

31 July 2023

QUARTERLY ACTIVITIES REPORT to 30 June 2023

Blue Energy Limited (ASX: BLU, ‘Blue Energy’, ‘Blue’ or ‘the Company’) is pleased to report on activities during the quarter ended 30 June 2023 across its exploration acreage in Queensland and the Northern Territory, in which the Company’s key gas and oil projects are located.

KEY HIGHLIGHTS

- NSAI has updated the gas resource figures for the Lancewood and Central Blocks (as advised to the market today 31 July 2023) located within ATP 814P. NSAI and Blue are continuing to work the Sapphire Block reserves update post the Sapphire Pilot drilling completed in 2022 and expect to announce the results in the near term.
- The Resource review of Lancewood and Central has yielded the following results:
 - **Lancewood:**
 - Increase in 3C Contingent Resource and 573 PJ (+32%)
 - **Central**
 - Increase in 3C Contingent Resource category of to 469 PJ (+53%)
 - Reassignment of 75 PJ of 3P Reserves to Contingent Resources relating to conversion of Production Licence Application to Potential Commercial Area Application.
- Total Corporate 3C Contingent Resources increases to 4,836 PJ;
- Sapphire pilot well gas flow rate reached 140,000 standard cubic feet per day (scfd) in April and was most recently flowing at 100,000 scfd (Figure 3) when a decision was made to shut in the Pilot wells to conduct a Pressure Build Up Survey, to assess pressure connectivity between the Sapphire 5 and 6 Pilot wells.
- Environmental Authority for Sapphire Production Licence Application area granted by Queensland Department of Environment and Science;
- MoU executed with QPM for sale of Pilot gas securing access to Moranbah Gas Plant and Townsville Domestic Market (Figure 1 and 2) – desktop engineering work for the connection is underway;
- Federal “Mandatory Code of Conduct” for the gas industry finalised. Blue Energy exempted from \$12/Gj price cap as a small domestic (future) gas producer. Exemptions for domestic gas producers supplying under 100 PJ per annum;
- First of two Research and Development rebate claims lodged with the Australian Tax office and Austrade.

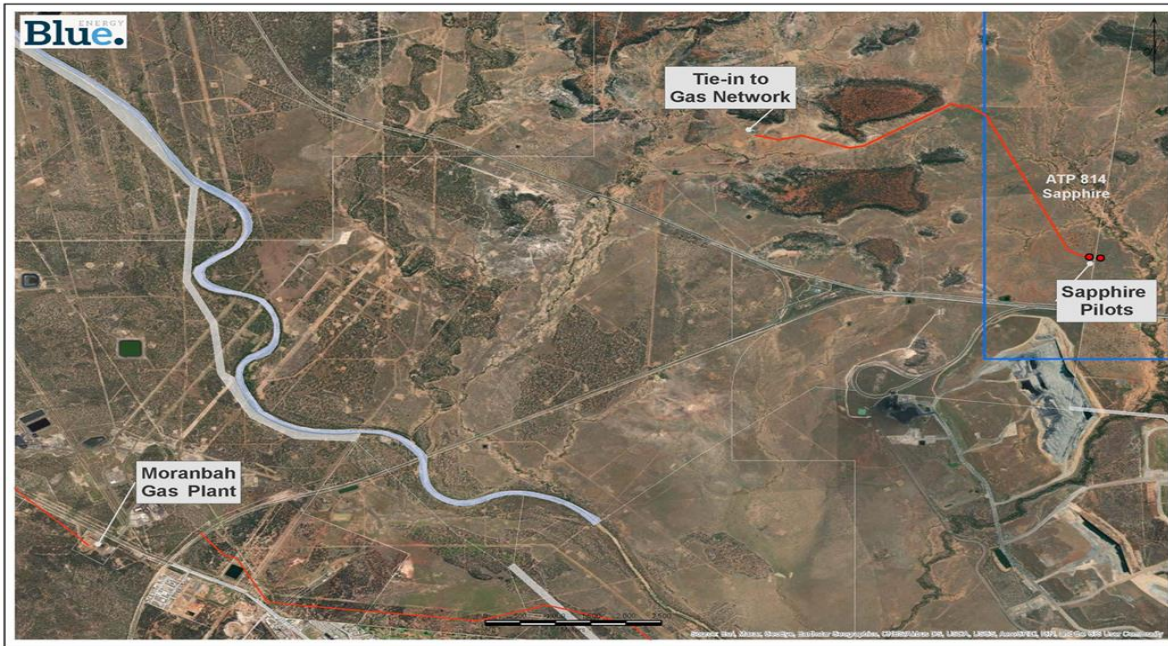


Figure 1: Preliminary pipeline route from Sapphire to the Moranbah Gas Project infrastructure tie in point.

Blue Energy North Bowen Basin Reserves and Resources Upgrades

Following completion of the 2022 Sapphire pilot drilling campaign, the resulting geological well data was submitted to the Company’s independent reserve certifier Netherland Sewell and Associates Inc (NSAI) of Dallas Texas. NSAI and Blue are currently working through the dataset together to re-assess the Reserves in the Sapphire Block. Additionally, NSAI have already reviewed the Central and Lancewood Blocks in light of Blue’s decision to re-assess the merit at this time of pursuing a Production Licence Application for these two blocks, which are further from the existing infrastructure. Consequently, based on that more distant infrastructure and well data, the 2P and 3P reserves carried for these two blocks have been reassigned as Contingent Resources. The resulting review of Central and Lancewood blocks has yielded the following reserve and resource estimates:

Lancewood Block

Permit	1P (PJ)		2P (PJ)		3P (PJ)		1C (PJ)		2C (PJ)		3C (PJ)	
	new	*old	new	*old	new	*old	new	*old	new	*old	new	*old
ATP 814P, Lancewood Block, Qld	-	-	-	-	0	1	203.2	5.0	232.8	23.0	573.1	435.0
% change	-	-	-%	-	-100.0%	-	+3,964.0%	-	+912%	-	+31.7%	-

Table 1: Lancewood Block ATP 814; NSAI Reserve and Contingent Resource assessment

Central Block

Permit	1P (PJ)		2P (PJ)		3P (PJ)		1C (PJ)		2C (PJ)		3C (PJ)	
	new	*old	new	*old	new	*old	new	*old	new	*old	new	*old
ATP 814P, Central Block, Qld	-	-	0	12	0	75	39.1	50.0	111.1	99.0	469.4	306.0
% change	-	-	-100%	-	-100.0%	-	-21.8%	-	+12.2%	-	+53.4%	-

Table 2: Central Block: NSAI Reserve and Contingent Resource assessment

Current ATP 814 Gas Reserves and Contingent Gas Resource Estimate

Permit	1P (PJ)		2P (PJ)		3P (PJ)		1C (PJ)		2C (PJ)		3C (PJ)	
	new	*old	new	*old	new	*old	new	*old	new	*old	new	*old
ATP 814P, All Blocks,	–	–	66.5	78.5	260.0	335.2	411	224.3	1385	1163.9	3577	3276.4
% change	–	–	--15.3%	–	-22.4%	–	+83.0%	–	+19%	–	+9%	-

Table 3: ATP 814 Aggregate Gas Reserves and Contingent Resources post NSAI assessment (Sapphire re-assessment still underway)

Assessment of the Lancewood and Central blocks making up part of ATP 814 was undertaken by NSAI and this has resulted in the following gross ATP 814 gas resource changes:

Total ATP 814

- 1C (Contingent Gas Resources): 411 PJ (increase of 83%)
- 2C (Contingent Gas Resources): 1,385 PJ (increase of 19%)
- 3C (Contingent Gas Resources): 3,577 PJ (increase of 9%)

Following the NSAI review of Lancewood and Central Blocks (ATP 814) the total **Corporate Reserves and Resources** estimate attributable to Blue Energy is as follows:

Proved (1P): 0 PJ

Proved and Probable (2P): 66.5 PJ

Proved Probable and Possible (3P): 260 PJ

Contingent Resources (3C): 4,846 PJ

Total Corporate Gas Reserves and Resources

Permit	1P (PJ)		2P (PJ)		3P (PJ)		1C (PJ)		2C (PJ)		3C (PJ)	
	new	*old	new	*old	new	*old	new	*old	new	*old	new	*old
ATP 814P	–	–	66.5	78.5	260.0	335.2	411	224.3	1385	1164	3577	3276
ATP 813	-	-	-	-	-	-	-	-	61	61	830	830
ATP 854	-	-	-	-	-	-	90	90	194	194	398	398
Total			66.5	78.5	260.0	335.2	501.0	314.3	1640.0	1418.0	4804.0	4504.0
% change	–	–	15.3%		-22.4%	–	+59.4%	–	+15.6%	–	+6.7%	–

Table 4: Aggregate Blue Energy Gas Reserves and Contingent Resources

Environmental Authority Upgrade

Blue's application to the Queensland Department of Environment and Science (DES) for the upgrade of the Environmental Authority's (EA) for the Sapphire, Central and Lancewood Blocks of ATP 814 (to allow grant of Production Licences by the State) has been successful. DES granted EA's for these three blocks on 23 March 2023, and following an external objection to DES's internal processes for issuing the EA, the grant of the EA was upheld and confirmed in June 2023.

Blue and Queensland Pacific Metals Energy (QPME) execute new MoU for gas supply

As announced 8 June 2023, Blue Energy executed a new non-binding Memorandum of Understanding (MoU) with QPME for gas supply from Sapphire into the Moranbah Gas Project (which is subject to completion of a Purchase and Sale process between QPME and the Arrow Energy/AGL joint venture).

This MoU provides Blue with a simple path to the commercialising of its pilot gas flow from the appraisal pilot well production testing activities being currently conducted in Blue's 100% held Sapphire Block in ATP 814 (PLA 1034). It will also provide a longer term connection to the Moranbah Gas Project (MGP) and Townsville gas market.

The Sapphire Pilot is located only 3 kilometres from QPME's low pressure gas gathering system.

The MoU is also the first step in a strengthening alliance between Blue and QPME for the development of gas reserves in the North Bowen Basin and paves the way to develop Blue's gas reserves to supply the previously announced Gas Supply MoU with QPM for their Nickel Refinery project in Townsville⁺⁺

Blue and QPME's parent company QPM have an existing MOU for the supply of 7 PJ/annum of gas over 15 years to QPM's Proposed Nickel Refinery in Townsville. This is a separate agreement and remains on foot.

Engineering works (desk top) have commenced to establish the mechanics and logistics of the tie in point and transfer point for the delivery of the gas.

Federal Gas Market Intervention – Code of Conduct Finalised

The Federal Government's "Mandatory Code of Conduct" for the gas industry was finalised during the Quarter, following the unilateral imposition of a gas price cap of \$12 per Gigajoule on gas producers (not retailers) in December of 2022.

The key issues to note from the new Code are:

- The \$12/ GJ price cap on gas producers is confirmed and remains in place and will reviewed in 1 July 2025.
- Small gas producers are exempt from the price cap providing they only supply the domestic gas market and with annual volumes less than 100 Petajoules for that year.
- There is wide Ministerial discretion to exempt LNG producers in return for domestic supply commitments.
- The ACCC has been appointed to enforce price cap compliance.

- There are now a large number of mandatory (codified) requirements to be met by the gas producer in the process of offering gas supply and the gas supply contract negotiation process.

ACTIVITY IN PROVEN BASINS

Bowen Basin, Queensland: ATP 814 (Blue Energy 100% and Operator)

The Sapphire Pilot drilling program was completed late last year and the production testing phase has been underway since February. During the period, the gas rate from the Pilot reached 140,000 standard cubic feet per day and water rate is approximately 200-250 barrels per day (Figure 3). This water rate was deliberately regulated with monitoring of fluid levels within the vertical wells and pump capacity and speed.

Since the end of the period and just prior to the report date, the decision was taken to perform a Pressure Build Up survey to assess the pressure connectivity between the Sapphire 5 and Sapphire 6 Pilot wells. This will involve temporarily shutting in the Sapphire lateral wells for a period of two to four weeks and observe the pressures in the wells.

Geological data from the drilling phase was provided to the Company's independent reserve certifier Netherland Sewell and Associated Inc of Dallas (NSAI), for assessment. The results of this initial assessment by NSAI is still pending completion, however, their review of the Lancewood and Central Blocks as announced to the market earlier today, has increased the 3C contingent gas resource in the Lancewood Block by to 573.1 PJ (+32%) and the Central Block 3C contingent gas resource to 469 PJ (+53.4%).

In addition to this resource upgrade, NSAI has reassigned 2P and 3P reserves in Lancewood (1PJ 3P) and Central (75 PJ 3P) to the Contingent Resource category. This is based on review of regional data and that Blue has applied to the Qld Government to convert the current Production Licences (PLA 1038 and 1045) to Potential Commercial Areas (PCA's) in order to focus the Company's resources on the Sapphire Block Production Licence (PLA 1034.)

The PL 1034 application area (Sapphire Block) is located immediately adjacent to the Moranbah Gas Project (MGP), a producing gas field which is now owned by Queensland Pacific Minerals Energy (QPME). Blue Energy has an existing non-binding Memorandum of Understanding to supply gas to the proposed QPM (parent entity to QPME) Nickel refinery in Townsville.

With the acquisition of the MGP by QPME, there is now full alignment for Blue to utilise MGP infrastructure and to fulfil the supply agreement to the proposed QPM Townsville plant. Reflecting this alignment, Blue and QPME executed a non-binding MoU to supply pilot gas to the MGP from the Sapphire Pilot via a proposed pipeline from Sapphire Pilot location to an infield location within the Moranbah Gas field (Figures 1&2).



Figure 2: Provisional pipeline route for tie into QPME's Moranbah Gas Project low pressure network

The application for PL 1034 is currently with the Queensland Government for the issue of the Production Licence (PL). Blue Energy is 100% owner and operator of ATP 814P and the PL 1034 application area.

During the Quarter Blue was granted (by the Queensland Department of Environment and Science) an upgraded Environmental Authority for the PL 1034 application. This grant will cover the proposed development of the PL 1034 gas resource and is a requirement for grant of the Production Licence. Blue also requires a Native Title Agreement to be executed over the area of a PL, to allow the State to grant the PL. Blue is presently in negotiations with the Traditional Owners Prescribed Body Corporate of the relevant PL 1034 area.

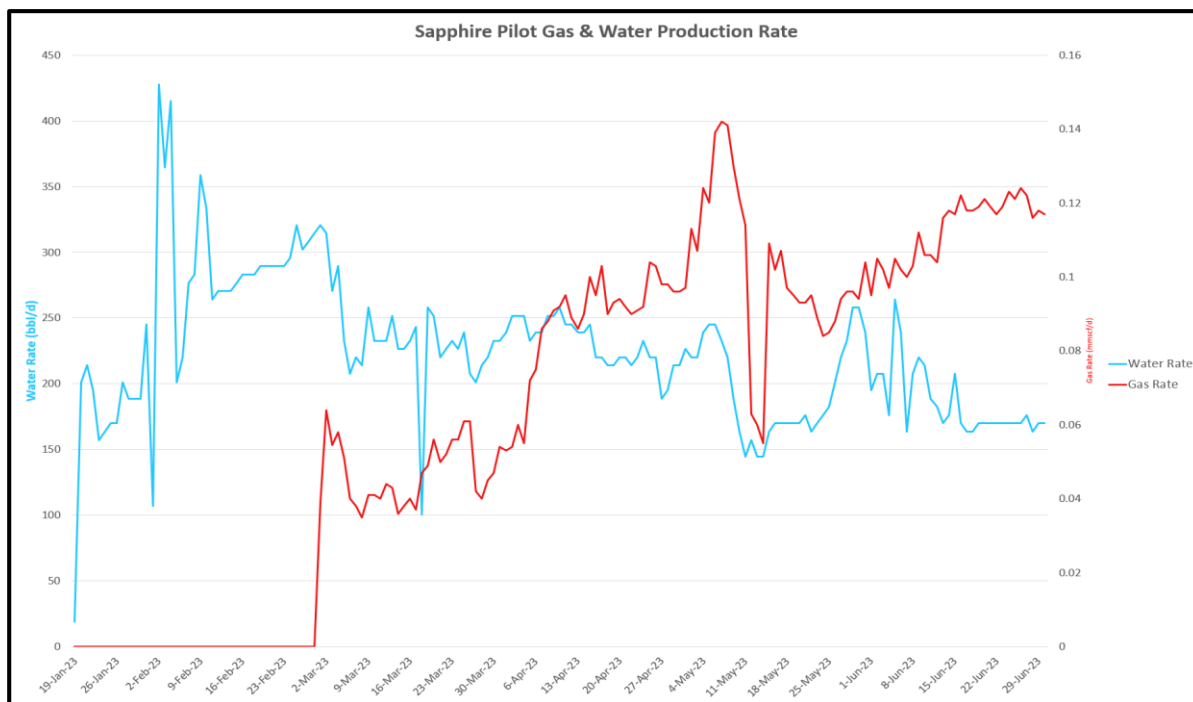


Figure 3: Sapphire gas and water rates since commissioning (water is blue curve and LH axis; gas is red curve and RH Axis). †see Listing Rule 5.42 Disclosure at page 10

Surat Basin, Queensland: ATP 854 (Blue Energy 100% and Operator)

Blue has lodged PCA applications over this permit area to allow this tenure to progress toward assessing and developing the potential economic gas resources which Blue’s work to date has identified. Blue continues to work with the Queensland Government to secure grant of these PCAs.

Blue has an existing 398 PJ+ of Contingent Resources in ATP 854 as assessed by NSAI. The gas resource located near the heart of the CSG–LNG Surat Basin gas supply precinct and has gas pipeline infrastructure (PPL 30 and PL 118) linking Wallumbilla to Gladstone running directly through the permit (Figure 4 below).

* see Listing Rule 5.42 Disclosure at page 10.

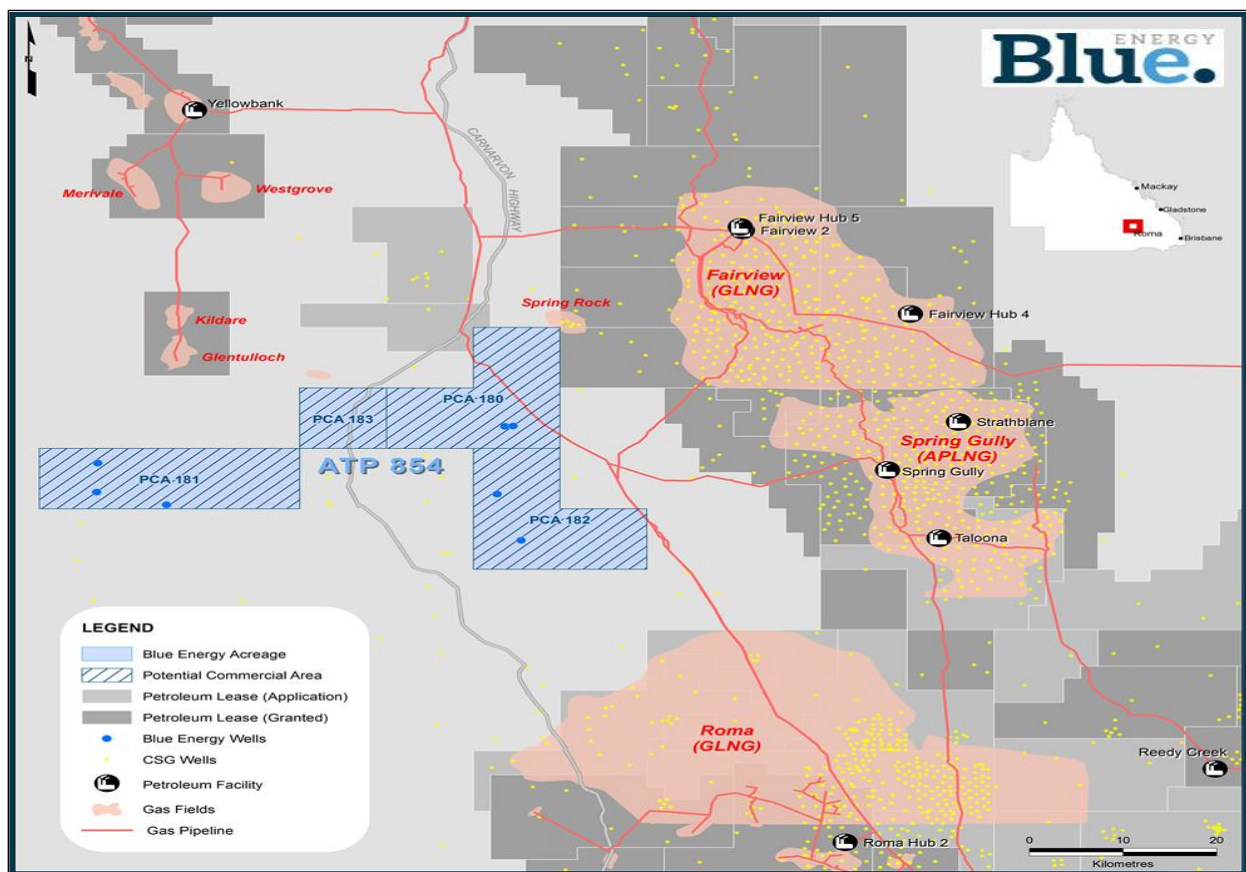


Figure 4: Location of ATP 854 in relation to existing pipeline infrastructure and major gas fields.
Source: Blue Energy.

ACTIVITY IN EMERGING BASINS

**Greater McArthur Basin, Northern Territory:
(Various permits and equity levels, Blue Energy Operator: see Figure 6)**

Blue has lodged the Environmental Management Plan (EMP) for the acquisition of 2D regional seismic in EPs 200, 205 and 207. The EMP incorporates the results of the on ground survey work undertaken

by Blue Energy which looked at the flora and fauna aspects of the survey line locations and access points of the proposed seismic line locations. Blue is working the relevant Northern Territory Government departments to progress the EMP to approval.

As previously advised Blue has sought and been granted a Suspension and Extension of the EP 200, 205 and 207 tenures and work programs to reflect the delays in approval processes experiences on the work programs in these tenures,

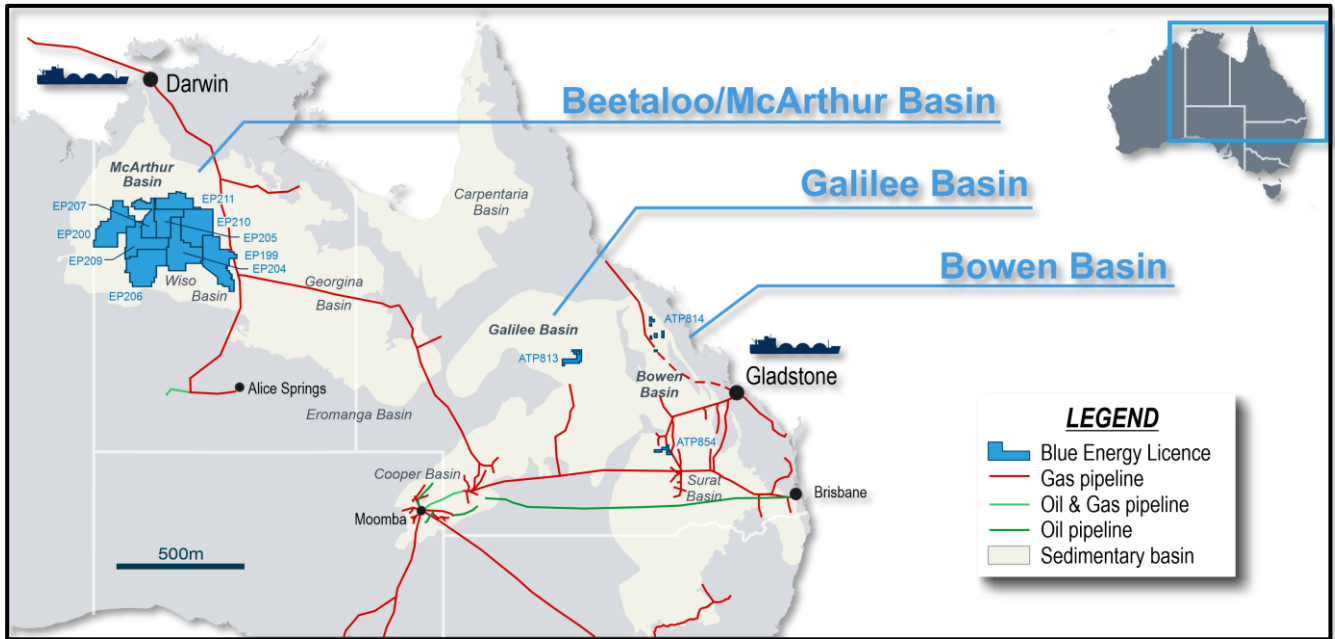


Figure 5: The Blue Energy exploration asset portfolio Source: Blue Energy.

Galilee Basin, Queensland: ATP 813 (Blue Energy 100% and Operator)

Blue has an existing 838 PJ+ of Contingent Gas Resources in ATP 813 within the Betts Creek Coal Measures in this permit (as assessed by NSAI). As previously reported, NSAI has identified a further 1,956 PJ++ of Prospective Resource (gas in place) in the permit. Blue has 9 separate but contiguous PCA applications over part of the permit area which are currently with the Queensland Department of Resources for grant.

Georgina and Carpentaria Basin ATP application areas (Blue Energy 100% and Operator)

Blue advises that it has withdrawn its applications with the Qld Department of Resources for the Georgina exploration blocks (ATP Applications 1114, 1117 and 1123) and the Carpentaria Block (ATP Application 1112). Following protracted Native Title negotiation efforts for the Georgina areas, in which Blue sought mediation assistance from the National Native Title Tribunal (NNTT), and who were unable to assist, together with a subsequent (and successful) Future Act Determination Application submission to the NNTT, Blue Energy became aware of Queensland Government commitments to new Pristine Rivers legislation governing oil and gas activity in the greater Lake Eyre Basin (covering the Cooper, Eromanga, Georgina, Galilee and parts of the Carpentaria Basins) which effectively would preclude grant of future Production Licences for oil and gas development over the area. On this basis the Directors came to the conclusion that it was not in the best interest of shareholders and the stewardship of shareholder funds to commit exploration expenditure to these areas, with no prospect of being granted production tenure and therefore generating any return on the exploration

expenditure were Blue to accept grant of these tenures from the State. Reluctantly, the Blue Board agreed to withdraw these frontier area exploration applications.

June Quarter Exploration Expenditure Summary

During the Quarter, and as noted in Section 2.1 (d) of the Appendix 5B Form (appended to this Quarterly Activity report), the company expended \$0.989 million on exploration and evaluation activities.

This total is comprised of general exploration expenditure (Tenement access, Tenure administration and Tenure management) together with Sapphire Pilot well activities (equipment hire, fuel, consumables, labour hire), resource assessment costs plus labour and overhead costs charged to the Sapphire Project

During the June quarter Blue received \$1,015k in full settlement of an insurance claim relating to previously reported exploration and evaluation expenditure incurred by the Company in relation to a portion of the drill string that was lost in hole during the Sapphire pilot drilling campaign. The insurance claim proceeds have been offset against the related capitalised exploration and evaluation expenditure and are disclosed separately at Item 2.5 of the Appendix 5B for the June quarter.

CORPORATE

Cash position

Cash on hand (at 30 June 2023) was A\$2.4 million. The Company has nil debt.

Blue has made application to the Australian Tax Office and Austrade for the first of two Research and Development rebates. This first R&D rebate claim covers the planning phase of the 2022 Sapphire Pilot program (conducted in the 2021/22 FY). The second R&D claim will cover the execution phase of the Sapphire Pilot drilling program conducted in FY 2022/23.

Blue's accompanying Appendix 5B (Quarterly Cashflow Report) includes an amount in Item 6.1 which constitutes Non-executive Directors' fees for the quarter. The aggregate amount of payments to related parties and their associates for the June quarter (shown in Items 6.1 and 6.2 of the attached Quarterly Cashflow Report) relates to cash fees paid to all Directors (including salaries paid to the Executive Chairman and Managing Director).

Permit	Block	Assessment Date	Announcement Date	1P (PJ)	1C (PJ)	2P (PJ)	2C (PJ)	3P (PJ)	3C (PJ)
ATP854P		22/01/2022	25/01/2022	-	90	-	194	-	398
ATP813P		29/10/2014	30/10/2014	-	-	-	61	-	830
ATP814P	Sapphire	11/07/2022	14/07/2022	-	154.0	66.5	213.9	253.2	214.0
ATP814P	Central	11/07/2023	31/07/2023	-	39	-	111	-	469
ATP814P	Monslatt	5/12/2015	8/12/2015	-	-	-	619	-	2,054
ATP814P	Lancewood	11/07/2023	31/07/2023	-	203	-	232	-	573
ATP814P	Hillalong	27/02/2020	27/02/2020	-	-	-	182	-	237
ATP814P	South	30/06/2013	29/07/2013	-	15	-	27	6	30
Total (PJ)				-	501	67	1,640	260	4,804

Table 1: Blue Energy gas reserves and resources (net) as at 31 July 2023⁺

⁺Listing Rule 5.42 Disclosure

The estimates of Reserves and Contingent Resources noted throughout this Quarterly Activities Report have been provided by Mr John Hattner of Netherland, Sewell and Associates Inc (NSAI) and were originally reported in the Company's market announcements of 25 January 2012, 26 February 2013, 19 March 2013, 8 December 2015, 28 February 2019, 22 January 2022, 14 July 2022 and 11 July 2023. NSAI independently regularly reviews the Company's Reserves and Contingent Resources. Mr Hattner is a full-time employee of NSAI, has over 30 years of industry experience and 20 years of experience in reserve estimation, is a licensed geologist and a member of the Society of Petroleum Engineers (SPE), and has consented to the use of the information presented herein. The estimates in the reports by Mr Hattner have been prepared in accordance with the definitions and guidelines set forth in the 2018 Petroleum and Resource Management System (PRMS) approved by the SPE, utilising a deterministic methodology.

Blue Energy confirms that it is not aware of any new information or data that materially affects the information included in any of the announcements relating to ATP 813, 814 or 854 referred to in this report and that all of the material assumptions and technical parameters underpinning the estimates in this Quarterly Activities Report continue to apply and have not materially changed.

⁺⁺ Listing Rule 5.28.2: 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 appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

Table 2: Queensland petroleum tenements

Permit	Location	Interest Held Previous Quarter	Interest Held Current Quarter
ATP813	Galilee Basin (Qld)	100%	100%
ATP814	Bowen Basin (Qld)	100%	100%
ATP854	Surat Basin (Qld)	100%	100%

Table 3: Northern Territory tenements

*Permit	Location	Interest Held Previous Quarter	Interest Held Current Quarter	Comment
EP199A*	Wiso Basin (NT)	10%	10%	See Note 1
EP200*	Wiso Basin (NT)	10%	10%	See Note 1
EP205*	Wiso Basin (NT)	10%	10%	See Note 1
EP206A*	Wiso Basin (NT)	10%	10%	See Note 1
EP207*	Wiso Basin (NT)	10%	10%	See Note 1
EP208A*	Wiso Basin (NT)	10%	10%	See Note 1
EP209A*	Wiso Basin (NT)	10%	10%	See Note 1
EP210A*	Wiso Basin (NT)	10%	10%	See Note 1
EP211A*	Wiso Basin (NT)	10%	10%	See Note 1

*Exploration blocks where Blue is Operator and farming into.

Note 1: Subject to Farm-in Agreement which, upon completion of the seismic work program, will result in Blue becoming a 50% equity participant.

Released by Authority of the Board per:

John Phillips
Managing Director
Blue Energy Limited

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Blue Energy Limited

ABN

14 054 800 378

Quarter ended ("current quarter")

30 June 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(81)	(518)
(e) administration and corporate costs	(84)	(1,143)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	21	108
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	175
1.9 Net cash from / (used in) operating activities	(144)	(1,378)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities		
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	(989)	(23,289)
(e) investments	-	-
(f) other non-current assets	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other – proceeds from insurance claim against lost downhole equipment offset against exploration and evaluation expenditure	1,015	1,015
2.6	Net cash from / (used in) investing activities	26	(22,274)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	20,000
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(802)
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	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	19,198

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,518	6,854
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(144)	(1,378)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	26	(22,274)

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	19,198
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	2,400	2,400

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	1,479	1,978
5.2	Call deposits	921	540
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)	2,400	2,518

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	111
6.2	Aggregate amount of payments to related parties and their associates included in item 2	64
<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>		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. 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	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
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.	[]	

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(144)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d)) – excluding insurance recovery at item 2.5	(989)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(1,133)
8.4 Cash and cash equivalents at quarter end (item 4.6)	2,400
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	2,400
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	2.12
<i>Note: if the entity has reported positive relevant outgoings (i.e., a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 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: Not applicable	
8.8.2 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: Not applicable	

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: **Not applicable**

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

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: 31 July 2023

Authorised by: The Board of Blue Energy Limited
(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 6: Exploration for and Evaluation of Mineral Resources* and *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 standards apply 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.