

Giant Capital

March Market Review

FIRM INFORMATION

Investment Manager
 Longreach Alternatives Ltd
 ABN 25 082 852 364
 AFSL 246747
Sub-Advisor
 Giant Operating LLC
 Delaware registered #6776889

KEY INVESTMENT PERSONNEL

Andrew Sinclair
 Principal – Commercial Director
Thomas Wagenhofer
 Principal – Technical Director

CONTACT US

Longreach Alternatives Ltd
 Level 9
 88 Phillip Street
 Sydney NSW 2000
 T+61 2 9135 0428
client.services@longreachalternatives.com

1.0 Market and Portfolio Commentary

1.1 Macro Industry Commentary

US Henry Hub prompt gas remained relatively stable in March despite the extreme global energy dislocations arising from conflict in the Middle East and the functional closure of the Strait of Hormuz to commercial traffic. The prompt was \$2.86/mmbtu at close on 27 February and \$2.89/mmbtu at close on 31 March. Calendar 2026 was also flat, beginning February at \$3.39/mmbtu and ending at \$3.40/mmbtu. The near-term supply/demand balance for US natural gas is unchanged by global market events as the US is already exporting every molecule of gas that it can via LNG. In the medium to longer-term demand for US natural gas supply should only increase because of the conflict solely based on the time it will take to repair and expand Qatar’s liquefaction capacity, this increase in demand will ultimately require higher US natural gas prices to incentivise necessary supply.

Over the quarter from 31 December to 31 March, Henry Hub prompt fell primarily because of the transition from winter heating season to mild spring season; 2026 and 2027 prices fell by smaller amounts, while 2028 and beyond saw modest increases. The quarter-on-quarter gas prices disguise large intra-quarter moves, in January the prompt reached \$30mmbtu during the peak of Winter Storm Fern.

Henry Hub Prices (\$/mmbtu)	31/12/2025	31/03/2026	Change (%)
Prompt	\$ 3.69	\$ 2.89	-22%
2026	\$ 3.63	\$ 3.40	-6%
2027	\$ 3.87	\$ 3.78	-2%
2028	\$ 3.70	\$ 3.78	2%
2029	\$ 3.61	\$ 3.65	1%

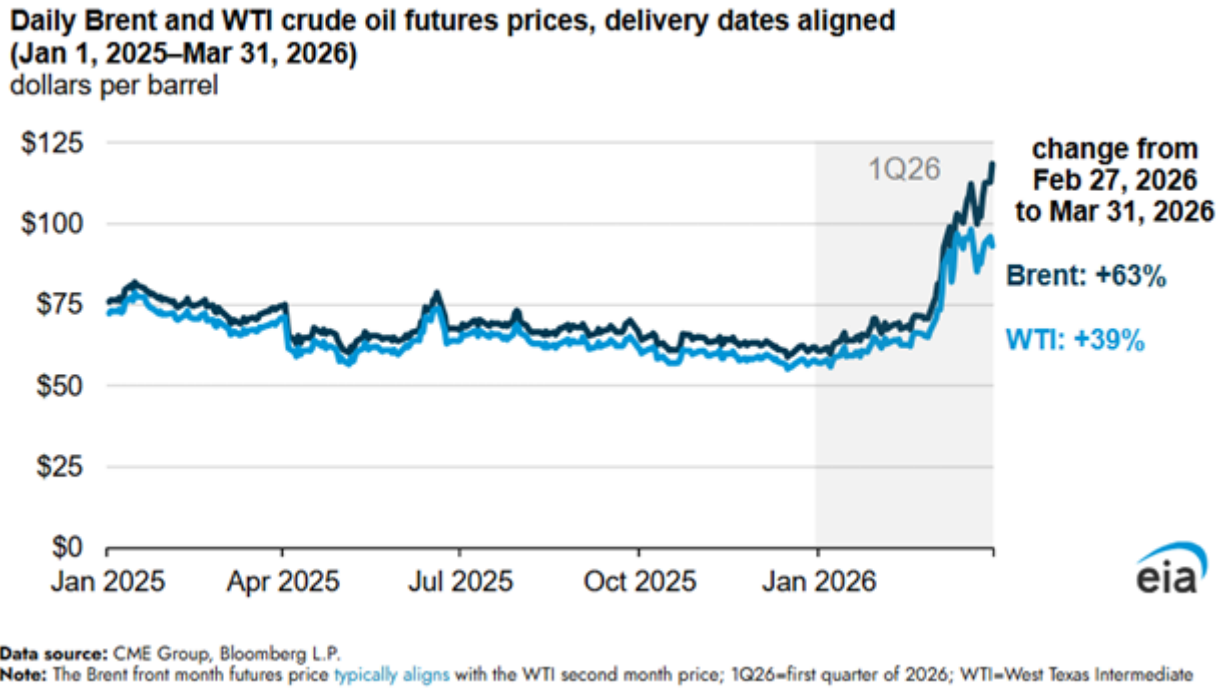
Prompt WTI and Brent oil contracts rose by 39% and 63% respectively from 27 Feb to 31 March (Figure 1). WTI closed on 27 February (the last trading day of the month and the day before attacks on Iran commenced) at \$67.02/bbl, rising to \$101.38/bbl at close on 31 March. Calendar 2026 increased from \$65.41/bbl to \$82.81/bbl.

Over the full quarter oil prices rose. Calendar 2026 was up 45%, 2027 21% and 2028 14%, longer dated prices rose about 9%.

The increase in oil prices has driven NGL prices higher, Giant Capital managed portfolios all have material NGL production.

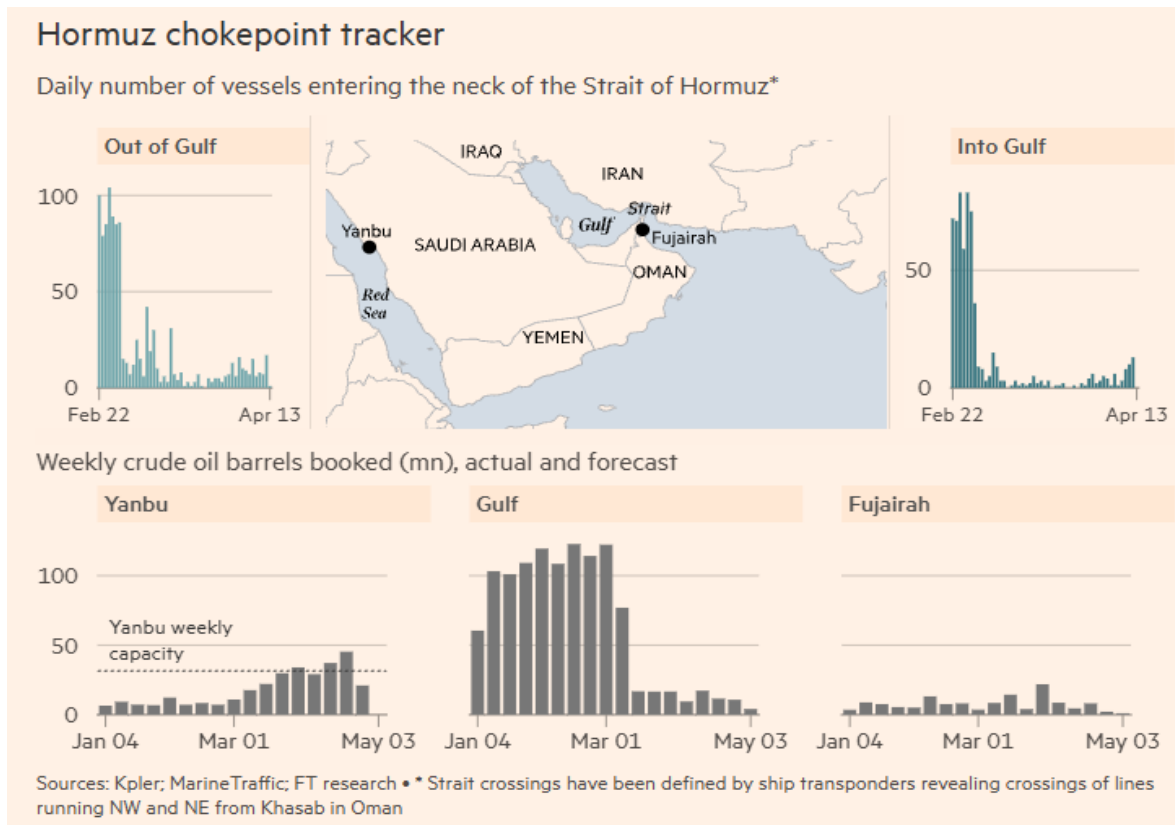
Giant Capital March Market Review

Figure 1: Daily Brent and WTI Futures Prices (Source: Various, via EIA)



Unable to send tanker cargos through the Strait of Hormuz, both the UAE and Saudi Arabia have maximised pipeline flows to the Yanbu port on the Red Sea and Fujairah port east of the Strait (Figure 2).

Figure 2: Middle East Oil Movements (Source: various, via FT)

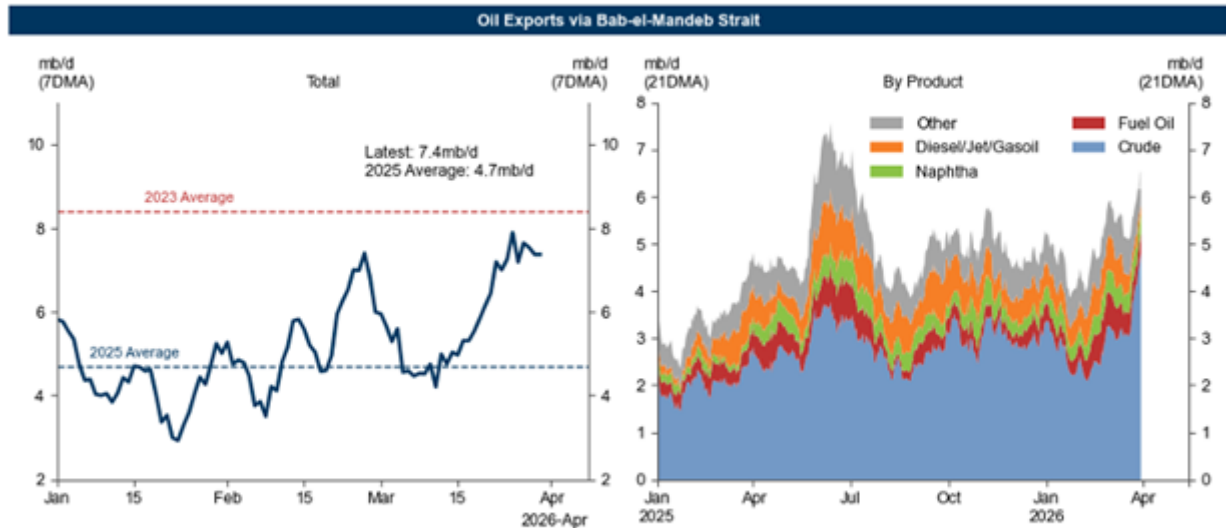


Giant Capital March Market Review

To move barrels from Yanbu to market requires passage through the Bab-el-Mandeb Strait that is exposed to attacks from the Iran-aligned Houthis based in Yemen though to date transit has not been interrupted with volumes reaching 7.4mmb/d (Figure 3).

Figure 3: Oil Exports via Bab-el-Mandeb Strait (Source: Kpler, via GS)

Exhibit 1: Flows Through the Bab-el-Mandeb Strait Are 2.7mb/d Higher Than Their 2025 Average But Still Below the 2023 Averages (Before Houthis Attacks on Red Sea Tankers Began)



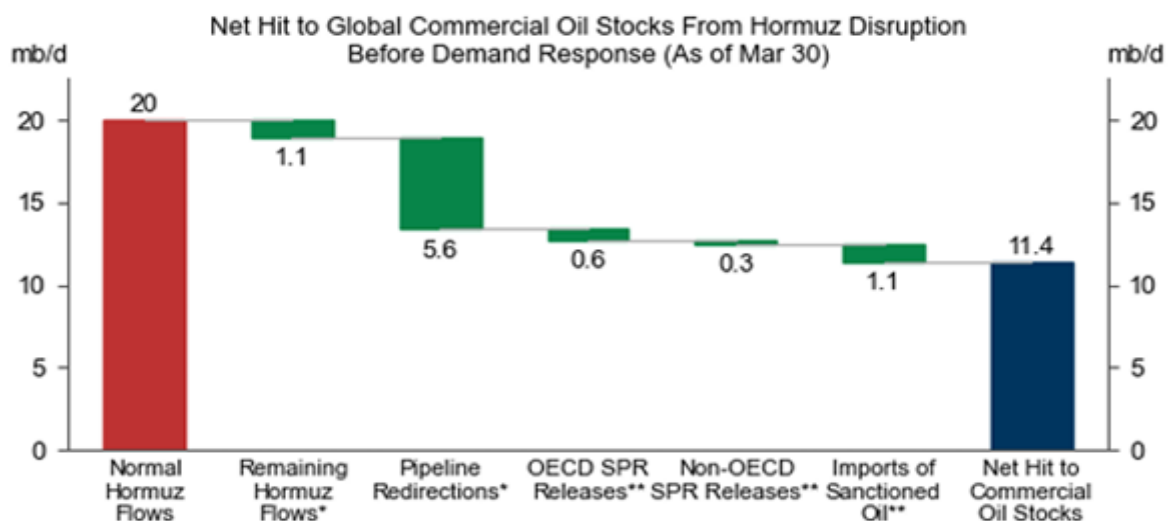
The Bab-el-Mandeb Strait connects the Red Sea to the Gulf of Aden and ultimately the Indian Ocean.

Source: Kpler, Goldman Sachs Global Investment Research

These pipeline redirections have lessened the impact of the Hormuz Disruption to global commercial oil stocks; the net commercial oil storage reduction is estimated at 11.4mmb/d (Figure 4).

Figure 4: Net Change to Global Stocks as of 30 March (Source: Kpler, via GS)

Exhibit 3: We Estimate a Net Hit from Strait of Hormuz Disruptions to Global Commercial Oil Stocks of 11.4mb/d Now (Before the Supply and Demand Response)



*Changes are smoothed by taking a *4-day or **7-day moving average. We define the hit relative to 2025 average flows of 3.5mb/d for pipelines, 0.06/0.05mb/d for OECD/non-OECD SPR builds, and 4.9mb/d for imports of sanctioned (Iran and Russia) oil.

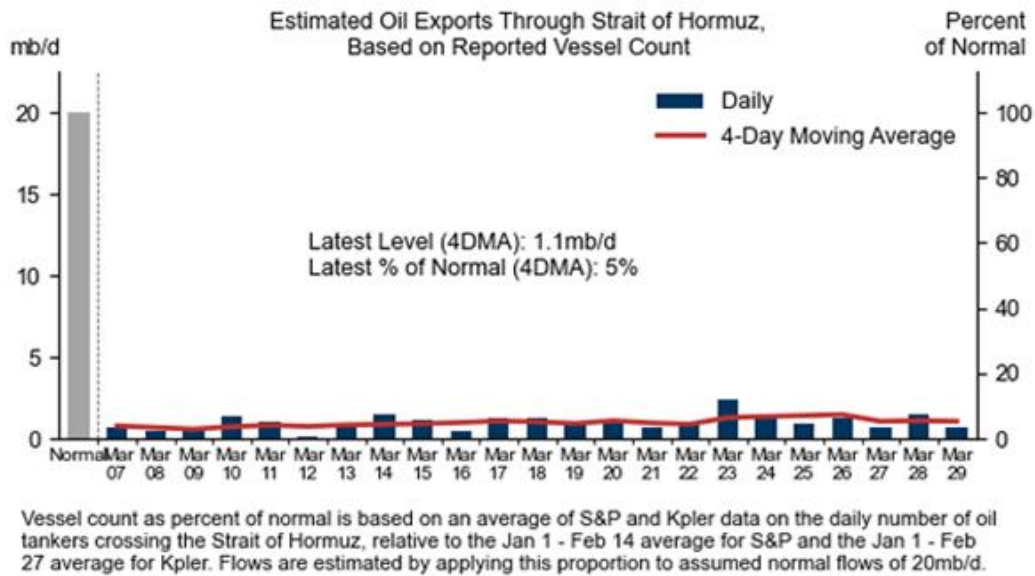
Source: Kpler, Goldman Sachs Global Investment Research

Giant Capital March Market Review

Goldman estimates that average daily oil flows through the Strait of Hormuz in March were down 95% from normal levels (Figure 5).

Figure 5: Estimated Oil Exports through Strait of Hormuz (Source: various, via GS)

Exhibit 4: We Estimate Based on Reported Vessel Counts that Average Daily Flows Through the Strait of Hormuz Are Down 95% From Their Normal Levels (4-Day Moving Average)



Source: S&P Global Commodities at Sea, Kpler, Goldman Sachs Global Investment Research

Global visible total oil inventories have declined by 130mmbbls since the start of the conflict. This represents 30% of the builds seen through 2025 (Figure 6).

Figure 6: Global Visible Oil Inventories (Source: various, via GS)

Exhibit 8: Global Visible Total Oil Inventories Have Declined by 130mb Since the Start of the Conflict, Depleting 30% of 2025 Builds



Source: IEA, Kpler, DOE, Euroilstocks, ARA PJK, PAJ, Haver, Goldman Sachs Global Investment Research

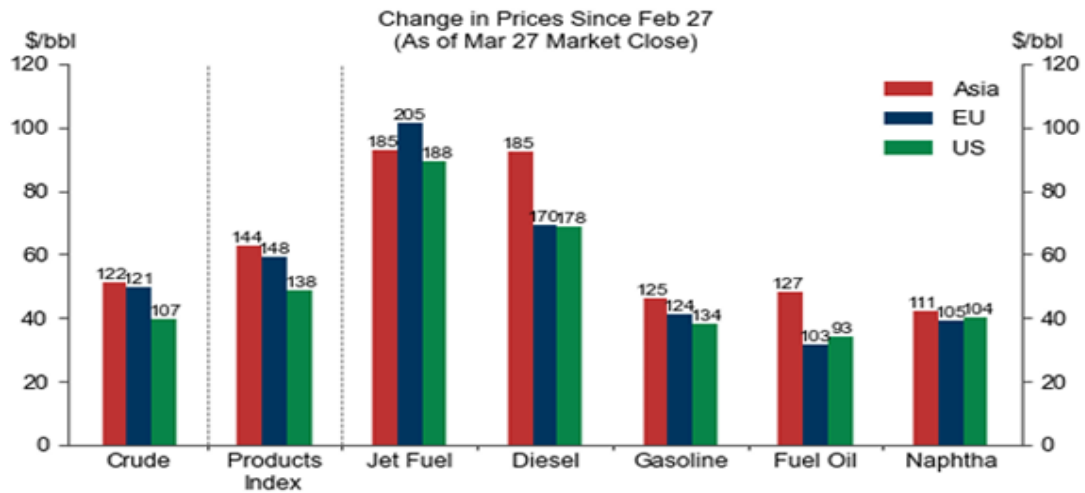
Giant Capital March Market Review

Physical crude oil and products prices have all increased across the world since 27 Feb, the largest increases have been seen in Jet Fuel and Diesel (Figure 7).

Figure 7: Change in Energy Prices since 27 Feb (Source: various, via GS)

Energy Prices Across Regions

Exhibit 15: Physical Crude Prices in Asia Have Moderated, While Physical Crude Prices in EU and US and Refined Products Prices Across All Regions Have Increased

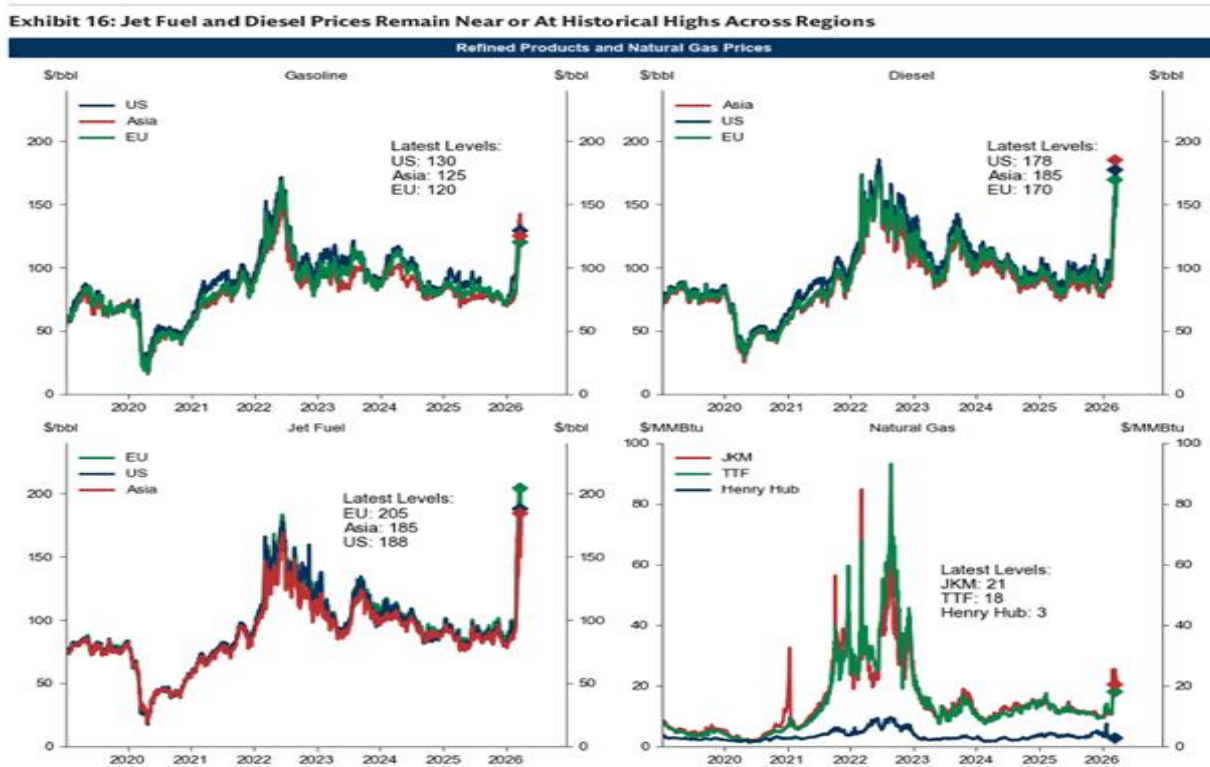


Bar labels indicate crude/refined products prices as of March 27th market close.

Source: ICE, Platts, Goldman Sachs Global Investment Research

Jet Fuel and Diesel prices are near or at historical highs. JKM and TTF have risen more modestly while Henry Hub has been flat (Figure 8).

Figure 8: Refined Products and Natural Gas Prices (Source: various, via GS)




The refined product prices are wholesale futures prices.

Source: Platts, Goldman Sachs Global Investment Research

Giant Capital March Market Review

The latest Baker Hughes rig count data follows. From the beginning of January to the end of March US total land rigs rose by 12 from 524 to 536. Total oil rigs rose by 1 from 410 to 411, gas rigs rose by 8 from 122 to 130. Oil and gas rig totals include 11 offshore and 1 inland water rigs working at the end of March.

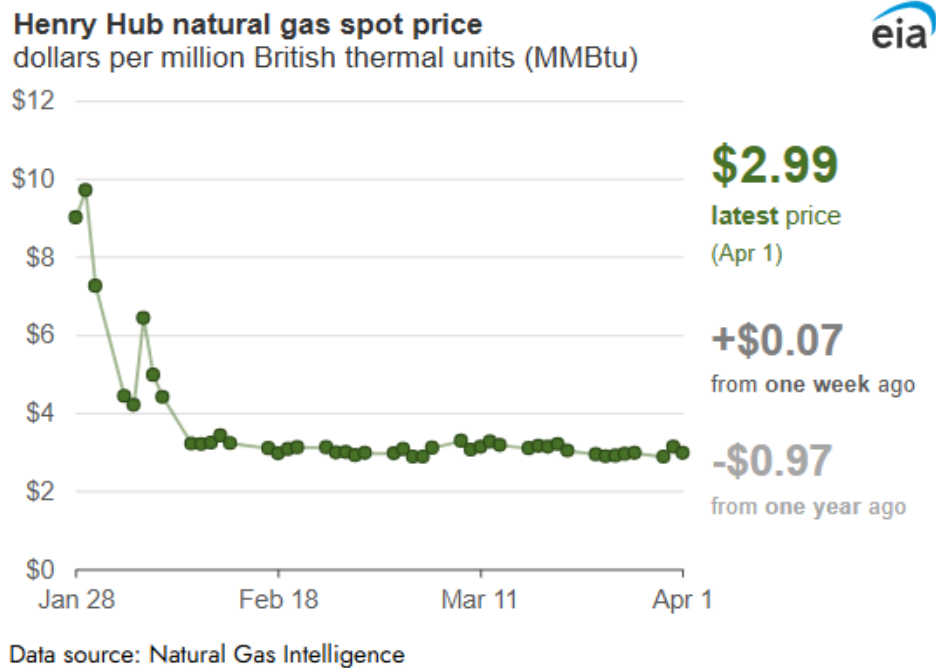
 NORTH AMERICA Rotary Rig Count 02/04/2026					
Location	Week	+/-	Week	+/-	Year Ago
Inland Waters	1	-1	2	-2	3
Land	536	6	530	-37	573
Offshore	11	0	11	-3	14
United States Total	548	5	543	-42	590
Gulf of Mexico	10	0	10	-2	12
Canada	142	-11	153	-11	153
North America	690	-6	696	-53	743
U.S. Breakout Information	This Week	+/-	Last Week	+/-	Year Ago
Gas	130	3	127	26	104
Oil	411	2	409	-70	481
Miscellaneous	7	0	7	2	5
Directional	45	-2	47	-3	48
Horizontal	485	3	482	-44	529
Vertical	16	4	12	3	13

Giant Capital March Market Review

Gas Market

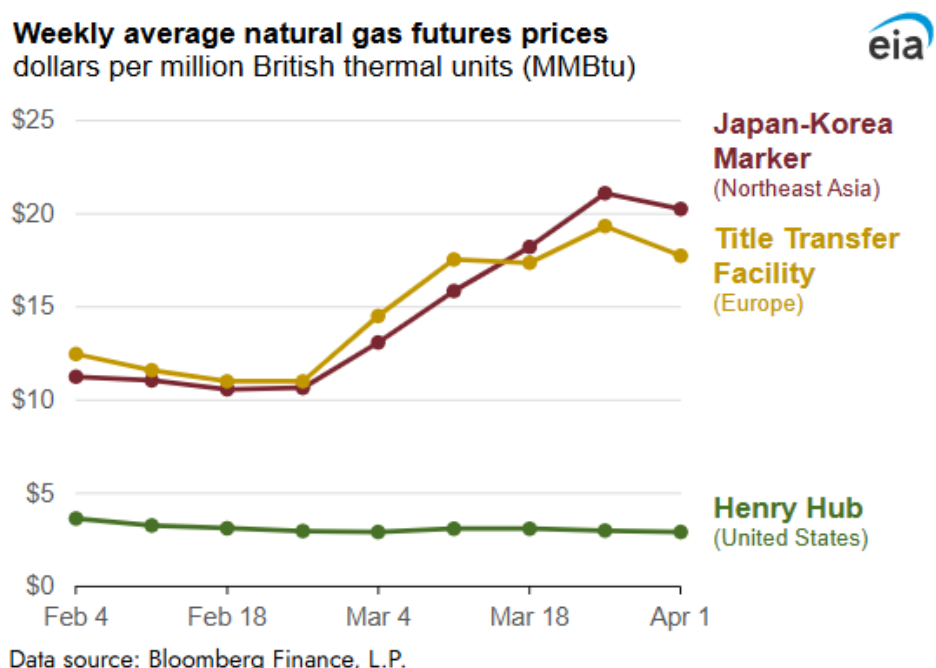
Henry Hub prompt prices have not, to date, reacted to the tumult in international energy markets, trading in a tight range around \$3/mmbtu since the cold weather driven spikes ended in late January (Figure 9).

Figure 9: Henry Hub Natural Gas Spot Price (Source: EIA)



While Henry Hub hasn't moved, both JKM and TTF have risen sharply higher with global LNG supply significantly reduced (Figure 10). During the week ended 1 April, TTF averaged \$17.74/mmbtu while JKM averaged \$20.28/mmbtu.

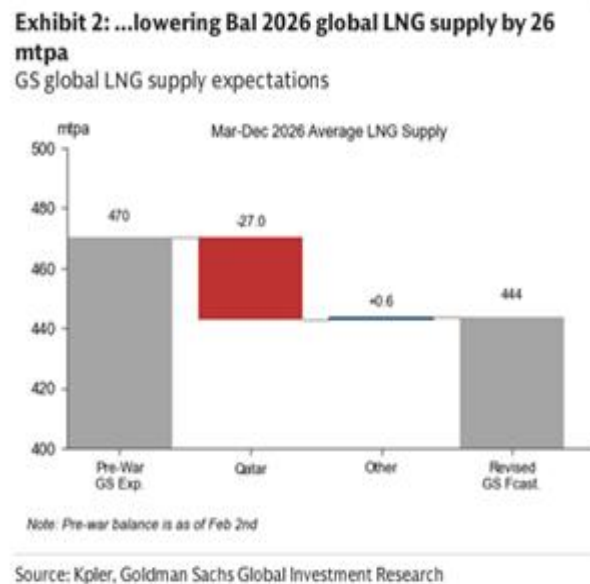
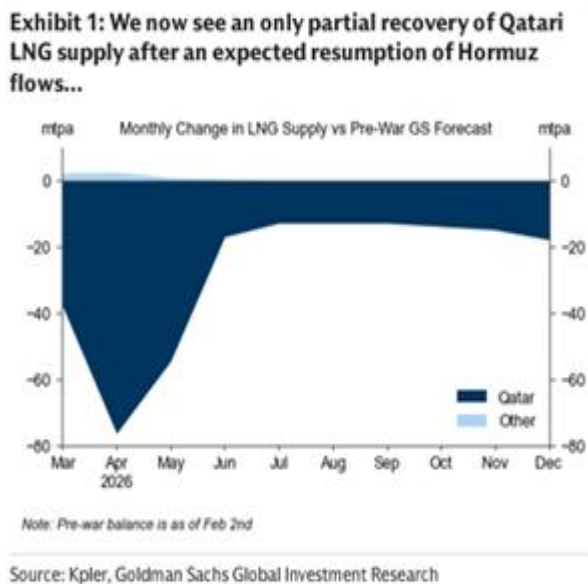
Figure 10: Weekly Average Natural Gas Futures Prices (Source: EIA)



Giant Capital March Market Review

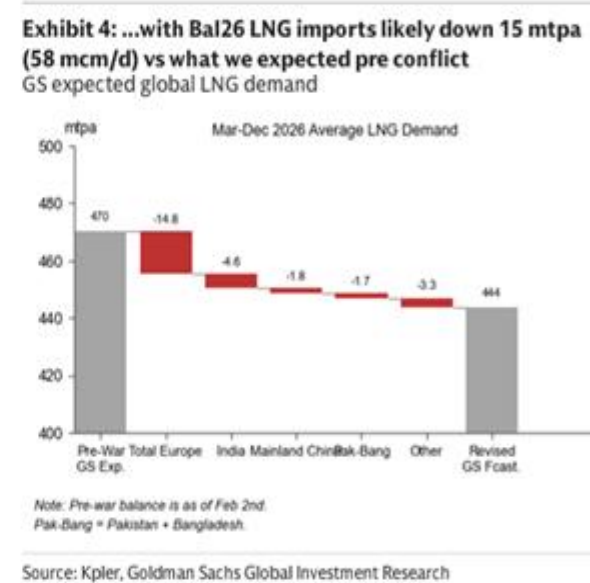
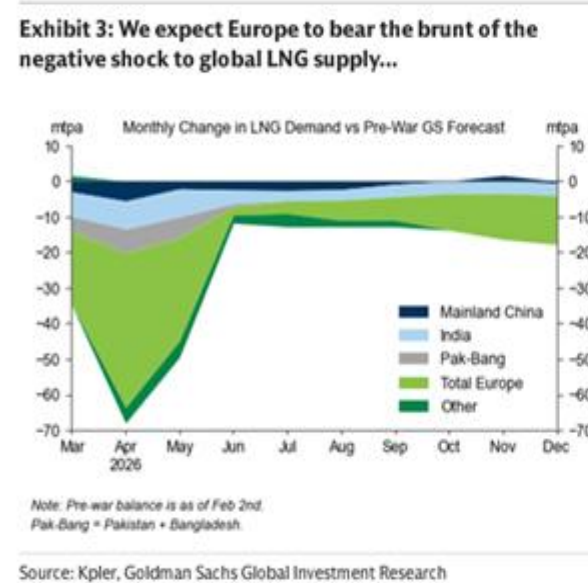
Although the path to restoration of normal traffic through the Strait of Hormuz remains highly uncertain, Goldman estimates that if LNG movement through the Strait begins to recover in mid-April and that by end May only the 13 million tonnes per annum (mtpa) of Qatari production that has sustained long-term damage in the fighting won't be restored for 3 to 5 years remains off-line, then the balance of 2026 global LNG supply will be reduced by 26mtpa (3.5bcfd) to 444mtpa (Figure 11).

Figure 11: LNG Supply (Source: Kpler, via GS)



Goldman believes that European markets will bear the brunt of the impact of lower LNG supply (Figure 12).

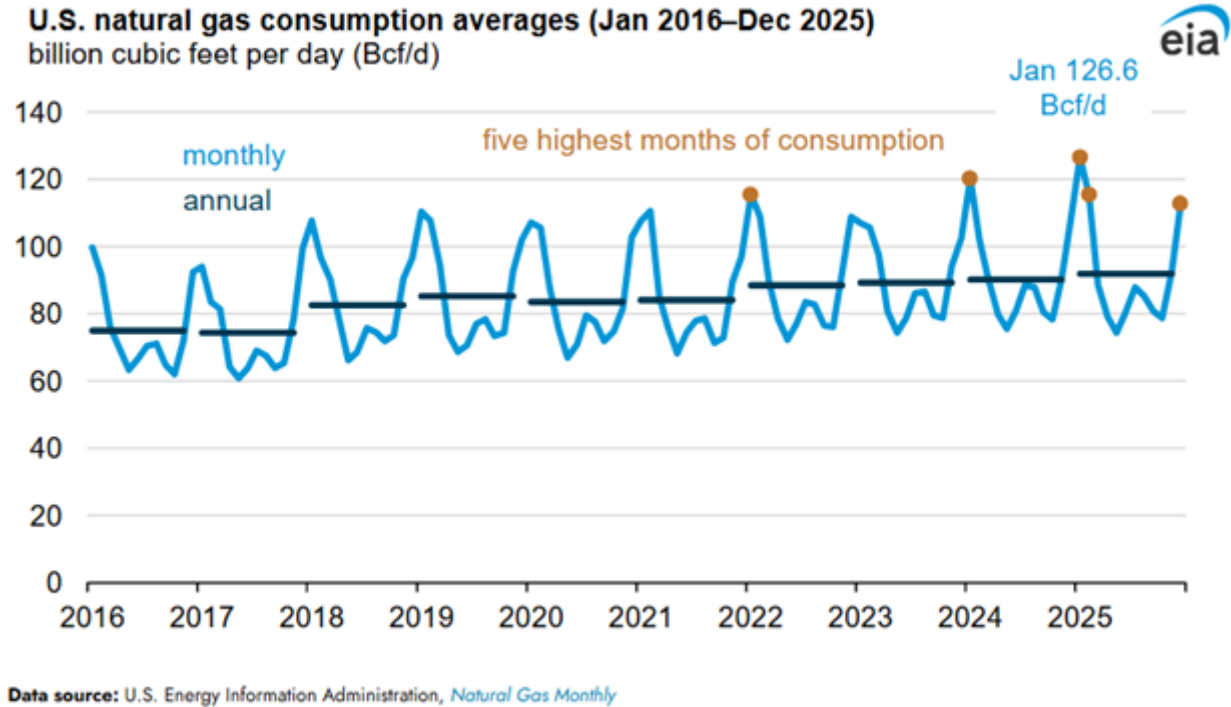
Figure 12: LNG Demand (Source: Kpler, via GS)



Giant Capital March Market Review

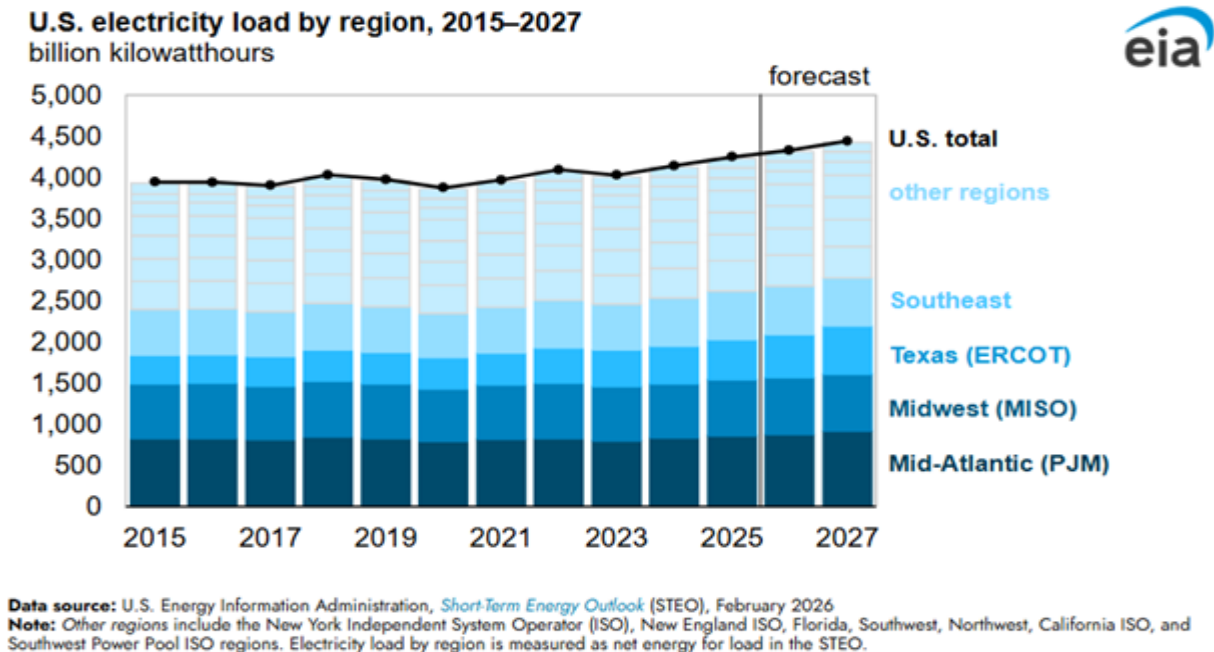
US natural gas consumption (excluding LNG and pipeline exports) averaged a record 92.0bcfd in 2025 and set a new winter monthly record of 126.6bcfd in January 2026, according to EIA data. Overall, US natural gas consumption last year increased 2% (1.7bcfd) from 2024 (Figure 13).

Figure 13: US Natural Gas Consumption Averages (Source: EIA)



Electricity demand has been rising steadily since 2020 after more than a decade of little change. Between 2020 and 2025, US electricity demand, as measured by net energy for load, grew about 1.7% annually compared to 0.1% annual growth between 2005 and 2019 (Figure 14).

Figure 14: US Electricity Load by Region (Source: EIA)

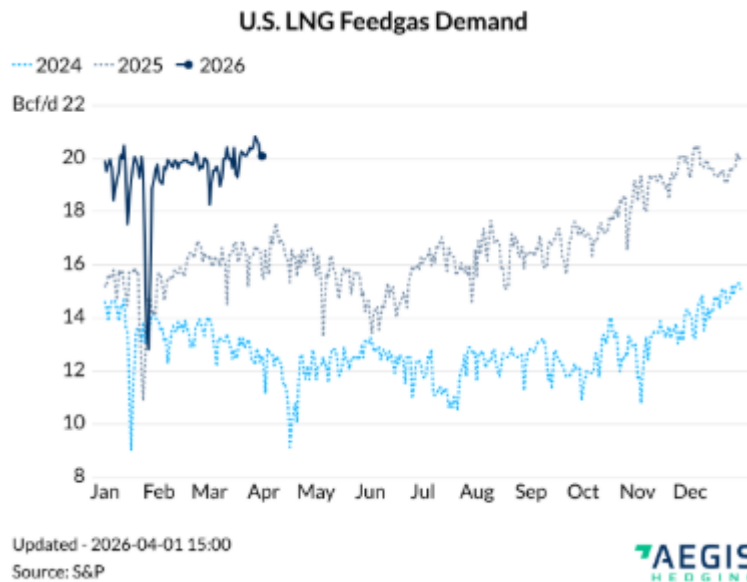


Giant Capital March Market Review

Electricity use by data centres is driving the electricity demand growth. Continued development of these large computing facilities and growth from expanded industrial use of electricity are likely to continue driving growth in US electricity demand in the near term.

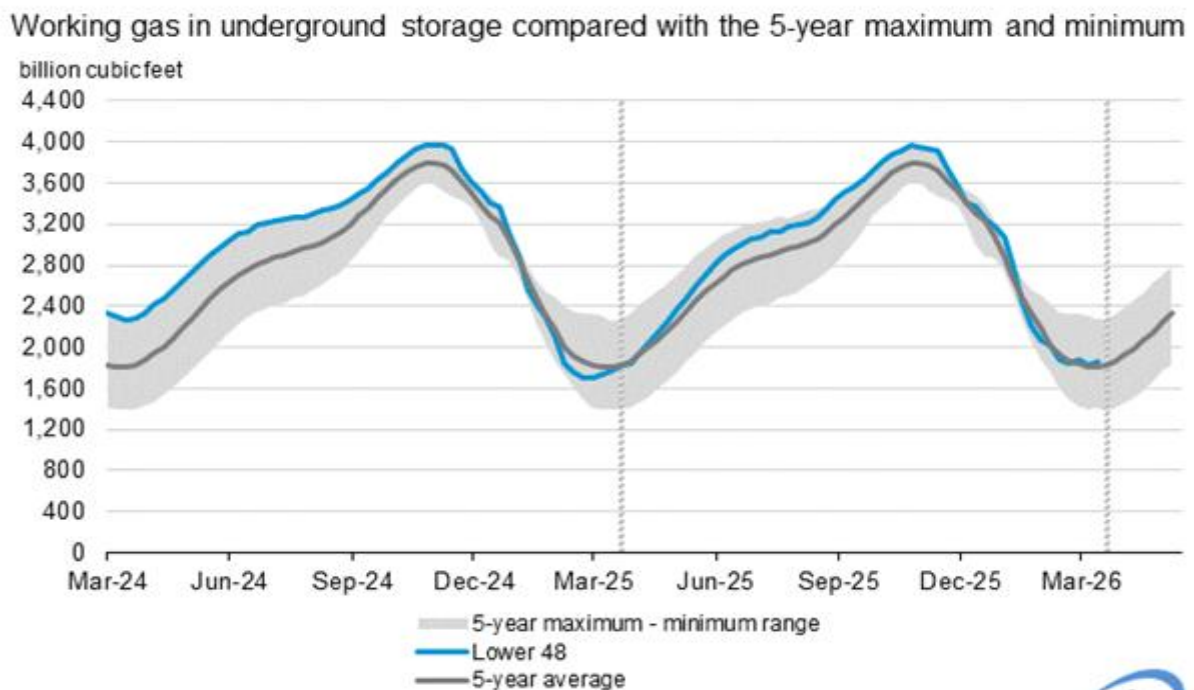
US LNG feedgas demand has recently pushed above 20bcfd, LNG exports from the US are deeply in-the-money (Figure 15).

Figure 15: US LNG Feedgas Gas Demand (Source: S&P, via Aegis)



Working gas in storage was 1,865bcf as of 27 March 2026, according to EIA estimates. This represents a net increase of 36 bcf from the previous week. Stocks were 96bcf higher than last year at this time and 54bcf above the five-year average of 1,811bcf (Figure 16).

Figure 16: US Working Natural Gas in Underground Storage (Source: EIA)



Data source: U.S. Energy Information Administration

Note: The shaded area indicates the range between the historical minimum and maximum values for the weekly series from 2021 through 2025. The dashed vertical lines indicate current and year-ago weekly periods.

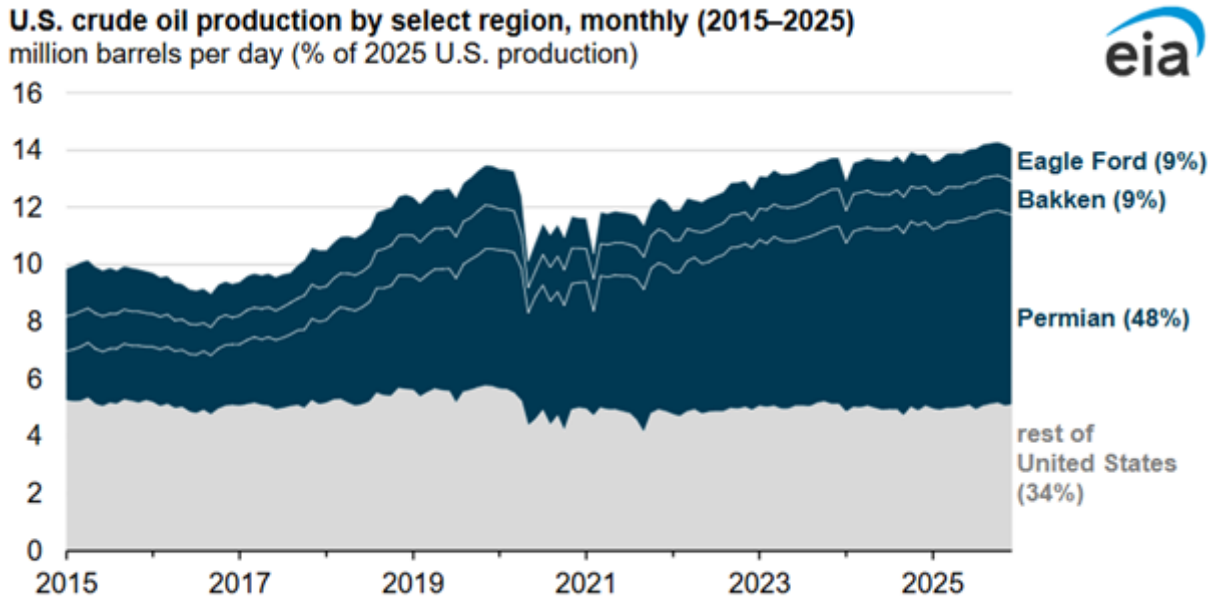


Giant Capital March Market Review

Oil Market

US crude oil production grew by 3%, or 350,000bbl/d in 2025, setting a new annual production record of 13.6mmbbl/d, according to EIA data (Figure 17).

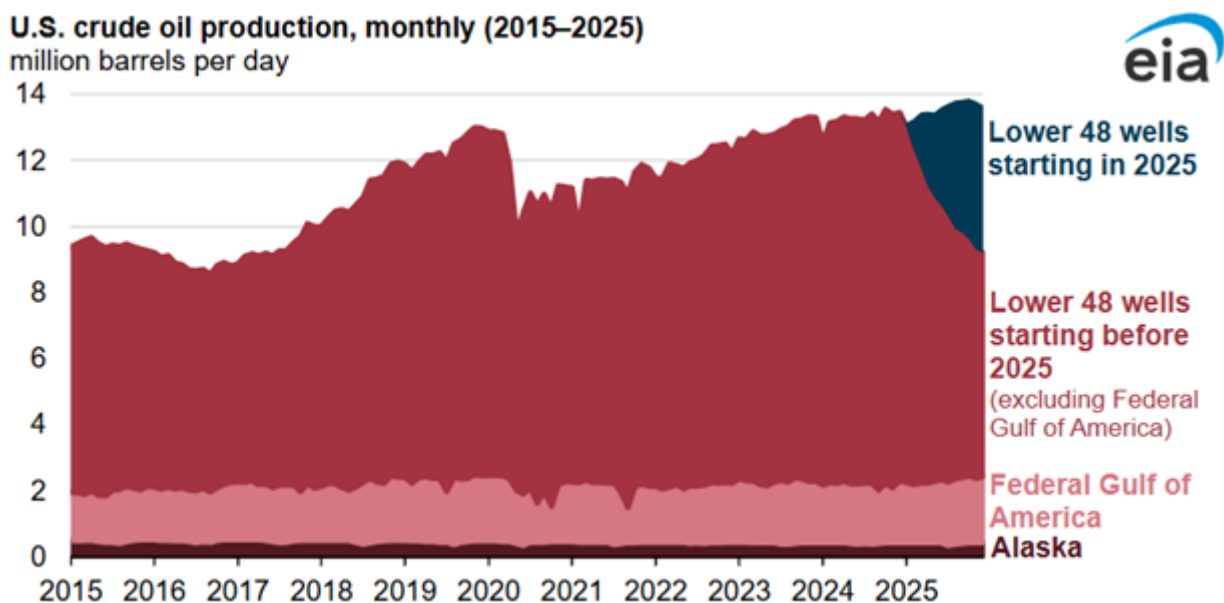
Figure 17: US Crude Oil Production by Region (Source: EIA)



Data source: U.S. Energy Information Administration, *Short-Term Energy Outlook*, March 2026

In 2025, the number of active rigs per month in the US Lower 48 States (L48) was 5% less than 2024 and 1% fewer wells were drilled. Despite less rig activity and fewer wells, continued efficiency improvements resulted in a slight increase in oil production, with new wells producing 2.9mmbbl/d and wells drilled prior to 2025 producing 8.3mmbbl/d (Figure 18).

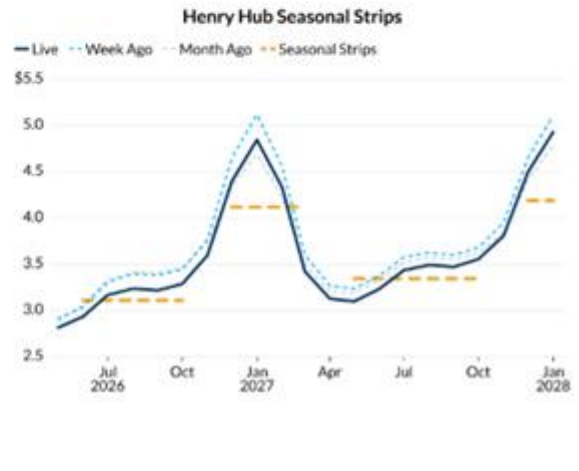
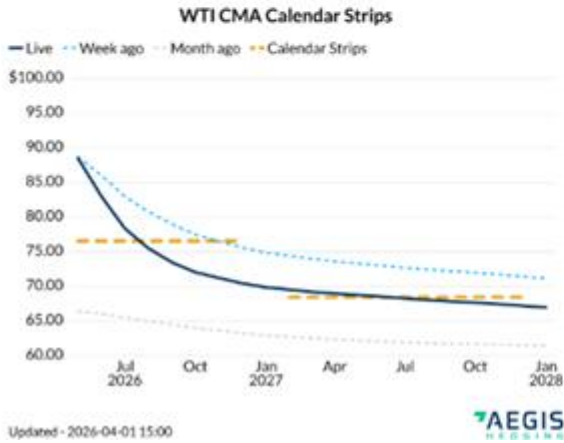
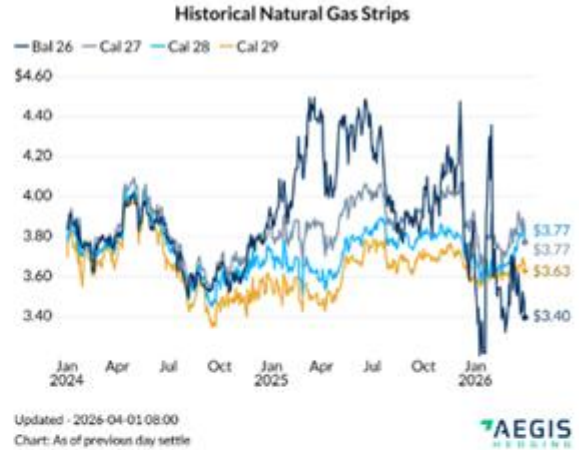
Figure 18: US Crude Oil Production (Source: EIA)



Data source: U.S. Energy Information Administration, *Short-Term Energy Outlook*, March 2026

Giant Capital March Market Review

Gas and Oil Prices 1 April 2026



Crude Oil Swap Pricing

	2026	2027	2028	2029
NYMEX WTI	\$79.15	\$68.72	\$66.47	\$64.79
LLS	\$81.52	\$70.04	\$67.77	\$66.34
Mars	\$84.96	\$71.83	\$65.22	\$63.79
Dubai	\$85.07	\$74.19	\$72.04	\$70.90
WCS-WTI	-\$12.38	-\$14.14	-\$14.24	NaN
ICE Brent	\$84.32	\$73.78	\$71.64	\$70.49
Dated Brent	\$89.55	\$74.34	\$72.01	\$70.88
West TX Sour (WTS)	\$80.23	\$69.37	\$65.97	\$64.29

Updated - 2026-04-01 12:45
Table: As of previous day settle

Natural Gas Basis Swap Pricing

	prompt	Winter 26/27	Summer 26	Winter 27/28	Summer 27
Henry Hub Fixed	\$2.884	\$4.193	\$3.174	4	\$3.420
Panhandle East	-\$0.743	-\$0.503	-\$0.803	-0	-\$0.639
Eastern Gas South	-\$0.883	-\$0.745	-\$0.972	-1	-\$0.888
Waha	-\$6.300	-\$1.248	-\$4.455	-2	-\$1.344
TETCO M3	-\$0.790	\$2.269	-\$0.824	2	-\$0.670
Houston Ship Channel	-\$0.420	-\$0.498	-\$0.407	-0	-\$0.430
Columbia Gulf Mainline	-\$0.318	-\$0.229	-\$0.313	-0	-\$0.280
NGPL TXOK	-\$0.450	-\$0.500	-\$0.433	-0	-\$0.388
SOCAL	-\$1.858	-\$0.264	-\$1.165	0	-\$0.385
AECO	-\$1.843	-\$2.146	-\$2.030	-2	-\$1.730
Chicago City-Gates	-\$0.370	\$0.159	-\$0.408	0	-\$0.326

Updated - 2026-04-01 08:00
Table: As of previous day settle

Natural Gas Liquids

	Month 1	2026	2027	2028
MBV x-TET C2	\$0.235	\$0.247	\$0.240	\$0.230
MBV x-TET C3	\$0.782	\$0.786	\$0.713	\$0.619
MBV x-TET C4	\$1.046	\$1.021	\$0.869	\$0.749
MBV x-TET C5	\$2.058	\$1.780	\$1.392	\$1.312

Giant Capital March Market Review

Important Disclaimer.

This report has been issued by Longreach Alternatives Limited ABN 250 828 52364 AFSL 246 747 ("Longreach"). Data is at 31 March 2026 unless stated otherwise. This document is not an offer of securities or financial products, nor is it financial product advice.

As this document has been prepared without taking account of any individual investor's particular objectives, financial situation or needs, you should consider its appropriateness having regard to your objectives, financial situation and needs before taking any action.

This document has been prepared without taking into account of your objectives, financial situation and needs; you should consider its appropriateness having regard to your objectives, financial situation and needs.

The information stated, opinions expressed and estimates given constitute best judgement at the time of publication and are subject to change without notice. Consequently, although this document is provided in good faith, it is not intended to create any legal liability on the part of Longreach or any other entity and does not vary the terms of a relevant disclosure statement. Past performance is not an indicator of future results. All dollars are US dollars unless otherwise specified.

This document describes some current internal investment guidelines and processes. These are constantly under review and may change over time. Consequently, although this document is provided in good faith, it is not intended to create any legal liability part of Longreach or any other entity and does not vary the terms of a relevant disclosure statement. Past performance is not an indicator of future results. In cases where information contained in this document derives from third parties, Longreach accepts no liability for the accuracy, completeness or appropriateness of such information.