

## ASX Announcement

May 31, 2023

# Completion of Omega's Successful Drilling Campaign

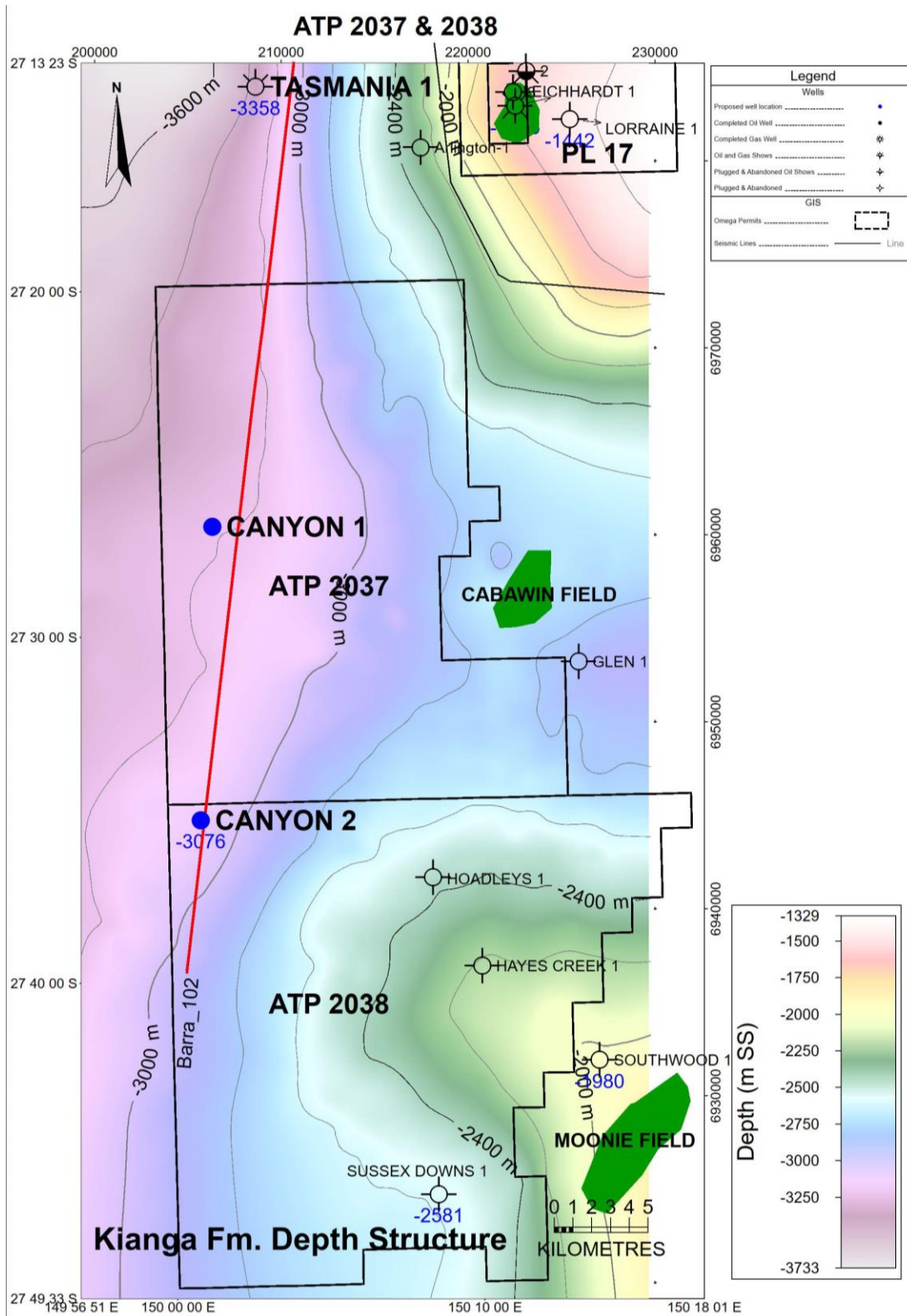


- Omega's second well, Canyon 1 reached a TD of 4,000m on 23<sup>rd</sup> May
- Canyon 1 intersected a larger, gas-rich zone than was intersected in Canyon 2
- Wireline logs confirm the presence of the gas-rich zones
- Preliminary petrophysical analysis has identified 110m of net pay in Canyon 2, and 83m of net pay in Canyon 1
- Planning is underway for hydraulic stimulation and extended flow testing program
- SLR 185 rig has been released

## Summary

### 1. Canyon 1 Drilling Operation Update

As at the time of this report, SLR 185 has completed stabilising the well by running cement plugs at the end of the intermediate section and the rig has now been released. Site operations are focused on rig-down activities as the rig demobilises from Canyon 1. The decision to set a plug at the end of the intermediate section provides Omega with the option of re-entry in the future to either run casing and fracture stimulate as a vertical well or drill a horizontal section and case for future hydraulic stimulation. The location of Canyon 1 is shown in Figure 1.



**Figure 1 Well Locations on Top Kianga Depth Structure (metres subsea)**

## 2. Initial Preliminary Results

The Kianga Formation is the primary target of the current exploration program. Canyon 1 intersected 234m of the Kianga Formation and significant gas shows from 3,510m down.

Encouraging gas shows continued into the upper Back Creek Group, which was observed to be 190m thick in Canyon 1. Of which wireline logs confirmed 124m of reservoir unit in the Tinowon Sandstone equivalent, which is the primary zone of interest in the upper Back Creek Group. Significant gas shows were encountered from 3,810m down.

Wireline logs are being processed and analysed and preliminary results confirm the presence of several gas (and liquid hydrocarbon) zones in both formations.

Specialised wireline logs were acquired that will be valuable in identifying the zones of maximum gas concentration and the zones that can be best targeted for fracture stimulation in both Canyon 1 and Canyon 2. The preliminary petrophysical analysis has identified 110m of net pay in Canyon 2, and 83m of net pay in Canyon 1 based on industry standard cut-off for tight gas plays.

Log porosities range between 7 – 9% across both wells and average gas saturation ranges between 52 – 60%. The upper Kianga Formation appears to be more gas prone based on mud gasses. However, analysis is on-going and these results will be refined as the team continue to work through zones of interest to identify hydraulic stimulation targets.

Omega has engaged specialist engineers and petrophysicists to analyse all of the data acquired on Canyon 1 and 2. This work is underway and planning for the hydraulic stimulation program is advancing.

### **Omega's Managing Director Lauren Bennett commented:**

*“The acquisition of wireline logs marks the successful completion of our Canyon drilling campaign. The objectives of the campaign were twofold – demonstrate the presence of hydrocarbon rich zones in our acreage, and of hydrocarbon bearing reservoir suitable for hydraulic stimulation. We achieved these objectives and exceeded our expectations. The forward program will now focus on designing and delivering the hydraulic stimulation and firming up our plans to drill horizontal wells to better understand commercial prospectivity of the play.”*

*“We expect that these operations will be carried out later this year with flow testing continuing into 2024.”*

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

## Forward plan

Current efforts are focused on interpretation of newly acquired datasets to inform final completion design. Specifically, this work will include completing the analysis of the cuttings and integration into a petrophysical mineralogy model to better understand clay content, finalise petrophysical interpretation, develop a regional stress model and complete cased hole logging runs and DFIT.

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