

7th April 2025 | ASX ANNOUNCEMENT

Canyon-1H Evaluation and Forward Plan

HIGHLIGHTS

- Fully funded for planned evaluation and early work programs – existing cash, under-budget for frac program and expected FY23 R&D tax receivable
- Rapid wellhead pressure increase measured in Canyon-1H after shut-in, approaching pre-frac levels
- Ongoing assessment of flow test data to guide future work plans, initial findings indicating recovered liquids are a premium volatile crude oil of 49.5° ¹API gravity – similar to that from the Moonie Oil Field
- Data acquisition program in existing Canyon-2 well to commence in April, including cased-hole logging and DFIT's, to test the known 360m prospective interval
- Value-enhancing initiatives in progress:
 - Preparation for seismic acquisition program
 - Preparation for drilling and testing work program
 - Commercial modelling to support resource upgrade and oil and gas development pathways
- Discussions with several potential international and domestic tier-1 partners and strategic investors ongoing

¹ ASX Release dated 26 March 2025 titled "Strong Oil Flows from Canyon-1H well".

Trevor Brown, CEO and Managing Director, commented:

" Following the outstanding results of Omega's successful flow test of our Canyon-1H well, our data evaluation and preparation for further work programs is underway. Omega is commencing additional data acquisition on the existing Canyon-2 vertical well, while preparing for a future drilling, testing and seismic program, to progress the commercialisation of both the oil and gas plays in our extensive PCA areas. Having demonstrated commercial hydrocarbon flow rates from the Canyon-1H well, we are now focussed on developing a suite of options for future work programs, to enable us to move quickly once results of our full evaluation have been received. Our results compare favourably with wells in some of the best unconventional liquids production areas in the US and we have already received approaches from several significant, potential strategic and industry partners."

Omega Oil and Gas Limited (ASX: OMA) ("Omega" or "the Company"), 100% holder of Potential Commercial Areas (PCA) 342 and 343 in Queensland's Bowen Basin, is pleased to provide a corporate update following the successful flow testing of the Canyon-1H horizontal well in the Taroom Trough within Queensland's Bowen Basin.

The addition of a significant oil discovery to our existing gas project provides an attractive suite of opportunities for our shareholders. Flow rates, flowing wellhead pressures and pressure decline analysis from the Canyon-1H flow test, and now rapid wellhead pressure build-up post shut-in, all indicate reservoir properties and well performance equivalent to some of the best US unconventional liquids producing areas, such as the Eagleford Shale and Permian Basin. Our long-term focus is to evaluate the full potential of our acreage area, to demonstrate fluid distribution, reservoir extent and producibility over a broad area, and to identify the most attractive "sweet spots" for both oil and gas development projects. We will fully evaluate the value and risk associated with each available option as we receive and integrate the data required for our analysis. Over time, full evaluation of our extensive PCA areas will include a combination of vertical wells, horizontal wells, seismic and production testing – some wells near existing discoveries and some "step-out" wells. As part of the regional assessment, an extended oil production test from a longer, optimised horizontal well in the Canyon Sandstone could provide early cash flow as well as valuable reservoir information. This is one of the possibilities to be considered once the results of our data evaluation are received.

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Figure 1: tanker being loaded with oil from the Canyon-1H well for transport to refinery

Evaluation and Work Program activities.

- **Strong pressure build-up in Canyon-1H following shut-in:** Well head pressure has responded strongly post shut in, already building to near pre-frac levels. This is a strong indication that fractures have developed a large, well-connected, stimulated rock volume as designed and that we can expect strong pressure support in future development wells.
- **Flow test data evaluation underway:** Oil, gas, water and frac tracer analysis is underway with results due in coming months. Results to be integrated by our US-based experts in engineering workflows to model reservoir potential and estimated ultimate recoverable volumes (EUR) for Canyon-1H, and for a normalised development well. Results to be compared with liquids-rich analogue reservoirs in the USA. Early results confirm recovered liquids are a volatile oil with a gravity of 49.5^o ² API, a premium crude similar to that from the nearby Moonie Oil Field – one of Australia’s largest onshore oil fields.

² ASX Release dated 26 March 2025 titled “Strong Oil Flows from Canyon-1H well”.

- **Canyon-2 data acquisition program:** Cased-hole logging and DFIT program in the existing Canyon-2 vertical well to commence within weeks. Program designed to evaluate stacked pay potential within the Permian target section and to model the overpressure gradient.
- **Preparation for seismic acquisition program underway:** Procurement, contracting, and land access work has commenced for a 2D seismic acquisition program scheduled to commence in 2H25.
- **Preparation for future wells underway:** Land access, location preparation, well design, contractor sounding for availability and suitability of rigs, fracture stimulation equipment and long-lead items underway.
- **Commercial modelling underway:** Resource upgrades and oil and gas development pathways (transport, processing, sales) are being investigated, modelled and assessed.
- **Fully funded for all planned evaluation and early work programs:** Assessing financing options for longer term work program.
- **Potential partner and strategic investor discussions ongoing:** Multiple inbound enquiries received from significant investors since Canyon-1H results announced.

Planned Activity

Activity	Data	Goal	Timing
Canyon-2 Cased hole logging	Measure reservoir properties across entire prospective section	<p>Confirm reservoir properties</p> <p>Determine prospective intervals to target with DFIT</p> <p>Zone correlation between Canyon-2 and Canyon-1H</p>	April
Land Access engagement for future well locations and 2D seismic	Landholder agreements for access to a selection of well and seismic acquisition locations	Early work to secure land access to provide a choice of available locations	April - July
Market soundings for rigs, drilling services, frac equipment, testing services and long-lead items	Understand timing of availability of suitable equipment and services for upcoming wells	Integrate timing of equipment availability into operations planning schedule	April - July
Canyon-2 DFIT's	Measure reservoir and completion qualities across the Permian section	<p>Measure pressure gradient across Permian section</p> <p>Evaluate stacked pay potential</p> <p>Demonstrate scalability of Canyon Sandstone over regional area</p>	<p>Commencing in May</p> <p>test one zone each month commencing with deepest zone and working up</p>
Reservoir Modelling	Type Curve analysis and EUR calculation	Type Curve and EUR of Canyon Sandstone at Canyon-1H location	June
Engineering and Economic modelling	Model economic pathway for oil	Determine optimal economics for oil development	July - August
Resource Upgrade	Technical and commercial data	Updated resource assessment	2H25

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This release has been authorised on behalf of the Omega Oil and Gas Board.

ABOUT Omega Oil and Gas

Omega Oil and Gas Limited is a dynamic Australian exploration company with a small, highly experienced team focused on unlocking the vast Permian Deep Oil and Gas potential in Queensland's Taroom Trough, an emerging producing basin.

Backed by some of Australia's most prominent resource investors, Omega is uniquely positioned to become a significant contributor to the nation's energy sector.

Founded in 2020, the company's countercyclical strategy has already delivered two major oil and gas discoveries, Canyon-1 and Canyon-2, underscoring the enormous potential of our acreage.

By combining proven technical expertise, a clear commercial pathway, and the support of blue-chip investors, Omega is well positioned to become a key contributor to Australia's energy future.

Forward looking Statements

This announcement may contain certain "forward-looking statements". Forward-looking statements can generally be identified by the use of forward-looking words such as, "expect", "should", "could", "may", "predict", "plan", "will", "believe", "forecast", "estimate", "target" and other similar expressions. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. The forward-looking statements included in this announcement involve subjective judgement

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and analysis and are subject to significant uncertainties, risks and contingencies, many of which are outside the control of, and are unknown to, Omega. Forward-looking statements should be read in conjunction with, and are qualified by reference to, the risk factors set out in section 5 of the Prospectus lodged with Australian Securities and Investment Commission on 22 August 2022 and in Omega's subsequent announcements and presentations. Actual future events may vary materially from the forward-looking statements and the assumptions on which those statements are based. Given these uncertainties, you are cautioned to not place undue reliance on such forward-looking statements. Omega disclaims any intent or obligation to publicly update any forward-looking statements, whether as a result of new information, future events or results or otherwise. Past performance information given in this announcement is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance.

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