

ASX Release

4 April 2023

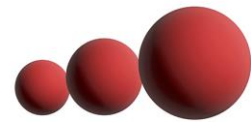
Canyon-2 Permian Deep Gas well progress report



- Canyon-2 progressing as planned and on schedule
- Intermediate Casing successfully set, production hole drilling to commence imminently
- Investor Field trip run on the 27th of March

Progress and status

Canyon-2 was spudded on the 19th of March 2023. Since the last report the well has reached a total depth of 2786.5m MDRT (Measured Depth Rotary Table), the intermediate casing has been successfully set and cemented in place. It is expected that the production section will commence drilling imminently.



Normal gas peaks were recorded while drilling through the coals in the Walloon Sub-group, below 1550m MDRT depth. At 2736m MDRT a gas show was recorded in the Showgrounds Sandstone over an interval of 28m. The Showground Sandstone is not a target interval and will not be evaluated in this well. It confirms that gas has been moving through and is trapped in the geologic section in ATP 2038.

Figure 1 is a schematic of the Canyon-2 Wellbore. The surface and intermediate sections are outlined in the solid black lines and represents the completed intervals. The production section is outlined in white and is yet to be completed. The interpreted tops presented for the Walloons and the Showgrounds are preliminary real-time interpretations and are subject to review and change.

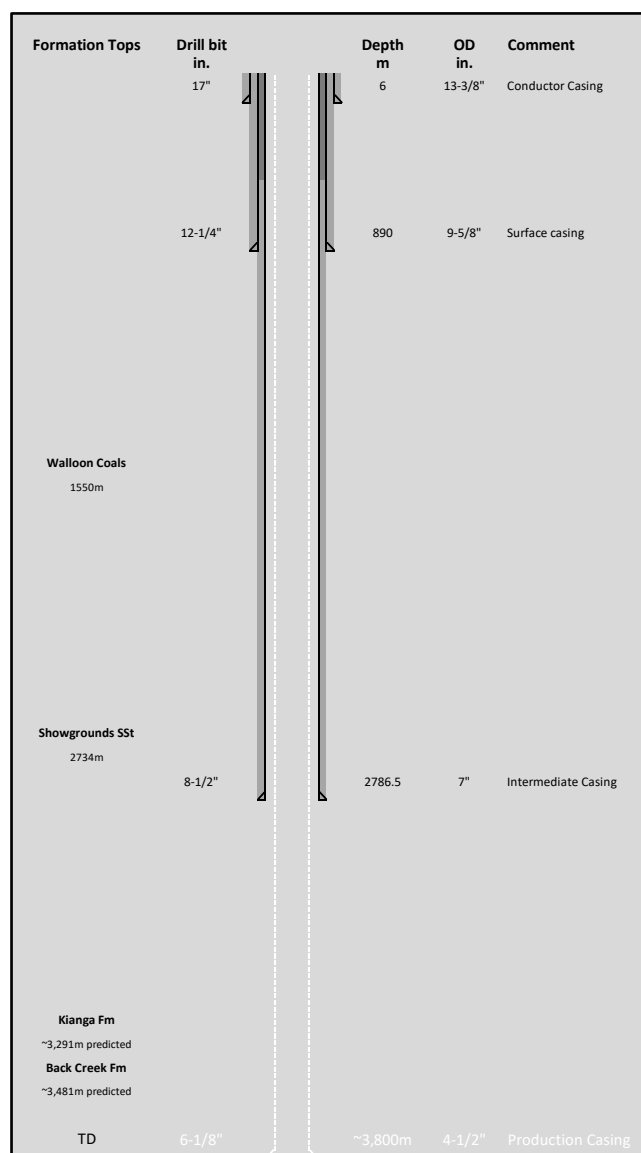
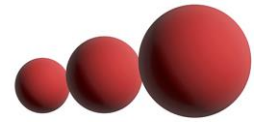


Figure 1: Canyon-2 Well Schematic



Investor Field Trip

An investor field trip was conducted on the 27th of March 2023, commenting on the field trip Lauren Bennett, Omega Managing Director said;

“It was a pleasure to host our investors on Canyon-2 and to show them the progress the company has made since listing on the ASX in October. It was a successful day, and I think I speak for everyone in saying that we are very excited heading into the production section of Canyon-2.

I would also like to thank the Omega and SLB rig crews for hosting us on the field trip, it was great to see the professionalism and pride on display.”

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 3800 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.

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

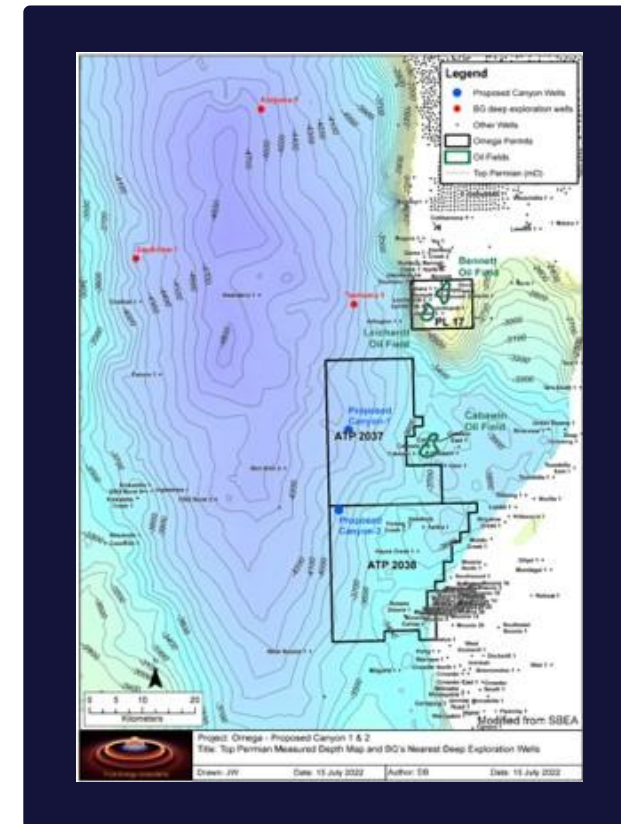
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PROJECT OVERVIEW- PERMIAN DEEP GAS

- 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).