



6 June 2025

Shareholder Update – Strategic Execution and the Road Ahead - June 2025

From the Managing Director, Philipp Kin

Dear Fellow Shareholders,

I write to you at a time of profound opportunity for our industry in the U.S., with the country's energy policy recently and decisively shifting in favor of domestic energy development. The changes we are seeing are not just symbolic – they represent a structural realignment in how federal agencies, laws, and regulatory frameworks approach American energy.

Against this increasingly positive backdrop, the first half of 2025 has been a transformative period for our Company. With a technically de-risked asset base, a strengthened balance sheet, and robust support from both new and existing investors, Helios is now poised to enter a pivotal development phase but we will not rest until we deliver maximum value for shareholders from our highly prospective acreage position and strategic initiatives.

Bringing Discovered Wells into Production

A high priority is to bring our discovered wells at the Presidio Project into production. This is a critical milestone, not just in delivering oil and gas, but in transitioning Helios from a pure-play explorer to a cash-generating producer. The goal is clear: **to establish operational cash flow that reduces reliance on capital markets, minimises dilution risk, and provides a self-sustaining platform for growth.** To support production planning, we continue to work with W.D. Von Gonten Engineering (WDVG), one of the most respected petroleum engineering firms in the U.S.

Reduction in overhead costs

In line with our focus on generating value and aligning management interests with shareholders, a significant priority for the company has been the reduction in staff and administration and corporate costs. We believe we are now at a level appropriate for a junior explorer, while still allowing us to deliver our operational and strategic goals.

The table below highlights the previous higher burn rate of the Company in 2023-1H24. From Q2 2024 costs were then being deferred as the Company was short of cash funds. This has now been remedied through our increased access to capital.

| Quarter | Staff costs | Administration and corporate costs | Total |
|----------------|-------------|------------------------------------|--------------|
| June 2023 | A\$413,000 | A\$488,000 | A\$901,000 |
| Sep 2023 | A\$424,000 | A\$889,000 | A\$1,313,000 |
| Dec 2023 | A\$409,000 | A\$650,000 | A\$1,059,000 |
| March 2024 | A\$373,000 | A\$253,000 | A\$626,000 |
| June 2024 | A\$120,000 | A\$129,000 | A\$249,000 |
| September 2024 | A\$0 | A\$104,000 | A\$104,000 |
| December 2025 | A\$50,000 | A\$100,000 | A\$150,000 |
| March 2025 | A\$92,000 | A\$236,000 | A\$328,000 |

As we continue forward and with funding secured, we anticipate the run rate of the Company to stabilise at the optimum level required to achieve our development and investment goals.

Unlocking Maximum Value from Our Acreage Position

The Presidio Oil & Gas Project is not a one-well or one-zone opportunity. Our current 70% working interest in a 7,877.8 acre leasehold is just a foothold in a vastly underexplored region that spans over 100,000 acres of prospective formations identified by Helios. As we establish cash flow from early production, we intend to



allocate capital to targeted drilling and expansion efforts that unlock the wider potential of the Ojinaga and Eagle Ford formations. It is worth emphasising that our recently released (see ASX Announcement 16 January 2025) 2C Contingent resource of 17.5mmboe (although large) was estimated in just one zone (the Lower Ojinaga). We view the upside potential across the entire play as clearly very substantial.

These formations exhibit excellent petrophysical characteristics – porosity averages of 7.6%, permeability up to 60 uD, and a highly brittle rock matrix suitable for hydraulic stimulation. We are also evaluating new well targets based on WDVG's reservoir modelling and existing seismic data. Our forward strategy includes the next phase drill program, permitting efforts, and ongoing lease consolidation.

We are actively assessing **strategic partnerships** to expedite scale-up. Discussions with potential U.S. and international farm-in partners have begun, with strong interest in the long-life, low decline unconventional potential of our acreage. This optionality provides flexibility, whether to co-develop or monetise, and to deliver the best outcome for shareholders.

Upcoming Managing Director Visit to Texas

To fast-track both the near-term development and broader strategic ambitions, I will conduct a **management visit to Texas in early 2H CY2025**. The site visit is designed to accelerate Helios' transition to production and strengthen our U.S. footprint both operationally and strategically.

This site visit will focus on three core objectives:

1. **Fast Track Production Planning:** Finalise costs, well selection and timelines for bringing our existing wells into production.
2. **Presidio Full Project Development:** Finalise with WDVG a full asset assessment/development plan.
3. **Engage Partners and Stakeholders:** Advance discussions with potential joint venture partners, service providers, and offtake counterparties.

WDVG continues to be a key partner, not only in supporting production from discovered wells, but also in helping shape our forward development strategy across the total asset base. The site visit is a practical step towards operational readiness, commercial engagement, and strategic scaling, all of which are aligned to deliver tangible outcomes for shareholders.

A Supportive Environment for U.S. Oil & Gas

The macro backdrop is increasingly favourable for the Company. The U.S. energy policy landscape continues to support domestic oil and gas development, permitting reforms, and infrastructure expansion. This regulatory tailwind aligns perfectly with our ambitions, providing an opportune time to bring resources into production and scale efficiently.

Through a combination of recent regulatory rollbacks, and legislative proposals, the regulatory environment in the U.S. has lowered barriers to support exploration, permitting, and infrastructure development.

We remain committed to capitalising on this favorable environment. We firmly believe that the U.S., and Texas in particular, is the place to be at the moment for an emerging Oil and Gas company with large aspirations.

Closing Remarks

Helios is entering a new chapter. With a quality resource, technical capability, and strong local partnerships, we are focused on execution. Our goal is to deliver a cash-generative base from which to expand systematically, efficiently, and with a view to creating enduring shareholder value.

Thank you for your continued support. The road ahead is exciting, and we look forward to keeping you informed as further exciting milestones are achieved post our upcoming site visit to the U.S.