

ASX Release

27 March 2023

Canyon-2 Permian Deep Gas well progress report



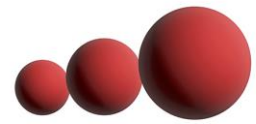
- **Canyon-2 successfully spudded on the 19th of March**
- **Drilling is progressing as planned**

Background

Omega Oil and Gas (ASX: OMA, “Omega”) the 100% holder and operator of Authority to Prospect (ATP) 2037 and ATP 2038 is pleased to advise that SLB Land Rig 185 successfully commenced drilling the Canyon-2 well at 0430 hours on 19th March 2023.

The Canyon-2 well will be drilled to an approximate depth of 3600 metres. The well is planned to be cased, prior to completion, fracture stimulation and flow testing later this year.

Omega will carry out mudlogging and open-hole wireline logs to better understand and characterise reservoir conditions at depth. This information will be key to finalising completion designs and to execute a fracture stimulation program.



Progress and status

Canyon-2 was spudded on the 19th of March 2023. Surface casing has been set at 888 m MDRT. As at the 26th of March at 8:00 pm the well had reached a depth of 2277 m MDRT and was drilling ahead towards the intermediate casing point.

Safety and Health

No safety incidents have been reported.

This release has been authorised on behalf of the Omega Board by Ms Lauren Bennett, Managing Director.

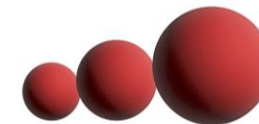
For further information contact:

Lauren Bennett

Managing Director

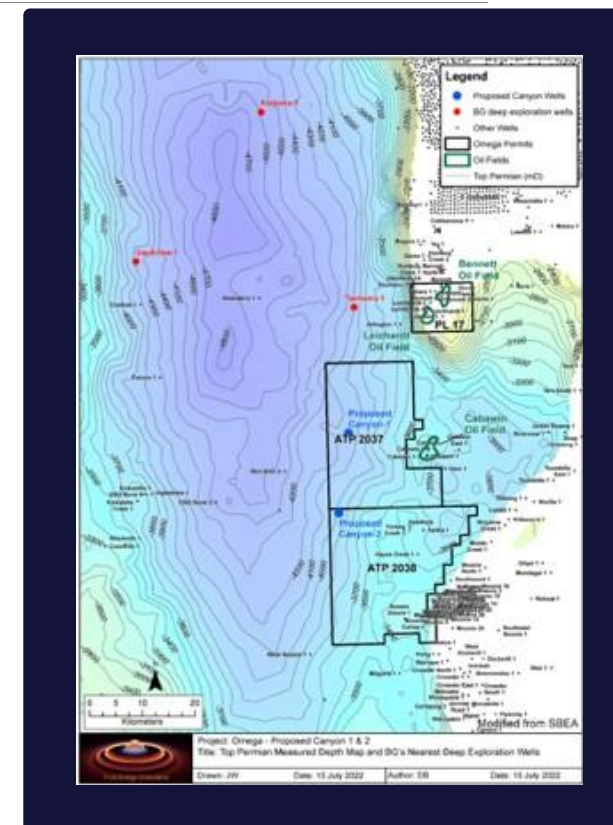
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PROJECT OVERVIEW- PERMIAN DEEP GAS

- Omega's Surat Basin acreage spans a total area of over 250,000 acres and is located approximately 50 km away from existing gas infrastructure and gas pipelines. This existing infrastructure feeds into the Australian East Coast gas market and the Gladstone LNG export terminals.
- The proximity to pipelines and infrastructure enables Omega to commercialise this gas asset within a reasonable time frame to benefit from the markets spanning the southern states of New South Wales and Victoria, as well the LNG export gas markets at Gladstone.
- The primary objective for Omega in the ATPs is the large Permian deep gas play beneath the overlying coal layers.
- The Company intends to drill two wells, one in each ATP, to test the Permian Deep Gas potential of tight sandstones within the Permian Kianga Formation (found at a depth of between 3,500 and 3,700 metres below ground level).
- The proposed well locations, Canyon-1 and Canyon-2, were determined using existing seismic and analogue well data.
- Independent prospective resource of 3 TCF of gas and 233 mmbbl of associated liquids.



Listing Rule 5.42 Disclosure

The estimates of Reserves and Contingent Resources reported in this ASX Announcement have been independently reviewed and verified by Fluid Energy Consultants and were first reported in Omega's Prospectus dated 5 September 2022. The Prospectus can be found online via <https://omegaoilandgas.com.au/wp-content/uploads/2022/09/220905-Omega-Replacement-Prospectus-FINAL-with-attachments.pdf>. The estimates in the Independent Expert Report provided by Mr Doug Barranger were prepared in accordance with the definitions and guidelines outlined in the 2018 SPE Petroleum and Resource Management System (PRMS), using deterministic methodology.

Doug Barranger received a BSc degree (geology) from the Australian National University. He has more than 40 years of experience in the petroleum industry. He has worked on all Australian petroleum basins, including Coal Seam Gas and Shale Gas and has written numerous Independent Expert Reports, Resource Reports and Acreage and Resource Valuations. He is a founding partner of Fluid Energy Consultants (2013). He is a member of the Society of Petroleum Engineers (SPE).