

26 August 2025 | ASX ANNOUNCEMENT

Commercial Potential of Canyon Sandstone Confirmed

HIGHLIGHTS

- SLB¹ modelling of a single Canyon Sandstone reservoir layer indicates a 10 year Estimated Ultimate Recovery (EUR) of ~0.95MMBOE² or 5.72BCF of gas equivalent from a single 2,000m horizontal development well at 1,000m well spacing
- Up to 418 horizontal wells at 1,000m well spacing could be accommodated within Omega's acreage area
- Large upside exists beyond the modelled EUR estimates with scope for improved reservoir properties, and for the presence of additional reservoir levels containing both oil and gas – neither are included in the current model
- Canyon-2 DFIT results confirms the Canyon Sandstone is highly over pressured, (0.72psi/ft), comparing very favourably to analogous "liquids rich" US unconventional basins such as the highly productive Eagle Ford
- Canyon Sandstone lateral extent confirmed by seismic mapping and formation pressure measurements in Canyon-1H and Canyon-2 wells (15.7km apart)

Trevor Brown, CEO and Managing Director, commented:

SLB's reservoir modelling outcomes, together with Canyon-2 log and DFIT data, has confirmed the commercial development potential of the Canyon Sandstone reservoir and indicated very large volumes of oil and gas potentially able to be produced from Omega's Taroom Trough acreage. Proximity to infrastructure means the commercial threshold for development of resources from the Taroom Trough is relatively low. Our growing data set shows the highly overpressured Canyon Sandstone reservoir extends over a wide area, and points to significant upside potential beyond modelled results in both improved reservoir properties across our acreage area, and the likelihood of additional reservoir levels containing both oil and gas. Our future work program will seek to delineate the areas of highest reservoir quality and further define the scale of this exciting, emerging oil and gas province. I look forward to announcing details of our work program soon.

¹ Formerly known as Schlumberger Inc

² 6000 SCF = 1 Barrel of Oil

Omega Oil and Gas Ltd (ASX: **OMA**) ("**Omega**" or "**the Company**"), is pleased to provide an update on the Company's 100% owned Canyon oil and gas project.

Estimated Ultimate Recovery (EUR) Modelling

Following the Canyon-1H flow test in April 2025, Omega engaged SLB to develop a reservoir model for the Canyon Sandstone, applying data from the Canyon-1H flow test and petrophysical analysis of wireline log data acquired in the Canyon-1, Canyon-2, Tasmania-1 and Fantome-1 vertical wells. SLB has decades of experience providing such modelling of reservoirs in analogous, 'liquids-rich' US shale basins such as the Eagle Ford and Bakken.

SLB determined an EUR for a modelled 2,000m horizontal development well with an optimised fracture stimulation design, spaced at 1,000m, to be 647,300Bbls of oil and 1.84BCF of gas, or 0.95MMBOE or 5.72BCF equivalent of gas. The modelling assumed a Canyon Sandstone net pay thickness of 7.3m, as encountered in the Canyon-1 vertical well. Reservoir characteristics and fluid ratios were derived from analysis of the Canyon-1H well test data. The ratio of oil to gas in the model (68% oil, 32% gas) will vary with more appraisal results and is not an estimation of the ratio that will ultimately be produced from the basin.

Varying reservoir thickness assumptions and reservoir properties within the model will result in revised EUR's per well. Petrophysical analysis of Canyon-2 cased hole logs showed a net pay in the Canyon Sandstone reservoir of 23.4m, and additional gas and oil reservoirs (Figure 2). Current EUR estimates do not include any potential volumes resulting from the thickening in net pay towards the south (Figure 3), or the potential additional volumes from stacked pay intervals.

Omega's 100% owned PCA area, which covers 1,075km², could accommodate up to 418 horizontal wells of 2,000m lateral length, with 1,000m well spacing.

The modelled EUR for the Canyon Sandstone compares favourably with average EUR's of analogous US analogues³. The average EUR for the Eagle Ford is approximately 0.60 MMBbl of oil.

Canyon-2 Field Activity

Cased Hole Wireline Logging

In May 2025, a suite of high-resolution cased hole logs was acquired in the Canyon-2 vertical well located 15.7km to the south of Canyon-1. Petrophysical analysis of the logs has confirmed the presence of five stacked reservoir intervals containing oil and/or gas (Figure 2). Using the same petrophysical cutoffs as in Canyon-1, the net pay in the Canyon Sandstone at Canyon-2 is interpreted to be 23.4m.

³ <https://incorrays.com/energy/oil-supply/us-oil-supply/estimated-ultimate-recovery-eur-of-major-us-oil-basins-2023>

DFIT Completed

In May 2025, a multi-stage Diagnostic Fracture Injection Test (DFIT) commenced in selected zones throughout the prospective Permian interval in the Canyon-2 well and has now been completed. DFIT's are an essential tool in the characterisation of mechanical rock properties, reservoir pressure, permeability and stress in low-permeability reservoirs. A DFIT test involves the injection of a relatively small volume of fluid into the reservoir, creating a mini hydraulic fracture and subsequent pressure monitoring.

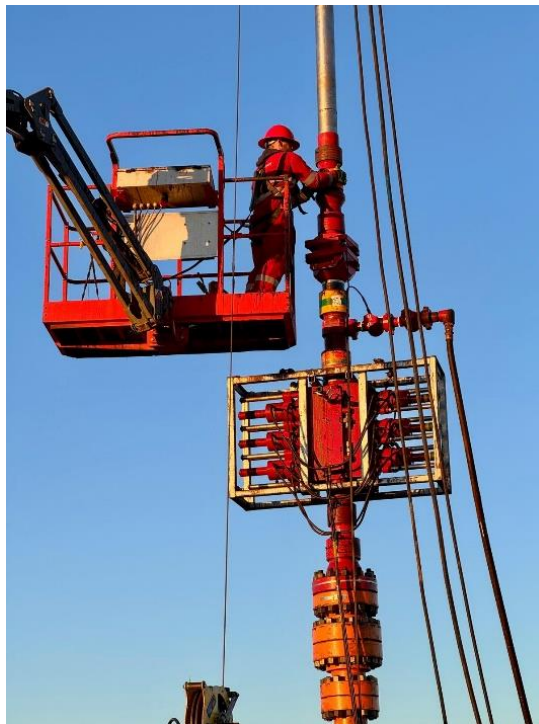


Figure 1: Conducting the DFIT at Canyon 2, May 2025

The results of the Canyon-2 DFIT program are highly encouraging. In the Canyon Sandstone interval, a reservoir pressure gradient of 0.72 psi/ft was recorded – very high by industry standards, and only slightly lower than the gradient of 0.79 psi/ft recorded in the Canyon-1H DFIT. The lower zones tested in the Canyon-2 DFIT, the Muggleton Formation and Wallabella Formation, recorded pressure gradients similar to those recorded in the Canyon-1H DFIT. The pressure gradients measured throughout the Permian interval within Canyon-2 will improve our understanding of regional reservoir pressure gradients. Overpressure is an important consideration for commercial development potential as it helps drive production rates. High overpressure is a key success factor in analogous, unconventional basin-centred gas and oil plays.

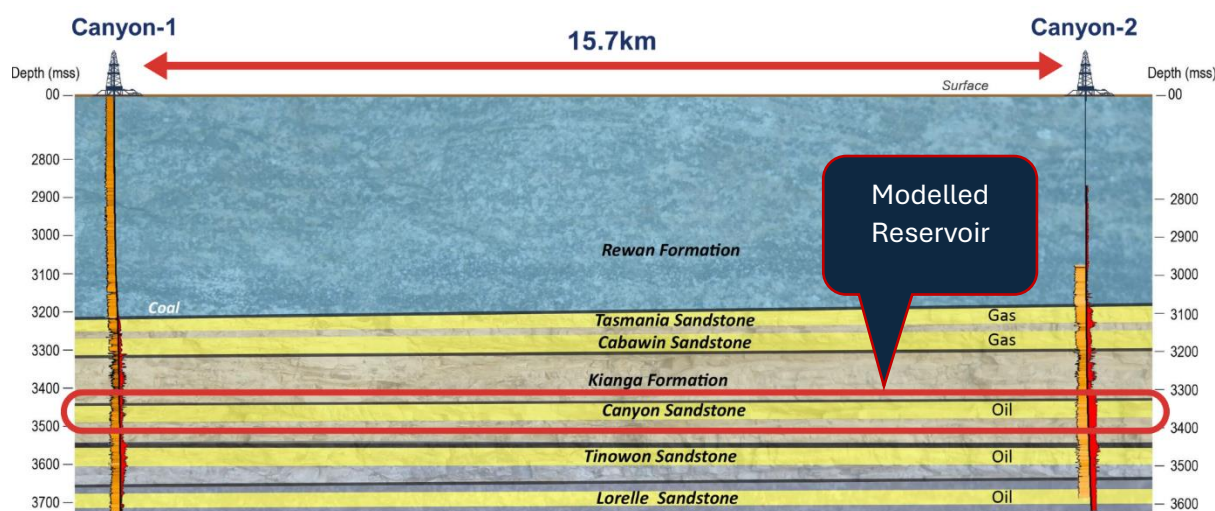


Figure 2 - Schematic cross-section Canyon-1 to Canyon-2

Next Steps

The Canyon-1H flow test, Canyon-2 wireline log and DFIT data demonstrated that the Canyon Sandstone can flow at potentially commercial rates and yielded high-quality data providing Omega confidence in its commercial productive potential. Our forward work program will aim to delineate the extent of the play fairway and determine how the play characteristics vary across our acreage position, including the potential for stacked pay in multiple reservoir levels. This will enable the location of pilot projects and clarify the pathway to development of both oil and gas.

Studies of commercial pathways to market are ongoing and discussions are being held with the Queensland Government and other operators.

As the de-risking of our assets progresses and our resource base matures, Omega is actively pursuing the creation of additional value via partnering and potentially selling down selected areas of our 100% owned acreage position, thereby utilising capital from larger, carefully selected counterparties to help fund our growth. Other options under consideration to create value include early-stage oil production to deliver near term cashflow, and growing our acreage position by farm in, M&A or bid round tender.

As recognition of the significance and potential of the Taroom Trough grows, Omega is well positioned to assess and respond to any growth opportunities.

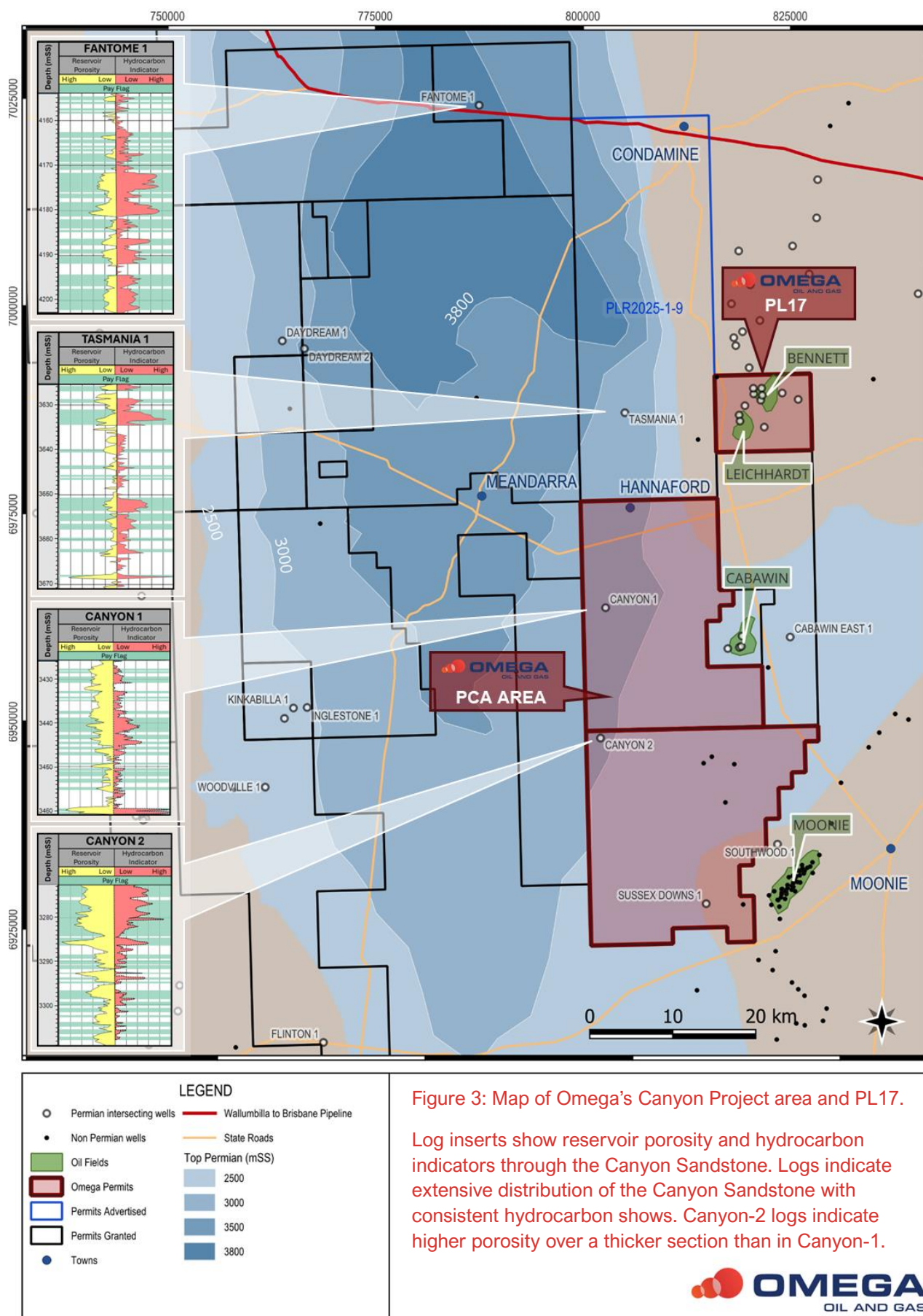


Figure 3: Map of Omega's Canyon Project area and PL17.

Log inserts show reservoir porosity and hydrocarbon indicators through the Canyon Sandstone. Logs indicate extensive distribution of the Canyon Sandstone with consistent hydrocarbon shows. Canyon-2 logs indicate higher porosity over a thicker section than in Canyon-1.

Investor Webinar

An investor webinar will be **held today at 11am AEST** at which Trevor Brown will present an overview of these results and answer questions.

Please click the below link to register:

https://us02web.zoom.us/webinar/register/WN_0lbUH6mSSf6VCKekcNwv7g

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

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ABOUT OMEGA OIL AND GAS

Omega Oil and Gas Limited (ASX: OMA) is a dynamic Australian exploration company with a highly experienced team focussed on unlocking the vast, deep oil and gas potential of Queensland's Taroom Trough, an emerging producing province within the Bowen Basin. The Company's breakthrough at the Canyon-1H well revealed substantial oil and gas flows. The successful execution of the drilling, fracture stimulation and testing program at Canyon-1H underscores Omega's technical and operational expertise.

Founded in 2020, Omega's countercyclical strategy has delivered major hydrocarbon discoveries, including Canyon-1 and Canyon-2. Omega's Canyon-1H project highlights the presence of a large and prospective petroleum system capable of supporting decades of commercial production.

Backed by prominent resource investors and driven by technical expertise, Omega is 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 using 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 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 because 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.