Continuous disclosure update

09 October 2026

RGA (the **Company**) updates shareholders further, following the 25 September 2026 communication, regarding the voluntary administration of its wholly owned subsidiary, Red Earth Energy Storage Pty Ltd (Administrator Appointed) (**REES**, together with RGA, the **Group**) and implications for shareholders. The administration has created significant cash and solvency issues at Group level, and the Board anticipates the Company may also need to enter voluntary administration or an orderly wind-up in the coming weeks.

Voluntary administration of REES

Until 25 September 2026, REES designed, assembled and sold battery storage systems. In the preceding months, competition from lower-cost imported batteries, particularly in the residential market, placed significant pressure on REES. This pressure caused working-capital constraints across the Group. The directors therefore appointed B&T Advisory as administrators of REES on 25 September 2026.

The first creditors' meeting was held on 8 October 2026 and chaired by the appointed administrator, Travis Pullen. Creditors confirmed the appointment and resolved not to form a Committee of Inspection. Claims totalling $7.3m were admitted at the meeting, including RGA's $5.6m claim for loans made to REES over the past year. The total value of the current estimated creditor position for REES is $1.4m Priority and $9.5m Unsecured. The Company considers that no significant portion, if any, of its loan is likely to be recovered.

RGA's only other material asset is work completed to date on a proposed grid-scale battery manufacturing facility in Western Sydney. The project's value, if any, will need to be cancelled due to the Group's financial position and the related expenditure written off.

Application to ASIC for extension to lodge audited financial statements

On 30 September 2026, the Company applied to the Australian Securities and Investments Commission (**ASIC**) for relief under section 340 of the *Corporations Act 2001*. The Company requested a 90-day extension to lodge its audited financial report, directors' report and auditor's report for the year ended 30 June 2026.

The Company cannot finalise its financial statements or complete the statutory audit by the deadline because of the disruption caused by REES's administration. RGA is a holding company only with no operations, revenue, employees or material assets other than its investment in REES and its claim against REES.

REES was the Group's sole operating entity. It employed the operational staff and maintained the Group's IT, accounting, payroll and data systems. After the administrator's appointment, access to key ledgers, bank accounts and historical records was restricted, and finance staff were stood down. As a result, the Company cannot presently isolate the Group's financial data, establish standalone accounting systems or complete the audit.

ASIC has noted that the application was lodged late and has given the Company until 23 October 2026 to decide whether to proceed with it formally. This period allows the Board to assess the Company's remaining options and work with the REES administrator to preserve any available value for shareholders of the Company.

Group liquidity and next steps

At this time the Company has no ongoing operating revenue and limited cash. Its principal asset is RGA's claim against REES, which is unlikely to produce any material recovery. The Board therefore considers that a formal insolvency process for the Company is likely to be required. Subject to the Board's assessment and professional advice, this may involve appointing voluntary administrators or commencing a formal wind-up. The Company will update ASIC and shareholders when the next steps are determined.

Approved by the Board of RedEarth Group Australia Ltd

ENDS

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