interpreted or reinterpreted in the future, or future laws or regulations could adversely affect the Company. Certain of these laws may have material penalties and fines for instances of non-compliance. In addition to governmental legal action, private parties may pursue legal actions to enforce these laws and regulations against industry participants.

Changes in government regulations and policies may also adversely affect the financial performance or the current and proposed operations of the Company. The ability to explore and develop oil and gas leases can be affected by changes in government regulations, policies or legislation in different jurisdictions, that are beyond the control of the Company and these changes may also adversely affect the financial performance or the current and proposed operations of the Company. In order to be compliant, certain permits, approvals, and certificates must be obtained and maintained and the cost of any of these may substantially increase from current levels.

(g) **Commodity prices fluctuations**

It is anticipated that any future revenues, other than sales of assets, will be derived from the sale of oil and or natural gas. The prices of crude oil, natural gas and refined products are outside the control of the Company and fluctuate and impact the opportunities available to the Company.

Future revenues, profitability, cash flow and rate of growth will be significantly affected by the prices of, and demand for, crude oil, natural gas and refined products as well as production costs, global economic conditions and expectations for inflation and interest rates.

In the event the Company becomes a producer of oil and or natural gas, any substantial and extended decline in the market prices of oil and gas could have an adverse effect on future revenues, profitability, cash flow from operations, carrying value of future reserves, and borrowing capacity amongst other measures of its financial performance and economic viability.

On a global scale, oil and gas commodity prices depend on a variety of factors including stability in the Middle East, actions taken by the OPEC, and global economic growth. All of these factors, both global and domestic, are beyond

the Company's control and may substantially impact its ability to generate revenue from the production of oil or natural gas.

If the Company begins producing and the market price of oil and gas sold by the Company were to be below the costs of production and remain at such a level for any sustained period, the Company would experience losses and might have to curtail or suspend some or all of its proposed activities. In such circumstances, the Company would also have to assess the economic impact of any sustained lower commodity prices on the feasibility of advancing its projects to production and the commercial recoverability of any existing reserves.

(h) **Exploration**

Oil and gas exploration and production is a speculative investment and involves a high degree of risk. There is no guarantee that exploration and development of the oil and gas concessions or any projects that the Company may acquire in the future, can be profitably exploited.

Oil, condensate, natural gas liquids and natural gas exploration and production activities are subject to numerous risks, including the risk that drilling will result in dry holes or not result in commercially feasible oil or natural gas production. In terms of exploration, selecting a drilling location is influenced by the interpretation of geological, geophysical, and seismic data, which is a subjective science and has varying degrees of success. Other factors, including land ownership and regulatory rules, may impact the Company's decisions with respect to well locations. Further, no known technologies provide conclusive evidence prior to drilling a well that oil or natural gas is present or may be produced economically. New wells drilled may not be productive or may not recover all or any portion of the Company's investment in such wells. Decisions to purchase, explore, develop or otherwise exploit prospects or properties will depend, in part, on the evaluation of production data, engineering studies, and geological and geophysical analyses, the results of which are typically inconclusive or subject to varying interpretations. The cost of drilling, completing, equipping and operating wells is typically uncertain before drilling commences.

(i) **Liquidity Risk**

There is no guarantee that any active market in the Shares will develop or that the price of these Shares will increase. There may be relatively few buyers or sellers of these Shares as the Company is not listed. For this reason, any investment in these Shares is illiquid.

(j) **Oil and gas estimates**

Reservoir engineering is a subjective process that only provides an educated estimate of the value of underground reserves. Oil and gas estimates are not precise and are based on knowledge, experience, interpretation and industry practice. Petroleum engineering is a subjective process of estimating accumulations of oil and/or gas that cannot be measured in an exact manner and which involves the use of assumptions which may ultimately not prove to be accurate. Different variables can impact whether these reserves are economically recoverable, including changes with respect to governmental regulations, commodity prices, and taxes. Resource estimates may change significantly when new information becomes available. The Company's actual revenues, expenses, and production will likely vary from such estimates and such differences could be substantial.

There is a risk that the Company's Prospective and Contingent Resources will not convert to Reserves, and also that any future actual production with respect to Reserves may vary from such estimates. Such variances could be material to the Company and its future profitability.

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 and a

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

(k) **Exchange rate risk**

The revenues, expenses, earnings, assets and liabilities of the Company and, accordingly, your investment in the Company, may be exposed adversely to exchange rate fluctuations.

The majority of the Company's expected expenditure and revenues when producing will be in United States dollars (**USD**). The Company also has transactions in Australian Dollars (**AUD**). Any appreciation in the exchange rates between these currencies and the USD may have a detrimental impact on use of USD funds raised.

(l) **Environmental risk**

The Company is subject to a number of laws and regulations to minimise the environmental impact of any operations as well as rehabilitation of any areas affected by the Company's operations. These laws can be costly to operate under and can change further adversely affecting the Company. No assurance can be given that current or future requirements under environmental laws will not result in the cessation of exploration or production activities, the curtailment of production or a material increase in the costs of production, development or exploration activities or otherwise adversely affect the Company's financial condition, results of operations or prospects. Penalties for failure to adhere to the laws or in the event of environmental damage the penalties and remediation costs can be substantive.

In the areas in which the Company holds oil and gas interests, there exists regulations that include amongst other requirements, the need for permits for drilling operations, drilling bonds and reports concerning operations. In addition, there are rules and regulations governing conservation matters, including abandonment of drilled wells.

The Company may require approval from relevant authorities before it can undertake activities that may impact the environment, including drilling wells. Failure to obtain such approvals may prevent the Company from achieving its business objectives. Regulations may limit the rate at which oil and gas could otherwise be produced from the Company's interests and may restrict the number of wells that may be drilled on a particular lease or in a particular field.

As at the date of this OIS, the Company has no environmental matters have occurred in the period.

(m) **Competition**

The Company competes with numerous other organisations in the search for, and the acquisition of, oil and gas assets. The Company's competitors include oil and gas companies that have substantially greater financial resources, staff and facilities than those of the Company and a longer operating history. The Company's ability to increase its reserves in the future will depend not only on its ability to explore and develop its current acreage and concession areas, but also on its ability to select and acquire suitable producing properties or prospects for exploratory drilling.

There is a risk that the Company is unable to acquire assets due to, amongst other factors, competition.

(n) **Contract risk**

The Company is a party to various contracts. Whilst the Company will have various contractual rights in the event of non-compliance by a contracting party, no assurance can be given that all contracts to which the Company is a party will be fully performed by all contracting parties. Additionally, no assurance can be given that if a contracting party does not comply with any contractual

provision, the Company will be successful in enforcing compliance. There are also counterparty bankruptcy, creditor, termination and operational risks.

Contracts to which the Company and its subsidiaries are party, contain various termination rights that could be triggered in the event that either party does not fulfil their obligations under the applicable contract.

There is no guarantee the Company will be able to secure purchasers for any oil and gas produced, on favourable terms or at all. Where there are limited number of purchasers, exposure to the credit risk of each such purchaser and any outstanding accounts receivable from such purchaser may be material. Additionally, should any such purchaser elect to reduce or curtail the volumes of oil and natural gas it purchases, revenues may decline.

(o) **Operating risks and insurance**

Any future operations of the Company may be delayed or adversely affected by factors which are beyond the control of the Company including but not limited to surface access restrictions, compliance with current and new governmental requirements, technical issues, access to equipment, supplies, personnel and transportation, delays in the commissioning of plant and equipment, adverse weather conditions, environmental hazards, labour dispute or industrial accidents.

The overall nature of the oil and gas industry is hazardous and entails many inherent risks, including (among other things) well blowouts, cratering, explosions, uncontrollable flows of hydrocarbons, fires, formations with abnormal pressures, water shortages, crude oil spills, natural gas leaks, pipeline and tank rupture, unauthorised discharges or certain pollutants, encountering naturally occurring radioactive material, and other hazards, risk, and pollutants. All of these hazards and risks create substantial liabilities and may result in substantial losses.

Even if the Company maintains insurance on par with industry standards, such insurance will not fully protect against all risks inherent in the Company's activities, as full insurance coverage may not be available or may be cost prohibitive. As a result, any losses the Company sustains may only be partially covered by insurance, if at all.

(p) **Ability to exploit discoveries**

It may not always be possible for the Company to participate in the exploitation of successful discoveries made in the areas in which it has an interest. Such exploitation may involve the need to obtain licences or approvals, including environmental approvals and authorisations, from relevant authorities and may require conditions to be satisfied or the exercise of discretion by such authorities. It may or may not be possible for such conditions to be satisfied.

(q) **Risk of impairment write-downs**

Accounting rules may require the Company to write-down the value of its properties for certain impairments such as declining crude oil and natural gas prices, increased development costs, or poor drilling results. This could substantially impact the Company ability to borrow funds for future capital expenditures and may negatively impact the ability to distribute funds.

(r) **No basis for forecast financial information**

Due to the fact that the Company or any of its investees have not commenced production, the Company has no basis on which to prepare forecast financial information in this OIS.

(s) **Related Party Risk**

The Company has a number of contractual relationships with related parties, in particular loan agreements with BPH. If these relationships breakdown and the related party agreements are terminated, there is a risk that the Company may not be able to find satisfactory funding to continue its operations or find a satisfactory replacement. Loan agreements may contain covenants,

undertakings and other provisions which, if breached, or if the Company defaults under the agreement, may entitle lenders, including BPH, to accelerate repayment of loans and there is no assurance that the Company would be able to repay such loans in the event of an acceleration. Although the BPH Loan is unsecured, enforcement of any security granted by the Company in the future or a default could also result in the loss of assets.

(f) **Climate Change Risk**

Transitioning to a lower-carbon economy may entail extensive policy, legal, technology and market changes to address mitigation and adaption requirements related to climate change. Depending on the nature, speed and focus of these changes, transition risks may pose varying levels of financial and reputational risk to the Company. 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.

There are a number of climate-related factors that may affect the operations and proposed activities of the Company. The climate change risks particularly attributable to the Company include:

- (i) the emergence of new or expanded regulations associated with the transitioning 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
- (ii) 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 longer-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.

7.3 **General Risks**

(a) **Economic**

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

General economic conditions, laws relating to taxation, new legislation, trade barriers, movements in interest and inflation rates, currency exchange controls and rates, national and international political circumstances (including outbreaks in international hostilities, wars, terrorist acts, sabotage, subversive activities, security operations, labour unrest, civil disorder, and states of emergency), natural disasters (including fires, earthquakes and floods), and quarantine restrictions, epidemics and pandemics, may have an adverse effect on the Company's operations and financial performance, including the Company's exploration, development and production activities, as well as on its ability to fund those activities.

General economic conditions may also affect the value of the Company and its market valuation regardless of its actual performance.

Specifically, it should be noted that the current evolving conflict between Ukraine and Russia and the Gaza conflict is impacting global macroeconomics and markets generally. The nature and extent of the effect of this conflict on the performance of the Company and its investments. Given the situation is continually evolving, the outcomes and consequences are inevitably uncertain.

(b) **Market conditions**

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

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

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

(c) **Dividends**

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

(d) **Taxation**

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this OIS.

(e) **Ukraine Conflict**

The current conflict between Ukraine and Russia (**Ukraine Conflict**) is impacting global economies and financial markets. The nature and extent of the effect the Ukraine Conflict may have on the Company's operations remains uncertain at this time. In the short to medium term, the Company's Share price may be adversely affected by the economic uncertainty caused by the Ukraine Conflict and the wider effect the conflict has on global economies and financial markets.

The Directors are monitoring the potential secondary and tertiary macroeconomic impacts of the Ukraine Conflict, including the fluctuations in commodity and energy prices and the potential risk of cyber activity impacting governments and businesses. Further, any governmental or industry measures taken in response to the Ukraine Conflict, including limitations on travel and changes to import/export restrictions and arrangements involving Russia, may adversely impact the Company's operations and are likely to be beyond the control of the Company.

(f) **Gaza Conflict**

The ongoing military and political conflict between Israel and Palestine (**Gaza Conflict**) is likely to impact global economies and financial markets. The nature and extent of the Gaza Conflict, and the effects that the conflict may have on the Company's operations, remains uncertain at this time. In the short to medium term, the Company's Share price may be adversely affected by the volatile nature of the Gaza Conflict and the wider, unknown economic effect the conflict may have on global economies and financial markets.

The Directors are monitoring the potential secondary and tertiary macroeconomic impacts of the Gaza Conflict, including the fluctuations in oil, gas and other commodity prices impacting governments and businesses. Further, any governmental or industry measures taken in response to the Gaza Conflict, including limitations on travel and changes or halts to international trade channels, may adversely impact the Company's operations and are beyond the control of the Company.

7.4 Speculative Investment

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

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

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

8. REQUIRED ACTIONS

8.1 Application Form

The number of Shares to which you are entitled (your **Entitlement**) is shown on the accompanying personalised Entitlement and Acceptance Form. You may:

- (a) take up some or all of your Entitlement to Shares;
- (b) take up more than your Entitlement to Shares by applying for Shortfall Shares; or
- (c) not take up any of your Entitlement to Shares.

8.2 Payment by EFT

The details for Application Monies paid by EFT by Australian Investors is as follows:

Account Name:	Advent Energy Ltd Trust Account
Bank:	National Australia Bank
Account BSB:	086-006
Account Number:	17-704-6231
Branch Address:	48 Howe St, Osborne Park WA 6017

Enquiries about the Offer should be directed to David Breeze, the Company Secretary, on 08 9328 8711 during business hours.

8.3 Payment by cheque, bank draft or money order

Application Monies may be paid by cheque, bank draft, money order or EFT. Applications for Shares can only be made by filling out an Entitlement and Acceptance Form and providing the Application Monies. Please follow the directions on the Entitlement and Acceptance Form carefully.

Cheques and bank drafts must be made payable to "**Advent Energy Limited**" and crossed "**Not Negotiable**".

Applications (and accompanying cheques, bank drafts or money orders (if applicable)) should be posted or delivered to Unit 12, 114 Cedric Street, Stirling, Western Australia 6018.

8.4 Declining all or part of your Entitlement

If you decide not to take up all or part of your Entitlement, the Entitlement which is unexercised will lapse and the relevant Shares with respect to that part of the Entitlement will not be issued to you. You will not receive any payment for Entitlements not taken up. If you decide not to participate in the Offer, you do not need to fill out or return the accompanying Entitlement and Acceptance Form. Although you will continue to own the same number of Shares, your percentage shareholding in the Company will be diluted.

Shares which are not taken up by Shareholders or other investors under the Shortfall Offer will not be issued and you will not receive a benefit under the Offer.

9. ADDITIONAL INFORMATION

9.1 Litigation

The Company confirms that other than as referred to in this OIS, and set out below, the Company is not involved in any legal proceedings and there are no legal proceedings pending or threatened against the Company.

9.1.1 MEC Deed of Settlement

On 9 August 2019, the Company settled a long-standing legal dispute with MEC. The Parties have agreed that Advent will repay its loan owing to MEC totalling \$4,122,155 one month prior to the scheduled commencement date of any works on the PEP-11 Permit, by the issue of shares to the Company to the face value of the debt calculated at 80% of:

- (a) the volume-weighted average price of Advent shares over the 5 days trading immediately prior to that date; or
- (b) if, as at that date, Advent shares are not listed on any securities exchange, the price at which ordinary shares in Advent were last issued,

(MEC Settlement Payment). As at the date of this OIS, the MEC Settlement Payment is not due.

9.1.2 PEP-11 Permit

On 6 August 2024, Asset Energy, filed an Originating Application for Judicial Review on behalf of the Joint Venture Parties in the Federal Court of Australia seeking the following:

- (a) a declaration that the Joint Authority has breached an implied duty by failing to make a decision under the GGS Act with respect to the PEP-11 Applications; and
- (b) an order that the Joint Authority be compelled to determine the PEP-11 Applications within 45 days.

Following conferral between the parties to the Federal Court proceeding, on 9 October 2024 orders were made vacating the previous orders and adjourning the proceedings to a date on or after 7 February 2025. The parties have liberty to apply to bring the matter back before the Federal Court on 3 days' notice.

9.2 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the Shares), the Directors, the persons named in the Offer Information statement with their consent as proposed directors of the Company, any underwriters, persons named in the Offer Information Statement with their consent having made a statement in the Offer Information Statement and persons involved in a contravention in relation to the Offer Information Statement, with regard to misleading and deceptive statements made in the Offer Information Statement. Although the Company bears primary responsibility for the Offer Information Statement, the other parties involved in the preparation of the Offer Information Statement can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this OIS other than those referred to in this Section; and
- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this OIS other than a reference to its name and a statement included in this OIS with the consent of that party as specified in this Section.

Specifically:

- (a) Clean Hydrogen has given its written consent to being named in this OIS, in the form and context in which it is named. Clean Hydrogen has not withdrawn its consent prior to the lodgement of this OIS with the ASIC.

- (b) Steinepreis Paganin has given its written consent to being named as solicitors to the Offer in this OIS, in the form and context in which it is named. Steinepreis Paganin has not withdrawn its consent prior to the lodgement of this OIS with the ASIC.
- (c) Moore Australia Audit (WA) (**Moore WA**) has given its written consent to being named as auditor to the Company in this OIS, in the form and context in which it is named and to the inclusion of the Annual Report in this OIS. Moore WA has not withdrawn its consent prior to the lodgement of this OIS with the ASIC and to the inclusion of the Annual Report in this OIS.
- (d) Grandbridge has given its written consent to being named as Lead Manager to the Company in this OIS, in the form and context in which it is named. Grandbridge has not withdrawn its consent prior to the lodgement of this OIS with the ASIC.

9.3 Fees and Commissions

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offer. The Company estimates it will pay Steinepreis Paganin \$15,000 (excluding GST and disbursements) for these services.

10. DIRECTORS' AUTHORISATION

Each of the Directors of the Company has consented to the lodgement and issue of this Offer Information Statement.

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

Signed in accordance with a resolution of the Directors.

11. GLOSSARY

\$ means Australian dollar.

Applicant is used interchangeably with investor and means a person who applies for Shares in accordance with this Offer Information Statement.

Application means an application for a specified number of Shares by an Applicant under this Offer Information Statement made by completing and returning an Entitlement and Acceptance Form by the Closing Date.

Application Form means an Entitlement and Acceptance Form.

Application Monies means funds accompanying a completed Application.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

ASX Listing Rules means the listing rules of the ASX.

Board means the board of Directors of the Company.

Clean Hydrogen means Clean Hydrogen Technologies Corp, an entity incorporated in the United States of America.

Closing Date means the date on which the Offer closes, intended to be 31 May 2025.

Company or **Advent** means Advent Energy Limited (ACN 109 955 400).

Director means a director of the Company.

Eligible Shareholder means all Shareholders who are registered on the Shareholder register as at the 5:00pm (WST) on the Record Date.

Entitlement means the number of Shares each Eligible Shareholder is offered under the Offer as designated on their personalised Entitlement and Acceptance Form.

Entitlement and Acceptance Form means the form by that name which is included in or accompanies this Offer Information Statement.

GGS Act means the *Greenhouse Gas Storage Act 2006 (Cth)*.

Offer means the offer of Shares under this Offer Information Statement.

Offer Price means the price payable for one Share under this Offer Information Statement is \$0.05.

OIS or **Offer Information Statement** means this Offer Information Statement.

Option means an option to acquire a Share.

PEP-11 Applications has the meaning given in Section 3.

Record Date means 5:00pm (WST) on 13 December 2024.

Section means a section within this Offer Information Statement.

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

Shareholder means a holder of a Share as recorded on the Share register for the Company.

Shortfall means the Shares not applied for under the Offer (if any).

Shortfall Application Form means the shortfall application form either attached to or accompanying this OIS.

Shortfall Shares means those Shares issued pursuant to the Shortfall.

Share Registry means the share register maintained by the Company.

WST means Western Standard Time as observed in Perth, Western Australia.

Advent Energy Ltd
ACN 109 955 400

Annual Financial Report
30 June 2024

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Advent Energy Ltd and its controlled entities

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Directors

David Breeze – Executive Chairman
Stephen Kelemen – Non-Executive Director
Steve James – Non-Executive Director
Tony Huston – Non-Executive Director

Company Secretary

David Breeze

Registered Office

Unit 12, Level 1
114 Cedric Street
STIRLING WA 6021

Principal Business Address

Unit 12, Level 1
114 Cedric Street
STIRLING WA 6021
Telephone: (08) 9328 8711
Facsimile: (08) 9328 8733
Website: www.adventenergy.com.au

Auditor

Moore Australia Audit (WA)
Level 15,
Exchange Tower
2 The Esplanade
PERTH WA 6000

Australian Business Number

39 109 955 400

DIRECTORS' REPORT

Advent Energy Limited and its Controlled Entities

Dear Shareholder

PEP11 continues to be a primary focus of the company and this focus has been validated by recent key energy reports, in particular the ACCC Gas Inquiry 2017-2030 Report released on 7 July 2024¹.

The ACCC Gas Inquiry report has stated:

- "There is an urgent need to develop new sources of gas production and supply.
- Natural gas is expected to play a critical role in ensuring the reliability of energy supply as Australia increases its reliance on renewable sources.
- The east coast gas market may experience gas supply shortfalls as early as 2027 (to mid-2030s) unless new sources of supply are made available.
- AEMO's (Australian Energy Market Operator) 2024 GSOO (Gas Statement of Opportunities) has also highlighted the risk of peak-day shortfalls from 2025 under extreme peak demand conditions.
- Ensuring efficient supply to the east coast market would also be supported by increased competition in upstream production.
- The use of import terminals does not obviate development of domestic sources of supply. continued domestic gas production will be important to limit risks to Australia's energy security and market stability.
- For larger industrial users, where gas is used as a core component in manufacturing and chemical processes, and reducing gas usage may not be technically or commercially feasible in the foreseeable future.
- The ACCC and AEMO have increasingly noted that an orderly transition will require more gas to be brought online to meet expected demand. ... a core policy challenge is ... maintaining energy security and affordability.
- On the fundamental concern of continuing supply, (The ACCC) analysis indicates that gas production in the southern states will decline over the short and medium term.
- Gas fields in the Gippsland basin, the primary source of gas for the southern states in the past, are reaching the end of their productive lives. There are no projects yet to be approved that could come online in time to prevent a shortfall in 2025."

Key further points

- "The potential emergence of supply shortages ... is due to: ▪ increases in forecast gas consumption for GPG as a firming power source in the National Electricity Market, especially during winter... the retirement of coal generation post-2030 will increase demand for gas-based firming.
- Decreases in forecast supply due to a combination of delays in new gas projects still awaiting regulatory approval, and production problems in legacy gas fields.
- The southern states are expected to rely on gas transported from Queensland for the foreseeable future unless new sources of supply are made available. However, from 2029 Queensland will also require new sources of supply.
- Forecast production is from the Bowen (including the north Bowen), Surat, Galilee, Cooper, Gippsland, Bass, Otway, Gunnedah and Sydney basins.
- ACCC ... have excluded production and expected supply from the Northern Territory given continuing production issues in the region.
- There is a risk that the Northern Territory will require gas to be imported from Queensland.

¹ Australian Competition & Consumer Commission *Gas Inquiry 2017-2030, Interim update on east coast gas market* (June 2024) and released on 5 July 2024.

DIRECTORS' REPORT

Advent Energy Limited and its Controlled Entities

- A common concern cited by industry relates to delays obtaining regulatory approvals to begin developing new gas supply sources. For example, industry body Australian Energy Producers recently stated that several plans have been in the approval process for more than 2 years, and that this is an increase from previous wait times of generally around 180 days, depending on the type of approval sought. This presents a critical opportunity to consider policy options that would promote efficient and more secure supply for Australia and for export.
- The Productivity Commission stated in its Review of Regulatory Burden on the Upstream Petroleum (Oil and Gas) Sector that: "Delays impose...significant burdens, because they can increase project costs, reduce flexibility in responding to market conditions, impede financing of projects, and defer production and revenues. The Productivity Commission's review of resources sector regulation in 2020 found that "...delay costs can dwarf the direct costs of regulatory obligations such as assessment documentation and studies." Reducing uncertainty, timeframes and challenges in obtaining regulatory requirements will assist in restoring industry and community confidence in government processes and regulatory authorities responsible for issuing approvals."

Asset Energy continues to progress the PEP11 joint venture applications for the variation and suspension of work program conditions and related extension of PEP11. On 6th August 2024, Advent announced that Asset had filed an Originating Application for Judicial Review in the Federal Court seeking the following:

1. A declaration that the Commonwealth-New South Wales Offshore Petroleum Joint Authority has breached an implied duty by failing to make a decision under the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* (Cth) with respect to two pending applications relating to Petroleum Exploration Permit NSW-11 (PEP11 Permit); and
 2. An order that the Joint Authority be compelled to determine the applications within 45 days².
- Asset alleges that the failure by the Joint Authority to make a decision with respect to the applications constitutes a breach of its duty to consider the applications within a reasonable time.

The energy security risks in the east coast market are highlighted by the AEMO report of 20 June 2024³. The AEMO has warned of immediate gas supply risks across south eastern Australia⁴. The warning comes following increased demand for gas amid a cold snap, lower green power generation and supply problems. AEMO says the risk of supply shortages on peak demand days is likely to stay in place until September 30, 2024⁵.

The winter 2024 cold snap led to a 70 per cent surge in gas-fuelled power generation and a "near doubling of wholesale electricity prices across some south eastern states in the June quarter"⁶ "and blackouts in northern NSW"⁷.



David Breeze
Executive Director

² ASX release by BPH Energy Ltd, "PEP11 Update", dated 6th August 2024

³ AEMO East Coast Gas System Risk or Threat Notice 19062024 https://www.nemweb.com.au/Reports/CURRENT/ECGS/ECGS_Notices/Attachments

⁴ ABC News, 'AEMO Threat of Gas shortfall' (20 June 2024), accessible at: AEMO East Coast Gas System Risk or Threat Notice 19062024 https://www.nemweb.com.au/Reports/CURRENT/ECGS/ECGS_Notices/Attachments

⁵ ABC News, 'AEMO Threat of Gas shortfall' (20 June 2024).

⁶ Australian Financial Review, 'Coldsnap confirms energy price surge, and need for gas and coal' (24 July 2024).

⁷ AEMO Preliminary Report on load shedding, event on 8 July 2024 and 15 July 2024

DIRECTORS' REPORT

Advent Energy Limited and its Controlled Entities

The directors of Advent Energy Ltd ("Advent" or "Company") present their report on the Company and its controlled entities ("consolidated entity" or "group") for the financial year ended 30 June 2024.

Directors

The names of directors in office at any time during or since the end of the year are:

David Breeze – Executive Chairman
Stephen Kelemen – Non-Executive Director
Steve James – Non-Executive Director
Tony Huston – Non-Executive Director

Company Secretary

The names of company secretaries in office at any time during or since the end of the year are:

David Breeze

Information on Directors

D Breeze

Executive Chairman (appointed 10 November 2005) and Company Secretary (appointed 6 August 2019)

David Breeze is a Corporate Finance Specialist with extensive experience in the stock broking industry and capital markets. He has been a corporate consultant to Daiwa Securities; and held executive and director positions in the stock broking industry. David has a Bachelor of Economics and a Masters of Business Administration and is a Fellow of the Institute of Company Directors of Australia. He has published in the Journal of Securities Institute of Australia and has also acted as an Independent Expert under the Corporations Act. He has worked on the structuring, capital raising and public listing of over 70 companies involving in excess of \$300 million. These capital raisings covered a diverse range of areas including oil and gas, gold, food, manufacturing and technology. In the past three years David has held the following listed company directorships:

BPH Energy Limited (from February 2001 to present)
MEC Resources Limited (from April 2005 to present)

David is also a director of Grandbridge Limited, Cortical Dynamics Limited, Molecular Discovery Systems Limited, Diagnostic Array Systems Limited, and Advent subsidiaries Asset Energy Pty Limited, Offshore Energy Pty Limited and Aotearoa Offshore Limited.

S Kelemen

Non-Executive Director (appointed 8 February 2018)

Stephen Kelemen has over 40 years experience in the oil & gas industry covering and leading exploration, development, operations and M&A activity in conventional, CSG and unconventional assets. Notably he oversaw Santos' investment in Bayu-Undan & DLNG, and was responsible for the company's entry into CSG and the concept of CSG to LNG. He has experience in assessing and evaluating many of the Australian basins for the potential to deliver reserves.

Stephen has a Bachelor of Engineering degree from University of Adelaide. He is an Adjunct Professor at University of Queensland's Gas & Energy Transition Research Centre and is Deputy Chair Petroleum -

DIRECTORS' REPORT

Advent Energy Limited and its Controlled Entities

Queensland Exploration Council. He has been Chairman of the Australian/NZ Council of SPE (Society of Petroleum Engineers), Chairman of SA Section of SPE, and President of QUPEX (Queensland Petroleum and Exploration Association).

During the last 3 years Stephen has been a director of listed companies Galilee Energy Limited (ASX:GLL) (March 2018 to present) and Elixir Energy Limited (ASX:EXR) (April 2019 to present).

T Huston

Non-Executive Director (appointed 6 August 2019)

Anthony (Tony) Huston has been involved for over 40 years in engineering and hydrocarbon industries for both on and off shore exploration/development. Early career experience commenced with Fitzroy Engineering Ltd, primarily working on development of onshore oil fields. During the 1990's Tony managed JFP NZ International, a Texas based exploration company that included a jack up rig operating in NZ waters. In 1994 Tony oversaw the environmental consent process required to drill a near inshore well that was drilled from "land" into the offshore basin during 1995. In 1996 Tony formed his own E&P Company to focus re-entry of onshore wells, primarily targeting shallow pay that had been passed or ignored from previous operations. This was successful and the two plays opened up 20 years ago are still in operation. Recent focus (12 years) has been to utilise new technology for enhanced resource recovery and has been demonstrated in various fields, including US, Mexico, Oman, Italy and Turkmenistan.

During the last 3 years Tony has been a director of listed company BPH Energy Limited (June 2017 to present). Tony is also a director of investee company Clean Hydrogen Technologies.

S James

Non-Executive Director (appointed 6 August 2019)

Steve has over 30 years' experience in the financial services industry having worked for Australia's largest banks as well as European and American institutions. Steve has a thorough knowledge across foreign exchange trading, financial planning, capital raisings and stockbroking where he was a key figure in developing Australia's largest wholesale broking business.

Steve is a highly experienced company director across both listed and unlisted entities in diverse operations from sporting bodies, financial services organisations and the property industry. Steve holds a Masters Degree in Financial Services Law, a Master Stockbroker Qualification, a Diploma of Financial Markets and is a graduate of the Australian Institute of Company Directors.

In the past three years Steve has held the following listed company directorships:

DomaCom (from April 2023 to present)

Steve is also a director of Aston Consulting Services Ltd, Best Interest Law and Spring Capital Ltd.

Meetings of Directors

During the financial year there were no meetings of directors. The Board meets regularly by telephone to make day-to-day decisions with respect to the business of the Company.

Indemnifying Officers or Auditors

During or since the end of the financial year the company has not given an indemnity or entered an agreement to indemnify Company officers or the auditors. The Company does not hold a Directors and Officers insurance policy.

DIRECTORS' REPORT

Advent Energy Limited and its Controlled Entities

Non-Audit Services

No fees for non-audit services were paid or payable to the external auditors during the year ended 30 June 2024 (2023: \$Nil).

Operating Results

The operating loss for the group after tax for the year was \$661,213 (2023: loss of \$480,442).

Dividends

The directors recommend that no dividend be paid in respect of the current period and no dividends have been paid or declared since the commencement of the period.

Financial Position

The net assets of the group have decreased over the year by \$661,323 to \$9,730,465 at 30 June 2024.

The Company did not issue any shares during the reporting period.

Future Developments

The group will continue to develop its portfolio projects including PEP-11, RL1, clean hydrogen technology, and may evaluate and invest in a range of other resource projects as appropriate.

Environmental Issues

Advent appointed Xodus under a lump sum contract to prepare the Environmental Plan for first submission to NOPSEMA for the Seablue1 well at the Baleen (PEP-11) drill target. Xodus Group are a leading global energy environmental consultancy with a strong track record in the Australian offshore sector where they are subject matter experts in environmental impact assessment and regulatory approvals. The plan is a prerequisite for the planned drilling of the Seablue1 well. It will be released in due course as part of the regulated process under the Government environmental regulator authority NOPSEMA.

Asset have engaged Klarite Pty Ltd (Klarite) to initiate environmental management of the Seablue-1 exploration well, due to be drilled in PEP-11, pending the current application for licence variation, suspension and extension (Application), regulatory approvals and rig availability. Klarite are a Perth based turnkey environmental consultancy specialising in offshore development in Australia, who recently prepared a detailed Environmental Approvals Strategy for the Seablue-1 exploration drilling activity for Asset. Due to the critical need for new domestic supplies of gas as stated in the Federal Government's Future Gas Strategy (see below), Asset have decided to commence work necessary for environmental approvals in advance of the PEP-11 licence Application approval, in order to be prepared to drill the Seablue-1 well as soon as possible thereafter. Klarite will develop an Environmental Management process which will define Asset's consultation and negotiation basis with relevant persons and assess environmental impacts.

No environmental matters have occurred in the period.

DIRECTORS' REPORT

Advent Energy Limited and its Controlled Entities

Principal Activities

Company Focus and Developments

Advent is an unlisted oil and gas exploration and development company with onshore and offshore exploration and near-term development assets around Australia and overseas.

PEP-11 Oil and Gas Permit Offshore Sydney Basin (85%)

Advent, through wholly owned subsidiary Asset Energy Pty Ltd ("Asset"), holds 85% of Petroleum Exploration Permit PEP-11, an exploration permit prospective for natural gas located in the Offshore Sydney Basin, the other 15% being held by ASX listed Bounty Oil and Gas (ASX:BUY).

PEP-11 is a significant offshore exploration area with large scale structuring and potentially multi-Trillion cubic feet (Tcf) gas charged Permo-Triassic reservoirs. Mapped prospects and leads within the Offshore Sydney Basin are generally located less than 50km from the Sydney-Wollongong-Newcastle greater metropolitan area and gas pipeline network.

The offshore Sydney Basin has been lightly explored to date, including a multi-vintage 2D seismic data coverage and a single exploration well, New Seaclem-1 (2010). Its position as the only petroleum title offshore New South Wales provides a significant opportunity should natural gas be discovered in commercial quantities in this petroleum title. It lies adjacent to the Sydney-Newcastle region and the existing natural gas network servicing the east coast gas market. The total P50 Prospective Resource calculated for the PEP-11 prospect inventory is 5.7 Tcf with a net 4.9 Tcf to Advent (85%WI). The two largest prospects in the inventory are Fish and Baleen.

Advent has previously interpreted significant seismically indicated gas features in PEP-11. Key indicators of hydrocarbon accumulation features have been interpreted following review of the 2004 seismic data (reprocessed in 2010). The seismic features include apparent Hydrocarbon Related Diagenetic Zones ("HRDZ"), Amplitude Versus Offset ("AVO") anomalies and potential flat spots.

In addition, a geochemical report has provided support for a potential exploration well in PEP-11. The report reviewed the hydrocarbon analysis performed on sediment samples obtained in PEP-11 during 2010. The 2010 geochemical investigation utilised a proprietary commercial hydrocarbon adsorption and laboratory analysis technique to assess the levels of naturally occurring hydrocarbons in the seabed sediment samples. The report supports that the Baleen prospect appears best for hydrocarbon influence relative to background samples. In addition, the report found that the Baleen prospect appears to hold a higher probability of success than other prospects.

Advent has demonstrated considerable gas generation and migration within PEP-11, with the mapped prospects and leads highly prospective for the discovery of gas.

Advent is a strong supporter of plans for Net Zero by 2050 and sees the company playing a direct role in achieving that target, especially in New South Wales. It aims to do this in two ways. First, by finding gas closest to Australia's biggest domestic energy market, gas which can be used to provide reliable back-up for increased uptake of renewable energy in New South Wales ("NSW"). Second, through its plans to explore for opportunities in offshore NSW for CCS, Carbon Capture and Storage (geo-sequestration of CO₂ emissions), a key clean energy technology.

Advent now has two continuing applications with NOPTA for suspension and extension of the PEP-11 permit, the first lodged in December 2019 and the second in January 2021. The first application was on the basis of Force Majeure and is the only application which is the subject of a NOPTA notice. The

DIRECTORS' REPORT

Advent Energy Limited and its Controlled Entities

second was under COVID and was accepted but not dealt with pending an outcome on the first application made in December 2019.

On 9 October 2023 NOPTA updated their website whereby the NEATS Public Portal Application Tracking has been updated to show Asset's applications' status is now 'Under Assessment'. The Company understands that the next step in the application process is for the Commonwealth-NSW Joint Authority ("Joint Authority") to make its decision on Asset's applications.

On 14 July 2023 the Hon Chris Bowen, Minister for Climate Change and Energy, gazetted/designated an area of the Pacific Ocean area off the Hunter Region of NSW as suitable for offshore wind energy development and that it would be open for industry to develop wind farms (Declared Wind Area). It will become Australia's second official offshore wind energy zone. Having reviewed the PEP-11 seismic data and the drill data from the Seaclem 1 well the Declared Wind Area does not materially impact the PEP -11 Title or the main PEP-11 target areas.

The Company welcomes this declaration/gazettal as it reinforces Advent's belief that decarbonising the global energy system will require the use of a mixture of technologies encompassing renewable energy resources, carbon sequestration and natural gas. There are and will be offshore areas where wind, gas and carbon sequestration activities will overlap and it is the Company's belief that a holistic approach should and will be taken to ensure that clean energy is produced in a reliable and cost effective manner. Asset's parent company Advent made a submission to the consultation website of the Department of Climate Change, Energy, the Environment and Water on the proposed Hunter offshore wind development area. Advent has had preliminary discussions to explore synergies with one of the wind technology companies who are planning to tender for and develop part of the Declared Wind Area and has scheduled further consultation.

On 22 November 2023, the NSW Legislative Committee on Environment and Planning tabled its report into the Minerals Legislation Amendment (Offshore Drilling and Associated Infrastructure Prohibition) Bill 2023, which was referred to the Committee on 29 June 2023. The Bill sought to amend three Acts to prohibit offshore activities in NSW including drilling for petroleum. The inquiry investigated a range of issues, particularly whether the Bill raises any potential constitutional issues and unintended consequences, and its report sets out its findings and proposed recommendations. The relevant link is set out below:

<https://www.parliament.nsw.gov.au/committees/inquiries/Pages/inquiry-details.aspx?pk=2977#tab-reportsandgovernmentresponses>

The Committee heard from legal experts and has found that aspects of the proposed legislation may be constitutionally invalid and have unintended consequences. The report made 10 findings and 2 recommendations. The Committee has accordingly recommended that the Bill not pass.

While the applications for the variation and suspension of work program conditions and related extension of PEP-11 are being considered by NOPTA, Asset is investigating the availability of a mobile offshore drilling unit to drill the proposed Seablue-1 well on the Baleen prospect which would take approximately thirty-five days to complete. Asset is in communication with drilling contractors and other operators who have recently contracted rigs for work in the Australian offshore beginning in 2024. .

On 6 February 2024 the NSW government issued a media release saying they had given notice to "introduce legislation that will prohibit sea bed petroleum and mineral exploration and recovery in NSW coastal waters. The Bill will legislatively implement the Offshore Exploration and Mining Policy that was published in February 2022. The legislation aims to give our communities certainty and reaffirms the NSW Government's long held position of not supporting offshore mineral, coal or petroleum exploration or mining for commercial purposes in or adjacent to NSW coastal waters".

DIRECTORS' REPORT

Advent Energy Limited and its Controlled Entities

On 18 March 2024 the Company's 35.8% shareholder BPH Energy Limited ("BPH") advised ASX that:

- 1) The State of NSW and the NSW Government only have jurisdiction and the power to control exploration and extraction in coastal waters up to 3 nautical miles (4.83 km) offshore from the NSW coast. PEP-11 is beyond that 3 nautical mile limit and all such matters touching PEP-11 are under the jurisdiction of the Commonwealth of Australia (ie. the Australian Government). Gas exploration operations including safety and environment are controlled by NOPSEMA, a Commonwealth of Australia authority.
- 2) The registered holders of PEP-11, including Bounty Oil & Gas NL (ASX:BUY), and the operator, Advent (through Asset) are aware of the legislation and should it be enacted the titleholders will consider, if necessary, challenging the validity of the Bill under Sec 109 of the Commonwealth Constitution which provides: "When a law of a State is inconsistent with a law of the Commonwealth, the latter shall prevail, and the former shall, to the extent of the inconsistency, be invalid".
- 3) The holders of PEP-11 intend to pursue gas exploration by drilling around 26 km offshore, well beyond the limit of NSW coastal waters. No "mining" or pipeline construction is proposed.
- 4) Bounty and BPH fully support protecting the coastal and offshore marine environment and note that in respect of PEP-11 any activity undertaken in the permit area would require specific approval of the independent regulator NOPSEMA.

The media release set out below was made by the Resources Minister, the Honourable Madeline King dated 23 April 2024:

"The Albanese Government is one that respects proper process. We make decisions in a way that is orderly and appropriate.

The Minister for Resources and Minister for Northern Australia, the Hon Madeleine King MP, has recused herself from future decisions on Petroleum Exploration Permit 11 (PEP-11).

The Minister for Industry and Science, the Honourable Ed Husic MP, will take future decisions relating to PEP-11.

Minister Husic was appointed to administer the Department of Industry, Science and Resources upon being sworn-in as a Minister on 1 June 2022 and has the legal authority to take future decisions on PEP-11.

The Australian Government has been consistent in its position that it will not provide a running commentary on PEP-11 and this remains the case."

Minister King's decision to recuse herself as the decision maker with respect to the PEP-11 permit under the Offshore Petroleum and Greenhouse Gas Storage Act 2006 (Cth) is noted, and the Honourable Minister Husic as the Minister for Industry and Science will be making any future decision on modification and related extension of the PEP-11 permit.

The Joint Authority decision is a routine administrative decision. Any future authorisation related to drilling will require environmental approvals. Any issues around community or environmental impacts should be transparently managed by the designated independent expert regulator.

DIRECTORS' REPORT

Advent Energy Limited and its Controlled Entities

Asset continues to progress the joint venture's applications for the variation and suspension of work program conditions and related extension of PEP-11. This application follows from the fact that in February 2023 a decision by the previous Joint Authority to refuse the application was quashed by the Federal Court of Australia. Asset has provided additional updated information to the Commonwealth-NSW Joint Authority and the National Offshore Petroleum Titles Administrator ("NOPTA") in relation to its applications.

The Joint Authority decision is a routine administrative decision. Any future authorisation related to drilling will require environmental approvals. Any issues around community or environmental impacts should be transparently managed by the designated independent expert regulator.

Asset have engaged Klarite Pty Ltd (Klarite) to initiate environmental management of the Seablue-1 exploration well, due to be drilled in PEP-11, pending the current application for licence variation, suspension and extension (Application), regulatory approvals and rig availability. Klarite are a Perth based turnkey environmental consultancy specialising in offshore development in Australia, who recently prepared a detailed Environmental Approvals Strategy for the Seablue-1 exploration drilling activity for Asset. Due to the critical need for new domestic supplies of gas as stated in the Federal Government's Future Gas Strategy (see below), Asset have decided to commence work necessary for environmental approvals in advance of the PEP-11 licence Application approval, in order to be prepared to drill the Seablue-1 well as soon as possible thereafter. Klarite will develop an Environmental Management process which will define Asset's consultation and negotiation basis with relevant persons and assess environmental impacts.

The Federal Government Future Gas Strategy ("FGS") and supporting documents were released by Minister for Resources Madeleine King on 9 May 2024. The FGS confirms that that gas will have a role to play in the transition to net zero by 2050 and beyond. The FGS states that exploration and development should focus on optimising discoveries and infrastructure in producing basins where gas will be proximal to where it is needed and will be lower cost than relying on LNG imports.

Offshore gas exploration in Australia has been undertaken safely and environmentally responsibly for more than 50 years.

The fact remains that NSW and Australia more broadly face a gas supply shortfall within the next three years, and gas will play a vital role in the clean energy transition.

PEP-11 continues in force and the Joint Venture is in compliance with the contractual terms of PEP-11 with respect to such matters as reporting, payment of rents and the various provisions of the Offshore Petroleum and Greenhouse Gas Storage Act 2006 (Cth).

Clean Hydrogen Technology Corporation

On 2 August 2022 shareholder BPH announced to ASX that, following its shareholders' meeting on 21 June 2022 at which shareholders voted unanimously to approve an investment in hydrogen technology company Clean Hydrogen Technologies Corporation ("Clean Hydrogen" or "CHT"), BPH and Advent, together the "Purchasers", settled for the acquisition of a 10% interest in Clean Hydrogen for US\$1,000,000 ("Cash Consideration") (8% BPH and 2 % Advent).

At a proof-of-concept scale, Clean Hydrogen has developed and tested its processing capabilities which have successfully produced hydrogen, with no CO₂ emissions achieving on average a 92% cracking efficiency. Clean Hydrogen's development activities have shown that, by processing (not burning) methane using their patented catalyst and a modified fluidised bed reactor, producing hydrogen with no CO₂ emissions. This is referred to as turquoise hydrogen. In addition, Clean Hydrogen also produces a second product, used for battery manufacturing, called conductive carbon.

DIRECTORS' REPORT

Advent Energy Limited and its Controlled Entities

Clean Hydrogen uses methane as its current feedstock and in the future plans to consume natural gas. It does not burn the methane, it processes it, using its own patented catalyst and a bespoke designed fluidised bed reactor. The process it uses is called pyrolysis which is not new and has been used by the oil industry for many years. What is new is Clean Hydrogen's success in the efficiency of its cracking the methane into turquoise hydrogen with non-CO2 emissions and the quality of the carbon black produced being majority conductive carbon with some carbon nano tubes.

This process requires similar energy needs as Steam Methane Reforming ("SMR") and in Clean Hydrogen's view can be produced at a similar price at scale. Also, it requires no water as part of its process to produce hydrogen.

Importantly, the Clean Hydrogen's solution is being built with flexibility to work downstream at heavy transport fuelling hubs currently in use in the USA, mid-stream at steel plants replacing coking coal and upstream where the natural gas is processed into hydrogen, a much higher energy source which can be piped for all uses including the production of electricity. As such the technology being developed by Clean Hydrogen's solution requires very little change and impact to existing infrastructures and supply chains, unlike other solutions. Although Clean Hydrogen considers that electrolysis and other solutions will have their role in the future of hydrogen, they believe the majority of hydrogen will require the advancement of other technologies that can be more ubiquitous, cheaper to produce, use less electricity and operate within existing supply chains.

The Purchasers had a first right of refusal to invest further in Clean Hydrogen to a maximum of a further US\$1,000,000 for an additional 10% interest. The Purchasers loaned a further US\$950,000 ("Additional Cash Consideration") under this agreement and the Purchasers and Clean Hydrogen have executed a Loan Conversion Agreement, which once implemented, will enable the conversion of the US\$950,000 loan into the relevant Subscription Shares Tranche 2, representing the Purchasers further 9.5% interest in Clean Hydrogen. BPH now has an interest of 15.6% and Advent has an interest of 3.9% interest in Clean Hydrogen.

The contemplated securities under the Loan Conversion Agreement have not been issued to the Purchasers, however, the Purchasers have an entitlement to these securities under the relevant Loan Conversion Agreement. For the reasons set out below, BPH will seek approval from its shareholders for the proposed issue of shares in Clean Hydrogen to BPH, in satisfaction of a debt owing from Advent to BPH ("Debt Forgiveness").

The ASX Listings Committee ('LC') considered the application of Listing Rule 10.1 to BPH in respect of the proposed Debt Forgiveness. The LC resolved that ASX would exercise its discretion such that Listing Rule 10.1 applies to the Debt Forgiveness.

In forming this decision, ASX had regard to the following:

1. In March 2022 ASX advised BPH that, should it seek to increase its shareholding in Advent, whether it be by way of maintaining its current percentage interest in the event Advent undertook a capital raising, increasing its percentage interest, or by way of a debt for equity conversion, BPH must approach ASX regarding the potential application of Listing Rule 10.1.5.
2. In December 2023, Advent lodged a disclosure document with ASIC in the form of an Offer Information Statement for its Entitlement Issue which contained disclosure regarding the discharge of funds loaned to it by BPH in exchange for the issue of equity shares in CHT to BPH. BPH did not approach ASX for determination on the application of Listing Rule 10.1.5 to this transaction.

DIRECTORS' REPORT

Advent Energy Limited and its Controlled Entities

3. In view of ASX having previously advised BPH to approach ASX in relation to any transactions between itself and Advent including any debt to equity conversion, and BPH having failed to do so in this instance, ASX has exercised its discretion to apply Listing Rule 10.1.5 to the issue of CHT shares to BPH in satisfaction of the debt owing to BPH by Advent. The forgiveness of debt may be a transfer in value from BPH to Advent. ASX has not been provided with sufficient information to conclude there is no possible transfer in value therefore ASX considers that Listing Rule 10.1.5 applies to the debt conversion/forgiveness.

As a result of ASX's decision to exercise its discretion under Listing Rule 10.1, BPH must seek shareholder approval for the Loan Conversion Agreement dated 10 October 2023 that has been executed between itself, Advent and Clean Hydrogen. BPH is in the process of preparing a Notice of Meeting which will be released as soon as possible. BPH anticipates that the shareholder meeting to approve the Loan Conversion will be held in or about September 2024. For clarity, BPH will not and has not increased its shareholding in Advent as a result of the Debt Forgiveness.

Clean Hydrogen has also issued 190 share options to Advent with an exercise price of USD\$3,000 each, exercisable immediately, with the option to convert into shares in Clean Hydrogen expiring ten years from the date of issue. Advent has not exercised any of these share options during the reporting period.

The parties acknowledge and agree that the Cash Consideration and Additional Cash Consideration shall be used by Clean Hydrogen to design, build, produce and test a reactor that can produce a minimum of 3.2kgs and as high as 15kgs of hydrogen per hour and to submit at least 2 new patents in an agreed geography, relevant to the production of hydrogen from proprietary technology.

Clean Hydrogen has developed and tested its processing capabilities which have successfully produced hydrogen, with no CO₂ emissions, achieving on average above 90% cracking efficiency. Cracking efficiency refers to the percentage of hydrocarbons broken into solid carbon and hydrogen per hour. This high level of cracking efficiency has been consistently achieved across proof-of-concept tests undertaken by Clean Hydrogen in 2022 and 2023.

Clean Hydrogen has tested the performance of a number of catalysts in the period between April 2022 and September 2022 and have determined that several of the catalysts have given methane cracking conversion rate (efficiency) more than 90%, for several hours. To achieve these results, Clean Hydrogen currently uses methane as its feedstock however, in the future, plans to use natural gas as its feedstock through the pyrolysis method (explained further below).

Clean Hydrogen's development activities and testing have shown that, by pyrolysis processing (not burning) methane gas using its catalyst in a modified fluidised bed reactor, it can produce hydrogen with no CO₂ emissions. This is referred to as Turquoise Hydrogen, which is hydrogen that is produced using a process called pyrolysis, where the feedstock is natural gas (specifically the hydrocarbons such as acetylene, methane, butane, propane, and others). Pyrolysis is defined as the method of heating solids, liquids, or gases in the absence of oxygen¹. The pyrolysis process is not new and has been used by the oil industry for many years. What is new, is Clean Hydrogen's success in the efficiency of its cracking the methane into Turquoise Hydrogen with non-CO₂ emissions and the quality of the carbon black produced, being majority Carbon Nano-Tubes (CNTs), which are highly conductive and used in battery manufacturing.

¹ 'Methane Pyrolysis: hydrogen without CO₂ Emissions' www.tno.nl/en/technology-science/technologies/methane-pyrolysis/

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In Clean Carbon's testing, the majority of the carbon formed (over 80%) from cracking hydrocarbons to date are CNTs.

This type of carbon was determined using Scanning Electron Microscopy (SEM) analysis, which enables the high-resolution imaging of single nanoparticles with sizes well below 1 nm or micron, as is the case for CNTs. The Clean Hydrogen process is more specifically called a thermos-catalytic pyrolysis, which uses 800- 900 degrees heat centigrade in the reactor in the absence of oxygen.

The Company confirms that there are no non-CO2 greenhouse gas emissions that are produced or released as a result of Clean Hydrogen's production process.

Steam Methane Reforming vs Clean Carbon pyrolysis process

Over 80% of the world's hydrogen is produced using a process called Steam Methane Reforming (SMR)². The Clean Hydrogen process requires similar energy needs as SMR and at scale, Clean Hydrogen is of the view that it can be produced at a similar price.

Clean Hydrogen's Chief Science Officer, Dr Vivek Nair (PhD material science engineering) has examined research undertaken by Nuria Sánchez-Bastardo, Robert Schlögl, and Holger Ruland published in Industrial & Engineering Chemistry Research 2021 60 (32), 11855-11881³, which shows that the electrical energy required to produce 1kg of hydrogen from SMR is 8.81 kwh, 39.69kwh for electrolysis and 5.24kwh for pyrolysis at the reaction level. As such, the pyrolysis process requires less energy than SMR to achieve cracking and uses the same feedstock, natural gas. This energy analysis is conducted without considering the benefits from the use of a catalyst in the pyrolysis process, such as Clean Hydrogen's catalyst, which implies that pyrolysis at scale can be cheaper than SMR. Further, as the process creates two products, which are hydrogen and CNTs, the combined income source provides a means to produce hydrogen at a cheaper net cost. Clean Hydrogen has produced hydrogen beyond lab scale tests at the CoE and is now planning to scale up to a commercial production in 2024. There are three (3) stages to Clean Hydrogen scaling to commercial production:

Stage 1 Completed Stage:

Clean Hydrogen has completed work in 2022 / 2023 on how to scale the catalyst production at the CoE. They have also scaled the reactor to 1/3 of the internal diameter of the full scale commercial system reactors planned for use in Stage 3, explained below.

Stage 2 Current Commercial Stage:

Before moving to Stage 3, Clean Hydrogen plans to demonstrate the commercial viability of its two (2) products; Turquoise Hydrogen and solid carbon. This will be performed using a reactor half the internal diameter of the Stage 3 reactor. It will also require Clean Hydrogen to build the end to end process for separating out the hydrogen from the uncracked hydrocarbons and then compressing it into hydrogen bottle storage. Clean Hydrogen will demonstrate the commercial viability of its products by selling a carbon product called carbon composite made from majority based CNTs and Alumina and bottled hydrogen of 99%+ purity. Clean Hydrogen is currently in the final stages of the assembly of the end to end systems for this.

² Nuria Sánchez-Bastardo, Robert Schlögl, and Holger Ruland Industrial & Engineering Chemistry Research 2021 60 (32), 11855-11881 <https://pubs.acs.org/doi/10.1021/acs.iecr.1c01679>

³ <https://pubs.acs.org/doi/10.1021/acs.iecr.1c01679>

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Stage 3 Scale and Commercial:

The Stage 3 system is planned to have two (2) reactors working together, illustrating that Clean Hydrogen can scale several reactors together. Clean Hydrogen's final customer systems are planned to have a network of several reactors working together. Stage 3 is planned for completion in 2024.

On 22 February 2024 BPH announced that Clean Hydrogen had moved from proof of concept to production.

Clean Hydrogen cracks hydrocarbons from natural gas using a process called thermo-catalytic pyrolysis which combines heat, a catalyst and has no oxygen. Clean Hydrogen's feedstock is natural gases hydro-carbons. Importantly there are no CO₂ emissions from the core process since the carbon becomes a solid carbon composite product, thus rendering natural gas a clean (no CO₂ emissions) source of two products, turquoise hydrogen and solid carbon composite.

Turquoise Hydrogen is the industry term used for hydrogen sourced from natural gases hydrocarbons using thermo-catalytic pyrolysis. Since there are no CO₂ emissions the carbon becomes solid in the form of a fine black dust type material which in Clean Hydrogen's case is a carbon composite made from CNTs (Carbon Nanotubes) and Alumina (ceramics). Carbon Nanotubes have unusual mechanical properties to reinforce their Alumina composite, acting as a toughening agent.

CNTs have a tensile strength greater than steel, conductivity greater than copper and thermal dissipation greater than diamonds. They also resist corrosion and fatigue (ref: <https://www.assemblymag.com/articles/93180-can-carbon-nanotubes-replace-copper>).

The next steps for Clean Hydrogen are scaling their carbon composite and hydrogen production.

Onshore Bonaparte Basin RL 1 (100%)

Advent, through wholly owned subsidiary Onshore Energy Pty Ltd ("Onshore"), holds 100% of RL1 in the onshore Bonaparte Basin in northern Australia. The Bonaparte Basin is a highly prospective petroliferous basin, with significant reserves of oil and gas. Most of the basin is located offshore, covering 250,000 square kilometres, compared to just over 20,000 square kilometres onshore. RL1 (166 square kilometres in area) covers the Weaber Gas Field, originally discovered in 1985. Advent has previously advised that the 2C Contingent Resources for the Weaber Gas Field in RL1 are 11.5 billion cubic feet (Bcf) of natural gas following an independent audit by RISC. Significant upside 3C Contingent Resources of 45.8 Bcf have also been assessed by RISC.

On 3 May 2024 BPH announced that Advent has been offered a renewal of Retention Licence 1 (RL1) by the Northern Territory Government for a five-year term which it has accepted.

The current rapid development of the Kununurra region in northern Western Australia, including the Ord River Irrigation Area phase 2, the township of Kununurra, and numerous regional resource projects provides an exceptional opportunity for Advent to potentially develop its nearby gas resources. Market studies have identified a current market demand of up to 30.8 TJ per day of power generation capacity across the Kimberley region that could potentially be supplied by Advent Energy's conventional gas project RL1. The prospectivity of the Bonaparte Basin is evident from the known oil and gas fields in both the offshore and onshore portions of the basin. Advent has identified significant shale areas in RL1.

Advent has been evaluating the commercialization of RL1 and intends to convert the Retention Licence into a Production Licence. Onshore has commenced the regulatory processes to enable a re-entry to the Weaber-4 well and has prepared and submitted a Well Operations Management Plan (WOMP) and an Environmental Management Plan for the re-entry to Weaber-4.

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Clean Hydrogen and Onshore have entered into a hydrocarbon process agreement ("Process Agreement"). Clean Hydrogen has capabilities at processing hydrocarbons from natural gas and producing two products, hydrogen (sometimes referred to as turquoise hydrogen) and carbon black and carbon nanotube products where such products are produced with no CO₂ emissions in the core process. Carbon black is composed of fine particles of carbon produced by pyrolysis of natural gas at high temperatures which in pure form is a fine black powder. It is widely used in various applications for tyres, black colouring pigment of newspaper inks, resin colouring, paints, and toners, antistatic films, fibres, and floppy disks and as an electric conductive agent of high-technology materials.

By the Process Agreement, Onshore and Clean Hydrogen propose to develop plans whereby Clean Hydrogen processes the hydrocarbons from Onshore's Rights and produces hydrogen and carbon black products ("Clean Hydrogen Products").

Clean Hydrogen is developing its "Commercial System" where it will satisfy scale and commercial objectives resulting in the development of income from sale of Clean Hydrogen Products. Clean Hydrogen's Commercial System means an end-to-end system which consumes and processes hydrocarbons, using Clean Hydrogen's own thermocatalytic reactor process and Clean Hydrogen's catalysts to produce hydrogen at commercial scale, enabling the sale of the Clean Hydrogen Products.

Under the material terms of the Process Agreement, Onshore will review the Commercial System once ready, conditional on the following.

- i. Clean Hydrogen will keep Onshore informed of progress and timing for completion of the Commercial System.
- ii. Clean Hydrogen will share details on design and capabilities to assist Onshore in understanding how its systems will integrate with Onshore's supply of hydrocarbons.
- iii. The parties will work together to develop a plan to include timelines and needs for production of Clean Hydrogen Products from Onshore's hydrocarbons.
- iv. Once Onshore has a clear date for hydrocarbon production, both parties will endeavour to finalise the planning to produce Clean Hydrogen Products.
- v. When Clean Hydrogen and Onshore have agreed to a time for the production of Clean Hydrogen Products, Clean Hydrogen will be responsible for due diligence relating to the compliance with the local regulatory requirements for the operation of the systems to produce the Clean Hydrogen Products.

The Process Agreement is non-binding and binding material contractual terms have yet to be agreed.

Clean Hydrogen will make itself available to answer all technical and business model queries as required and provide a dedicated point of contact to manage all Onshore's queries. Onshore will use best endeavours to develop the plan with Clean Hydrogen. Onshore will provide Clean Hydrogen with detail on its Rights and the timing to assist with planning. As part of the plan Onshore and Clean Hydrogen shall define and agree on the markets for the sale of the Clean Hydrogen Products.

Onshore accepts no liability for the design and operation of the systems to produce the Clean Hydrogen Products. The Process Agreement does not preclude Onshore's right to look at other plans for use of hydrocarbons associated with its Rights.

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Advent Energy Limited and its Controlled Entities

EP 386

Advent's 100% subsidiary Onshore made an application for suspension and extension of the permit conditions in EP386 which was not accepted by the Department of Mines, Industry, Regulation and Safety (DMIRS). Onshore sought a review of the decision by the Minister of Resources who responded setting out a course of action in relation to that decision which Onshore followed. Onshore lodged an appeal against this decision with the State Administrative Tribunal (SAT). The SAT determined that it did not have the coverage to hear the appeal and the decision allowed for the matter to be determined through a Supreme Court of WA action.

Options

At the date of this report there were the following share options on issue:

Issued	Number	Exercise Price	Expiry Date
15/1/2020	10,000,000	\$0.10	30/11/24
8/6/2022	6,000,000	\$0.20	30/11/26

During the year ended 30 June 2024 no ordinary shares of Advent were issued on the exercise of options (2023: Nil). No options were granted during or since year end. No person entitled to exercise the option had or has any right by virtue of the option to participate in any share issue of any other body corporate.

Significant Changes in State Of Affairs

There were no significant changes in state of affairs other than stated elsewhere in this financial report.

Subsequent Events

On 6 August 2024 Asset, as operator for and on behalf of the joint venture partners, filed an Originating Application for Judicial Review in the Federal Court seeking the following: (i) A declaration that the Commonwealth-New South Wales Offshore Petroleum Joint Authority has breached an implied duty by failing to make a decision under the Offshore Petroleum and Greenhouse Gas Storage Act 2006 (Cth) with respect to two pending applications relating to Petroleum Exploration Permit NSW-11 (PEP11 Permit), and; (ii) An order that the Joint Authority be compelled to determine the applications within 45 days.

On 24 December 2019, Asset applied for a variation and suspension of the conditions of the PEP11 Permit pursuant to s 264 of the Act and an extension of the term of the PEP11 Permit pursuant to s 265 of the Act (the First Application). The variation, suspension and extension were sought to, among other things, enable Asset (i) further time lawfully to drill an exploration well; and (ii) thereafter conduct post well studies rather than conduct a three-dimensional seismic survey. The National Offshore Petroleum Titles Administrator (NOPTA), on behalf of the Joint Authority, accepted the First Application on 23 January 2020.

On 30 January 2021, Asset applied for a variation and suspension of the conditions of the PEP11 Permit pursuant to s 264 of the Act and an extension of the term of the PEP11 Permit pursuant to s 265 of the Act (the Second Application). The variation, suspension and extension were sought to, among other things, enable Asset further time lawfully to drill an exploration well and sought to invoke the decision-making principles set out in the COVID-19 Fact Sheet: Work-Bid Exploration Permits (dated April 2020). NOPTA, on behalf of the Joint Authority, accepted the Second Application on 4 February 2021.

On or about 26 March 2022, the then purported Joint Authority formally determined to refuse the First Application (Purported First Application Decision). On 14 February 2023, the Purported First Application

DIRECTORS' REPORT

Advent Energy Limited and its Controlled Entities

Decision was set aside by the Federal Court of Australia on the ground of apprehended bias. The decision of the Federal Court was the subject of an announcement made on 14 February 2023 by BPH.

Between March 2023 and October 2023, Asset provided further information to NOPTA. On 17 October 2023, NOPTA made a recommendation to the Joint Authority with respect to both Applications. To date, neither the First Application nor Second Application have been determined by the Joint Authority according to law. It has been 1,656 days (inclusive) since the First Application was accepted by NOPTA. It has been 1,278 days (inclusive) since the Second Application was accepted by NOPTA.

Asset alleges that the failure by the Joint Authority to make a decision with respect to the First Application and the Second Application constitutes a breach of its duty to consider the applications within a reasonable time.

There has not been any other matter or circumstance that has arisen since the end of the period, that have significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial years.

Proceedings on Behalf of Company

No person has applied for leave of court to bring proceedings on behalf of the Company or 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 any part of those proceedings. The Company was not a party to any such proceedings during the year.

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2024 is set out on page 17.

Signed in accordance with a resolution of the Board of Directors.



David Breeze
Chairman,
Dated this 14th day of August 2024

**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION
307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS
OF ADVENT ENERGY LIMITED & CONTROLLED ENTITIES**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2024, there have been:

- a) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit, and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.

NEIL PACE
PARTNERMOORE AUSTRALIA AUDIT (WA)
CHARTERED ACCOUNTANTS

Signed at Perth this 14th day of August 2024.

Consolidated Statement of Financial Performance

for the year ended 30 June 2024

Advent Energy Ltd and its controlled entities

		Consolidated	
	Note	2024 \$	2023 \$
Revenue	2	15,046	15,919
Finance costs		(237,159)	(165,264)
Administration expenses		(254,130)	(259,498)
Consulting and legal expenses		(85,710)	(131,025)
Depreciation		(683)	-
Director related fees		(172,000)	(190,750)
Write-back of former director fees		139,556	-
Foreign exchange (loss) / gain	3	(41,702)	250,453
Project development costs written off		(24,431)	-
Operating (loss) before income tax		(661,213)	(480,165)
Income tax expense	9	-	(277)
Operating (loss) profit from continuing operations		(661,213)	(480,442)
Other comprehensive Income			
Items that will never be reclassified to profit or loss		-	-
Items that are or may be reclassified to profit or loss		-	-
Total comprehensive (loss)		(661,213)	(480,442)
Basic and diluted (loss) per share (cents per share)	25	(0.27)	(0.20)

The accompanying notes form part of and should be read in conjunction with these financial statements.

Consolidated Statement of Financial Position

as at 30 June 2024

Advent Energy Ltd and its controlled entities

		Consolidated	
	Note	2024 \$	2023 \$
Current Assets			
Cash and cash equivalents	6	46,917	26,437
Trade and other receivables	7	469,895	412,988
Financial assets	11	2,266,994	1,586,703
Total Current Assets		2,783,806	2,026,128
Non-Current Assets			
Property, plant and equipment	12	3,437	2,992
Exploration and evaluation expenditure	10	17,469,946	16,483,106
Financial assets	11	336,123	336,123
Total Non-Current Assets		17,809,506	16,822,221
Total Assets		20,593,312	18,848,349
Current Liabilities			
Trade and other payables	8	150,316	170,280
Financial liabilities	14	3,055,227	1,080,242
Total Current Liabilities		3,205,543	1,250,522
Non-Current Liabilities			
Trade and other payables	8	1,006,362	1,045,918
Financial liabilities	14	6,650,942	6,160,121
Total Non- Current Liabilities		7,657,304	7,206,039
Total Liabilities		10,862,847	8,456,561
Net Assets		9,730,465	10,391,788
Equity			
Issued capital	15	45,494,736	45,494,736
Option reserve	13	1,027,346	1,027,346
Accumulated (losses)		(36,794,504)	(36,133,291)
Foreign exchange reserve	13	2,887	2,997
Total Equity		9,730,465	10,391,788

The accompanying notes form part of and should be read in conjunction with these financial statements.

Consolidated Statement of Changes in Equity

for the year ended 30 June 2024

Advent Energy Ltd and its controlled entities

	Consolidated				
	Issued Capital \$	Accumulated losses \$	Option Reserve \$	Foreign Exchange Reserve \$	Total Equity \$
Balance at 30 June 2022	45,423,803	(35,652,849)	1,027,346	5,533	10,803,833
(Loss) attributable to members of the consolidated entity	-	(480,442)	-	-	(480,442)
Total comprehensive (loss)	-	(480,442)	-	-	(480,442)
<i>Transactions with owners in their capacity as owners:</i>					
Shares issued in reduction of debt	105,000	-	-	-	105,000
Share issue costs	(34,067)				(34,067)
Foreign exchange on consolidation	-	-	-	(2,536)	(2,536)
Balance at 30 June 2023	45,494,736	(36,133,291)	1,027,346	2,997	10,391,788
(Loss) attributable to members of the consolidated entity	-	(661,213)	-	-	(661,213)
Total comprehensive (loss)	-	(661,213)	-	-	(661,213)
<i>Transactions with owners in their capacity as owners:</i>					
Foreign exchange on consolidation	-	-	-	(110)	(110)
Balance at 30 June 2024	45,494,736	(36,794,504)	1,027,346	2,887	9,730,465

The accompanying notes form part of and should be read in conjunction with these financial statements.

Consolidated Statement of Cash Flows

for the year ended 30 June 2024

Advent Energy Ltd and its controlled entities

		Consolidated	
	Note	2024 \$	2023 \$
Cash Flows From Operating Activities			
Payments to suppliers and employees		(422,240)	(271,144)
Finance income		-	5,264
Finance costs		-	(146,047)
Net cash used in operating activities	16	(422,240)	(411,927)
Cash Flows From Investing Activities			
Property, plant and equipment		(1,128)	(3,417)
Exploration expenditure (net of reimbursements)		(1,077,772)	(1,258,313)
Receipt of Taranaki Earning Costs		-	2,155,087
Net cash (used in) / from investing activities		(1,078,900)	893,357
Cash Flows From Financing Activities			
Share issue costs		-	(34,067)
Loans received from / (repaid to) other entities		2,228,695	(614,345)
Loans provided to other entities		(707,075)	(752,102)
Net cash provided by / (used in) financing activities		1,521,620	(1,400,514)
Net increase / (decrease) in cash held		20,480	(919,084)
Cash at the beginning of the financial year		26,437	945,521
Cash at the end of the financial year	6	46,917	26,437

The accompanying notes form part of and should be read in conjunction with these financial statements.

Notes to the Financial Statements

for the year ended 30 June 2024

Advent Energy Limited and its controlled entities

1. Statement of Material Accounting Policies

Corporate Information

The financial report includes the consolidated financial statements and the notes to the financial statements of Advent Energy Ltd and its controlled entities ('consolidated entity' or 'group'), and the Consolidated Entity Disclosure Statement. Advent Energy Ltd is an unlisted public company, incorporated and domiciled in Australia. The financial report was authorised for issue on 14 August 2024 by the board of directors.

Basis of Preparation

The financial report has been prepared on an accruals basis and is based on historical costs 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.

Statement of Compliance

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards and the Corporations Act 2001. Advent Energy Ltd is a for-profit entity for the purpose of preparing the financial statements.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated. The consolidated financial statements of Advent Energy Limited comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Financial Position / Going Concern

The operating loss for the group after tax for the year was \$661,213 (2023: loss of \$480,442). The group has a net current asset deficit of \$421,737 (2023: surplus of \$775,606) at year end.

Included in non-current financial liabilities are loans payable to MEC of \$4,122,155 which will be recoverable by MEC only by the following means and only in the following circumstances; one month prior to the scheduled commencement date for the drilling of a well within the PEP-11 Permit Area, Advent will issue to MEC ordinary shares to the face value of the debt calculated at 80% of: (a) the volume-weighted average price of Advent shares over the 5 days trading immediately prior to that date; or (b) if as at that date Advent shares are not listed on any securities exchange, the price at which ordinary shares in Advent were last issued.

Included in trade and other payables are balances totalling \$1,006,362 (2023: \$1,045,918) payable to current and former directors. The directors have reviewed their expenditure and commitments for the consolidated entity and have implemented methods of costs reduction. The directors, as a part of their cash monitoring, have voluntarily suspended cash payments for their directors' fees to conserve cash resources until such time that the consolidated entity has sufficient cash resources.

The directors have prepared cash flow forecasts that indicate that the group will have sufficient cash flows to meet its non-exploration commitments and a portion of exploration commitments for a period of at least 12 months from the date of this report. Based on the cash flow forecasts and the monitoring of operational costs, the directors are satisfied that, the going concern basis of preparation is appropriate.

Notes to the Financial Statements

for the year ended 30 June 2024

Advent Energy Limited and its controlled entities

1. Statement of Material Accounting Policies (continued)

Financial Position / Going Concern (continued)

The financial report has therefore been prepared on a going concern basis, which assumes continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

Advent may undertake a capital raising in due course, which may be a placement to third parties, its existing shareholders, or possibly via a future ASX listing or a rights issue. Advent is working through funding options at present. While it is understood BPH is not intending to increase its shareholding or relevant interest in Advent, if circumstances changed and it wished to increase its shareholding (whether it be by way of maintaining its current percentage interest in the event Advent undertook a capital raising, increasing its percentage interest, or a debt for equity conversion), it will need to consult with ASX regarding the application of Listing Rule 10.1.5.

As outlined in Principal Activities section of the Director's Report, ASX has requested that BPH obtain shareholder approval under Listing Rule 10.1.5 for the proposed issue of shares in Clean Hydrogen to BPH, in satisfaction of a debt owing from Advent to BPH ("Debt Forgiveness"). BPH is in the process of preparing a Notice of Meeting which will be released as soon as possible. BPH anticipates that the shareholder meeting to approve the Loan Conversion will be held in or about September 2024. For clarity, BPH will not and has not increased its shareholding in Advent as a result of the Debt Forgiveness.

Should the consolidated entity not be successful in raising additional funds through the issue of new equity, should the need arise there is a material uncertainty that may cast significant doubt as to whether or not the consolidated entity will be able to continue as a going concern and therefore, whether it will realise its assets and discharge its liabilities as and when they fall due and in the normal course of business and at the amounts stated in the financial report. The financial statements do not include any adjustments relative to the recoverability and classification of recorded asset amounts or, to the amounts and classification of liabilities that might be necessary should the entity not continue as a going concern.

Material Accounting Policies

(a) Principles of Consolidation

Subsidiaries

Subsidiaries are all 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 deconsolidated from the date that control ceases.

A list of controlled entities is contained in Note 18 to the financial statements. All controlled entities have a June financial year-end. As at reporting date, the assets and liabilities of all controlled entities have been incorporated into the consolidated financial statements as well as their results for the year then ended.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate.

Notes to the Financial Statements

for the year ended 30 June 2024

Advent Energy Limited and its controlled entities

1. Statement of Material Accounting Policies (continued)

(a) Principles of Consolidation (continued)

The purchase method of accounting is used to account for business combinations by the group (see Note 1 (b) below).

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of financial performance.

(b) Income Tax

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantively enacted by the statement of financial position date. Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is recognised in the statement of comprehensive income except where it relates to items that may be recognised directly to equity, in which case the deferred tax is adjusted directly against equity. Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences or unused tax losses or tax credits can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

Advent Energy Ltd and its wholly-owned Australian subsidiaries formed an income tax consolidated group under the tax consolidation regime on 1 July 2010.

Notes to the Financial Statements

for the year ended 30 June 2024

Advent Energy Limited and its controlled entities

1. Statement of Material Accounting Policies (continued)

(c) Exploration, Evaluation and Development Expenditure

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward where right of tenure of the area of interest is current and 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 that permits reasonable assessment of the existence of economically recoverable reserves. 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. 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.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment. Should exploration be successful and result in a project, costs of site restoration are provided over the life of the facility and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology. Any changes in the estimates for the costs are accounted on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation.

(d) Impairment of Assets

The group reviews non-financial assets, other than deferred tax assets, at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit" or "CGU"). An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Notes to the Financial Statements

for the year ended 30 June 2024

Advent Energy Limited and its controlled entities

1. Statement of Material Accounting Policies (continued)

(e) Revenue and Other Income

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Interest revenue is recognised when it is probable that the economic benefits will flow to the group and the amount of revenue can be measured reliably. Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Revenue from the rendering of a service is recognised by reference to the stage of completion of the contract. All revenue is stated net of the amount of goods and services tax (GST).

(f) Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to statement of financial position. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

(g) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(h) Share Based Payments

Share based compensation benefits are provided to employees via the Company's Employee Option plan. The fair value of options granted under the Company's Employee Option Plan is recognized as an employee benefit expense with a corresponding increase in equity. The fair value is measured at grant date and recognized over the period during which the employees become unconditionally entitled to the options. The fair value at grant date is independently determined using an option pricing model that takes into account the exercise price, the term of the option, the vesting and performance criteria, the impact of dilution, the non-tradeable nature of the option, the share price at grant date and expected volatility of the underlying share, the expected dividend yield and risk free interest rate for the term of the option. The fair value of the options granted excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. At each balance sheet date, the group revises its estimate of the number of options that are expected to vest. The employee benefit expense recognised each period takes into account the most recent estimate. Upon the exercise of options, the balance of the share-based payments reserve relating to those options is transferred to share capital.

Notes to the Financial Statements

for the year ended 30 June 2024

Advent Energy Limited and its controlled entities

1. Statement of Material Accounting Policies (continued)

(i) Critical accounting estimates and judgments

Directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained externally and within the group.

Key Judgments —Impairment of capitalised and carried forward exploration expenditure

Exploration and evaluation costs are carried forward where right of tenure of the area of interest is current. These costs are carried forward in respect of an area that has not at statement of financial position date reached a stage that permits reasonable assessment of the existence of economically recoverable reserves, refer to the accounting policy stated in note 1©.

Critical Accounting Estimates – carrying value of PEP -11 Permit

No impairment is made against the PEP-11 permit which has a carrying value of \$15,180,000 at year end, refer Note 10.

Critical Accounting Estimates – carrying value of investment in ASX listed MEC Resources Limited (MEC)

The investment in MEC is recorded at a carrying value of \$498,334, being the last traded price of \$0.004 per share prior to MEC's suspension from ASX on 17 January 2020. On 11 July 2024 MEC advised that it continues to liaise with ASX as it works towards the return of its shares to trading status. On 27 June 2024, MEC made a further formal submission to the ASX, following its previous submissions on 16 December 2020, 12 January 2022, and 13 September 2022. As part of the process of moving MEC toward being readmitted to trading status on the ASX, the Company will shortly undertake a capital raising which will comprise an offer conducted pursuant to a full form prospectus (Capital Raising). It is intended that the Capital Raising will be an entitlement offer of one (1) Share for every one (1) Share held by shareholders at the record date, at an issue price of \$0.005 per Share, with one (1) free attaching option for every two (2) Shares subscribed or and issued to raise approximately \$5,260,000. MEC is endeavouring the meet all ASX requirements for reinstatement by 31 October 2024. This will include finalisation and lodgement of a full form prospectus in relation to the Capital Raising by mid-August 2024.

Notes to the Financial Statements

for the year ended 30 June 2024

Advent Energy Limited and its controlled entities

1. Statement of Material Accounting Policies (continued)

(j) Application of New and Revised Accounting Standards

Standards and Interpretations applicable to 30 June 2024

In the year ended 30 June 2024, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the consolidated entity and effective for the current reporting period beginning on or after 1 July 2023. The changes that impact the Company are as follows:

AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates / Aasb 2021-6 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards

AASB 2021-2 amends a number of accounting standards to improve accounting policy disclosures and clarify the distinction between changes in accounting policies and accounting estimates.

In particular, it amends AASB 101 *Presentation of Financial Statements*, to require entities to disclose their material accounting policy information rather than their significant accounting policies and provides the following factors to assist an entity in determining if the accounting policy information is material:

- a) Changes in accounting policy
- b) Documentation of choice in the accounting standards
- c) An accounting policy developed in the absence of an explicit accounting standard requirement
- d) Significant judgement or estimation
- e) Complex transaction and accounting policy need to explain treatment.

AASB 2021-6 makes consequential amendments to a number of Australian-specific standards.

AASB 2023-2 Amendments to Australian Accounting Standards – International Tax Reform – Pillar Two Model Rules / AASB 2023-4 Amendments to Australian Accounting Standards – International Tax Reform – Pillar Two Model Rules: Tier 2 Disclosures

Amendments have been made to AASB 112 *Income Taxes* by introducing a mandatory exception from accounting for deferred taxes arising from the OECD's Pillar Two Model Rules and adding new disclosure requirements for both full and simplified disclosure financial statements.

Standards and Interpretations in issue not yet adopted

The Directors have also reviewed all of the new and revised Standards and Interpretations in issue not yet adopted for the year ended 30 June 2024. As a result of this review the Directors have determined that there is no material impact, of the new and revised Standards and Interpretations on the consolidated entity and, therefore, no change is necessary to the consolidated entity's accounting policies.

Notes to the Financial Statements

for the year ended 30 June 2024

Advent Energy Limited and its controlled entities

1. Statement of Material Accounting Policies (continued)

(k) Financial Instruments

Recognition and derecognition

Financial assets and financial liabilities are recognised when the group becomes a party to the contractual provisions of the financial instrument. Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable). For the purpose of subsequent measurement, financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortised cost
- fair value through profit or loss (FVTPL)
- equity instruments at fair value through other comprehensive income (FVOCI)
- debt instruments at fair value through other comprehensive income (FVOCI).

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

The classification is determined by both:

- the entity's business model for managing the financial asset, and
- the contractual cash flow characteristics of the financial asset.

Subsequent measurement of financial assets

(i) Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets to collect its contractual cash flows
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

Notes to the Financial Statements

for the year ended 30 June 2024

Advent Energy Limited and its controlled entities

1. Statement of Material Accounting Policies (continued)

(k) Financial Instruments (continued)

(ii) Financial assets at fair value through profit or loss (FVTPL)

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit and loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply. The category also contains an equity investment. The group accounts for the investment at FVTPL and did not make the irrevocable election to account for the investment in unlisted and listed equity securities at fair value through other comprehensive income (FVOCI). The fair value was determined in line with the requirements of AASB 9, which does not allow for measurement at cost. Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

(iii) Equity instruments at fair value through other comprehensive income (Equity FVOCI)

Investments in equity instruments that are not held for trading are eligible for an irrevocable election at inception to be measured at FVOCI. Under Equity FVOCI, subsequent movements in fair value are recognised in other comprehensive income and are never reclassified to profit or loss. Dividend from these investments continue to be recorded as other income within the profit or loss unless the dividend clearly represents return of capital. This category includes unlisted equity securities that were previously classified as 'available-for-sale' under AASB 139. Any gains or losses recognised in other comprehensive income (OCI) are not recycled upon derecognition of the asset.

(iv) Debt instruments at fair value through other comprehensive income (Debt FVOCI)

Financial assets with contractual cash flows representing solely payments of principal and interest and held within a business model of collecting the contractual cash flows and selling the assets are accounted for at debt FVOCI. The group accounts for financial assets at FVOCI if the assets meet the following conditions:

- they are held under a business model whose objective it is to "hold to collect" the associated cash flows and sell financial assets; and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Any gains or losses recognised in other comprehensive income (OCI) will be recycled upon derecognition of the asset.

Notes to the Financial Statements

for the year ended 30 June 2024

Advent Energy Limited and its controlled entities

1. Statement of Material Accounting Policies (continued)

(k) Financial Instruments (continued)

Impairment of financial assets

AASB 9's impairment requirements use forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'. Instruments within the scope of the requirements include loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables, contract assets recognised and measured under AASB 15 and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss. Recognition of credit losses is no longer dependent on the group first identifying a credit loss event. Instead the group considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Level 1') and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Level 2').
- 'Level 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category. Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Trade and other receivables and contract assets

The group makes use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix. The group assess impairment of trade receivables on a collective basis as they possess shared credit risk characteristics they have been grouped based on the days past due.

Classification and measurement of financial liabilities

The group's financial liabilities include borrowings, trade and other payables and derivative financial instruments. Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the group designated a financial liability at fair value through profit or loss. Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

Notes to the Financial Statements

for the year ended 30 June 2024

Advent Energy Limited and its controlled entities

1. Statement of Material Accounting Policies (continued)

(I) Foreign Currency

Functional and presentation currency

The functional currency of each of the consolidated entity's entities is measured using the currency of the primary economic environment in which that entity operates (the "functional" currency). The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary assets and liabilities are translated at the exchange rate at balance sheet date. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Exchange differences arising on the translation of monetary items are recognised in the profit and loss, except where deferred in equity as a qualifying cash flow or net investment hedge. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss, and translation differences on non-monetary assets such as equities classified as available-for sale financial assets are recognized in profit or loss.

Foreign operations

The financial performance and position of foreign operations whose functional currency is different from the consolidated entity's presentation currency are translated as follows:

- assets and liabilities are translated at exchange rates prevailing at statement of financial position date
- income and expenses are translated at transaction date or average exchange rates for the period, whichever is more appropriate

Resulting exchange differences arising on translation of foreign operations are recognised in other comprehensive income and are transferred directly to the consolidated entity's foreign currency translation reserve as a separate component of equity. These differences are recognised in profit or loss upon disposal of the foreign operation.

Notes to the Financial Statements

for the year ended 30 June 2024
Advent Energy Limited and its controlled entities

		Consolidated	
		2024 \$	2023 \$
2. Revenue			
	Finance income	15,046	15,919
		15,046	15,919
3. Expenses			
	Foreign exchange (loss) / gain	(41,702)	250,453
		(41,702)	250,453
4. Auditors' Remuneration			
	Remuneration of the auditor of the parent entity for:		
	Moore Australia Audit (WA)		
	Current year	11,500	11,000
	Prior year	(500)	2,600
		11,000	13,600

5. Key Management Personnel Compensation

Names and positions held of consolidated entity key management personnel in office at any time during the financial year are as follows. They were appointed for the whole year unless stated otherwise:

Key Management Personnel

David Breeze – Executive Chairman
Stephen Kelemen – Non-Executive Director
Steve James – Non-Executive Director
Tony Huston – Non-Executive Director

Directors	Amount Owing 30 June 2024 (\$)	Short Term Benefit 2024 – Fees (\$)	Share based payment expense – 2024 (\$)	Amount Owing 30 June 2023 (\$)	Short Term Benefit 2023 – Fees (\$)	Share based payment expense - 2023(\$)
D Breeze	257,849	97,000	-	232,849	97,000	-
S Kelemen	159,932	25,000	-	134,932	25,000	-
T Fontaine	-	-	-	-	18,750	-
T Huston	97,637	25,000	-	72,637	25,000	-
S James	122,637	25,000	-	97,637	25,000	-
Previous directors	368,307	-	-	507,863	-	-
	1,006,362	172,000	-	1,045,918	190,750	-

During the reporting period \$139,556 was written back in respect of liabilities no longer payable to former directors.

David Breeze has a holding of 2,000,000 shares in the Company.

Notes to the Financial Statements

for the year ended 30 June 2024
Advent Energy Limited and its controlled entities

	Consolidated	
	2024	2023
	\$	\$
6. Cash and cash equivalents		
Cash at bank and in hand	46,917	26,437
The average effective interest rate on short-term bank deposits was Nil: (2023: 1.35%)		
7. Trade and other receivables		
<i>Current</i>		
Costs recoverable from Joint Venture partner	440,958	360,581
Other receivables	28,937	52,407
	469,895	412,988
8. Trade and other payables		
<i>Current:</i>		
Trade payables – unsecured- unrelated	97,520	113,397
Trade payables – unsecured- related	-	6,600
Sundry payables and accrued expenses – unsecured - unrelated	52,796	50,283
	150,316	170,280
<i>Non-current:</i>		
Sundry payables and accrued expenses - unsecured - related	638,055	538,055
Sundry payables and accrued expenses - unsecured - unrelated	368,307	507,863
	1,006,362	1,045,918

The average credit period on trade payables is 30 days (2023: 30 days).

Notes to the Financial Statements

for the year ended 30 June 2024

Advent Energy Limited and its controlled entities

		Consolidated	
		2024	2023
		\$	\$
9.	Income Tax Expense		
a.	<i>The prima facie tax benefit on (loss) / profit from ordinary activities before income tax is reconciled to the income tax as follows:</i>		
	(Loss) / profit from ordinary activities before income tax	(661,213)	(480,165)
	Prima facie tax benefit on (loss) from ordinary activities before income tax at 25% (2023: 25%)	(165,303)	(120,041)
	Add tax effect of:		
	- Revenue losses and other deferred tax balances not recognised	165,303	119,764
	Income tax expense	-	277
b.	Deferred tax recognised at 25% (2023: 25%):		
	<i>Deferred tax liabilities:</i>		
	Exploration expenditure	4,367,487	4,120,777
	<i>Deferred tax assets:</i>		
	Carry forward revenue losses	(4,367,487)	(4,120,777)
	Net deferred tax	-	-
c.	Unrecognised deferred tax assets at 25% (2023: 25%):		
	Carry forward losses	13,145,294	12,719,999
	Exploration expenditure	(4,367,487)	(4,120,777)
		8,777,807	8,599,222
	The tax benefits of the above deferred tax assets will only be obtained if:		
	(a) the company derives future assessable income of a nature and of an amount sufficient to enable the benefits to be utilised;		
	(b) the company continues to comply with the conditions for deductibility imposed by law; and		
	(c) no changes in income tax legislation adversely affect the company in utilising the benefits		

Notes to the Financial Statements

for the year ended 30 June 2024

Advent Energy Limited and its controlled entities

	Consolidated	
	2024	2023
	\$	\$
10. Exploration and Evaluation Expenditure		
Exploration and evaluation expenditure	17,469,946	16,483,106
	17,469,946	16,483,106
Reconciliation of the movement during the year:		
Opening balance at 1 July	16,483,106	17,495,977
Capitalised expenditure – Taranaki Earnings Costs ¹	-	(2,155,087)
Capitalised expenditure – PEP 11, net of reimbursements received and receivable	688,039	452,499
Capitalised expenditure – RL 1	298,801	689,717
Balance at 30 June	17,469,946	16,483,106

¹ 2022 year expenditure refunded in the 2023 year on cancellation of the proposed Taranaki Basin transaction

Recoverability of the carrying amount of exploration assets is dependent on the successful exploration and sale of hydrocarbons. Capitalised costs net of reimbursements amounting to \$1,077,772 (2023: \$1,258,313) have been included in cash flows used in investing activities in the statement of cash flows.

PEP-11

In February 2023 the resolution of the Federal Court Proceedings (WAD106/2022) between Asset and the Respondents (being the Commonwealth Minister for Resources et al) was announced. The proceedings involved the decision made on 26 March 2022 by the Commonwealth - New South Wales Offshore Petroleum Joint Authority ("Joint Authority") to refuse Asset Energy's Application (as PEP-11 Joint Venture operator) for a variation and suspension of the conditions to which PEP 11 is subject and a related refusal to grant an extension of term. The presiding Judge Justice Jackson agreed with the consent position reached by the parties, quashed the decision and concluded that the decision of the Joint Authority was affected by apprehended bias. This was because a fair-minded observer would have reasonably apprehended that the former Prime Minister of Australia, the Hon Scott Morrison MP, as a member of the Joint Authority, did not bring a fair mind to determine Asset Energy's application.

Advent has provided further information to the National Offshore Petroleum Titles Administrator (NOPTA) in response to requests for updated information subsequent to the decision in the Federal Court proceedings detailed above.

Advent now has two continuing applications with NOPTA for suspension and extension of the PEP-11 permit, the first lodged in December 2019 and the second in January 2021. The first application was on the basis of Force Majeure and is the only application which is the subject of the NOPTA notice. The second was under COVID and was accepted but not dealt with pending an outcome on the first application made in December 2019.

On 17 October 2023, NOPTA made a recommendation to the Joint Authority with respect to both Applications. To date, neither the First Application nor Second Application have been determined by the Joint Authority according to law.

Notes to the Financial Statements

for the year ended 30 June 2024

Advent Energy Limited and its controlled entities

10. Exploration and Evaluation Expenditure (continued)

Asset Energy continues to progress the joint venture's applications for the variation and suspension of work program conditions and related extension of PEP-11. While the applications for the variation and suspension of work program conditions and related extension of PEP-11 are being considered, Asset is investigating the availability of a mobile offshore drilling unit to drill the proposed Seablue-1 well on the Baleen prospect which would take approximately thirty-five days to complete. Asset is in communication with drilling contractors and other operators who have recently contracted rigs for work in the Australian offshore beginning in 2024. Work continues progressing the permit commitment including well planning. A draft of the environmental plan has been received and is being reviewed.

The directors have confidence that a suitable outcome will be achieved however there is no certainty at this stage that the application will be successful and / or of further funding being made available. If Asset Energy loses its right of tenure in respect of PEP-11 then book value of capitalised exploration and evaluation expenditure of \$15.18 million will need to be written off to the Statement of Profit or Loss and Other Comprehensive Income. In the meantime, PEP-11 continues in force and the Joint Venture is in compliance with the contractual terms of PEP-11 with respect to such matters as reporting, payment of rents and the various provisions of the Offshore Petroleum and Greenhouse Gas Storage Act 2006.

Onshore Bonaparte Basin (RL1)

Advent has been evaluating the commercialization of RL1 and intends to convert the Retention Licence into a Production Licence. Onshore has commenced the regulatory processes to enable a re-entry to the Weaber-4 well and has prepared and submitted a Well Operations Management Plan (WOMP) and an Environmental Management Plan for the re-entry to Weaber-4.

If Advent is unable to source further funding for RL1 the permit is at risk. If subsidiary Onshore Energy loses its right of tenure in respect of RL1 then book value of capitalised exploration and evaluation expenditure of \$2.29 million will need to be written off to the Statement of Profit or Loss and Other Comprehensive Income.

Refer to Note 24 for exploration capital expenditure commitments at period end.

Notes to the Financial Statements

for the year ended 30 June 2024

Advent Energy Limited and its controlled entities

11. Financial Assets

	Consolidated	
	2024	2023
	\$	\$
<i>Current</i>		
Loan receivable from Clean Carbon Technologies Corp.(i)	1,444,135	763,844
Shares in listed entity – MEC Resources Limited (ii)	498,834	498,834
Loan receivable from MEC Resources Limited (ii)	324,025	324,025
	<u>2,266,994</u>	<u>1,586,703</u>
<i>Non-Current</i>		
Shares in unlisted entity – Clean Hydrogen Technologies Corp.(iii)	286,123	286,123
Cash held as security (iv)	50,000	50,000
	<u>336,123</u>	<u>336,123</u>

- (i) The Purchasers had a first right of refusal to invest further in Clean Hydrogen to a maximum of a further US\$1,000,000 for an additional 10% interest. Advent loaned a further US\$950,000 ("Additional Cash Consideration") to CHT under this agreement and the Purchasers and Clean Hydrogen have executed a Loan Conversion Agreement, which once implemented, will enable the conversion of the US\$950,000 loan into the relevant Subscription Shares Tranche 2, representing the Purchasers further 9.5% interest in Clean Hydrogen (7.6% BPH and 1.9% Advent). BPH now has an interest of 15.6% and Advent has an interest of 3.9% interest in Clean Hydrogen.

The contemplated securities under the Loan Conversion Agreement have not been issued to the Purchasers, however, the Purchasers have an entitlement to these securities under the relevant Loan Conversion Agreement. The ASX Listings Committee ('LC') considered the application of Listing Rule 10.1 to BPH in respect of the proposed Debt Forgiveness. The LC resolved that ASX would exercise its discretion such that Listing Rule 10.1 applies to the Debt Forgiveness, and as such BPH will seek approval from its shareholders for the proposed issue of shares in Clean Hydrogen to BPH, in satisfaction of a debt owing from Advent to BPH ("Debt Forgiveness"). BPH is in the process of preparing a Notice of Meeting which will be released as soon as possible. BPH anticipates that the shareholder meeting to approve the Loan Conversion will be held in or about September 2024. For clarity, BPH will not and has not increased its shareholding in Advent as a result of the Debt Forgiveness.

- (ii) MEC, Advent and Asset agreed a debt for equity conversion, as approved by MEC shareholders, pursuant to which the total amount of \$872,288 owing to Advent by MEC at 30 June 2021 will convert to equity in MEC. During a prior year MEC issued 124,708,409 shares at a deemed issue price of \$0.0044 per share to settle \$548,717 of this debt. MEC will allow Advent to participate in a future rights issue to the extent of 73,528,636 Shares at a deemed issue price of \$0.0044 per Share to settle the remaining \$324,025 balance of the debt.
- (iii) In a prior period the Purchasers settled for the acquisition of a Tranche 1 10% interest in Clean Hydrogen for US\$1,000,000 (Advent share US\$200,000) under a Loan Conversion Agreement dated 25 July 2022.
- (iv) The cash security deposit is held in trust by Department of Primary Industry and Resources.

Notes to the Financial Statements

for the year ended 30 June 2024
Advent Energy Limited and its controlled entities

Consolidated	
2024	2023
\$	\$

12. Property, Plant and Equipment

Equipment

Cost

Opening balance 1 July	3,417	-
Acquired	1,128	3,417
Closing balance 30 June	4,545	3,417

Accumulated depreciation

Opening balance 1 July	425	-
Depreciation	683	425
Closing balance 30 June	1,108	425

Net book value

Opening balance 1 July	2,992	-
Closing balance 30 June	3,437	2,992

13. Reserves

	Consolidated			
	Foreign Exchange Reserve		Option Reserve	
	2024	2023	2024	2023
	\$	\$	\$	\$
Opening balance 1 July	2,997	5,533	1,027,346	1,027,346
Share based payments expense	-	-	-	-
Exchange difference arising on consolidation	(110)	(2,536)	-	-
Closing balance 30 June	2,887	2,997	1,027,346	1,027,346

The option reserve records items recognized as expenses on the valuation of director, employee and consultant share options. The foreign exchange reserve reflects exchange differences arising on consolidation of a foreign subsidiary.

14. Financial liabilities

Consolidated	
2024	2023
\$	\$

Current

Loan payable to BPH Energy Limited - unsecured	3,055,227	1,080,242
	3,055,227	1,080,242

Non-current

Loan payable to MEC Resources Limited – unsecured (a)	4,161,135	4,161,135
Loan payable to BPH Energy Limited - unsecured	2,489,807	1,998,986
	6,650,942	6,160,121

Notes to the Financial Statements

for the year ended 30 June 2024

Advent Energy Limited and its controlled entities

14. Financial liabilities (continued)

- (a) As part of a 6 August 2019 legal settlement loans of \$4,122,155 owed by Advent to MEC will be recoverable by MEC only by the following means and only in the following circumstances: One month prior to the scheduled commencement date for the drilling of a well within the PEP-11 Permit Area, Advent will issue to MEC ordinary shares to the face value of the debt calculated at 80% of: (a) the volume-weighted average price of Advent shares over the 5 days trading immediately prior to that date; or (b) if as at that date Advent shares are not listed on any securities exchange, the price at which ordinary shares in Advent were last issued.

15. Issued Capital

248,004,731 (2023: 245,904,731) fully paid ordinary shares of no par value

	2024	2023	2024	2023
	\$	\$	Number	Number
(a) Ordinary Shares				
1 July	45,494,736	45,423,803	248,004,731	245,904,731
Shares issued in reduction of debt	-	105,000	-	2,100,000
Share issue costs	-	(34,067)	-	-
30 June	45,494,736	45,494,736	248,004,731	248,004,731

Fully paid ordinary shares carry one vote per share and carry the right to dividends.

(b) Capital risk management

The group's objectives when managing capital are to safeguard their ability to continue as a going concern. The focus of the group's capital risk management is the current working capital position against the requirements of the group to meet corporate overheads. The group's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required. The working capital position of the group at 30 June 2023 and 30 June 2022 is as follows:

	Consolidated	
	2024 \$	2023 \$
Cash and cash equivalents	46,917	26,437
Trade and other receivables	469,895	412,988
Financial assets	2,266,994	1,586,703
Trade and other payables	(150,316)	(170,280)
Financial liabilities	(3,055,227)	(1,080,242)
Working capital position	(421,737)	775,606

Refer to Note 1 for disclosure on financial position.

Notes to the Financial Statements
for the year ended 30 June 2024
Advent Energy Limited and its controlled entities

16. Cash Flow Information

a) Reconciliation of cash flow from operations with (loss) after income tax

Operating (loss) after income tax	(661,213)	(480,442)
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Non-cash items:

Write-back of former director fees	(139,556)	-
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Depreciation	683	425
--------------	-----	-----

Foreign exchange loss	41,702	13,048
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Interest income	(15,046)	(10,655)
-----------------	----------	----------

Interest expense	237,111	19,217
------------------	---------	--------

Changes in net assets and liabilities

Decrease in trade and other receivables	16,163	312,067
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Increase / (decrease) in trade payables and accruals	97,916	(265,587)
--	--------	-----------

Net cash outflow from operating activities	(422,240)	(411,927)
--	-----------	-----------

(a) Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

Cash and cash equivalents	46,917	26,437
---------------------------	--------	--------

(b) Changes in liabilities arising from financing activities – unsecured financial liabilities

Balance 1 July	7,240,363	8,299,963
----------------	-----------	-----------

Net receipt / (repayment) of loans	2,420,000	(614,345)
------------------------------------	-----------	-----------

Shares issued in reduction of debt	-	(105,000)
------------------------------------	---	-----------

Loan set off on acquisition of unlisted investment	(191,305)	(358,232)
--	-----------	-----------

Non- cash interest	237,111	19,217
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Other	-	(1,240)
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Balance 30 June	9,706,169	7,240,363
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Notes to the Financial Statements

for the year ended 30 June 2024

Advent Energy Limited and its controlled entities

17. Financial Instruments

a) Financial Risk Management

The group's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable, and loans to and from other parties. The main purpose of non-derivative financial instruments is to raise finance for group operations.

i. Financial Risks

The main risks that the Group is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

Interest rate risk

The group's financial assets that are affected by interest rate risk are the group's cash and cash equivalents. The group's financial liabilities are currently not exposed to variable interest rates.

Liquidity risk

The Group manages liquidity risk by monitoring forecast cash flows.

Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date, for recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements.

Credit risk for derivative financial instruments arises from the potential failure by counter-parties to the contract to meet their obligations.

Foreign currency risk

The group is not exposed to any material risks in relation to fluctuations in foreign exchange rates at balance date, however as the group develops its exploration and clean hydrogen interests it may have further exposure to transactions in US\$.

Equity price risk

The Group is exposed to equity price risk through its shareholdings in publicly listed entities. Material investments are managed on an individual basis.

Notes to the Financial Statements

for the year ended 30 June 2024
Advent Energy Limited and its controlled entities

17. Financial Instruments (continued)

b) Financial Instruments

i. Interest rate risk

The economic entity's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

Consolidated

2024	Effective Average Interest Rate %	Floating Interest Rate \$	Fixed Interest Rate \$	Non- Interest Bearing \$	Total \$
Financial Assets					
Cash and cash equivalents	0%	46,917	-	-	46,917
Trade and other receivables	-	-	-	469,895	469,895
Financial assets	8.3%	-	1,444,135	1,158,982	2,603,117
		46,917	1,444,135	1,628,877	3,119,929
Financial Liabilities					
Trade and other payables	-	-	-	1,156,678	1,156,678
Financial liabilities	5.3%	-	5,545,034	4,161,135	9,706,169
		-	5,545,034	5,317,813	10,862,847

Consolidated

2023	Effective Average Interest Rate %	Floating Interest Rate \$	Fixed Interest Rate \$	Non- Interest Bearing \$	Total \$
Financial Assets					
Cash and cash equivalents	1.35%	26,437	-	-	26,437
Trade and other receivables	-	-	-	412,988	412,988
Financial assets	5.1%	-	763,844	1,158,982	1,922,826
		26,437	763,844	1,571,970	2,362,251
Financial Liabilities					
Trade and other payables	-	-	-	1,216,198	1,216,198
Financial liabilities	5.1%	-	3,079,228	4,161,135	7,240,363
		-	3,079,228	5,377,333	8,456,561

Notes to the Financial Statements

for the year ended 30 June 2024

Advent Energy Limited and its controlled entities

17. Financial Instruments (continued)

b) Financial Instruments (continued)

ii. Fair Values

The fair values of:

- Term receivables are determined by discounting the cash flows, at the market interest rates of similar securities, to their present value.
- Other assets and liabilities approximate their carrying value.

No financial assets and financial liabilities are readily traded on organised markets in standardised form. Aggregate fair values and carrying amounts of financial assets and financial liabilities at balance date:

	2024		2023	
	Carrying Amount \$	Fair Value \$	Carrying Amount \$	Fair Value \$
<i>Financial Assets</i>				
Cash and cash equivalents	46,917	46,917	26,437	26,437
Trade and other receivables	469,895	469,895	412,988	412,988
Financial assets	2,603,117	2,603,117	1,922,826	1,922,826
	<u>3,119,929</u>	<u>3,119,929</u>	<u>2,362,251</u>	<u>2,362,251</u>
<i>Financial Liabilities</i>				
Financial liabilities	9,706,169	9,706,169	7,240,363	7,240,363
Trade and other payables	1,156,678	1,156,678	1,216,198	1,216,198
	<u>10,862,847</u>	<u>10,862,847</u>	<u>8,456,561</u>	<u>8,456,561</u>

iii. Sensitivity Analysis

Interest Rate Risk

The group has performed sensitivity analysis relating to its exposure to interest rate risk at balance date. This sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in these risks.

Interest Rate Sensitivity Analysis

The Group has performed sensitivity analysis relating to its exposure to interest rate risk at balance date. This sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in these risks. The effect on profit and equity as a result of changes in the variable interest rate, with all other variables remaining constant would be as follows:

	Consolidated	
	2024 (\$)	2023 (\$)
<i>Change in profit</i>		
— Increase in interest rate by 1%	375	3,895
— Decrease in interest rate by 0.5%	(188)	(1,951)

Notes to the Financial Statements

for the year ended 30 June 2024

Advent Energy Limited and its controlled entities

17. Financial Instruments (continued)

b) Financial Instruments (continued)

iv. Liquidity risk

Liquidity is the risk that the group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The following are the contractual maturities at the end of the reporting period of financial liabilities.

30 June 2024	Carrying amount	Total	2 mths or less	2-12 mths	2-5 years
Financial liabilities					
Trade and other payables	1,156,678	1,156,678	150,316	-	1,006,362
Unsecured loan	5,545,034	5,545,034	-	3,055,227	2,489,807
Unsecured loan (i)	4,161,135	4,161,135	-	-	4,161,135
	10,862,847	10,862,847	150,316	3,055,227	7,657,304
30 June 2023	Carrying amount	Total	2 mths or less	2-12 mths	2-5 years
Financial liabilities					
Trade and other payables	1,216,198	1,216,198	170,280	-	1,045,918
Unsecured loan	3,079,228	3,079,228	-	1,080,242	1,998,986
Unsecured loan (i)	4,161,135	4,161,135	-	-	4,161,135
	8,456,561	8,456,561	170,280	1,080,242	7,206,039

(i) Refer to Note 14(a) with respect to the conversion rights attaching to this loan.

18. Controlled Entities

Name of Entity	Principal Activity	Country of Incorporation	Ownership Interest	
			%	
			2024	2023
Parent Entity				
Advent Energy Ltd	Oil and Gas exploration	Australia		
Subsidiaries of Advent Energy Ltd				
Asset Energy Pty Ltd	Oil and Gas exploration	Australia	100	100
Onshore Energy Pty Ltd	Oil and Gas exploration	Australia	100	100
Aotearoa Offshore Limited	Oil and Gas exploration	New Zealand	100	100

Notes to the Financial Statements

for the year ended 30 June 2024

Advent Energy Limited and its controlled entities

19. Related Party Transactions

(a) Key Management Personnel Remuneration & Equity Holdings

Details of key management personnel remuneration and retirement benefits are disclosed in note 5 to the financial statements.

(b) Related Entities

Refer to notes 11 and 14 in respect of financial asset and financial liability balances with related parties.

A director, David Breeze, is the Managing Director of Grandbridge Limited ("GBA"). Advent has entered into a Services Agreement with GBA effective 6 August 2019 at a rate of \$10,720 per month for an initial term of three years, with the potential for the monthly fee to increase based on certain capital raising parameters. The Term will be automatically extended for a further period of 3 years, unless Grandbridge gives at least 6 months notice of termination prior to the expiry of each term. Should Advent terminate the Services Agreement at any time it will be liable for a 12 month termination fee to GBA.

Advent has entered into an agreement with Trandcorp Limited ("Trandcorp") effective 6 August 2019 for the provision of Mr David Breeze as Managing Director at a rate of \$6,000 per month for an initial term of two years, with the potential for the issue of 3 million share options based on certain capital raising parameters. Should Advent terminate the agreement with Trandcorp it will be liable for a termination / notice period fee to Trandcorp of up to 18 months. The Term will be automatically extended for a further period of 2 years, unless either the Company or the Consultant give notice of termination prior to the expiry of each term, in accordance with its terms. At 30 June 2024 Trandcorp was owed \$Nil (2023: \$6,600) under this agreement.

A director, David Breeze, is the Managing Director of BPH. The Advent group borrowed unsecured funds of \$2,420,000 from BPH (2023: repaid \$614,345) and repaid accrued interest of \$Nil (2023: \$146,152) during the period. The Company was charged interest of \$237,111 (2023: \$165,369) during the period by BPH in respect of these loans.

The Company exercised 72 share options in Clean Hydrogen on behalf of BPH during the period at a cash cost of US\$72,000 (A\$191,304).

(c) Parent Entity

The parent entity in the group is Advent Energy Ltd.

(d) Ultimate parent Entity

The company with majority ownership in the consolidated entity is MEC Resources Limited (37.95%).

Notes to the Financial Statements

for the year ended 30 June 2024

Advent Energy Limited and its controlled entities

20. Subsequent Events

On 6 August 2024 Asset, as operator for and on behalf of the joint venture partners, filed an Originating Application for Judicial Review in the Federal Court seeking the following: (i) A declaration that the Commonwealth-New South Wales Offshore Petroleum Joint Authority has breached an implied duty by failing to make a decision under the Offshore Petroleum and Greenhouse Gas Storage Act 2006 (Cth) with respect to two pending applications relating to Petroleum Exploration Permit NSW-11 (PEP11 Permit), and; (ii) An order that the Joint Authority be compelled to determine the applications within 45 days.

On 24 December 2019, Asset applied for a variation and suspension of the conditions of the PEP11 Permit pursuant to s 264 of the Act and an extension of the term of the PEP11 Permit pursuant to s 265 of the Act (the First Application). The variation, suspension and extension were sought to, among other things, enable Asset (i) further time lawfully to drill an exploration well; and (ii) thereafter conduct post well studies rather than conduct a three-dimensional seismic survey. The National Offshore Petroleum Titles Administrator (NOPTA), on behalf of the Joint Authority, accepted the First Application on 23 January 2020.

On 30 January 2021, Asset applied for a variation and suspension of the conditions of the PEP11 Permit pursuant to s 264 of the Act and an extension of the term of the PEP11 Permit pursuant to s 265 of the Act (the Second Application). The variation, suspension and extension were sought to, among other things, enable Asset further time lawfully to drill an exploration well and sought to invoke the decision-making principles set out in the COVID-19 Fact Sheet: Work-Bid Exploration Permits (dated April 2020). NOPTA, on behalf of the Joint Authority, accepted the Second Application on 4 February 2021.

On or about 26 March 2022, the then purported Joint Authority formally determined to refuse the First Application (Purported First Application Decision). On 14 February 2023, the Purported First Application Decision was set aside by the Federal Court of Australia on the ground of apprehended bias. The decision of the Federal Court was the subject of an announcement made on 14 February 2023 by BPH.

Between March 2023 and October 2023, Asset provided further information to NOPTA. On 17 October 2023, NOPTA made a recommendation to the Joint Authority with respect to both Applications. To date, neither the First Application nor Second Application have been determined by the Joint Authority according to law. It has been 1,656 days (inclusive) since the First Application was accepted by NOPTA. It has been 1,278 days (inclusive) since the Second Application was accepted by NOPTA.

Asset alleges that the failure by the Joint Authority to make a decision with respect to the First Application and the Second Application constitutes a breach of its duty to consider the applications within a reasonable time.

There has not been any other matter or circumstance that has arisen since the end of the period, that have significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial years.

Notes to the Financial Statements

for the year ended 30 June 2024
Advent Energy Limited and its controlled entities

21. Share-Based Payments

The movement in unlisted options over the period is as follows:

	2024		2023	
	Number of Options	Weighted Average Exercise Price \$	Number of Options	Weighted Average Exercise Price \$
1 July	16,000,000	0.14	16,000,000	0.14
Issued	-	-	-	-
30 June	16,000,000	0.14	16,000,000	0.14
Exercisable at year-end	16,000,000	0.14	16,000,000	0.14

The following share-based payment arrangements existed at 30 June 2024:

Total number	Grant Date	Exercise price	Fair value at grant date	Expiry date
10,000,000	15 January 2020	\$0.10	\$0.017	30 November 2024
6,000,000	8 June 2022	\$0.20	\$0.015	30 November 2026

Notes to the Financial Statements

for the year ended 30 June 2024
Advent Energy Limited and its controlled entities

	2024 \$	2023 \$
22. Parent Entity Disclosures		
Financial Position		
Assets		
Current assets	1,991,505	1,289,080
Non-current assets	18,444,126	17,389,429
Total asset	20,435,631	18,678,509
Liabilities		
Current liabilities	3,071,861	1,104,683
Non-current liabilities	7,633,305	7,182,038
Total liabilities	10,705,166	8,286,721
Issued Capital	45,494,736	45,494,736
Accumulated Losses	(36,791,617)	(36,130,294)
Option Reserve	1,027,346	1,027,346
Total equity	9,730,465	10,391,788
Financial Performance		
(Loss) for the year	(661,323)	(482,978)
Other comprehensive income	-	-
Total comprehensive income	(661,323)	(482,978)

23. Contingent Assets and Liabilities

The Company and consolidated entity have no contingent assets or contingent liabilities at 30 June 2024 and 30 June 2023.

Notes to the Financial Statements

for the year ended 30 June 2024

Advent Energy Limited and its controlled entities

24. Commitments

In order to maintain an interest in the exploration tenements in which the Company is involved, the Company is committed to meet the conditions under which the tenements were granted. Capital expenditure forecasted for at the reporting date but not recognised as liabilities as follows:

	Consolidated	
	2024	2023
	\$	\$
Work Program Commitments – Exploration permits Payable:		
Within one year	1,000,000	1,000,000
Greater than one year less than five years	20,000,000	20,000,000
Total	<u>21,000,000</u>	<u>21,000,000</u>

For detail on the status of the PEP-11 Permit refer to Note 10.

25. Earnings per Share

	Consolidated	
	2024	2023
	\$	\$
Total (loss) attributable to ordinary equity holders of the Company	(661,213)	(480,442)
(Loss) used in the calculation of basic earnings per share and diluted earnings per share	<u>(661,213)</u>	<u>(480,442)</u>
(Loss) per share (cents per share)		
From continuing operations	(0.27)	(0.20)
Total basic earnings per share and diluted earnings per share	<u>(0.27)</u>	<u>(0.20)</u>
	Number	Number
Weighted average number of ordinary shares outstanding during the year used in calculating EPS	<u>245,927,745</u>	<u>245,927,745</u>

Consolidated Entity Disclosure Statement as at 30 June 2024

Advent Energy Ltd and its controlled entities

Name of Entity	Entity Type	Tax Residency	Country of Incorporation	Ownership Interest %
Parent Entity				
Advent Energy Ltd	Body Corporate	Australia	Australia	-
Subsidiaries of Advent Energy Ltd				
Asset Energy Pty Ltd	Body Corporate	Australia	Australia	100
Onshore Energy Pty Ltd	Body Corporate	Australia	Australia	100
Aotearoa Offshore Limited	Body Corporate	New Zealand	New Zealand	100

Directors' Declaration

Advent Energy Ltd and its controlled entities

The directors of the company declare that:

1. the financial statements, notes and disclosure statement as set out on pages 18 to 51 are in accordance with the Corporations Act 2001 and:
 - (a) comply with Accounting Standards and the Corporations Regulations 2001
 - (b) give a true and fair view of the financial position as at 30 June 2024 and of the performance for the year ended on that date of the consolidated entity
 - (c) the Consolidated Entity Disclosure Statement is true and correct.
2. the Financial Statements and Notes comply with International Accounting Standards as disclosed in Note 1; and
3. 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.

Signed in accordance with a resolution of the directors made pursuant to S295(5) of the Corporations Act 2001.



.....
David Breeze
Chairman

Dated this 14th day of August 2024

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ADVENT ENERGY LIMITED****Report on the Audit of the Financial Report****Opinion**

We have audited the financial report of Advent Energy Limited (the Company) and its controlled entities (the "Group"), which comprises the consolidated statement of financial position as at 30 June 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 year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- i. giving a true and fair view of the Group's financial position as at 30 June 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

Material Uncertainty Related to Going Concern

In forming our opinion on the Group financial statements, which is not modified, we have considered the adequacy of the disclosure made in Note 1 to the financial statements concerning the Group's ability to continue as a going concern. The Group is dependent upon the deferral of specified amounts payable to directors and various funding initiatives to provide ongoing working capital sufficient to discharge its liabilities in the normal course of business. This condition as explained in Note 1 to the financial statements indicates the existence of a material uncertainty which casts significant doubt about the Group's ability to continue as a going concern. The Group financial statements do not include any adjustments to carrying amounts of assets and liabilities, which might be material, that would result if the Group were unable to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ADVENT ENERGY LIMITED (CONTINUED)

Material Uncertainty Regarding Carrying Value of Exploration Expenditure

The ability to realise the carrying value of exploration and evaluation assets is dependent upon the Company's ability to do all things necessary to maintain tenure of the underlying tenements and to successfully develop and or sell its interest in the tenements. We also draw attention to Note 10 of the financial statements which describes the uncertainty around the basis of continuing to recognise the carrying value of exploration and evaluation assets. In particular we highlight the matters and associated risks discussed in relation to PEP 11, which is a significant asset of the Group. These matters and uncertainties may affect the ability of the Group to realise the carrying value of the exploration and evaluation assets in the ordinary course of business and at amounts recorded in the accounts. Our opinion is not modified in respect of this matter.

Material Uncertainty Regarding Carrying Value of Financial Assets

We draw attention to Note 11 of the financial statements which include an investment in MEC Resources Limited (\$498,834) and a loan receivable from MEC Resources Limited (\$324,025). MEC Resources Limited is currently suspended from trading on ASX and has limited working capital from which to repay the loan. As a result, there is uncertainty as to whether or not the book value attributed to the investment in and loan to MEC Resources Limited can be recovered in full. These matters and uncertainties may affect the ability of the Group to realise in full the carrying value of these assets in the ordinary course of business. Our opinion is not modified in respect of this matter.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2024 but does not include the financial report and our 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 the 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 financial report that gives a true and fair view and is free from material 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 has 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ADVENT ENERGY LIMITED (CONTINUED)

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.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, international omissions, misrepresentation, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



NEIL PACE
PARTNER



MOORE AUSTRALIA AUDIT (WA)
CHARTERED ACCOUNTANTS

Signed at Perth this 14th day of August 2024.

APPENDIX 2 – PRO FORMA BALANCE SHEET 30 JUNE 2024

	Jun-24 Audited	Equity	Offer costs	Jun-24 Proforma
Current Assets				
Cash and cash equivalents	46,917	7,440,142	(183,726)	7,303,333
Trade and other receivables	469,895	-	-	469,895
Financial assets	2,266,994	-	-	2,266,994
Total Current Assets	2,783,806	7,440,142	(183,726)	10,040,222
Non- Current Assets				
Property, plant and equipment	3,437			3,437
Exploration and evaluation expenditure	17,469,946	-	-	17,469,946
Financial assets	336,123	-	-	336,123
	17,809,506	-	-	17,809,506
Total Assets	20,593,312	7,440,142	(183,726)	27,849,728
Current Liabilities				
Trade and other payables	150,316	-	-	150,316
Financial liabilities	3,055,227	-	-	3,055,227
Total Current Liabilities	3,205,543	-	-	3,205,543
Non-Current Liabilities				
Trade and other payables	1,006,362	-	-	1,006,362
Financial liabilities	6,650,942	-	-	6,650,942
Total Non-Current Liabilities	7,657,304	-	-	7,657,304
Total Liabilities	10,862,847	-	-	10,862,847
Net Assets	9,730,465	7,440,142	(183,726)	16,986,881
Equity				
Issued capital	45,494,736	7,440,142	(183,726)	52,751,152
Option reserve	1,027,346	-	-	1,027,346
Accumulated losses	(36,794,504)	-	-	(36,794,504)
Foreign exchange reserve	2,887	-	-	2,887
Total Equity	9,730,465	7,440,142	(183,726)	16,986,881