

31 January 2024

QUARTERLY ACTIVITIES REPORT to 31 December 2023

Blue Energy Limited (ASX: BLU, ‘Blue Energy’, ‘Blue’ or ‘the Company’) is pleased to report on activities during the quarter ended 31 December 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

- ATO rebate of \$7.05 million received post 31 December 2023 - interim funding arrangement repaid.
- Post 31 December 2023, cash balance is \$6.65 million; Company is debt free.
- Sapphire Status: Pilot continues to flow gas at low rates from the Sapphire 6L3 and Sapphire L4 laterals. Sapphire 5 laterals and vertical water production well have been shut in to allow maintenance of the hydraulic pump unit on the Sapphire 5 vertical well. This work is expected to be completed early February.
- Blue has lodged applications under the Queensland Government Frontier Gas Exploration \$21 million Grants Program to conduct new exploration drilling in ATP 814 tenure.
- The Australian Government is developing a Future Gas Strategy which is designed to a medium (to 2035) and long-term (to 2050) plan for gas production and consumption in Australia. The Strategy is expected to be released mid 2024.
- Blue has been granted approval of its Environmental Management Plan for the acquisition of 2D seismic in EP’s 205 & 207 in the Northern Territory. Geoscience Australia acquired regional 2D seismic data in the Wiso Basin area of the Northern Territory, some of which is within Blue’s tenement areas. Raw data available in March
- The Northern Territory Government (Minister for Industry, Tourism and Trade) has also granted a Suspension of work program and extension of the permit terms for EP’s 200, 205 and 207 due to approval process for the 2D seismic EMP.
- Blue Energy has continued to lodge information as required by the schedule determined the Land Court of Queensland in the appeal by the Environmental Defenders Office against the Department of Environment and Science. the required information of Appeal by Environmental Advocacy in CQ against award of Environmental Authority awarded to Blue.

Research and Development Claim and Interim Loan Coverage

As forecast in the September 30 Quarterly report (released to the market 31 October 2023) the second R&D claim covering the larger quantum of the Sapphire Pilot drilling activity was lodged with Austrade and the ATO. During the period under review, Austrade approved this claim as eligible for a research and development rebate and the ATO evaluated the quantum of the rebate application submitted by Blue as appropriate. Subsequent to the 31 December quarterly reporting period the ATO refunded a total of \$7.05 million to Blue Energy. Given the probable timing of the ATPO R&D decision and refund, Blue entered into an interim funding arrangement with R&Dium Capital which saw a loan agreement executed between Blue and R&Dium for a loan of \$1.951 million to Blue (ASX release of 16 November 2023). With the receipt of the \$7.05 million R&D rebate from the ATO, the R&Dium loan has now been repaid (inclusive of interest) and Blue Energy is again debt free.

Sapphire pilot well production test program preparing to resume following maintenance.

A Pressure Build Up survey to assess the pressure connectivity between the Sapphire 5 and Sapphire 6 Pilot wells was conducted between 9 August and 26 August last year. Results of this test identified potential skin damage on the lateral wells. A remedial program is being considered to redress this issue. The previous re-pressurisation procedure undertaken post pressure build up (ie continuing to dewater through the vertical well whilst keeping the lateral gas well sets shut in) was run pre the Christmas break. Since that time the Hydraulic Pumping Unit on Sapphire 5V vertical well has needed maintenance. This maintenance work is almost complete with Sapphire 5V Pilot expected to be restarted from early February. In the interim period Sapphire 6 L3 and L4 laterals have been flaring gas at low rates (up to 50 mscfd). These wells are producing from the upper two seams only of the Pilot in the Rangal and Fort Cooper Coal Measures.

Queensland Government Frontier Gas Exploration \$21 million Grants Program

The Frontier Gas Exploration Grants Program is providing \$21.045 million in funding by the Queensland Department of Resources to support on-ground gas exploration activities in the Bowen and Galilee Basins. Blue's ATP 814 area in the North Bowen Basin meets the eligibility criteria of the grants program and accordingly Blue has lodged applications under this grants program for new drilling in the ATP 814 area. It is expected that successful applications will be notified during the next quarter.

Blue Energy granted Environmental Management Plan approval for 2D seismic acquisition in EP 205 and EP 207 in the Northern Territory

As previously reported, Blue had lodged with NT Minister for Industry, Tourism and Trade, the Environmental Management Plan for 2D seismic data acquisition with the NT Department of Environment, Parks and Water Security, as a prerequisite and part approval for NT Government full approval to undertake on ground exploration activity (in this case 2D seismic acquisition). Post 31 December 2023, Blue received approval of its EMP. This approval process has taken 11 months and follows environmental work and Indigenous Sacred Site surveys in 2022. Blue continues to undertake land access agreement negotiation with landholders.

Blue Energy granted suspension of work program and extension of permit term for EP's 200, 205 and 207

The Northern Territory Minister for Industry, Tourism and Trade, after consideration of Blue Energy's submission for a suspension and extension of work program and permit terms for the three Wiso Basin permits in the Northern Territory, has granted a 12 month extension as requested by Blue Energy, which became necessary given the duration of the approval process for the Environmental Management Plan, which was submitted to the NT Government early last year. Blue has also in parallel, been negotiating land access for the 2D seismic survey with the respective landowners.

Geoscience Australia acquired regional 2D seismic data in the Wiso Basin area of the Northern Territory and within Blue's tenement areas.

Geoscience Australia (GA) has independently acquired 2D regional scale seismic data in the Wiso Basin (overlays the Birrindudu Basin), and which overlaps Blue Energy's tenements in several locations. This seismic acquisition program is part of a national "Exploring for the Future" seismic acquisition program. The data was acquired by GA in September 2023 and is of great interest to Blue

as it will assist in establishing a regional geological and structural framework in the area where there is currently very little data. It is expected that the raw seismic data will be available in early March.

Environmental Authority ATP 814

As referenced in the September 2023 Quarterly, Blue continues to execute its defence of the grant of Environmental Authorities (EA) by the Queensland Department of Environment and Science (DES) for its proposed activities in ATP 814. Following the grant of the EA by DES, the Environmental Advocacy in Central Queensland Inc (EACQI) lodged an appeal in the Qld Land Court regarding the decision by the Queensland Government (DES) to award the EA to Blue Energy. The Appeal is being conducted by the Environmental Defenders Office (EDO) on behalf of EACQI. The EDO receives part funding for its activities from their Queensland Government.

Notwithstanding that proper process and decision making was undertaken by DES and that extensive supporting materials that Blue submitted for that process were sufficient to grant a standard condition EA, Blue has been joined as a party to the appeal by the EDO as Blue is an interested party being the beneficiary of the EA granted to it.

On 22nd December 2023, Blue submitted its response to the Land Court of an Amended Notice of Appeal lodged by the Environmental Advocacy in CQ Inc. The Department of Environment and Science is to lodge its response to the amended Notice of Appeal by 29th January. The Appellant (EACQI) is then required to reply to Blue and DES' responses by 15h February 2024. The legal process then turns to the nomination of experts by each of the parties for the various technical issues that are the subject of the Amended Notice of Appeal. This process is currently due for completion by 15th March 2024, with the next review of the case by the Land Court on 28th March 2024.

ACTIVITY IN PROVEN BASINS

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

Pressure Build Up survey to assess the pressure connectivity between the Sapphire 5 and Sapphire 6 Pilot wells was conducted between 9 August and 26 August 2023. Results of this work identified potential skin damage to the coals on the lateral wells. A remedial program is being considered to redress this issue. The previous re-pressurisation procedure undertaken post pressure build up (ie continuing to dewater through the vertical well whilst keeping the lateral gas well sets shut in) was run pre the Christmas break. Since that time the Hydraulic Pumping Unity on Sapphire 5V vertical well has needed maintenance. This maintenance is almost complete with Sapphire 5 V Pilot set being restarted from 5th February. In the interim period Sapphire 6 L3 and L4 laterals have been flaring gas at low rates (up to 50 mscfd). These wells are producing from the Upper two seams of the Pilot in the Rangal and Fort Cooper Coal Measures.

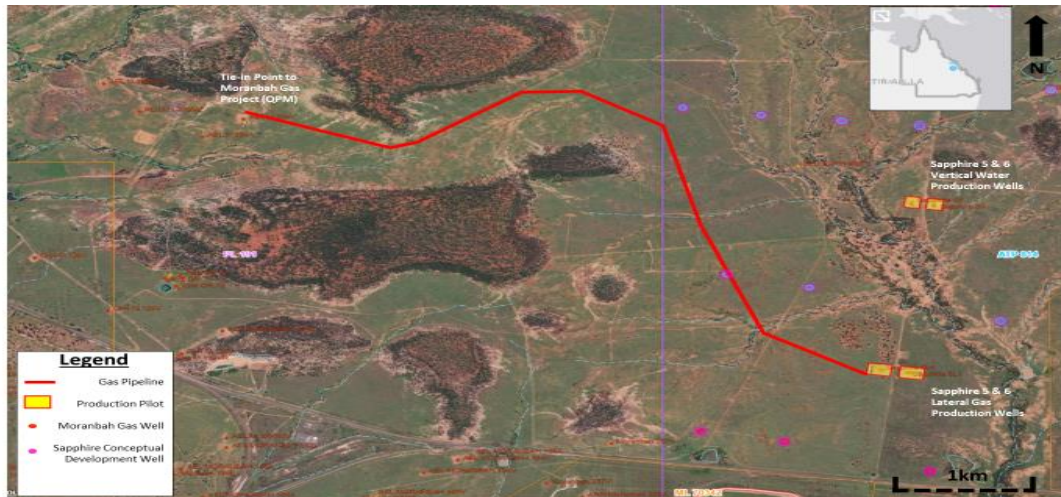


Figure 1: Provisional pipeline route for tie into QPME’s Moranbah Gas Project low pressure network

The Sapphire Pilot is within the PL 1034 production licence application area, which is located immediately adjacent to the Moranbah Gas Project (MGP). The MGP is a producing gas field which was recently acquired by Queensland Pacific Minerals Energy (QPME). Blue Energy has an existing non-binding MoU 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 alignment between QPME and Blue Energy for the Company to utilise MGP infrastructure 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 the Node 3 compressor station within the Moranbah Gas field (Figures 1).

As earlier advised Blue was granted a Site-Specific Environmental Authority (EA) for the PL 1034 application by the Queensland Department of Environment and Science (DES). This EA will cover the proposed development of the PL 1034 gas resource and is a requirement for grant of the Production Licence. As previously advised to the market and described in the section above, The Environmental Defender’s Office has lodged an appeal with the Land Court, against the decision by the DES to award the EA.

Blue also requires a Native Title Agreement to be executed over the area of a PL, to allow the State to award the lease. Blue is presently in negotiations with the prescribed representative of the Traditional Owners for the relevant area of PL 1034.

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

As noted in previous Quarterly reports Blue has lodged PCA applications over this permit area to allow this tenure to progress toward assessing and developing the potential economic gas resources identified by Blue’s exploration drilling work in the permit to date. Blue continues to work with the Queensland Government to secure grant of these PCAs.

Blue has 398 PJ+ of Contingent Resources (recoverable gas) in ATP 854 as assessed by NSAI. The gas resource is located near the heart of the CSG–LNG Surat Basin gas supply precinct and has gas pipeline infrastructure linking Wallumbilla to Gladstone running directly through the permit (Figure 2 below).

* see Listing Rule 5.42 Disclosure at page 9.

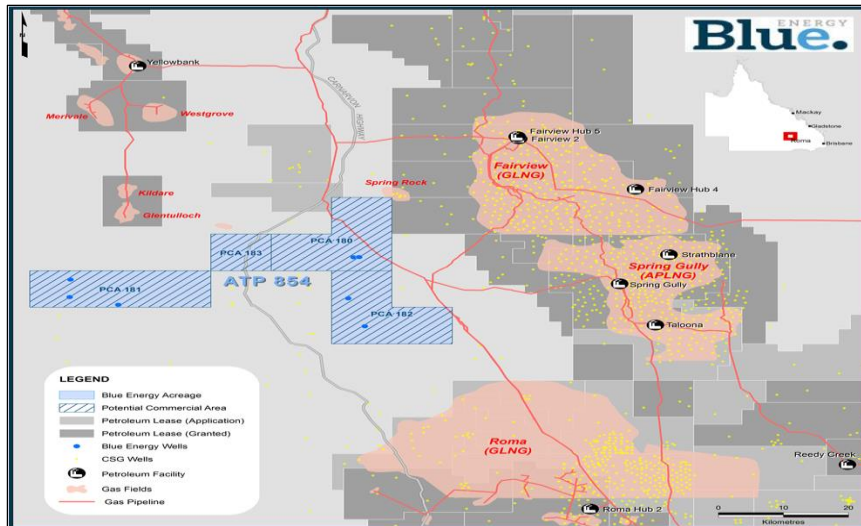


Figure 2: Location of ATP 854 in relation to existing pipeline infrastructure and major gas fields.
Source: Blue Energy.

ACTIVITY IN EMERGING BASINS

Greater McArthur Basin, Northern Territory: (Various permits and equity levels, Blue Energy Operator: see Figure 5)

As has been noted already, Blue lodged an Environmental Management Plan (EMP) for the acquisition of 2D regional seismic in EPs 200, 205 and 207 with the NT Department of Environment, Parks and Water Security. The EMP incorporated the results of the on ground survey work undertaken by Blue Energy in 2022 which looked at the flora and fauna aspects of the survey line locations and access points of the proposed seismic line locations.

Subsequent to 31 December 2023, Blue has been advised by the Department of Environment, Parks and Water Security that it has approved the EMP for this data acquisition.

Blue has also sought and been granted a Suspension and Extension of the EP 200, 205 and 207 tenures and their work programs to reflect the delays in the approval process for the 2D seismic acquisition EMP proposed for these tenures. These extensions will be valid until February 2025.

As advised in the September 2023 quarterly report, Geoscience Australia (GA) has independently acquired deep 2D regional scale seismic data in Wiso Basin (Birringudu Basin). A good portion of this seismic data overlaps Blue Energy’s tenements.

This seismic acquisition program is part of a national “Exploring for the Future” acquisition program. The data was acquired by GA in September 2023 and Blue understands the raw seismic data will be available in early March after which Blue will process this data to evaluate the structural aspects and potential prospectivity of the shallow Proterozoic section of interest in EP 200. See Figure 3

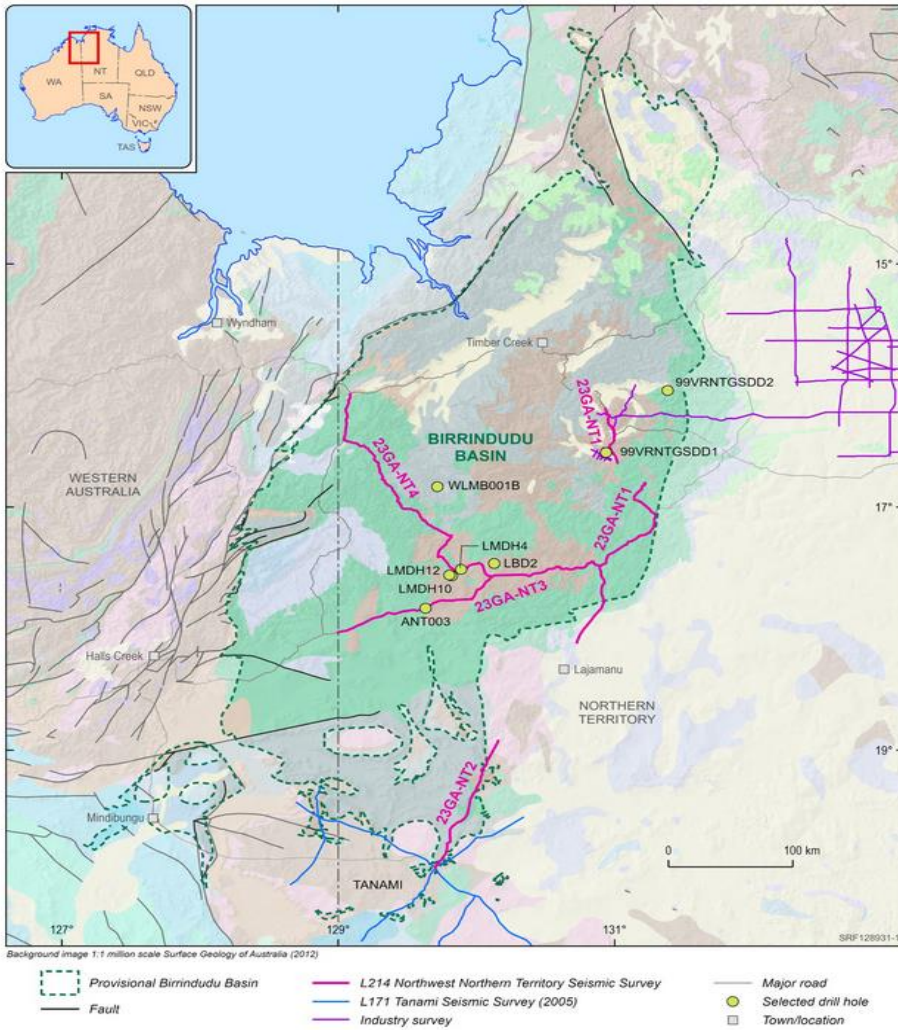


Figure 3 – location of Geoscience Australia Seismic Survey, part of the Exploring for the Future national program (Source: Geoscience Australia)

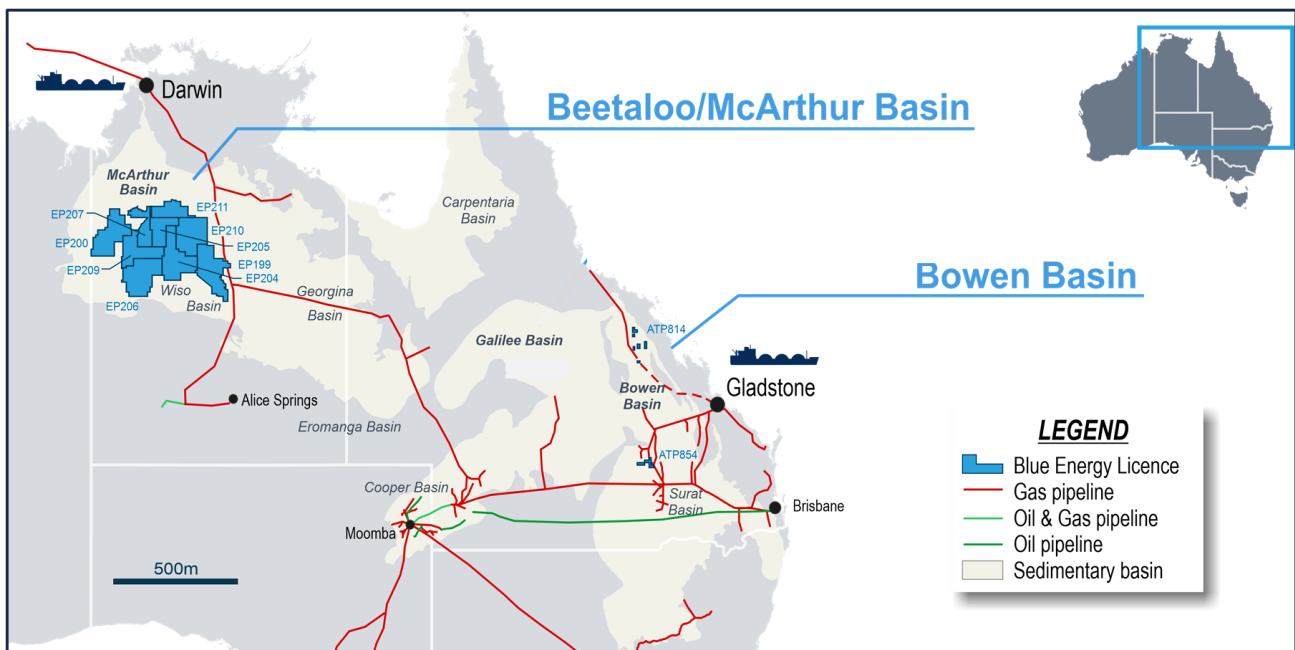


Figure 4: The Blue Energy exploration asset portfolio Source: Blue Energy.

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 \$1.026 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

CORPORATE

Cash position

Cash on hand (at 31 December 2023) was A\$1.72 million. **However**, subsequent to the record date (31 December 2023) the receipt of \$7.099 million in Research and Development rebate funds from the Australian Taxation Office, together with closing out and repayment of a \$1.9 million interim financing facility, executed with R&Dium Capital (see ASX release of 16 Nov 2023), Blue Energy has \$6.65 million cash on hand as at 31 January 2024. Also as at that date, the Company has returned to a zero debt position.

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	Date	Method	Certifier	1P (PJ)	1C (PJ)	2P (PJ)	2C (PJ)	3P (PJ)	3C (PJ)
ATP854P		25/01/2022	SPE/PRMS Det	NSAI	-	90	-	194	-	398
ATP814P	Sapphire	9/10/2023	SPE/PRMS Det	NSAI	-	171.2	90.7	251.7	287.0	256.0
ATP814P	Central	31/07/2023	SPE/PRMS Det	NSAI	-	39		111		469
ATP814P	Monslatt	8/12/2015	SPE/PRMS Det	NSAI	-	-	-	619	-	2,054
ATP814P	Lancewood	31/07/2023	SPE/PRMS Det	NSAI	-	203	-	232		573
ATP814P	Hillalong	27/02/2020	SPE/PRMS Det	NSAI	-	-	-	182	-	237
ATP814P	South	29/07/2013	SPE/PRMS Det	NSAI	-	15	-	27	6	30
Total (PJ)					-	518	91	1,617	293	4,017

Table 1 Blue Energy gas reserves and resources (net) as at 31 December 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, 11 July 2023 and 11 October 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 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
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")

31 December 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	-	(10)
(b) development	-	-
(c) production	-	-
(d) staff costs	(128)	(284)
(e) administration and corporate costs	(306)	(676)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	12	21
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	275
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(422)	(674)

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	(1,026)	(2,001)
(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 (6 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 (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(1,026)	(2,001)

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	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	2,012	2,012
3.6	Repayment of borrowings	(21)	(21)
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	1,991	1,991

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,173	2,400
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(422)	(674)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,026)	(2,001)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,991	1,991

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 (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	1,716	1,716

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	1,161	978
5.2	Call deposits	555	195
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)	1,716	1,173

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	83
6.2	Aggregate amount of payments to related parties and their associates included in item 2	79

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.

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

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<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>		
7.1 Loan facilities	2,012	2,012
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	2,012	2,012
7.5 Unused financing facilities available at quarter end		0
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.		
Loan facilities include the following:		
(a) A \$1.9 million loan facility secured against an R&D funding rebate claimed by the Company in respect of the year ended 30 June 2023. The interest rate on this facility was 1.33% per month to 31 December 2023 and 1.58% per month from 1 January 2024 to 29 February 2024. The loan was repaid in full on 10 January 2024.		
(b) A \$0.11 million unsecured working capital loan with an interest rate of 3.95% per annum and a final repayment date of 29 August 2024.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(422)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d)) – excluding insurance recovery at item 2.5	(1,026)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(1,448)
8.4 Cash and cash equivalents at quarter end (item 4.6)	1,716
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	1,716
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	1.19
<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: Yes.	

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

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: **On 10 January 2024, the Company received a \$7.05 million R&D Tax Incentive Rebate for the year ended 31 December 2023. Blue received net of \$5.1 million after repayment of \$1.95 million of principal and interest related to a loan secured against the R&D Tax Incentive Rebate (refer ASX announcement dated 10 January 2024). If the \$5.1 million net proceeds are added to the total available funding of \$1.716 million at Item 8.6 above, the estimated quarters of funding available at Item 8.6 becomes 4.7 quarters.**

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: **Blue expects to be able to continue its operations and to meet its business objectives based on the \$5.1 million net R&D Tax Incentive Rebate received by Blue on 10 January 2024 as disclosed in 8.8.**

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 January 2024**

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.