



Longreach Energy Holdings LLC

FIRM INFORMATION

Investment Manager

Longreach Alternatives Ltd
ABN 25 082 852 364
AFSL 246747

Sub-Advisor

Longreach Energy Holdings LLC
Delaware registered #565928

KEY INVESTMENT PERSONNEL

Andrew Sinclair

Principal – Commercial Director

Thomas Wagenhofer

Principal – Technical Director

1.0 Market and Portfolio Commentary

1.1 Macro Industry Commentary

US Henry Hub prompt gas prices rose in November with forecasts of a colder than average December and a resulting increase in natural gas demand for heating. Month on more the prompt rose from \$2.71/mmbtu at close on 31 October to \$3.36/mmbtu at close on 29 November. Calendar 2025 also rose, beginning November at \$3.03/mmbtu and closing at \$3.33/mmbtu.

Oil prices drifted lower. The prompt began November at \$69.26/bbl and closed the month at \$68.00/bbl. Calendar 2025 decreased from \$68.16/bbl to 66.76/bbl.

The Republican sweep of US Presidency plus control of both Congress and the Senate is unlikely to have a material impact on the fundamentals of US domestic gas and oil production because industry rules and regulations are predominantly under the purview of individual States. Marginal benefits will be seen from the more rapid removal of the Biden implemented pause on Federal approval of new LNG export facilities, (although note that this pause was generally expected to have been withdrawn early in 2025 irrespective of election winner), with the next wave of LNG facilities from 2030 probably coming on-line a little earlier than would have been the case had the Democrats won. There will also be some modest reduction in the pace of tightening environmental regulations administered by Environmental Protection Agency.

If threats to implement high and broad tariffs come to fruition, demand for oil and gas as an inflation hedge is likely to provide additional price support.

The latest Baker Hughes rig count data follows. In October US total land rigs rose by 4 from 568 to 572. Total oil rigs fell increased by 3 from 479 to 482, gas rigs were unchanged at 102. Oil and gas rig totals include 15 offshore rigs working in November.

Baker Hughes NORTH AMERICA Rotary Rig Count					
6/12/2024					
Location	Week	+/-	Week	+/-	Year Ago
Inland Waters	2	0	2	2	0
Land	572	5	567	-33	605
Offshore	15	2	13	-6	21
United States Total	589	7	582	-37	626
Gulf of Mexico	13	1	12	-6	19
Canada	194	-11	205	0	194
North America	783	-4	787	-37	820
U.S. Breakout Information	This Week	+/-	Last Week	+/-	Year Ago
Gas	102	2	100	-17	119
Oil	482	5	477	-21	503
Miscellaneous	5	0	5	1	4
Directional	49	4	45	-3	52
Horizontal	526	5	521	-33	559
Vertical	14	-2	16	-1	15

CONTACT US

Longreach Alternatives Ltd

Level 9
88 Phillip Street
Sydney NSW 2000

T+61 2 9135 0428

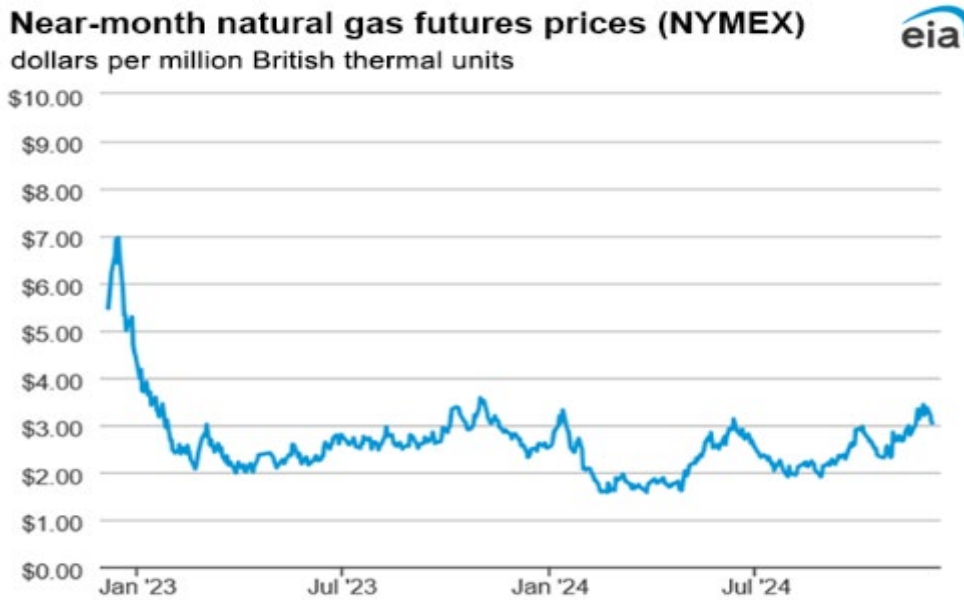
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Gas Market

Henry Hub prompt prices held above \$3.00/mmbtu during November (Figure 1).

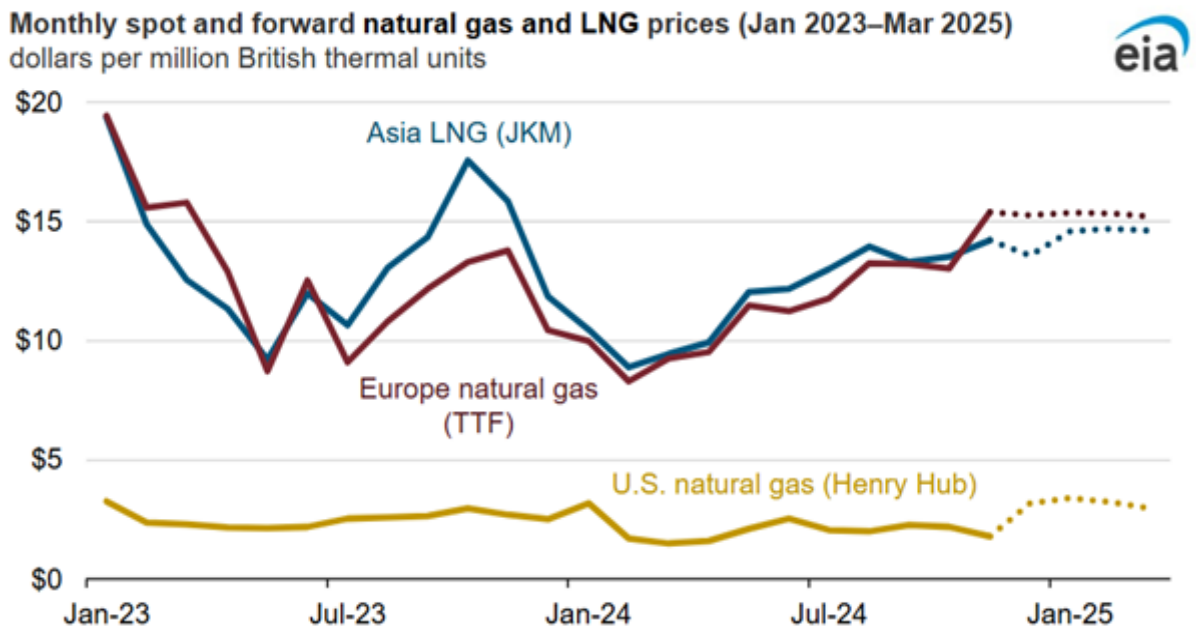
Figure 1: Near Month Henry Hub Futures (Source: EIA)



Data source: CME Group as compiled by Bloomberg, L.P.

US domestic gas prices (Henry Hub) remain substantially below Asian and European gas prices (JKM and TTF respectively) (Figure 2). This price difference provides maximum incentive for US LNG facilities to export the highest possible volumes. The price difference is retained in the forward curves providing strong encouragement for developers of new facilities to expedite construction. The trend to convergence between US domestic and international prices that will be the medium-term consequence of a large US LNG export industry is a core pillar of the Longreach Energy investment thesis.

Figure 2: Monthly Spot and Forward Natural Gas and LNG Prices (Source: Bloomberg, via EIA)



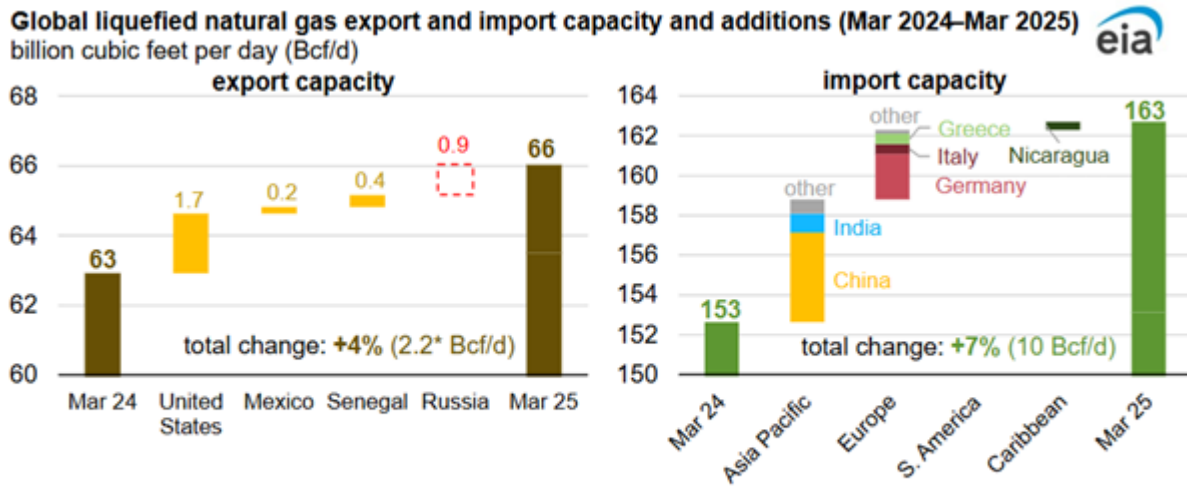
Data source: Bloomberg Finance, L.P.

Note: Price curves as of November 21, 2024. Dotted lines represent forward prices. LNG=liquefied natural gas; Asian LNG=the JKM price benchmark (representing spot and forward LNG prices in Japan, South Korea, Taiwan, and China); European natural gas=benchmark prices at the Title Transfer Facility (TTF)

Figure 3 shows global LNG export and import capacity additions for the year to March 2025. US export growth of 1.7bcf/d comes from the first of seven mid-scale trains at Corpus Christi LNG Stage 3, Plaquemines LNG Phase 1, and additional capacity at Freeport LNG achieved through engineering and operational optimisation. By March 2025 total global LNG export capacity is expected to reach 66bcf/d.

From March 2024 to March 2025 global LNG import capacity is expected to increase from 153 bcf/d to 163bcf/d with growth principally occurring in China, India and Germany. Note that utilisation rates of LNG export facilities are much higher than those of LNG import facilities.

Figure 3: Global LNG Export and Import Capacity Additions (Mar 24 to Mar 25) (Source: EIA)



Data source: U.S. Energy Information Administration

Note: *Exports from Russia's Arctic-2 LNG project (0.9 Bcf/d capacity) may not be available due to sanctions.

Goldman's base case is that US LNG export capacity reaches 24bcf/d by the end of 2028 (Figure 4). This growth is all from projects that are already fully approved and under construction.

Figure 4: US LNG Feedgas Demand (Source: GS)

Exhibit 2: Our base case for upcoming US liquefaction capacity includes all US FIDed projects, plus CP2 and Corpus Stage 4
Realized and GS forecast US feedgas for liquefaction (Bcf/d)

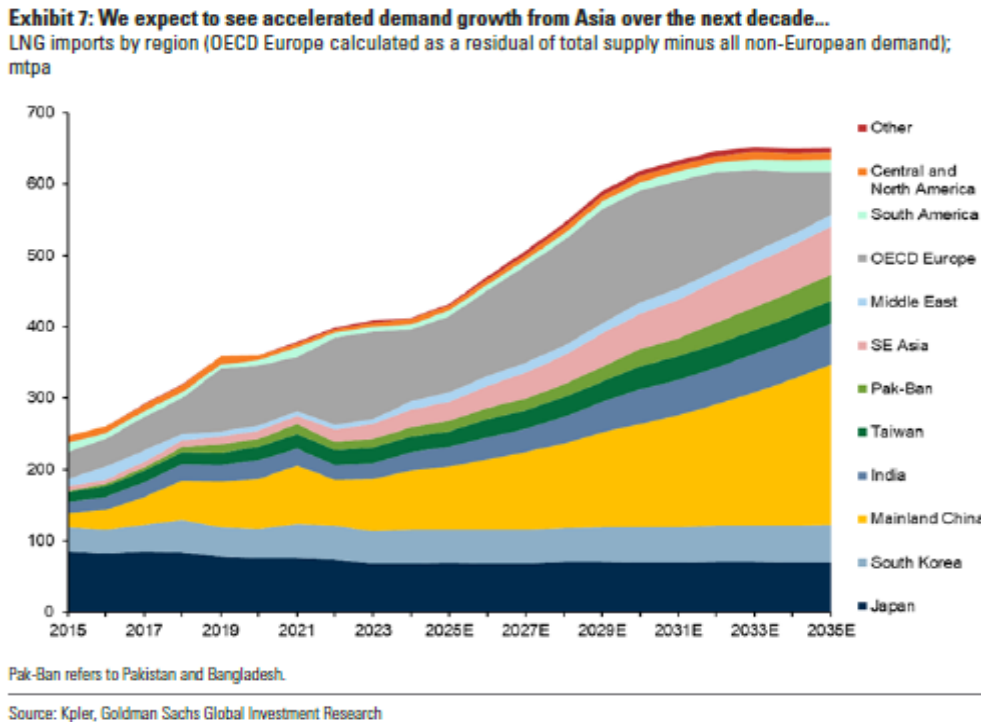


Source: Bloomberg, Goldman Sachs Global Investment Research



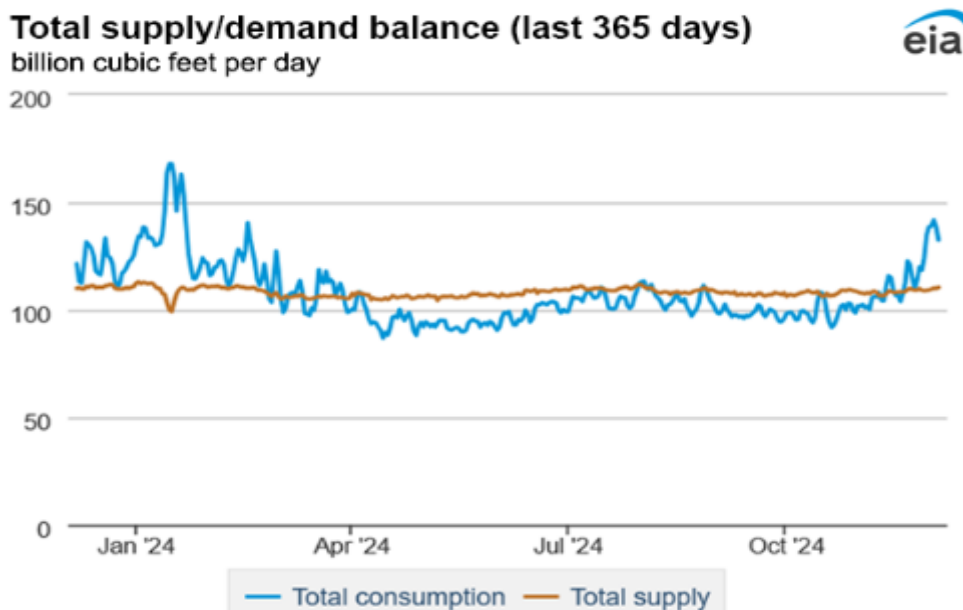
Goldman expects accelerated demand growth from Asia over the next decade. There will be significant demand growth through 2030 from China, driven by a growing gas consumption base and only moderate growth in China domestic production and pipeline imports, together with Southeast Asia and India, supported by a combination of GDP and regasification capacity growth (Figure 5).

Figure 5: LNG Imports by Region (Source: Kpler, via GS)



In the near-term US gas prices will be determined by winter temperatures. The market currently trades on forecast for the next two weeks and this will likely persist until end January. The reason is that cold weather can deliver large spikes in gas demand as seen in the first few days of December (Figure 6). As noted in the October report, an even average cold winter will make a large dent in the current high storage levels.

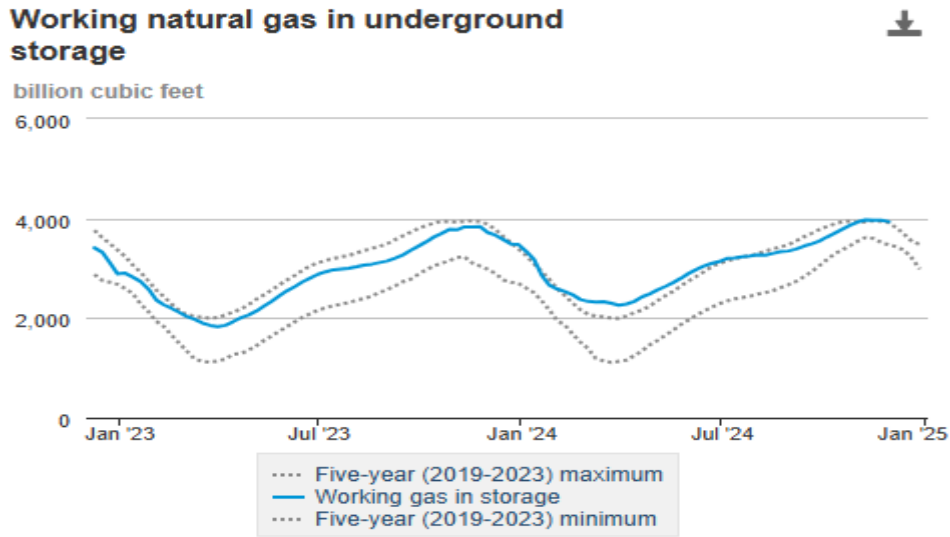
Figure 6: Total US Gas Supply/Demand Balance (Source: EIA)





Ahead of this cold weather, net withdrawals from storage for the week ending 29 November totalled 30 bcf, compared to the five-year (2019-2023) average net withdrawals of 47 bcf and last year's net withdrawals of 81 bcf during the same week (Figure 7). Working natural gas stocks totalled 3,937 bcf, which is 284 bcf (8%) more than the five-year average and 185 bcf (5% more than last year at this time).

Figure 7: Working Natural Gas in Underground Storage (Source: EIA)

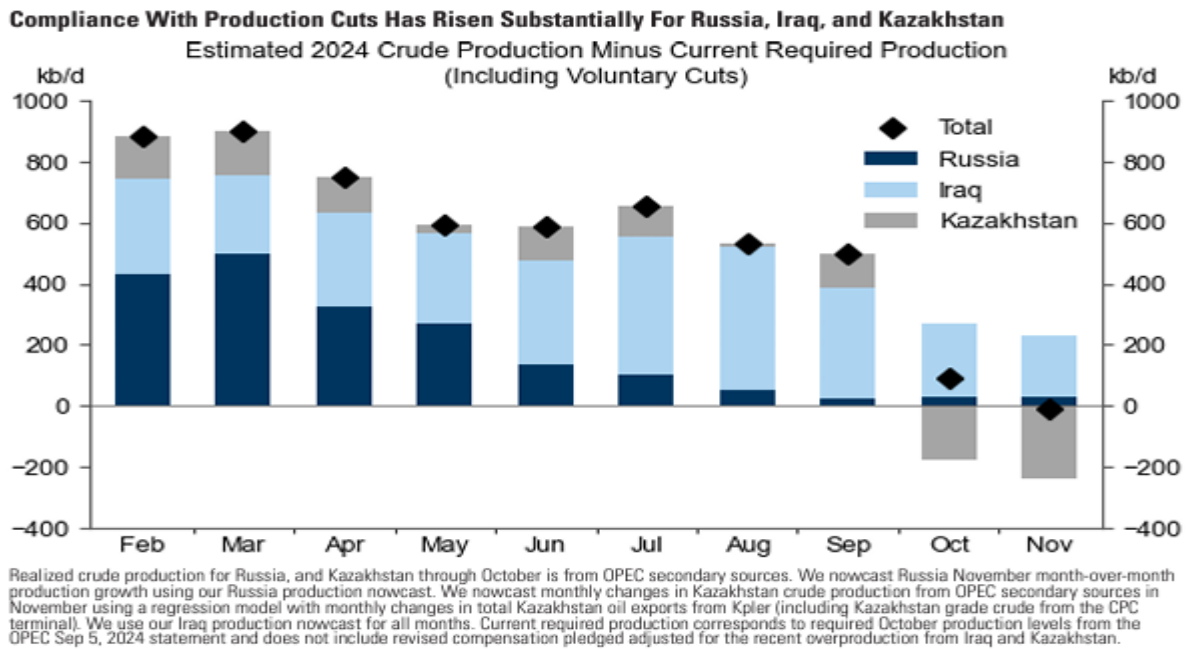


Data source: U.S. Energy Information Administration Form EIA-912, Weekly Underground Natural Gas Storage Report

Oil Market

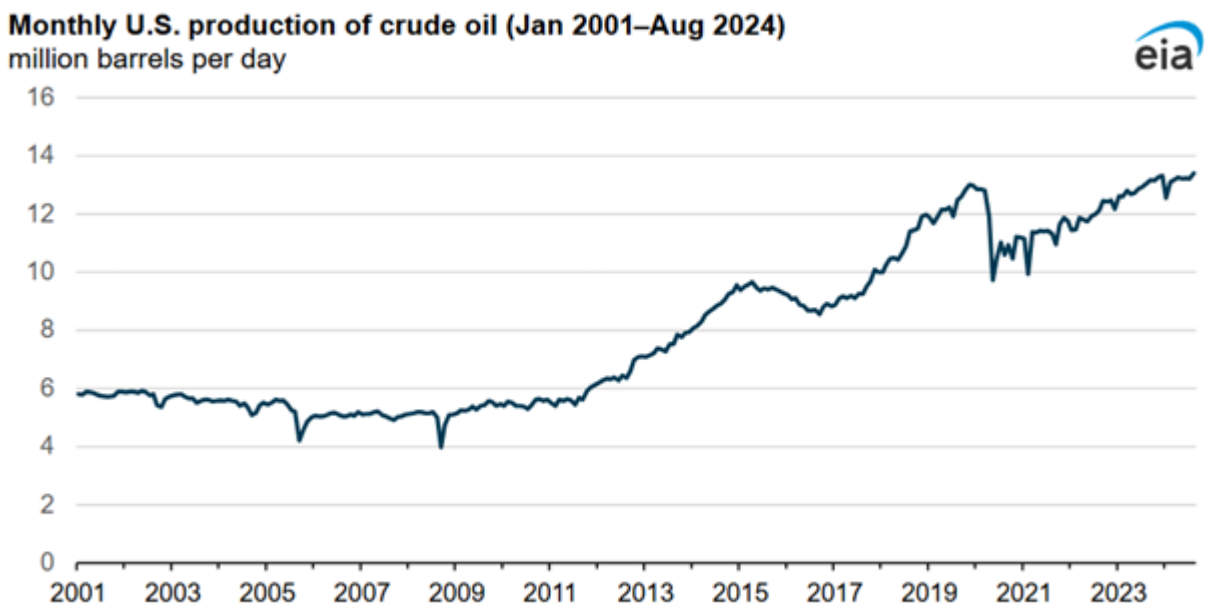
OPEC+ (OPEC plus Russia) compliance with voluntary cuts to oil supply has risen in October and November (Figure 8). In early December OPEC+ announced an extension of these cuts until at least April 2025. These moves are likely to provide near term support to oil prices.

Figure 8: Estimated 2024 Crude Production Minus Current Required Production (Source: various, via GS)



An average of 13.4 million bbls/d of crude oil was produced in the United States during August 2024, a new record according to data from the EIA's Petroleum Supply Monthly (Figure 9). The previous monthly record of 13.3 million bbls/d was set in December 2023.

Figure 9: Monthly US Production of Crude Oil (Jan 2001-Aug-2024) (Source: EIA)





Gas and Oil Prices 2 December 2024

Historical WTI CMA Calendar Strips



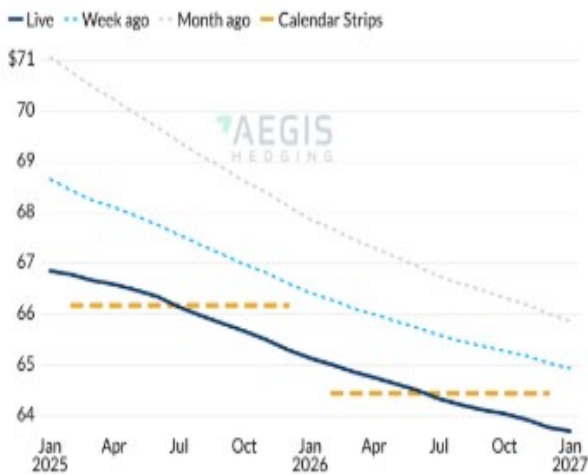
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Historical Natural Gas Strips



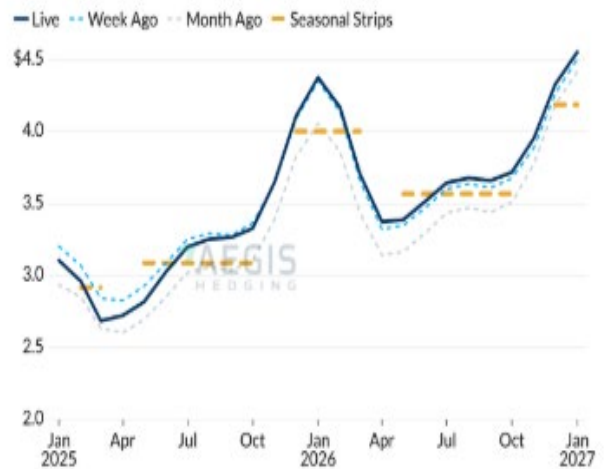
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WTI CMA Calendar Strips



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Henry Hub Seasonal Strips



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Crude Oil Swap Pricing

	Bal 25	Cal 26
NYMEX WTI	\$67.27	\$65.31
LLS	\$69.68	\$67.97
Mars	\$66.33	\$64.38
Dubai	\$70.20	\$68.47
WCS-WTI	-\$13.77	-\$14.97
ICE Brent	\$70.92	\$69.32
Dated Brent	\$70.94	\$69.23
West TX Sour (WTS)	\$66.56	\$64.56

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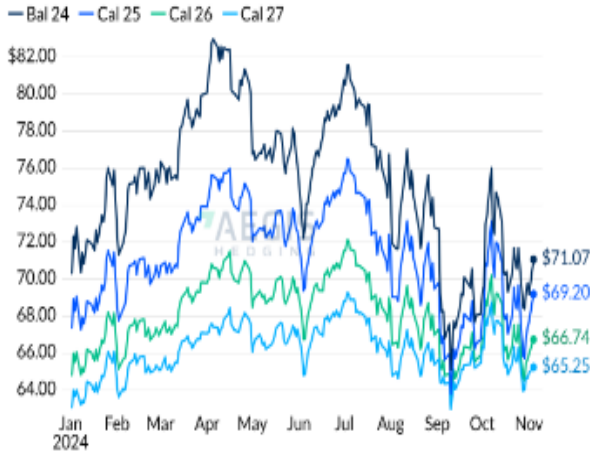
Natural Gas Basis Swap Pricing

	prompt	Winter 24/25	Summer 25	Summer 26	Winter 25/26
Henry Hub Fixed	\$3.129	\$3.110	\$3.151	3.523	\$3.950
Panhandle East	\$0.263	\$0.248	\$-0.485	-0.498	\$0.107
Eastern Gas South	-\$0.460	\$-0.484	\$-0.804	-0.951	\$-0.762
Waha	-\$1.150	\$-1.034	\$-1.734	-1.731	\$-1.473
TETCO M3	\$0.470	\$0.777	\$-0.657	-0.791	\$0.612
Houston Ship Channel	-\$0.200	\$-0.223	\$-0.415	-0.474	\$-0.334
Columbia Gulf Mainline	-\$0.115	\$-0.138	\$-0.235	-0.250	\$-0.163



Gas and Oil Prices 1 November 2024

Historical WTI CMA Calendar Strips



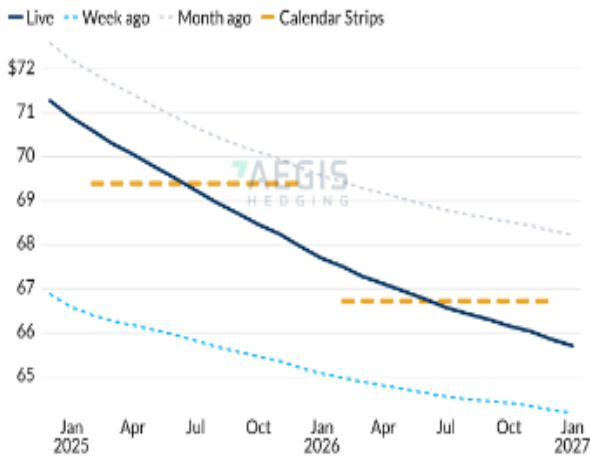
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Historical Natural Gas Strips



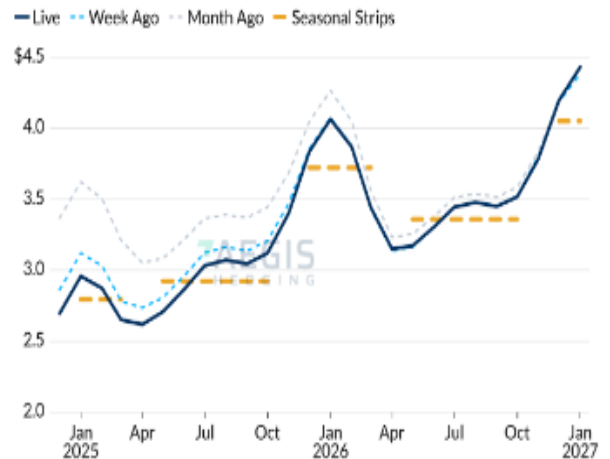
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WTI CMA Calendar Strips



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Henry Hub Seasonal Strips



Updated - 2024-11-05 18:45

Crude Oil Swap Pricing

	Bal 24	Cal 25	Cal 26
NYMEX WTI	\$71.56	\$69.56	\$67.03
LLS	\$73.43	\$71.84	\$69.86
Mars	\$70.30	\$68.04	\$65.31
Dubai	\$74.48	\$72.47	\$70.61
WCS-WTI	-\$13.36	-\$13.73	-\$15.35
ICE Brent	\$75.27	\$73.51	\$71.29
Dated Brent	NaN	\$73.55	\$71.31
West TX Sour (WTS)	\$71.09	\$69.17	\$66.53

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Natural Gas Basis Swap Pricing

	prompt	Winter 24/25	Summer 25	Summer 26	Winter 25/26
Henry Hub Fixed	\$2.781	\$2.867	\$2.951	3.383	\$3.748
Panhandle East	-\$0.276	\$0.099	-\$0.490	-0.520	\$0.110
Eastern Gas South	-\$0.626	-\$0.563	-\$0.806	-0.962	-\$0.721
Waha	-\$3.016	-\$1.604	-\$1.779	-1.641	-\$1.463
TETCO MS	-\$0.456	\$0.444	-\$0.657	-0.803	\$0.523
Houston Ship Channel	-\$0.436	-\$0.293	-\$0.396	-0.447	-\$0.364
Columbia Gulf Mainline	-\$0.176	-\$0.162	-\$0.242	-0.275	-\$0.178
NGPL TXOK	-\$0.326	-\$0.317	-\$0.377	-0.404	-\$0.307



2. Portfolio Commentary

2.1 Royalty Portfolio and Activity Review

Wells in pay increased by 2 from 1,773 to 1,775. Total number of active wells in the Royalty Portfolio as of 1 October was 1,940.

Summary Royalty Portfolio composition is provided below.

Play	Acquisition \$	Acres	\$/Acres	Active Wells	Active Wells in Pay	Wells TBD	Inactive Wells
Arkoma	19,840,996	8,710	2,278	1,065	1,002	34	161
Haynesville	429,347	183	2,344	10	10	0	3
Permian	1,105,603	1,631	678	1	1	0	0
Stack/Scoop	60,846,573	9,959	6,110	864	761	23	131
Viola	21,608	49	442	0	0	0	0
Grand Total	82,244,127	20,532	4,006	1,940	1,774	57	295



2.2 Working Interest Portfolio and Activity Review

Production Update

In November average net gas production was 24.8mmcf, an increase from October levels due to inclusion of new production from the Devon operated Lion wells.

Average daily oil production was significantly higher, again thanks to the Lion wells, increasing from 171bbld to 458bbld.

Breakdowns by asset for both November and October are provided in the tables below.

November 2024 Production Update					Avg Daily			
	Gross Oil, Bbl	Gross Gas, Mcf	Net Oil, Bbl	Net Gas, Mcf	Gross Oil, Bbl	Gross Gas, Mcf	Net Oil, Bbl	Net Gas, Mcf
Minerals(estimate)	347,866	12,034,123	1,176	37,685	11,596	401,137	39	1,256
Magnolia(estimate)	21,931	347,414	110	2,026	731	11,580	4	68
Perry Lake	600	4,762	117	929	20	159	4	31
Calyx	-	362,591	-	52,865	-	12,086	-	1,762
Tamworth	4,004	775,193	2,431	463,928	133	25,840	81	15,464
Tamworth - Nonop(estimate)	27,440	1,077,641	1,269	64,298	915	35,921	42	2,143
Continental	978	402,326	93	38,126	33	13,411	3	1,271
Devon	64,898	644,317	8,533	84,714	2,163	21,477	284	2,824
TOTAL	467,717	15,648,368	13,728	744,571	15,591	521,612	458	24,819

October 2024 Production Update					Avg Daily			
	Gross Oil, Bbl	Gross Gas, Mcf	Net Oil, Bbl	Net Gas, Mcf	Gross Oil, Bbl	Gross Gas, Mcf	Net Oil, Bbl	Net Gas, Mcf
Minerals(estimate)	356,745	12,242,752	1,084	36,376	11,508	394,927	35	1,173
Magnolia(estimate)	22,741	346,621	115	2,042	734	11,181	4	66
Perry Lake	696	4,910	136	957	22	158	4	31
Calyx	-	362,591	-	52,865	-	11,696	-	1,705
Tamworth	4,296	819,998	2,552	500,515	139	26,452	82	16,146
Tamworth - Nonop(estimate)	28,936	1,144,029	1,326	67,149	933	36,904	43	2,166
Continental	875	411,957	83	39,038	28	13,289	3	1,259
TOTAL	414,290	15,332,858	5,295	698,943	13,364	494,608	171	22,547

Operated Properties

Drilling of the horizontal portion of the Comer 1514 #3H commenced on 4 November. This is intended to be the first of a currently delineated 15 well drilling programme.

The purchase by Tamworth of Mustang Fuels' 44% working interest in the Nicolai unit together with collection of smaller interests in other Tamworth operated sections closed on 14 November.

The sale by Tamworth of a Net Profits Overriding Royalty interest in a portfolio of three producing and six near-term development wells for total consideration of \$23m to RoyFin and LE2, also closed on 14 November.

Two other working interest owners in wells to be drilled in the near term by Tamworth, Nexus BSP LLC and DR11 LLC, have agreed to sell their interests before 31 Dec. Total consideration is approximately \$750k. These purchases will be accretive to LEI's 31 Dec valuation. One additional party is still considering the Tamworth offer, two have rejected.

Non-Operated Properties

As noted above Tamworth is now in pay on the Devon operated Lion wells.



2.3 Investment Guideline Compliance

Portfolio Construction Principles (IMA Schedule 2); Compliance at 30 November 2024

Target Allocation to individual deal - \$2m to \$50m	Tamworth Approved Exemptions
Natural Gas >70% of Portfolio	Yes
Portfolio holds gas and oil interests	Yes
Portfolio holds derivatives to hedge commodity price risk	Yes – details provided
Portfolio has drawn / available limited recourse senior bank debt	None



3. Financial and Operating Performance

3.1 Operations and Revenue

The table below shows August revenue deposits and 30 November closing balances of all LEI group bank accounts.

Entity	Bank	Account #	November Production Revenue	November Closing Balance
LEI JPM	JPM	x9506	-	\$71,121
LEI JPM MM	JPM	x7392	-	\$5,138
LEI JPM Macquarie	JPM	x9588	-	\$705
LEI BancFirst	BancFirst	x5055	\$241,976	\$67,370
LEI BancFirst Treasury Sweep	BancFirst	x0215	-	\$0
Tamworth Bank7	BancFirst	x9955	-	\$9,791
Tamworth BancFirst	BancFirst	x9009	\$2,338,266	\$250,000
Tamworth BancFirst Sweep	BancFirst	x0216	-	\$5,234,215
Montrose Operating	BancFirst	x6625	-	\$12,468
Montrose BancFirst Treasury Sweep	BancFirst	x0218	-	\$0
Total – Operating Accounts			\$2,580,242	\$5,650,736
Montrose Escrow – Initial Deposit	JPM	x4702	-	\$6,607,786
Total- Restricted Cash Accounts			\$0	\$6,607,786

LEI's net cash balance, including amounts in escrow, increased from \$8,550,012.40 on 31 October to \$12,258,521.52 on 30 November. The increase is net result of revenue from NPI sale and net production, debt repayment, and payment of ~\$7m in Devon Lion well capital costs during the month.

November hedge maturities resulted in the payment by LEI of \$40,889.06 to Goldman Sachs for the month's oil hedges. This amount was calculated in November and paid in December. All remaining hedge positions were terminated and settled in December for price of \$472k.



3.2 Operating Statements

Lease Operating Statements

We prepare two Lease Operating Statements (LOS). Below are LOS for (i) LEI and all wholly owned subsidiaries excluding Tamworth; and (ii) Tamworth. The LOS are based on accounting month (i.e. flows are recorded in the month they occur not the month of production or activity).

LOS for LEI and all wholly owned subsidiaries excluding Tamworth are below.

	Company Group: CONSOLIDATED FS												TOTAL 12 MONTHS	FISCAL YEAR TO DATE Balance - October 2024
	ACTUAL 11/01/2023	ACTUAL 12/01/2023	ACTUAL 01/01/2024	ACTUAL 02/01/2024	ACTUAL 03/01/2024	ACTUAL 04/01/2024	ACTUAL 05/01/2024	ACTUAL 06/01/2024	ACTUAL 07/01/2024	ACTUAL 08/01/2024	ACTUAL 09/01/2024	ACTUAL 10/01/2024		
Company: Consolidated Companies														
REVENUE														
GAS VOLUMES (MCFS)	102,810	99,107	116,358	72,470	92,654	74,140	96,843	77,640	104,186	84,247	76,551	103,365	1,100,371	368,350
GAS SALES	\$336,614	\$280,218	\$282,123	\$99,115	\$149,376	\$122,640	\$152,809	\$163,570	\$255,461	\$166,399	\$130,715	\$244,642	\$2,383,681	\$797,217
AVERAGE PRICE PER MCF	\$ 3.27	\$ 2.83	\$ 2.42	\$ 1.37	\$ 1.61	\$ 1.65	\$ 1.58	\$ 2.11	\$ 2.45	\$ 1.98	\$ 1.71	\$ 2.37		\$ 2.16
OIL VOLUMES (BBLs)	1,144	1,769	1,913	1,591	1,663	1,770	1,478	1,219	2,773	1,584	1,156	3,145	21,205	8,659
OIL SALES	\$90,174	\$126,737	\$146,289	\$120,561	\$131,147	\$144,390	\$117,454	\$95,876	\$223,172	\$118,036	\$74,705	\$131,901	\$1,520,442	\$547,815
AVERAGE PRICE PER BBL	\$ 78.79	\$ 71.64	\$ 76.48	\$ 75.79	\$ 78.86	\$ 81.60	\$ 79.48	\$ 78.64	\$ 80.47	\$ 74.50	\$ 64.63	\$ 41.94		\$ 63.27
NGL VOLUMES (GALS)	312,499	261,950	335,463	242,013	266,060	216,682	326,872	210,317	317,129	268,711	199,878	263,536	3,221,113	1,049,255
NGL SALES	\$154,123	\$163,752	\$176,957	\$106,367	\$115,786	\$122,909	\$206,294	\$109,695	\$162,214	\$124,227	\$80,385	\$138,938	\$1,661,648	\$505,765
AVERAGE PRICE PER GAL	\$.49	\$.63	\$.53	\$.44	\$.44	\$.57	\$.63	\$.52	\$.51	\$.46	\$.40	\$.53		\$.48
TOTAL REVENUES	\$580,911	\$570,707	\$605,369	\$326,042	\$396,310	\$389,939	\$476,557	\$369,141	\$640,847	\$408,663	\$285,805	\$515,482	\$5,565,772	\$1,850,796
SALES DEDUCTS														
PROD. SALES TAX	\$42,092	\$27,142	\$252,566	(\$206,838)	\$20,062	\$26,333	\$16,604	\$18,808	\$28,052	\$23,842	\$11,909	\$24,572	\$285,143	\$88,374
COMPRESSION	\$1,598	\$1,447	\$2,030	\$1,713	\$1,613	\$1,199	\$2,277	\$1,359	\$1,490	\$1,547	\$1,326	\$1,043	\$18,642	\$5,406
PROC/MKTG/GATH/TRANSP	\$225,357	\$147,228	(\$106,853)	\$305,858	\$60,273	\$51,345	(\$169,977)	\$74,193	\$117,342	\$95,795	\$58,306	\$105,094	\$963,960	\$376,537
OTHER DEDUCTS	\$1,273	\$1,105	\$1,924	\$1,282	\$1,310	\$1,485	\$1,239	\$578	\$1,204	\$1,236	\$1,251	\$985	\$14,872	\$4,675
TOTAL SALES DEDUCTS	\$270,321	\$176,922	\$149,666	\$102,015	\$83,257	\$80,361	(\$149,856)	\$94,938	\$148,088	\$122,419	\$72,792	\$131,694	\$1,282,616	\$474,992
NET REVENUE AFTER DEDUCTS	\$310,591	\$393,785	\$455,702	\$224,028	\$313,053	\$309,578	\$626,412	\$274,203	\$492,759	\$286,244	\$213,013	\$383,788	\$4,283,156	\$1,375,804
LEASE OPERATING EXPENSES														
NON-OP LOE	\$34,472	\$52,901	\$28,266	\$19,109	\$8,531	\$67,319	\$70,548	\$48,590	\$40,372	\$3,382	\$70,795	\$35,178	\$479,463	\$149,727
MISCELLANEOUS	\$0	\$0	(\$28,737)	\$0	\$28,737	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL LEASE OP EXP	\$34,472	\$52,901	(\$471)	\$19,109	\$37,268	\$67,319	\$70,548	\$48,590	\$40,372	\$3,382	\$70,795	\$35,178	\$479,463	\$149,727
TOTAL MIDSTREAM/AFE EXP	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL OPERATING EXPENSES	\$34,472	\$52,901	(\$471)	\$19,109	\$37,268	\$67,319	\$70,548	\$48,590	\$40,372	\$3,382	\$70,795	\$35,178	\$479,463	\$149,727
NET LEASE OPERATING INCOME	\$276,119	\$340,884	\$456,174	\$204,919	\$275,785	\$242,258	\$555,864	\$225,613	\$452,387	\$282,861	\$142,218	\$348,610	\$3,803,693	\$1,226,077

Longreach Energy Holdings LEI



LONGREACH
ENERGY

Monthly Report

Income Statements

Consolidated net income for October was a loss of \$178k. This includes \$1.2m of non-cash depletion, depreciation, and amortisation (DD&A) charges.

The combined total Financial Year income for the three primary reporting members of the LEI group are provided below.

NEW INCOME STATEMENT REPORTING

	Balance FY24 31/10/2024 LEI	Balance FY24 31/10/2024 MRLLC	Balance FY24 31/10/2024 TRLLC	Balance FY24 31/10/2024 Combined
REVENUES				
OIL & GAS SALES	\$1,850,796	\$81,916	\$7,860,678	\$9,793,390
REALIZED (LOSS) GAIN ON COMMODITY DERIVATIVES	(\$565,051)	\$0	\$0	(\$565,051)
MIDSTREAM REVENUES	\$0	\$0	\$0	\$0
MANAGEMENT INCOME	\$0	\$0	\$0	\$0
TOTAL REVENUES	\$1,285,745	\$81,916	\$7,860,678	\$9,228,339
OPERATING EXPENSES				
MARKETING DEDUCTS	\$386,618	(\$6,684)	\$2,783,124	\$3,163,059
SEVERANCE & AD VALOREM TAXES	\$88,374	\$2,844	\$357,943	\$449,161
LEASE OPERATING EXPENSES	\$149,727	\$1,602	\$1,131,136	\$1,282,464
WORKOVER EXPENSES	\$0	\$0	\$3,388	\$3,388
P&A EXPENSES	\$0	\$0	\$0	\$0
FACILITY EXPENSES	\$0	\$0	\$0	\$0
MIDSTREAM EXPENSES	\$0	(\$444)	\$0	(\$444)
DD&A	\$0	\$0	\$4,297,429	\$4,297,429
GENERAL & ADMINISTRATIVE EXPENSES	\$1,106,560	\$210,111	\$540,142	\$1,856,813
TOTAL OPERATING EXPENSES	\$1,731,279	\$207,429	\$9,113,162	\$11,051,869
INCOME FROM OPERATIONS	(\$445,533)	(\$125,513)	(\$1,252,483)	(\$1,823,530)
OTHER (INCOME) EXPENSE				
REALIZED LOSS (GAIN) ON O&G PROPERTIES	\$0	\$1,607,822	\$0	\$1,607,822
INTEREST EXPENSE & OTHER	\$2,388,060	\$0	\$0	\$2,388,060
UNREALIZED LOSS (GAIN) ON COMMODITY DERIVATIVE	(\$1,769,200)	\$0	\$0	(\$1,769,200)
OTHER INCOME	(\$28,313)	(\$92,248)	(\$33,950)	(\$154,511)
WRITE DOWN O&G PROPERTIES	\$0	\$0	\$0	\$0
TOTAL OTHER (INCOME) EXPENSES	\$590,548	\$1,515,574	(\$33,950)	\$2,072,171
NET INCOME	(\$1,036,081)	(\$1,641,087)	(\$1,218,533)	(\$3,895,701)

Longreach Energy Holdings LEI



LONGREACH
ENERGY

Monthly Report

Monthly combined net income statement for LEI, Tamworth and Montrose, is:

	ACTUAL 30/09/2023	ACTUAL 31/10/2023	ACTUAL 30/11/2023	ACTUAL 31/12/2023	ACTUAL 31/01/2024	ACTUAL 29/02/2024	ACTUAL 31/03/2024	ACTUAL 30/04/2024	ACTUAL 31/05/2024	ACTUAL 30/06/2024	ACTUAL 31/07/2024	ACTUAL 31/08/2024	ACTUAL 30/09/2024	ACTUAL 31/10/2024	ACTUAL YTD YE24	Rolling 12 Month Actuals
Report Summary - Total LEI																
REVENUES																
OIL & GAS SALES	\$5,543,689	\$5,833,464	\$5,093,066	\$5,127,240	\$5,560,610	\$6,042,022	\$3,839,947	\$2,956,166	\$4,364,513	\$2,885,456	\$2,713,679	\$2,392,071	\$1,354,517	\$3,333,123	9,793,390	57,039,553
REALIZED (LOSS) GAIN ON COMMODITY DERIVATIVES	\$70,779	(\$166,668)	(\$295,667)	\$55,796	\$45,784	\$47,070	\$236,621	\$401,096	\$230,321	(\$1,962,297)	\$337,974	\$349,675	\$137,148	(\$1,389,847)	(565,051)	(1,902,215)
MIDSTREAM REVENUES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	0
MANAGEMENT INCOME	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	0
TOTAL REVENUES	\$5,614,468	\$5,666,796	\$4,797,399	\$5,183,035	\$5,606,395	\$6,089,092	\$4,076,568	\$3,357,262	\$4,594,835	\$923,159	\$3,051,653	\$2,741,746	\$1,491,665	\$1,943,276	9,228,339	55,137,338
OPERATING EXPENSES																
MARKETING DEDUCTS	\$1,948,817	\$1,283,287	\$1,333,487	\$1,519,642	\$1,001,374	\$1,447,200	\$651,753	\$355,497	\$641,399	\$852,583	\$657,988	\$706,355	\$820,952	\$977,763	3,163,059	14,198,097
SEVERANCE & AD VALOREM TAXES	\$496,054	\$133,710	\$300,730	\$294,824	\$468,877	\$78,918	\$183,303	\$206,822	\$179,478	(\$497,382)	\$114,123	\$126,090	\$57,815	\$151,134	449,161	2,294,497
LEASE OPERATING EXPENSES	\$958,764	\$638,160	\$710,384	\$1,087,793	\$1,006,203	\$820,355	\$1,210,806	\$688,234	\$843,419	\$1,369,981	\$164,887	\$315,691	\$415,887	\$385,999	1,282,464	10,616,564
WORKOVER EXPENSES	\$279,164	\$267,214	\$343,732	\$593,386	\$177,414	\$359,878	\$603,298	\$94,759	\$477,481	\$500,382	\$0	\$3,388	\$0	\$0	3,388	3,700,096
P&A EXPENSES	\$0	\$0	\$0	\$308	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	308
FACILITY EXPENSES	\$1,125	(\$240)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	885
MIDSTREAM EXPENSES	\$15,063	\$64,547	\$27,703	\$14,763	\$12,617	\$2,968	\$7,493	\$2,855	\$10,532	\$27,009	\$0	(\$444)	\$0	\$0	(444)	185,106
DD&A	\$1,786,659	\$1,786,659	\$1,786,659	\$1,786,659	\$1,786,659	\$1,786,659	\$1,786,659	\$1,786,659	\$1,785,507	\$1,446,975	\$1,017,100	\$1,137,918	\$869,828	\$1,272,584	4,297,429	21,823,184
GENERAL & ADMINISTRATIVE EXPENSES	\$237,268	\$601,032	\$469,012	\$503,622	\$514,604	\$503,412	\$425,014	\$371,558	\$456,691	\$1,216,020	\$362,066	\$298,859	\$631,720	\$564,167	1,856,813	7,155,044
TOTAL OPERATING EXPENSES	\$5,722,915	\$4,774,369	\$4,971,707	\$5,800,997	\$4,967,748	\$4,999,391	\$4,868,327	\$3,506,383	\$4,394,507	\$4,915,568	\$2,316,163	\$2,587,858	\$2,796,201	\$3,351,647	11,051,869	59,973,780
INCOME FROM OPERATIONS	(\$108,447)	\$892,428	(\$174,318)	(\$617,962)	\$638,646	\$1,089,701	(\$791,759)	(\$149,121)	\$200,327	(\$3,992,409)	\$735,490	\$153,888	(\$1,304,537)	(\$1,408,371)	(1,823,530)	(4,836,442)
OTHER (INCOME) EXPENSE																
REALIZED LOSS (GAIN) ON O&G PROPERTIES	\$0	\$0	\$2,871,591	\$2,269,459	\$0	\$0	(\$1,065)	\$0	\$0	\$16,301,223	\$1,607,822	\$0	\$0	\$0	1,607,822	23,049,030
INTEREST EXPENSE & OTHER	\$1,700,540	\$1,223,301	\$1,188,527	\$1,256,487	\$1,218,908	\$1,086,939	\$1,098,068	\$1,124,830	\$1,127,597	\$1,494,897	\$471,281	\$499,782	\$1,416,998	\$0	2,388,060	14,908,155
UNREALIZED LOSS (GAIN) ON COMMODITY DERIVATIVE	\$1,421,145	\$2,465,608	(\$4,570,001)	(\$2,958,321)	(\$47,023)	(\$195,009)	\$930,336	\$489,411	\$243,116	(\$1,795,728)	(\$1,465,024)	(\$141,693)	\$1,034,271	(\$1,196,754)	(1,769,200)	(5,775,667)
OTHER INCOME	(\$37,017)	(\$96,274)	(\$22,743)	(\$18,832)	(\$19,011)	(\$23,929)	(\$19,106)	(\$14,278)	(\$8,701)	(\$231,574)	(\$32,016)	(\$41,606)	(\$45,347)	(\$35,542)	(154,511)	(645,977)
WRITE DOWN O&G PROPERTIES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0	0
TOTAL OTHER (INCOME) EXPENSES	\$3,084,669	\$3,592,635	(\$532,627)	\$548,793	\$1,152,874	\$968,001	\$2,008,233	\$1,609,963	\$1,362,011	\$15,768,817	\$582,064	\$316,482	\$2,405,921	(\$1,232,296)	2,072,171	\$1,535,541
NET INCOME	(\$3,193,116)	(\$2,700,207)	\$358,309	(\$1,166,755)	(\$514,228)	\$221,701	(\$2,799,992)	(\$1,759,084)	(\$1,161,684)	(\$19,761,226)	\$153,426	(\$162,594)	(\$3,710,458)	(\$176,075)	(3,895,701)	(36,371,983)



3.3 Expenses and Budget

LEI's October total expenses were \$341,694, \$156,120k over budget. The negative variance is due to payment of LEI and Fortress legal costs and fees related to termination of the Fortress loan security and the new Macquarie loan facility of \$155k that were not budgeted. Year to date expenses are \$1,106,560, \$107,011 over budget.

	1/10/2024 31/10/2024 CURRENT MONTH			1/09/2024 30/09/2024 PRIOR MONTH			1/07/2024 31/10/2024 YEAR TO DATE		
	Actuals	Budget	Variance	Prior	Budget	Variance	YTD	Budget	Variance
Longreach Energy Investments Costs									
Reserve Report, Technical and Related Third Party Costs	\$ 15,353	\$ 1,500	\$ (13,853)	\$ -	\$ 1,500	\$ 1,500	\$ 35,626	\$ 53,000	\$ 17,375
Insurance, Fees and Other Costs	\$ 155,040	\$ 4,000	\$ (151,040)	\$ 209,332	\$ 4,000	\$ (205,332)	\$ 369,640	\$ 16,000	\$ (353,640)
Legal Services	\$ -	\$ 3,500	\$ 3,500	\$ -	\$ 3,500	\$ 3,500	\$ 4,080	\$ 61,500	\$ 57,421
Tax Compliance and Returns	\$ -	\$ -	\$ -	\$ 3,272	\$ -	\$ (3,272)	\$ 8,463	\$ 2,500	\$ (5,963)
Audit	\$ -	\$ 5,500	\$ 5,500	\$ 50,000	\$ 5,500	\$ (44,500)	\$ 50,000	\$ 168,500	\$ 118,500
Travel (airfares, accom, ground)	\$ -	\$ 20,000	\$ 20,000	\$ 21,668	\$ 20,000	\$ (1,668)	\$ 21,668	\$ 80,000	\$ 58,332
Staff Costs	\$ 65,000	\$ 65,000	\$ (0)	\$ 65,000	\$ 65,000	\$ -	\$ 266,856	\$ 260,000	\$ (6,856)
Systems	\$ -	\$ 1,450	\$ 1,450	\$ 4,350	\$ 1,450	\$ (2,900)	\$ 4,350	\$ 19,550	\$ 15,200
Office (including communications)	\$ 3,568	\$ 1,500	\$ (2,068)	\$ 733	\$ 1,500	\$ 767	\$ 5,537	\$ 6,000	\$ 463
Sub Total	\$ 238,961	\$ 102,450	\$ (136,511)	\$ 354,354	\$ 102,450	\$ (251,904)	\$ 766,218	\$ 667,050	\$ (99,168)
Giant Capital Management Limited									
Management valuations, reporting, technical and commercial asset operations	\$ 26,914	\$ 26,914	\$ -	\$ 26,914	\$ 26,914	\$ -	\$ 107,655	\$ 107,655	\$ -
Financial and coporate operations, management of contractors and suppliers	\$ 31,220	\$ 23,146	\$ (8,074)	\$ 21,531	\$ 23,146	\$ 1,615	\$ 95,813	\$ 92,583	\$ (3,230)
Business development, technical and commercial due dil, negotiation, documentation	\$ 44,600	\$ 33,065	\$ (11,534)	\$ 30,758	\$ 33,065	\$ 2,307	\$ 136,875	\$ 132,261	\$ (4,614)
Sub Total	\$ 102,733	\$ 83,125	\$ (19,608)	\$ 79,203	\$ 83,125	\$ 3,922	\$ 340,342	\$ 332,499	\$ (7,843)
Total	\$ 341,694	\$ 185,575	\$ (156,120)	\$ 433,557	\$ 185,575	\$ (247,982)	\$ 1,106,560	\$ 999,549	\$ (107,011)



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