



30 October 2024

Companies Announcements Office
ASX Limited
10th Floor, 20 Bridge Street
SYDNEY NSW 2000

SEPTEMBER 2024 QUARTER ("QUARTER") OPERATIONS REPORT

Capital

On 15 August 2024 the Company announced that it had issued 57,932,781 new fully paid ordinary shares ("Placement Shares") in the Company at an issue price of \$0.018 per share. Placement participants will receive one (1) free Attaching Option for every two (2) Placement Shares subscribed for under the Placement, exercisable at \$0.03 each, expiring on or around 30 October 2025 ("Attaching Options"). The issue of the Attaching Options was subject to shareholder approval at a general meeting held on 4 October 2024, and have not as yet been issued.

Oakley Capital Partners Pty Limited ("Oakley Capital") and 62 Capital Pty Ltd ("62 Capital") acted as Joint Lead Manager for the Placement. They were paid a cash fee of 5.5% on funds raised under the Placement and received 16,666,667 Broker Options ("Broker Options") pro rata to their participation in the Placement exercisable at \$0.03 each expiring on or around 30 October 2025, and have not as yet been issued.

The consideration for the Placement shares was \$1,042,790 (before costs). The intended use of the funds will be for:

- \$0.743 million - Funding for exploration and development of oil and gas investments
- \$0.15 million - For working capital including costs of the offer
- \$0.15 million - Funding for Cortical Dynamics

During the period 1,551,863 listed options with an exercise price of \$0.03 each and expiry 30 September 2024, and 10 million unlisted options with an exercise price of \$0.03 each and expiry 30 September 2024, were exercised.

On 30 September 2024 576,795,250 listed options with an exercise price of \$0.03 each and expiry 30 September 2024, and 5 million unlisted options with an exercise price of \$0.03 each and expiry 30 September 2024, expired unexercised. On 4 October 2024 a shareholders' meeting approved a placement of up to 576,795,250 listed options with an exercise price of \$0.03 each and expiry on or around 30 October 2025 to the holders of the listed options which expired on 30 September 2024.

Significant activities by the Company's investees' during the September 2024 quarter were as follows:

Clean Hydrogen Technologies (BPH 16.2% direct interest)

On 2 August 2022 BPH announced 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 "Vendor" or "Borrower"), BPH and its investee Advent Energy Ltd ("Advent" or "Lender"), 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).

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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 US\$950,000 ("Additional Cash Consideration") under this agreement. The Purchasers and Clean Hydrogen executed a Loan Conversion Agreement dated 23 October 2023 to convert the US\$950,000 loan into the relevant Subscription Shares Tranche 2, representing the Purchasers further 9.5% interest in Clean Hydrogen. As a result of ASX's decision to exercise its discretion under Listing Rule 10.1, BPH had to seek shareholder approval for the Loan Conversion Agreement, which was obtained at a shareholders' meeting held on 4 October 2024. BPH now has an interest of 16.2% and Advent has an interest of 3.9% interest in Clean Hydrogen (subsequent to the exercise of BPH options in Clean Hydrogen).

Clean Hydrogen have issued 760 share options to BPH and 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. During the Quarter BPH exercised 51 of these options by paying Clean Hydrogen a total exercise price of US\$153,000.

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.

Advent Energy Limited ("Advent") (BPH 35.8% direct interest)

PEP-11 Permit

Advent Energy Limited's 100% subsidiary Asset Energy Pty Ltd ("Asset") is a participant in the PEP11 Joint Venture with partner Bounty Oil and Gas NL (ASX:BUY). PEP-11 interests are:

Advent Energy 85 % / Bounty Oil and Gas 15%

On 6 August 2024 Asset, as operator for and on behalf of the PEP-11 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 ("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 the PEP11 Permit, and; (ii) an order that the Joint Authority be compelled to determine the applications within 45 days. 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.

On 18 September 2024 the Company announced that the Hon Ed Husic MP, Minister for Industry and Science, had advised that he has carefully considered the PEP-11 Exploration Permit applications under the Offshore Petroleum and Greenhouse Gas Storage Act 2006 (Cth), namely the applications accepted on 23 January 2020 and 17 March 2021, formed a preliminary view that the applications should be refused, and gave Asset, via the National Offshore Petroleum Exploration Authority ("NOPTA"), a statement of preliminary views with attachments and invited Asset to provide a response within 30 days. The statement of preliminary views included 45 annexures totaling 1608 pages. The Company is currently reviewing the material provided by NOPTA for the purpose of providing Minister Husic with a submission in respect of his preliminary views. Due to the volume of the data provided to Asset, time has now been extended to 15 November 2024 to provide submissions.

Following conferral between the parties to the Federal Court proceeding, on 9 October 2024 orders were made vacating the previous orders and adjourning the Federal Court 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.

Included in the material provided by Minister Husic was a copy of the NOPTA recommendation to the Joint Authority which recommended that the Joint Authority approve the Second Application. In the NOPTA Annual Report of Activities 2020-21 it was noted that 54 applications for COVID-19 related suspensions and extensions were approved in that period. The company understands that

the Second Application (for COVID-19 relief) made in respect of the PEP-11 Permit was the only application outstanding

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).

Cortical Dynamics Limited ("Cortical") (BPH 16.4% direct interest)

Investee Cortical Dynamics Limited is an Australian based medical device neurotechnology company that is developing BARM™, an industry leading EEG (electrical activity) brain function monitor. BARM™ is being developed to better detect the effect of anaesthetic agents on brain activity under a general operation, aiding anaesthetists in keeping patients optimally anaesthetised, and complemented by CORDYAN™ (Cortical Dynamics Analytics), a proprietary deep learning system/App focusing on anaesthesiology.

The Australian manufactured and designed, electroencephalographically based (EEG-based), BARM™ system is configured to efficiently image and display complex information related to the clinically relevant state of the brain. When commercialized the BARM™ system will be offered on a stand-alone basis or integrated into leading brand operating room monitors as "plug and play" option.

There were no significant activities in Cortical to report during the Quarter.

Item 1 and 2 details of payments to / receipts from related parties (Appendix 4C)

Line 6.1 outflow of \$63,000: \$29,470 paid to directors as remuneration and net \$33,264 fees paid to Grandbridge Limited.

Line 6.2 outflow of \$1,108,000

Advent Energy Limited loan \$420,000 paid

Cortical Dynamics Limited loan \$450,000 paid

Molecular Discovery Systems Limited loan \$6,500 paid

Clean Hydrogen Technologies investment \$231,000 (options exercised)

Authorised by

David Breeze
Chairman

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

BPH ENERGY LIMITED

ABN

41 095 912 002

Quarter ended ("current quarter")

SEPTEMBER 2024

| Consolidated statement of cash flows | Current quarter \$A'000 | Year to date (3 months) \$A'000 |
|---|------------------------------------|--|
| 1. Cash flows from operating activities | | |
| 1.1 Receipts from customers | | |
| 1.2 Payments for | | |
| (a) research and development | | |
| (b) product manufacturing and operating costs | | |
| (c) advertising and marketing | (180) | (180) |
| (d) leased assets | | |
| (e) staff costs and director fees | (29) | (29) |
| (f) administration and corporate costs | (182) | (182) |
| 1.3 Dividends received (see note 3) | | |
| 1.4 Interest received | 10 | 10 |
| 1.5 Interest and other costs of finance paid | | |
| 1.6 Income taxes paid | | |
| 1.7 Government grants and tax incentives | | |
| 1.8 Other (settlement of ex-directors' fees) | | |
| 1.9 Net cash from / (used in) operating activities | (381) | (381) |
| 2. Cash flows from investing activities | | |
| 2.1 Payments to acquire or for: | | |
| (a) entities | | |
| (b) businesses | | |
| (c) property, plant and equipment | | |
| (d) investments | (231) | (231) |
| (e) intellectual property | | |
| (f) other non-current assets | | |

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (3 months) \$A'000 |
|--------------------------------------|---|----------------------------|---------------------------------------|
| 2.2 | Proceeds from disposal of: (a) entities (b) businesses (c) property, plant and equipment (d) investments (e) intellectual property (f) other non-current assets | | |
| 2.3 | Cash flows from loans to other entities | (877) | (877) |
| 2.4 | Dividends received (see note 3) | | |
| 2.5 | Other (provide details if material) | | |
| 2.6 | Net cash from / (used in) investing activities | (1,108) | (1,108) |

| | | | |
|-------------|---|------------|------------|
| 3. | Cash flows from financing activities | | |
| 3.1 | Proceeds from issues of equity securities (excluding convertible debt securities) | 1,003 | 1,003 |
| 3.2 | Proceeds from issue of convertible debt securities | | |
| 3.3 | Proceeds from exercise of options | 25 | 25 |
| 3.4 | Transaction costs related to issues of equity securities or convertible debt securities | (71) | (71) |
| 3.5 | Proceeds from borrowings | | |
| 3.6 | Repayment of borrowings | | |
| 3.7 | Transaction costs related to loans and borrowings | | |
| 3.8 | Dividends paid | | |
| 3.9 | Proceeds from equity securities not issued | | |
| 3.10 | Net cash from / (used in) financing activities | 957 | 957 |

| | | | |
|-----------|--|-------|---------|
| 4. | Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 | Cash and cash equivalents at beginning of period | 6,423 | 6,423 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | (381) | (928) |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | 1,108 | (3,052) |

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (3 months) \$A'000 |
|--------------------------------------|---|----------------------------|---------------------------------------|
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | (957) | (957) |
| 4.5 | Effect of movement in exchange rates on cash held | | |
| 4.6 | Cash and cash equivalents at end of period | 6,193 | 6,193 |

| 5. | Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | Current quarter \$A'000 | Previous quarter \$A'000 |
|-----|---|----------------------------|-----------------------------|
| 5.1 | Bank balances | 6,193 | 6,423 |
| 5.2 | Call deposits | | |
| 5.3 | Bank overdrafts | | |
| 5.4 | Other (provide details) | | |
| 5.5 | Cash and cash equivalents at end of quarter (should equal item 4.6 above) | 6,193 | 6,423 |

| 6. | Payments to related parties of the entity and their associates | Current quarter \$A'000 |
|---|--|----------------------------|
| 6.1 | Aggregate amount of (payments to) related parties and their associates included in item 1 | (63) |
| 6.2 | Aggregate amount of (payments to) related parties and their associates included in item 2 | (1,108) |
| <i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i> | | |

| | | |
|---|---|--|
| 7. Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i> | Total facility amount at quarter end \$A'000 | Amount drawn at quarter end \$A'000 |
| 7.1 Loan facilities | 86 | 86 |
| 7.2 Credit standby arrangements | | |
| 7.3 Other (please specify) | | |
| 7.4 Total financing facilities | 86 | 86 |
| 7.5 Unused financing facilities available at quarter end | | - |
| 7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well. | | |
| The facilities shown above are owing to Grandbridge Limited by a BPH subsidiary. The balance is unsecured and interest free. | | |

| | |
|--|----------------|
| 8. Estimated cash available for future operating activities | \$A'000 |
| 8.1 Net cash from / (used in) operating activities (item 1.9) | (381) |
| 8.2 Cash and cash equivalents at quarter end (item 4.6) | 6,193 |
| 8.3 Unused finance facilities available at quarter end (item 7.5) | - |
| 8.4 Total available funding (item 8.2 + item 8.3) | 6,193 |
| 8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1) | 16.3 |
| <i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i> | |
| 8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions: | |
| 8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not? | |
| Answer: | |
| 8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful? | |
| Answer: | |
| 8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis? | |
| Answer: | |
| <i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i> | |

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 30 October 2024

Authorised by: David Breeze (Director)
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.