



BLACKMOUNTAIN
ENERGY

INTERIM REPORT

Half-year ended 30 June 2024



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CHAIRMAN'S LETTER

Dear Fellow Shareholders

I am pleased to take this opportunity to share with you my views and priorities for the future of our Company.

Black Mountain Energy Ltd is an energy and resources Company focused on natural gas exploration, development and production, which was founded on the premise that unconventional oil and gas reservoirs could be developed safely and commercially in Australia.

During the period, the Company delisted from the Australian Securities Exchange on 15 March 2024, with a key focus on reducing costs and addressing the large disparity between the project valuation and the market capitalisation while listed.

Our long term strategy is to continue to develop the Company's flagship asset in the Canning Basin, Project Valhalla, which remains potentially one of the world's last large scale onshore unconventional undeveloped gas projects.

During the period, the Company has lodged its Environmental Review Document (ERD) submission with the Western Australia Environmental Protection Agency (EPA), and it has received approval to enter into the public review period commencing on or around 12 August 2024.

The Project has additionally been referred to the Department of Climate Change, Energy, the Environmental and Water (DCCEEW).

In addition, to progressing the ERD and federal referral the Company has been progressing technical workflows utilizing advanced geophysical techniques, which will be used to help with the design and planning around acquiring new seismic data and ultimately drilling wells.

The Company continues to engage with traditional owners and build on established relationships by increasing knowledge and understanding of the cultural heritage within the region. We continue to recognise the ongoing support of the traditional owners.

On behalf of the board, I thank shareholders for their continued patience and support.

As a fellow shareholder, I continue to be excited by the journey that lays ahead of us. The Company remains well funded with approximately \$6.4m in cash and we remain focussed on progressing Project Valhalla

Thank you,



Rhett Bennett

Executive Chairman and Chief Executive Officer

13 September 2024

DIRECTORS' REPORT

The Directors present their report on the consolidated entity, consisting of Black Mountain Energy Ltd ("the Company", "Black Mountain Energy" or "BME") and the entities it controlled (collectively "the Group" or "the Consolidated Entity") at the end of, or during, the half-year ended 30 June 2024.

DIRECTORS

The names of the Directors of the Company in office during the half-year and until the date of this report are set out below.

Name	Appointed	Resigned
John Rhett Miles Bennett	26 July 2021	
Peter Wilson Cramer	26 July 2021	29 February 2024
Benjamin Donovan	26 June 2024	
Michael Laurent	9 April 2024	
Craig Costello	11 November 2022	31 July 2024
Helen Astill	21 April 2023	31 March 2024

PRINCIPAL ACTIVITIES

The principal activities of the Consolidated Entity consist of seeking investment and development opportunities in oil and gas and deploying capital in exploration. There has been no significant change in those activities during the half-year.

FINANCIAL RESULTS

The loss for the Consolidated Entity for the period ended 30 June 2024 after providing for income tax amounted to \$740,000 (2023: \$1,916,000).

DIVIDENDS

No dividends were paid or declared during the financial half-year. No recommendation for payment of dividends has been made.

OPERATING AND FINANCIAL REVIEW

- Focus continues on the development of Project Valhalla in the Canning Basin, which the Company sees as one of the world's last large scale onshore unconventional undeveloped gas projects.
- Valhalla Project EP371 suspend and extend application approved by Department of Mines, Industry Regulation and Safety resulting in a two year extension, where key workflows now not due before January 2027.
- The Western Australia Environmental Protection Agency (EPA) has approved its Environmental Review Document (ERD) submission to enter into the public review period commencing on or around 12 August 2024
- The Company remained debt free.

OPERATIONS AND ACTIVITIES

Black Mountain Energy is developing its flagship asset, Petroleum Exploration Permit EP 371, known as Project Valhalla, in Western Australia's Canning Basin region. EP 371 covers more than 3,660km² within the Fitzroy Trough and is situated west of Fitzroy Crossing and south-east of Derby. An Independent Technical Expert has estimated prospective gas resources of 11.8 trillion cubic feet (TCF) and contingent gas resources of 1.5 TCF (best estimates) (refer to prospectus for additional information).

The Company continues to believe Project Valhalla in the Canning Basin is a significantly large undeveloped unconventional onshore gas reservoir and remains focused on progressing the necessary approvals that will ultimately enable appraisal drilling activity. **See figure 1.**

The WA Environmental Protection Authority Services (EPA Services) has provided comments and advice on previous drafts of the ERD and has advised that the draft ERD provided to the EPA Services on 21 June 2024 will be released for public review. The public review period is 8 weeks and will commence on or around the 12 August 2024. The ERD will be published on the EPA's website and will also be posted on BME's website.

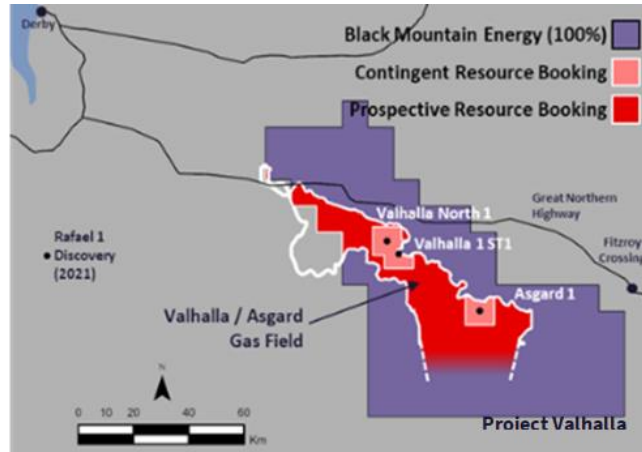


Figure 1: EP 371 within WA's Canning Basin

The Project has additionally been referred to the Department of Climate Change, Energy, the Environmental and Water (DCCEE). The public 10-day consultation is in progress. Information around the proposed action has been published on the Department's website for public feedback. Further feedback will be provided by DCCEE once the information in the referral along with any comments received are reviewed.

In addition, to progressing the ERD and federal referral the Company has been progressing technical workflows utilizing advanced geophysical techniques, which will be used to help with the design and planning around acquiring new seismic data and ultimately drilling wells.

Further, the Company was successful in achieving a 'suspension & extension' from DEMIRS (Department of Energy, Mines, Industry, Regulation & Safety) on its EP (Exploration Permit) which ultimately means the Company can conclude additional technical geoscience workflows prior to executing a new seismic acquisition, which is now due on or before 30/01/2027.

APPOINTMENT OF DIRECTORS

During the period, Chief Operating Officer, Mr Michael Laurent also took on the additional responsibilities of executive director with his appointment on 9 April 2024.

Mr Ben Donovan, was appointed as Non-Executive Director on 26 June 2024 in addition to his appointment as Company Secretary.

The Board would like to thank Dr Helen Astill and Peter Cramer who resigned during the period, and Mr Craig Costello who resigned post the period on 31 July 2024.

The appointments are part of the Company's cost cutting measures following delisting.

OUTLOOK

During the second half of 2024, the Company will conduct its annual well maintenance program and fulfill its reporting requirements. Technical geoscience workflows will continue, responses to the ERD and referral process will be prepared and the environmental approvals progressed. Stakeholder engagement will continue to be a regular focus.

ESG

BME recognizes the importance of its environmental and social obligations and being a responsible corporate citizen. All exploration activities are carried out with a focus on maintaining the environment. The Company continues to focus on strong governance with Corporate Governance policies in place and reviewed annually.

On a social front, the Company continues to advance its support of traditional owners by undertaking the following:

- Heritage Surveys undertaken;
- Employment of local contractors and individual Traditional Owners community members;
- Support of Traditional Owner AGM's and Board meetings, regularly providing project updates;
- Facilitated independent community education sessions relating to proposed activities;
- Sponsorship support for community for Traditional Owners;
- Provided catering for various community meetings; support event costs;
- Support of local art community by providing supplies and purchase of paintings.

FINANCIAL POSITION

The Consolidated entity's cash position as at 30 June 2024 was \$1,917,000 (an additional \$4,500,000 is invested in Term Deposits recognised in Other Financial Assets), which will be used towards funding its work commitments in respect of Exploration Permit EP 371.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

The Directors are not aware of any other significant changes in the state of affairs of the Group occurring during the half-year, other than as disclosed in this report.

EVENTS SINCE THE END OF THE FINANCIAL PERIOD

No other matter or circumstance has arisen between 30 June 2024 and the date of this report that will affect the Group's operations, result or state of affairs, or may do so in future years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

Information on likely developments in the operations of the Consolidated Entity and the expected results of operations have not been included in this report because the Directors believe it would be likely to result in unreasonable prejudice to the Consolidated Entity.

ENVIRONMENTAL REGULATION

The Consolidated Entity is subject to environmental regulations under the Australian Commonwealth or State Law and under local laws in jurisdictions it operates. The Group holds an exploration licence issued by the relevant government authorities which contain conditions which relate to the full rehabilitation of the areas of exploration in accordance with regulatory guidelines and standards. The Directors are not aware of any breaches of the licence conditions or environmental regulations during or since the end of the financial year. The Group is committed to meeting environmental and land use regulations, including native title requirements

ROUNDING OF AMOUNTS

The Company is of a kind referred to in ASIC Legislative Instrument 2016/191, relating to the 'rounding off' of amounts in the Directors' report. Amounts in the Directors' report have been rounded off in accordance with the instrument to the nearest thousand dollars, or in certain cases, to the nearest dollar.

AUDITOR'S INDEPENDENCE

A copy of the Auditor's Independence Declaration as required under section 307C of the Corporations Act 2001 is set out on page 9.

FORWARD LOOKING STATEMENT

This report may contain certain forward-looking statements and projections regarding estimated, resources and reserves; planned production and operating costs profiles; planned capital requirements; and planned strategies and corporate objectives. Such forward looking statements/projections are estimates for discussion purposes only and should not be relied upon. They are not guarantees of future performance and involve known and unknown risks, uncertainties, and other factors many of which are beyond the control of Black Mountain Energy Ltd.

The forward-looking statements/projections are inherently uncertain and may therefore differ materially from results ultimately achieved. Black Mountain Energy does not make any representations and provides no warranties concerning the accuracy of the projections and disclaims any obligation to update or revise any forward-looking statements/projections based on new information, future events or otherwise except to the extent required by applicable laws. While the information contained in this report has been prepared in good faith, neither Black Mountain Energy or any of its directors, officers, agents, employees, or advisors give any representation or warranty, express or implied, as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this report.

Accordingly, to the maximum extent permitted by law, none of Black Mountain Energy, its directors, employees or agents, advisers, nor any other person accepts any liability whether direct or indirect, express, or limited, contractual, tortious, statutory or otherwise, in respect of, the accuracy or completeness of the information or for any of the opinions contained in this report or for any errors, omissions or misstatements or for any loss, howsoever arising, from the use of this report.

COMPETENT PERSONS STATEMENTS

EP371

Black Mountain Energy has presented the Contingent Resource and Prospective Resource information in this document in accordance with the 2018 Petroleum Resources Management System published by the Society of Petroleum Engineers (SPE-PRMS).

The Contingent Resource estimates and Prospective Resource estimates presented in this document were originally disclosed to the market in the Replacement Prospectus dated 29 October 2021. Black Mountain Energy confirms that it is not aware of any new information or data that materially affects the information included in the aforesaid market announcement and that all the material assumptions and technical parameters underpinning the estimates in the aforesaid market announcement continue to apply and have not materially changed.

The information in this document that relates to Contingent Resource and Prospective Resource information in relation to EP 371 is based on information compiled by technical employees of independent consultants, Molyneux Advisors Pty Ltd, which information was subsequently reviewed by Mr Hong Feng Wu.

Mr Hong Feng Wu has consented to the inclusion of such information in this document in the form and context in which it appears and the resources information in this report is based on, and fairly represents, information and supporting documentation reviewed by, or prepared under the supervision of, Mr Hong Feng Wu. Mr Hong Feng Wu is a Director of Molyneux Advisors Pty Ltd and has a B.Sc. Geology and MS in Sedimentology, University of Petroleum China (Beijing), an MBA from the Sun-Yat-sen University (MIT Sloan School of Business). Hong Feng Wu is a (Full) member of Society of Petroleum Evaluation Engineers (SPEE #1021) and a member of Society of Petroleum Engineers (SPE # 5084882).

Signed in accordance with a resolution of the Directors:



Rhett Bennett

Executive Chairman and Chief Executive Officer

13 September 2024



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Black Mountain Energy Ltd

I declare that, to the best of my knowledge and belief, in relation to the review of Black Mountain Energy Ltd for the half-year ended 30 June 2024 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- ii. no contraventions of any applicable code of professional conduct in relation to the review.


KPMG


John Ward
Partner
Perth
13 September 2024

FINANCIAL REPORT

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These Financial Statements are the condensed consolidated financial statements of the Group, consisting of Black Mountain Energy Ltd and its subsidiaries (together referred to as the "Consolidated entity" or "Group").

The Financial Statements are presented in Australian Dollars.

Black Mountain Energy Ltd is a Company Ltd by shares, incorporated, and domiciled in Australia. Its registered office and principal place of business is Level 4, 225 St Georges Terrace, Perth, WA 6000.

A description of the nature of the Consolidated Entity's operations and its principal activities is included in the review of operations and activities on pages 4 to 8. These pages are not part of these financial statements.

The financial statements were authorised for issue by the Directors on 13 September 2024. The Directors have the power to amend and reissue the financial statements.

With the internet, we have ensured that our corporate reporting is timely and complete. Press releases, financial reports and other information are available via the links on our website: www.blackmountainenergy.com

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE HALF-YEAR ENDED 30 June 2024

	NOTE	30 JUNE 2024 \$'000	30 JUNE 2023 \$'000
Income			
Interest income		149	10
Other income		17	26
Total income		166	36
Expenses			
Exploration expense		(711)	(860)
Depreciation and amortisation	3	(33)	(49)
General and administrative expenses		(576)	(857)
Share based employment expense		(99)	(140)
Foreign exchange gain		-	8
Finance costs		(10)	(54)
Loss before income tax		(1,263)	(1,916)
Income tax (expense)/benefit		523	—
Net loss for the period		(740)	(1,916)
Other comprehensive loss for the period, net of tax		—	—
Total comprehensive loss for the period		(740)	(1,916)
Total comprehensive loss attributable to members of the parent entity		(740)	(1,916)

The accompanying notes form part of these financial statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 June 2024

	NOTE	30 JUNE 2024 \$'000	31 DEC 2023 \$'000
ASSETS			
Current assets			
Cash and cash equivalents	4	1,917	2,673
Inventory		35	35
Trade and other receivables	5	817	432
Other Financial Assets		4,500	5,000
Total current assets		7,269	8,140
Non-current assets			
Property, plant and equipment		42	52
Exploration assets	6	42,762	42,762
Right-of-use assets		104	127
Other financial assets		36	35
Total non-current assets		42,944	42,976
Total assets		50,213	51,116
LIABILITIES			
Current liabilities			
Trade and other payables	7	91	386
Provisions	8	143	135
Lease liabilities		48	46
Total current liabilities		282	567
Non-current liabilities			
Provisions	8	3,064	3,017
Lease liabilities		59	81
Total non-current liabilities		3,123	3,098
Total liabilities		3,405	3,665
Net assets		46,808	47,451
EQUITY			
Contributed equity	9	53,203	53,203
Reserves	10	2,026	1,929
Accumulated losses		(8,421)	(7,681)
Total equity		46,808	47,451

The accompanying notes form part of these financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF-YEAR ENDED 30 June 2024

	NOTE	Contributed Equity \$'000	Reserves \$'000	Accumulated Losses \$'000	Total \$'000
Balance at 1 January 2024		53,203	1,929	(7,681)	47,451
Total loss for the half-year		—	—	(740)	(740)
Other comprehensive income		—	—	—	—
Total comprehensive loss for the half-year		—	—	(740)	(740)
Transactions with owners in their capacity as owners					
Issue of shares	9	—	—	—	—
Share based payments	10	—	99	—	99
Foreign currency translation	10	—	(2)	—	(2)
		—	97	—	97
Balance at 30 June 2024		53,203	2,026	(8,421)	46,808
Balance at 1 January 2023					
		50,191	1,387	(7,019)	44,559
Total loss for the half-year		—	—	(1,916)	(1,916)
Other comprehensive income		—	—	—	—
Total comprehensive loss for the half-year		—	—	(1,916)	(1,916)
Transactions with owners in their capacity as owners					
Issue of shares	9	3,012	—	—	3,012
Share based payments	10	—	177	—	177
Foreign currency translation	10	—	93	—	93
		3,012	270	—	3,282
Balance at 30 June 2023		53,203	1,657	(8,935)	45,925

The accompanying notes form part of these financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE HALF-YEAR ENDED 30 June 2024

	NOTE	30 JUNE 2024	30 JUNE 2023
		\$'000	\$'000
Cash flows from operating activities			
Receipts from customers		23	44
Interest received		82	10
Payments for exploration expenditure		(485)	(608)
Payments to other suppliers and employees		(705)	(1,103)
Income Taxes Paid		(150)	—
Net cash outflow from operating activities		(1,235)	(1,657)
Cash flows from investing activities			
Payments in relation to acquiring exploration assets		—	(2,800)
Payments for exploration assets		—	(2,031)
Payments for property, plant and equipment		—	(2)
Receipts from Other Financial Assets		500	—
Net cash outflow from investing activities		500	(4,833)
Cash flows from financing activities			
Payments for leases		(18)	(33)
Proceeds from issue of shares		—	3,205
Payments of share issue costs		—	(161)
Net cash inflow/(outflow) from financing activities		(18)	3,011
Net decrease in cash and cash equivalents		(753)	(3,479)
Cash and cash equivalents at the beginning of the financial period			
		2,673	4,381
Effect of foreign exchange rate changes		(3)	1
Cash and cash equivalents at the end of the financial period	4	1,917	903

The accompanying notes form part of these financial statements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 30 June 2024

NOTE 1: BASIS OF PREPARATION OF HALF-YEAR REPORT

Black Mountain Energy Ltd (the “Company” or “BME” or “Black Mountain Energy”) is a Company domiciled in Australia. The address of the Company's registered office is Level 4, 225 St Georges Terrace, Perth WA 6000 Australia.

The Company is a for-profit entity and primarily is involved in the acquisition and development of natural resource projects and exploration for, and production of oil and gas.

NOTE 2: SUMMARY OF MATERIAL ACCOUNTING POLICIES

This condensed consolidated interim financial report for the half-year reporting period ended 30 June 2024 has been prepared in accordance with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Act 2001 (Cth). They present reclassified comparative information where required for consistency with the current reporting period's presentation or where otherwise stated. This condensed consolidated interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 31 December 2023 and any public announcements made by Black Mountain Energy during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001. This consolidated financial report is presented in Australian Dollars, which is Black Mountain Energy's functional and presentation currency. The accounting policies adopted are consistent with those of the previous financial year unless otherwise stated.

The Company is of a kind referred to in ASIC Legislative Instrument 2016/191, relating to the ‘rounding off’ of amounts in the financial statements. Amounts in the financial statements have been rounded off in accordance with the instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

(i) Going Concern

The Directors have prepared the financial statements on a going concern basis which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business. The Group recorded a net loss for the period of \$740,000, had a net cash outflows from operating activities of \$1,235,000 and had an overall net current asset position at 30 June 2024 of \$7,269,000 (which includes \$1,917,000 if Cash and \$4,500,000 of Term Deposits). The Group has no loans or borrowings. The Board and management monitor the Group's cash flow requirements to ensure it has sufficient funds to meet its contractual commitments and adjusts its spending, particularly with respect to discretionary exploration activity and corporate expenditures. The Group forecasts that over at least the next 12 months, it will have sufficient funds to meet its commitments and continue to pay its debts as and when they fall due.

(ii) New and Amended Standards Adopted by the Group

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

(iii) Use of judgements and estimates

The preparation of the interim financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets and liabilities, income, and expense. Actual results may differ from these estimates. In preparing this interim financial report, the significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report as at and for the year ended 31 December 2023.

(iv) Financial Risk Management

During the half-year ended 30 June 2024, the Group’s financial risk management objectives and policies were consistent with that disclosed in the consolidated financial report as at and for the year ended 31 December 2023.

(v) Foreign Currency Translation

Functional and Presentation Currency

Items included in the financial statements of each of the Group’s entities are measured using the currency of the primary economic environment in which the entity operates (the “functional currency”). The consolidated financial statements are presented in Australian dollars, which is Black Mountain Energy Ltd’s functional currency and presentation currency.

Transactions and Balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of comprehensive income, except when deferred in equity as qualifying cash flow hedges, foreign operations and qualifying net investment hedges.

The functional currency of the foreign operation, Seven Rivers Operating LLC, is US dollars, “USD”.

3. EXPENSES

Loss before income tax includes the following specific expenses:

	30 JUNE 2024 \$'000	30 JUNE 2023 \$'000
Depreciation		
Plant and Equipment	11	11
Right of Use Asset	22	38
	33	49

4. CASH AND CASH EQUIVALENTS

	30 JUNE 2024 \$'000	31 DEC 2023 \$'000
Cash at bank and in hand	1,917	2,673

\$6,000,000 of cash is held in 3-month, 11-month or 12-month notice saver accounts at 30 June 2024 and \$4,500,000 of this balance is classified as Other Financial Assets. At 31st December 2023, \$5,000,000 was classified as Other Financial Assets.

5. TRADE AND OTHER RECEIVABLES

	30 JUNE 2024 \$'000	31 DEC 2023 \$'000
Current		
Income Tax Receivable	583	—
Other receivables	140	77
Prepayments	94	355
	817	432

Due to the nature of the Group's receivables, their carrying values are considered to approximate their fair values.

6. EXPLORATION ASSETS

	30 JUNE 2024 \$'000	31 DEC 2023 \$'000
Acquisition costs of right to explore	42,762	42,762
<i>Movement for the period:</i>		
Balance at beginning of the period	42,762	42,762
Additions	—	—
Balance at the end of the period	42,762	42,762

7. TRADE AND OTHER PAYABLES

	30 JUNE 2024 \$'000	31 DEC 2023 \$'000
Current		
Trade payables	14	94
Other payables	14	114
Accruals	63	178
	91	386

Trade payables are usually non-interest bearing provided payment is made within the terms of credit.

8. PROVISIONS

30 JUNE 2024	CURRENT \$'000	NON-CURRENT \$'000	TOTAL \$'000
Employee entitlements (a)	57	11	68
Restoration and rehabilitation (b)	86	3,053	3,139
	143	3,064	3,207

31 DECEMBER 2023	CURRENT \$'000	NON-CURRENT \$'000	TOTAL \$'000
Employee entitlements (a)	51	17	68
Restoration and rehabilitation (b)	84	3,000	3,084
	135	3,017	3,152

- a) The current provision for employee entitlements includes accrued short term incentive plans, severance entitlements, accrued annual leave and the unconditional entitlements to long service leave where employees have completed the required period of service. The amounts are presented as current since the Consolidated Entity does not have an unconditional right to defer settlement for these obligations. However, based on experience, the Group does not expect all employees to take the full amount of accrued leave or require payment in the next 12 months. Current leave obligations that are not expected to be taken or paid within the next 12 months amount to \$nil.
- b) Provisions for future removal and restoration costs are recognised where there is a present obligation, and it is probable that an outflow of economic benefits will be required to settle the obligation. The estimated future obligations include the costs of removing facilities, abandoning wells, and restoring the affected areas.

Movements in Provisions

Movements in each class of provision during the financial period are set out below:

	Employee Entitlements \$'000	Restoration & Rehabilitation \$'000	Total \$'000
Carrying amount at 31 December 2023	68	3,084	3,152
Provisions made during the half-year	32	12	44
Provisions reductions during the half-year	(32)	—	(32)
Provisions accretion during the half-year	—	43	43
Carrying amount at 30 June 2024	68	3,139	3,207

9. CONTRIBUTED EQUITY

(a) Share capital

	30 JUNE 2024 \$'000	31 DEC 2023 \$'000
383,224,186 (2023: 383,224,186) fully paid ordinary shares	53,203	53,203

Ordinary shares have no par value, and the Company does not have a limited amount of authorised capital.

On a show of hands, every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

No dividend was paid or declared during the half year.

Movements in Ordinary Share Capital

	NUMBER OF SHARES	\$'000
Balance at 31 December 2023	383,224,186	53,203
No additions		
Balance at 30 June 2024	383,224,186	53,203

10. RESERVES

Nature and purpose of reserves

Share-based Payments Reserve

This reserve is used to record the value of equity benefits provided to employees, Directors and service providers.

Foreign Currency Translation Reserve

The foreign currency translation reserve records exchange differences arising on translation of foreign subsidiary accounts.

	30 JUNE 2024 \$'000	31 DEC 2023 \$'000
Share-based Payments Reserve	1,861	1,762
Foreign Currency Translation Reserve	165	167
Balance	2,026	1,929

Movements in the Share Based Payment Reserve

	30 JUNE 2024 \$'000	31 DEC 2023 \$'000
Share options reserve	1,861	1,762
Movements:		
Balance at 1 January	1,762	1,387
Share based payment costs (a)/(b)	99	375
Balance	1,861	1,762

(a) Share based payments are provided to Directors and employees as part of their remuneration agreement with the Company.

(b) Share options

An Employees Securities Incentive Plan operates to provide incentives for Directors and Key Executives. Participation in the plan is at the Board's discretion. Options have been issued for capital market advisory services during the year. No options were issued to Directors and Key Executives during the first half of 2024.

10. RESERVES (continued)

(c) The following table shows the movement in options over ordinary shares during the half-year and prior year:

Class	Grant Date	Expiry Date	Exercise Price	Balance at Start of Period	Granted During the Period	Lapsed/ Forfeited During the Period	Exercised During the Period	Balance at the End of the Period
30 Jun 2024								
Unlisted	23 Dec 2021	23 Dec 2025	\$0.286	13,311,782	—	—	—	13,311,782
Unlisted	15 Jun 2022	15 Jun 2025	\$0.300	3,750,000	—	—	—	3,750,000
Unlisted	19 Apr 2023	19 Apr 2026	\$0.08	3,739,250	—	—	—	3,739,250
Total				20,801,032	—	—	—	20,801,032

Class	Grant Date	Expiry Date	Exercise Price	Balance at Start of Period	Granted During the Period	Lapsed/ Forfeited During the Period	Exercised During the Period	Balance at the End of the Period
31 Dec 2023								
Unlisted	23 Dec 2021	23 Dec 2025	\$0.286	14,227,205	—	(915,423)	—	13,311,782
Unlisted	15 Jun 2022	15 Jun 2025	\$0.300	3,750,000	—	—	—	3,750,000
Unlisted	19 Apr 2023	19 Apr 2026	\$0.08	—	3,739,250	—	—	3,739,250
Total				17,977,205	3,739,250	(915,423)	—	20,801,032

(d) The following table shows the movement in performance rights over ordinary shares during the half -year and prior year:

Grant Date	Expiry Date	Exercise Price	Balance At Start of Period	Issued During the Period	Lapsed During the Period	Converted During the Period	Balance at the end of the Period
30 Jun 2024							
19 Jan 2023	19 Jan 2027	nil	3,599,117	—	3,599,117	—	—
Total			3,599,117	—	3,599,117	—	—

Grant Date	Expiry Date	Exercise Price	Balance At Start of Period	Issued During the Period	Lapsed During the Period	Converted During the Period	Balance at the end of the Period
31 Dec 2023							
5 Dec 2022	5 Dec 2026	nil	3,385,220	—	3,385,220	—	—
19 Jan 2023	19 Jan 2027	nil	—	3,599,117	—	—	3,599,117
Total			3,385,220	3,559,117	3,385,220	—	3,559,117

10. RESERVES (continued)**Movements in the Foreign Currency Translation Reserve**

	30 JUNE 2024 \$'000	31 DEC 2023 \$'000
Foreign Currency Translation Reserve	164	166
Movements:		
Balance at 1 January	166	—
Foreign currency exchange differences	(2)	166
Balance	164	166

11. RELATED PARTY TRANSACTIONS

Transactions with related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

(a) Subsidiaries

The consolidated financial statements include the financial statements of Black Mountain Energy Ltd and the subsidiaries listed in the following table:

Name of Entity	Place of Incorporation	Class of Shares	2024
			%
Black Mountain Exploration Australia Pty Ltd	Western Australia	Ordinary	100
Black Mountain Exploration Pty Ltd	Western Australia	Ordinary	100
Bennett Resources Pty Ltd	Western Australia	Ordinary	100
Seven Rivers Operating LLC	Texas, USA	Ordinary	100

(b) Transactions with key management personnel

	Transaction Values for the half year ended	Balance outstanding as at
	30 June 2024 \$'000	30 June 2024 \$'000
Consultancy Fees Payment	82	—
SubLease Receipts	(17)	—

(i) The Company and Argus Corporate Partners (a related party to Mr Donovan) have entered into a Services Agreement for the provision of company secretarial services and accounting services by Mr Donovan's company. Mr Donovan was appointed Director on 26th June 2024.

(ii) The Company and Argus Corporate Partners (a related party to Mr Donovan) have entered into a sublease agreement for part of the office of Level 4, 225 St Georges Terrace, Perth WA 6000.

12. CONTINGENCIES

The Group had no contingent assets or liabilities as at 30 June 2024.

13. COMMITMENTS

The Consolidated Entity has the following minimum exploration expenditure commitments:

	30 JUNE 2024 \$'000	31 DEC 2023 \$'000
The following amounts are due:		
Within one year	47	47
Later than one year but not later than five years	9,159	9,089
Later than five years	-	-
	9,206	9,136

(a) Exploration commitments

The exploration commitments reflect the Project Valhalla Suspend and Extend application that the Company submitted to the Department of Mines, Industry Regulation and Safety, which was approved by the Department on 13 June 2024.

These commitments may be varied in the future because of renegotiations of the terms of exploration permits. In the petroleum industry it is common practice for entities to farm-out, transfer or sell a portion of their rights to third parties or relinquish (whole or part of the permit) and, as a result, obligations may be reduced or extinguished.

(b) Lease commitments

The Consolidated Entity has entered a non-cancellable Perth Office lease commencing 1 November 2023. The Group has applied AASB16 Leases, resulting in this lease being recognised as a right-of-use asset. The outstanding commitment at 30 June 2024 is \$105,917.

No other lease commitments exist as at 30 June 2024.

14. EVENTS OCCURRING AFTER THE REPORTING PERIOD

No other matter or circumstance has arisen between 30 June 2024 and the date of this report that will affect the Group's operations, result or state of affairs, or may do so in future years.

DIRECTORS' DECLARATION

1. In the Directors' opinion:
 - a. the condensed consolidated financial statements and notes set out on pages 11 to 23 of the Consolidated Entity are in accordance with the *Corporations Act 2001 (Cth)*, including:
 - i. complying with Accounting Standard AASB 134 "Interim Financial Reporting", the *Corporations Regulations 2001 (Cth)* and other mandatory professional reporting requirements, and
 - ii. giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2024 and of its performance for the half-year ended 30 June 2024;
 - b. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

This declaration is made in accordance with a resolution of the Directors of Black Mountain Energy Ltd:



Rhett Bennett
Executive Chairman and Chief Executive Officer

Fort Worth, TX USA

13 September 2024



Independent Auditor's Review Report

To the shareholders of Black Mountain Energy Ltd

Conclusion

We have reviewed the accompanying **Interim Financial Report** of Black Mountain Energy Ltd.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Interim Financial Report of Black Mountain Energy Ltd does not comply with the *Corporations Act 2001*, including:

- Giving a true and fair view of the **Group's** financial position as at 30 June 2024 and of its performance for the Half-year ended on that date; and
- Complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The **Interim Financial Report** comprises:

- Condensed consolidated statement of financial position as at 30 June 2024;
- Condensed consolidated statement of profit or loss and other comprehensive income, Condensed consolidated statement of changes in equity and Condensed consolidated statement of cash flows for the Half-year ended on that date;
- Notes 1 to 14 including selected explanatory notes; and
- The Directors' Declaration.

The **Group** comprises Black Mountain Energy Ltd (the Company) and the entities it controlled at the Half year's end or from time to time during the Half-year.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report.

We are independent of the 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 (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with these requirements.



Responsibilities of the Directors for the Interim Financial Report

The Directors of the Company are responsible for:

- the preparation of the Interim Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*; and
- such internal control as the Directors determine is necessary to enable the preparation of the Interim Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the review of the Interim Financial Report

Our responsibility is to express a conclusion on the Interim Financial Report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the Interim Financial Report does not comply with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 30 June 2024 and its performance for the half-year ended on that date, and complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

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


KPMG



John Ward

Partner

Perth

13 September 2024

PERMITS GRANTED

Australia

PERMIT	LOCATION	OPERATOR	BME CONSOLIDATED ENTITY		OTHER JV PARTICIPANTS	
			Registered Interest (%)	Beneficial Interest (%)	Participant Name	Beneficial Interest (%)
EP 371	Canning Basin, Western Australia	Bennett Resources	100	100	n/a	n/a

United States of America

At 30 June 2024 the Company retains its working interest in 8 morrow wells.

API number	Well	Township	Gross Acres	Net Acres	Working Interest	Operator
30-015-35687	Lakewood 21 #001	T19S-R26E	315.29	121.94	38.23%	Rubicon Oil & Gas LLC
30-015-36047	Lakewood 21 #002	T19S-R26E				Rubicon Oil & Gas LLC
30-015-56400	Lakewood 28 #001	T19S-R26E	147.89	34.91	26.36%	Rubicon Oil & Gas LLC
30-015-36858	Lakewood 28 #002	T19S-R26E	326.68	127.30	37.02%	Rubicon Oil & Gas LLC
30-015-35786	Lakewood 32 #001	T19S-R26E	318.31	127.25	39.77%	Rubicon Oil & Gas LLC
30-015-35944	Lakewood 33 #001	T19S-R26E	317.06	126.35	39.98%	Rubicon Oil & Gas LLC
30-015-36322	MOMO 33 #001	T19S-R26E	268.33	107.33	40.00%	Rubicon Oil & Gas LLC
30-015-34823	Twin Peaks Fed #001	T20S-R26E	1,120.00	480.00	50.00%	Rubicon Oil & Gas LLC
30-015-34823	Twin Peaks Fed #001	T19S-R26E	400.00	18.00	25.00%	Rubicon Oil & Gas LLC

CORPORATE DIRECTORY

BLACK MOUNTAIN ENERGY LTD

ABN 83 652 281 868

DIRECTORS

Mr Rhett Bennett BSc, Executive Chairman and Chief Executive Officer
Mr Michael Laurent Executive Director and Chief Operating Officer
Mr Ben Donovan, BComm (Hons), Non-Executive Director

COMPANY SECRETARY

Mr Ben Donovan, BComm (Hons)

REGISTERED OFFICE

Level 4, 225 St Georges Terrace, Perth, Western Australia, 6000
Telephone: +61 8 9200 1685
Facsimile: +61 8 9200 1684
www.blackmountainenergy.com

AUDITORS

KPMG
235 St Georges Terrace, Perth, Western Australia, 6000

SOLICITORS

Hamilton Locke
Level 48, 152-158 St Georges Terrace, Perth, Western Australia, 6000

BANKERS

Westpac Banking Corporation
109 St Georges Terrace, Perth, Western Australia, 6000

SHARE REGISTER

Automic Group
Level 5, 191 St Georges Terrace, Perth, Western Australia, 6000
Telephone: 1300 288 664
Telephone: +61 2 9698 5414
Facsimile: +61 2 8583 3040
www.automicgroup.com.au

STOCK EXCHANGE LISTING

Black Mountain Energy Ltd is not listed on any exchange