



ANNUAL GENERAL MEETING OF MEMBERS OF LARUS ENERGY LIMITED

held at 5pm on Wednesday, 27 May 2026 at Mills Oakley, Level 7, 151
Clarence St, Sydney, NSW 2000.

MANAGING DIRECTOR'S ADDRESS

Dear Shareholders.

I am excited to report that we have continued to make significant technical and commercial progress since our last AGM and that prospectivity of the Larus Energy acreage in PPL579 has now been defined and the leading prospect, Nanamarope, has been de-risked to the point that it is drill ready.

The Nanamarope prospect, has been independently assessed by Molyneux Advisors with:

A total oil initially in place (OIIP) of:

- P90 1,617 – P50 4,011 – P10 10,328 million bbls (with a mean oil initially in place of 2,689 million bbl in the principal System 2 Reservoir and 1,711 million bbl in the secondary System 3 Reservoir).

A total prospective recoverable resource range of:

- U 498 – 2U 1,354 – 3U 3,758 million bbls (with a mean prospective recoverable resource of 1,077 million bbl in the principal System 2 Reservoir and 515 million bbl in System 3 in the secondary System 3 Reservoir).

The total mean recoverable volume for the License Area PPL579 as estimated by the Larus Energy Technical team is 5.6 billion barrels.

Drilling planning is underway and detailed technical and commercial discussions with prospective farm-in partners are continuing.

Larus has maintained strong relationships with the PNG Government and the Regulator (presently in transition from the Department of Petroleum to the National Petroleum Authority).



PPL579 and PPL695 are both located in the eastern part of the Papuan Basin in an area referred to as the Torres Sub-Basin. This is a frontier area, as currently, no hydrocarbon exploration wells have been drilled in the region.

The first well in the basin, Mailu-1, is expected to spud in the coming month by a Joint Venture consisting of TotalEnergies (operator) and Petronas.

Larus was the first company to identify the presence of the Mid-Miocene turbidite/contourite sandstone play within the deep-water fold-belt of the Torres Sub-Basin and to recognise the potential of significant thrust anticline traps. These same sand bodies pinch-out to the south against a basement high in PPL695, setting up traps similar to many of the recent discoveries along the Atlantic Margins.

Larus has progressed the de-risking of the petroleum potential of the region with the Nanamarope 3D Seismic Survey and the discovery of the onshore Imilia light live oil seep and more recently, extraction of live hydrocarbons from drop-cores taken over the Nanamarope Prospect in 2000 m water depth. Geochemical analysis suggests a Late Cretaceous to Early Tertiary source rock with the deep-water drop core extracts suggesting a very oil prone source rock.

Further Palaeogene carbonate prospects exist in both PPL579 and PPL695 with this play type planned to be tested by TotalEnergies and Petronas in the adjacent License area.

PPL579

The PPL579 License is in good standing and was extended for a further 5-year term by the Minister on 23 August 2024 along with relinquishment of 55 Blocks to be effective 20 May 2025 to 20 May 2030. The License covers an area of approximately 4622km²

The License area is approximately 120 km from Port Moresby harbour where there are good quality facilities for supporting offshore drilling.



Water depth is up to 2190m, With the leading prospects identified in water depths of 1800-2000m.

To de-risk and to mature prospects to drill ready status, Larus in collaboration with Searcher Seismic, acquired the 1,855 sq. km Nanamarope MC3D seismic survey in May-June 2023. The Larus Energy subsurface team has mapped this 3D seismic and confirmed a number of large anticlinal prospects with strong indications of reservoir as well as direct hydrocarbon indicators.

Throughout 2025 the following studies have being carried out:

1. **Pore-pressure and fracture gradient (PPFG) studies.** Ikon Science out of the UK was contracted to carry out an evaluation of the likely pressure regimes in the Nanamarope area to assist in drill planning. This work has integrated the high quality Nanamarope-3D seismic data along with available well control. Note the nearest wells are over 300 km from the Nanamarope prospect. Larus has followed up this work with further internal studies on PPFG.
2. **High-end geophysical studies.** have taken place enhancing the view on prospectivity. Seismic inversion work carried out by ZDAC Geophysical Technologies in 2025 suggests the presence of high-quality sand reservoirs in the Miocene section that appear to be oil charged. Both conventional inversion and AVP inversion has been carried out and work continues in this area. The inversion work is giving increased confidence in the presence of oil in what appear to be high-quality sandstone reservoirs.
3. **Deep Water Drop Core Program.** In 2025, deep water drop cores acquired as a part of the Environment Permit work required for the drilling of the Nanamarope Prospect recovered live thermogenic hydrocarbons that confirm the presence of a highly oil prone source rock of Late Cretaceous to Early Tertiary age directly below the prospective Miocene fold-belt area.
4. **Environmental Assessment Report.** In order to obtain the Level 2 Environmental Permit for drilling the Nanamarope



Prospect, an Environmental Assessment Report was carried out by Erias Group Ltd and issued to CEPA on 25 November 2025. This study included desk-top studies from available meteorological sources, previous environmental studies, acquisition and analysis of drop cores and oil-spill modelling. The detailed Level 2 Environmental Assessment Report for Nanamarope Drilling was submitted to the Environmental Regulator, CEPA, in November 2025 and it is expected that a conditional environmental permit will be issued in Q2, 2026.

5. **Drilling planning work.** To test the Nanamarope prospect in 2027 a drilling and procurement team has been established to begin the planning processs and purchase of long lead items. External studies using EXCEED out of the UK were undertaken to develop a preliminary well design and equipment specifications. Discussions continue with a number of possible Drilling Support Services Companies for further planning and logistical support.
6. **Concept Development Planning.** Molyneux Advisors was contracted to carry out to make an independent assessment pf the potential resources in the Nanamarope Prospect as well as to carry out conceptual development scenarios for an offshore oil development at Nanamarope. These costs were tested against international benchmarks and used in the Larus Commercial model developed by ModelAnswer.

PPL695

On 23 August 2024 the Minister of Petroleum and Energy the Hon. Thomas Opa signed a new licence, PPL695, to the south of PPL579 consisting of 60 graticular blocks covering approximately 5,034 km² for a 6-year first term exploration period.

Throughout 2025 the following studies have being carried out:

1. Reviewed internal Larus Energy 2D seismic data base and developed 2D seismic purchase plan. Met with Seismic



companies and discussed pricing options for available 2D and 3D data.

2. Regionally tied in the existing PPL695 seismic data set to the Nanamarope 3D seismic to update regional mapping of the Tertiary reservoir systems.
3. Work is yet to commence on seismic reprocessing.

Farmout

The Larus Technical team has run multiple data-rooms to significant international petroleum companies on the PPL579 opportunity. Interest has been strong, and a number of the world's largest Petroleum Companies are continuing their evaluation. Our focus at present is to bring in a large international oil company to fund the exploration well on Nanamarope, as well as raising capital for the Company to maintain the highest equity stake possible.

Financial position for 2025

Finally, the net result of operations after applicable income tax expense of the Group for the year ended 31 December 2025 was a loss of \$2,803,613 (2024: \$\$3,073,287).

The quality of the technical insight from Alaister Shakerley and his team has been exceptional, and I would like to thank all involved for going above and beyond to produce the analysis that we now have. Feedback from large multi-national oil companies has been that this is some of the best geological and geophysical work they have seen. We also thank those on the ground in PNG and our Management and Board for their considerable effort throughout the year and shareholders for their continued support.

Thank you.
