ASX Announcement

25 October 2024

Canyon-1H Drilling Program Completed

Highlights:

- The Canyon-1H Drilling Program has been successfully completed.
- The well was drilled to a Total Depth (TD) of 4,616m.
- An 822m long section of the targeted Canyon Sandstone was drilled.
- Strong gas shows and indications of condensate were recorded throughout the target interval.
- Casing was successfully run to TD and has been cemented in the hole.
- Rig release is expected to occur on the 29th of October.
- Well results will be integrated into the final design of the fracture stimulation and flowback testing program planned for Q1 2025.

Image 1- Canyon-1H well site

Omega's CEO and Managing Director, Trevor Brown, said:
"I am delighted to announce the successful completion of Omega's Canyon-1H horizontal well drilling program.

The well was landed on target and an 822-metre interval of the Canyon Sandstone was drilled. Strong gas shows and fluorescence indicating the presence of condensate were encountered throughout the reservoir interval.

The well reached a Total Depth (TD) of 4,616 meters.

Casing has been run and cemented in place.

The objective of the program was achieved by providing a wellbore from which a large reservoir section can be fracture stimulated and flow tested to show the productive capacity of the Canyon Sandstone. The 822m reservoir section drilled allows for up to 9 frac stages to be performed. Our fracture stimulation and flowback test program is expected to commence in Q1 2025.

The success of the Canyon-1H drilling program is an excellent achievement for the Omega team after 18 months of planning and preparation. Omega has achieved some important "firsts" by successfully drilling the Canyon-1H horizontal well.

** First horizontal well to be drilled into the Eastern part of the Taroom Trough.*

** First horizontal well in the Taroom Trough to be drilled as one continuous hole section incorporating both the build and horizontal well sections.*

Demonstrating that horizontal drilling technology can be applied efficiently in the Taroom Trough moves the basin closer to development.

The Omega team are very pleased to have successfully drilled and cased this important well and are excited by the excellent response of the reservoir section while drilling. We are looking forward to commencing the testing program in Q1 2025."

Omega Oil and Gas (ASX: OMA, Omega), the 100% holder of Potential Commercial Area (PCA) 342 and PCA 343 located in the Bowen Basin in Southern Queensland (Omega's Canyon Gas Field project), is pleased to announce the completion of the Canyon-1H, horizontal appraisal well project.

The Canyon-1H horizontal well (located in PCA 342) has been drilled to a TD of 4,616m, and casing has been run to TD and cemented. After re-entering the pre-existing Canyon-1 vertical well, 1,147m of new hole was drilled, including 822m in the Canyon Sandstone. While drilling in the target section, strong gas shows with fluorescence indicating the presence of condensate were recorded.

A decision was made to halt drilling at 4616m when an unscheduled trip out of the hole was required due to a downhole tool failure. By that time sufficient reservoir section had

been drilled to achieve our goal of a valid test of the Canyon Sandstone's productive capacity.

Rig release is expected to occur on the 29th of October 2024.

Successful completion of the drilling and casing program has put Omega in a strong position for the upcoming multi-stage hydraulic fracture stimulation, flow back, and well testing program. The program aims to test whether potentially economic flow rates can be achieved from the highly prospective Canyon Sandstone at the base of the Permian Kianga Formation. The program is expected to be conducted in Q1 2025.

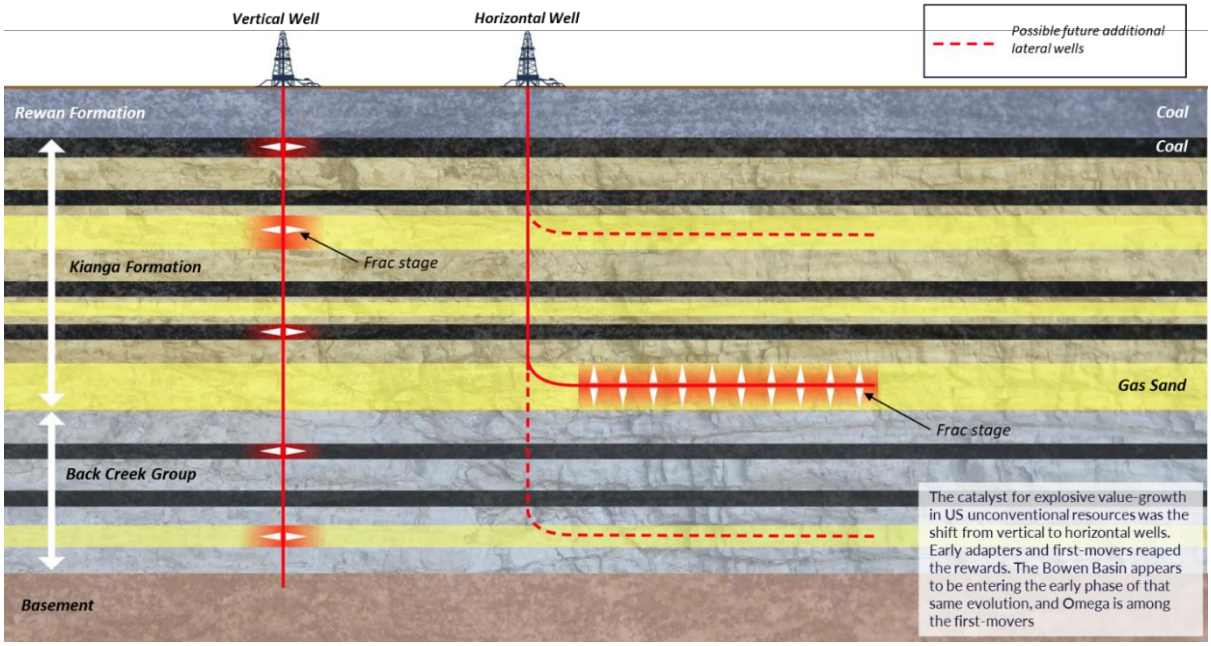

Figure 1 - Horizontal wells provide greater surface area for increased flow rates

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

For further information contact:

Trevor Brown - CEO and Managing Director
Phone 07 3778 3861
info@omegaoilandgas.com.au