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Shareholder Update

Dear Shareholder,

Here is the first of many quarterly Updates from your newly renamed company, Koala Royalties. We are excited about the future of Organic Oil Recovery under the global ownership and guidance of Hunting.

Best,

Ken Gerbino
Founder and CEO

Transition from Titan Oil Recovery to Koala Royalties

On March 7th, 2025, Hunting PLC. concluded a purchase of Titan's proprietary oil recovery technology, Organic Oil Recovery. As reported to shareholders, the revenue from this sale was \$17.5 million and the granting of a 15% royalty on all global revenue from OOR for 15 years.

Your company is now called Koala Royalties and has the same tax I.D. and same Board of Directors. The name change was due to Hunting already having a division named Titan and made to avoid any confusion in the future.

Koala will now be responsible for carrying out the management, administration and distribution of revenue from Hunting to shareholders.

Latest Royalty Information

Per the Hunting transaction documents approved by shareholders, the royalty payment schedule has already started with the first distribution taking place in August 2025. Because of the nature of the transaction with Hunting, Preferred shareholders will be receiving, at first, a return of their invested capital. This return of capital is non-taxable.

The schedule of payments to shareholders will be as follows: Preferred C shareholders will be returned their capital first. Next will be the Preferred B shareholders. After these two groups have received approximately \$7.2 million, then all shareholders (preferred and common) should be receiving royalties each quarter until 2040.

The royalties are scheduled to be paid on a quarterly basis and will be dependent on the contracts and revenue streams from Hunting.

All shareholders will be sent special sign up forms to register with Koala's royalty payment company. Preferred C shareholders were the first group to complete this step and soon Preferred B shareholders will be getting sign-up emails as well. If you own Preferred B shares, please be on the lookout for these sign up emails.

Common shareholders will be sent sign up forms at a later date. We will make sure to send multiple advices to all shareholders for this sign up procedure.

Many shareholders own all three classes of shares; common, Preferred B and Preferred C. Please note that if you sign up at the royalty portal for any class of shares you will automatically be signed up for all future payments due you from your other class of shares that you own, as all your shares are in our registry.

We expect these royalty amounts from Hunting to be increasing over the years as Hunting ramps up their efforts to establish OOR as the premier enhanced oil recovery technology in the world.

Hunting News

Going forward, we will enjoy forwarding you news about our favorite oil service company.

Zach Broussard, Hunting's new Regional Manager for North and South America Organic Oil Recovery recently addressed the International Symposium on Applied Microbiology and Molecular Biology in Oil Systems held in Nashville, Tennessee. His submitted paper and presentation included a review of Hunting's recent 30% oil production increase from a North Sea contract.

This excellent news was accompanied by a reduction of the microbes that produce the deadly H₂S gas (Hydrogen Sulfide) by 99%. This is important extra news. The global market for H₂S suppression is \$1.5 billion annually. OOR as a side benefit to oil production is very effective against H₂S. Our microbes (that should be receiving an Oscar for their performances in reservoirs) basically crowd out the H₂S producing bugs that create the deadly gas.

Hunting in their 2nd Half Financial reports and press releases did mention that they are projecting \$100 million in revenues from OOR by 2030. This could roughly equate to an approximate 30 cent royalty per share to Koala shareholders for that year. How much business they can bring in before 2030, or after, we will certainly be cheering them on.

Because of the outstanding success of the OOR technology on oil fields we believe that once the tipping point takes place on the acceptance of this technology that the revenue projections of Hunting could be substantially higher than hundreds of millions of dollars annually.

When Titan first started with Hunting, they had 3,000 followers on their LinkedIn site. Today that number is 39,000 followers. This means that the professional oil industry followers watching Hunting will certainly be hearing about OOR as we go forward.

Koala New Website Coming Soon



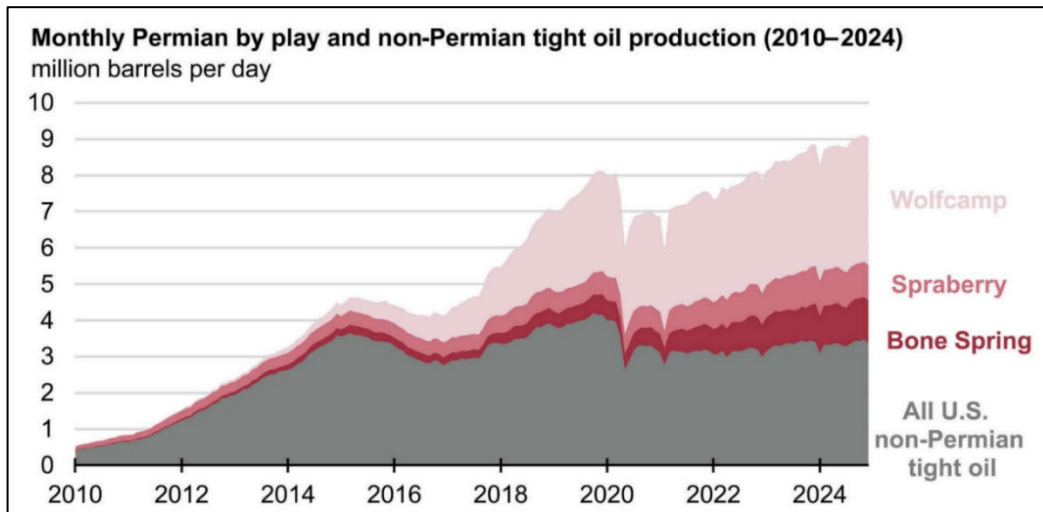
A Similar Oil Technology Story

Outside the Box Technology to \$200 Billion Annually from Horizontal Shale Fracturing

25 years ago, producing oil or gas from tight oil shale deposits was considered impossible because the oil bearing rocks were thousands of times more densely packed together than conventional oil deposits. This density inhibited the fluids (oil and gas) in the reservoir rock to flow. But after years of experimentation, the technology finally took hold. From 2010 to 2020 shale oil production in the United States went from 300,000 bopd to 8 million bopd, an increase of over 25 times in just 10 years as the industry woke up and finally adopted this new technology.

Depending on the oil price the amount of revenue derived from Shale is now over \$200 billion annually in just the United States.

Below is a graph showing tight oil shale production in the U.S. This technology was also outside the box. But as more and more success of the technology was demonstrated the proof was in the pudding so to speak and a revolution in the U.S. oil patch took place.



Horizontal shale drilling and fracturing is also very capital intensive. Below is a picture of what takes place on the surface to complete one of these horizontal shale wells. The photo below shows a multiple well frac job, but you can get the idea of the complexity.



This picture shows the equipment needed that will enable the oil production of approximately 3-4,000 bopd for the first year. Forgive the comparing of apples to oranges, but for OOR to match something of that magnitude, 3,000 – 4,000 bopd of increased oil production on an existing oil field or platform would require maybe just three or four of those red boxes you see in the background (filled with OOR ingredients) shipped to an

oil field 3-4 times a year. That is one of the great attributes of OOR – basically zero capital expense and no special equipment needed.

The point of this outside the box comparison is that new technology like OOR that is proven and dynamic can eventually gain acceptance to recover some per cent of global trapped oil.

Trapped Oil - A Huge Market

Experts claim that somewhere between 2-7 trillion (T) barrels of oil is assumed to be trapped in existing global oil fields and is considered unrecoverable. If one were to take the average amount of this trapped oil and converted it into oil barrels and stood the barrels on top of one another the distance this stack would go would be to the sun and back to Earth 12 times. You can do the math yourself. A barrel of oil is 33 inches tall. The sun is 93 million miles away.

Technology like Organic Oil Recovery should be an important part of the oil industry's future. If things go the way this proven science promises, then it will be a bright future for Koala shareholders.

Global Oil Demand Long Term

The oil industry follows the International Energy Agency (IEA) and the United States Energy Information Administration (EIA) projections for global oil demand and supply. Both these organizations usually have a hard time with projections. One can't really blame them as that task is difficult and complex. But the old saying "keep it simple" could help them.

The IEA is predicting oil demand for 2050 of 93 million bopd. Today it's 105 million bopd.

But taking the 10 year trend of average annual increases of oil demand from the OECD (Organization for Economic Cooperating and Development) countries and the 10 year trend of non-OECD countries and extrapolating this trend to 2050, the oil demand could exceed 124 million bopd.

This number assumes that billions of people in less developed countries will be consuming in 25 years the same amount of oil per person as they do today. This may be unlikely, even with a massive increase of wind and solar energy which is still only applicable to 20% of the world's energy needs (electricity).

With even slow economic progress in these countries and with several billion more people alive in 2050 it would seem reasonable that these populations will be consuming more oil.

The experts (OPEC Secretary General, International Energy Forum and Wood Mackenzie Consulting) tell us that the oil industry needs to invest between \$500 and \$700 billion

annually just to keep up with 105 million barrels per day of production needed to keep the lights on and the trains running and the food getting to the marketplace and a few thousand other things energy brings to mankind. A lot more money must be allocated to finding more oil.

OOR allows the industry to find more oil right under their leases and platforms. Its trapped oil written off as unrecoverable and of no economic value. Because of OOR, some of this oil will be recovered. How many barrels and how many fields will qualify for OOR success is an unknown but even a small per cent would be a massive amount of enhanced oil to be recovered.

Forward Looking Statements

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements included herein that address activities, events or developments that the Company expects, believes, intends, or anticipates will or may occur in the future, are forward-looking statements as well as words like “could”, “should”, “will”, “can”, and words of a similar nature. Actual events may differ materially from those anticipated in the forward-looking statements. Although the Company believes that the assumptions underlying the forward-looking statements contained herein are reasonable, any of the assumptions could be inaccurate. There can be no assurance that the forward-looking statements included in this presentation will prove to be accurate. Considering the significant uncertainties inherent in the forward-looking statements included herein, the inclusion of such information should not be regarded as a representation by the Company that the objectives and expectations of the company will be achieved.³