

ADDITIONAL NET PAY OF 37 METRES AT KILLANOOLA -1DW-1**PRL13 South Australia****HIGHLIGHTS**

- **A new petrophysical analysis has identified an additional thirty seven (37) metres of potential Net Pay in the Killanoola – 1DW-1 well. This is in addition to the existing 5 metres of proven pay**
- **Preparations continue for all new oil-bearing zones to be tested in both Killanoola-1DW-1 and Killanoola SE-1**
- **Future geological and geophysical studies will integrate these findings into new reservoir and structure models**
- **Expectations remain high for significant reserve growth in PRL13.**

Australian Oil and Gas explorer and developer, Red Sky Energy (ASX: ROG) (Red Sky or the Company) is pleased to advise that an independent petrophysical evaluation of the Killanoola - 1DW-1 well has been completed. This well is part of the Killanoola Oil Project (**Killanoola**) located in the Penola Trough, South Australia, within Red Sky's newly acquired PRL13.

The Killanoola Project

The Killanoola oilfield was discovered by the Killanoola-1 well in 1998 at a depth of 850 metres. The oil is a 34° API waxy crude. Previous flow tests of the well have recorded rates of up to 300 bopd.

A petrophysical report commissioned by Red Sky on the Killanoola-1DW-1 well has identified potentially 37 metres of additional oil bearing pay zones within the 149 metre thick Sawpit Sandstone.

This evaluation adds significantly to the currently perforated pay zone of 5 metres. Red Sky is now working to revise the work programme to include testing of the newly identified pay zones.

These results follow the recent exceptional result of 16m of Net Pay for the Killanoola SE-1 well which was in stark contrast to the previous net pay estimates of 1.5m ([see ASX Announcement 22 March 2021](#)).

Red Sky is preparing to perforate and test these newly identified pay potential zones in the wells. Planning is underway in line with our forward programme. This testing, if successful, will allow Red Sky to book reserves associated with Killanoola-1DW-1 and Killanoola SE -1.

Commenting on the report, Red Sky Managing Director, Andrew Knox, said:

“The new petrophysical analysis of the of Killanoola-1DW-1 well is extremely encouraging. Our focus remains on recommencing production at the Killanoola-1DW-1 well as soon as possible and to create cash flow. In addition, Red Sky will now include testing of these newly identified pay zones into our work programme. We seek to extract full value from the resources at Killanoola.”

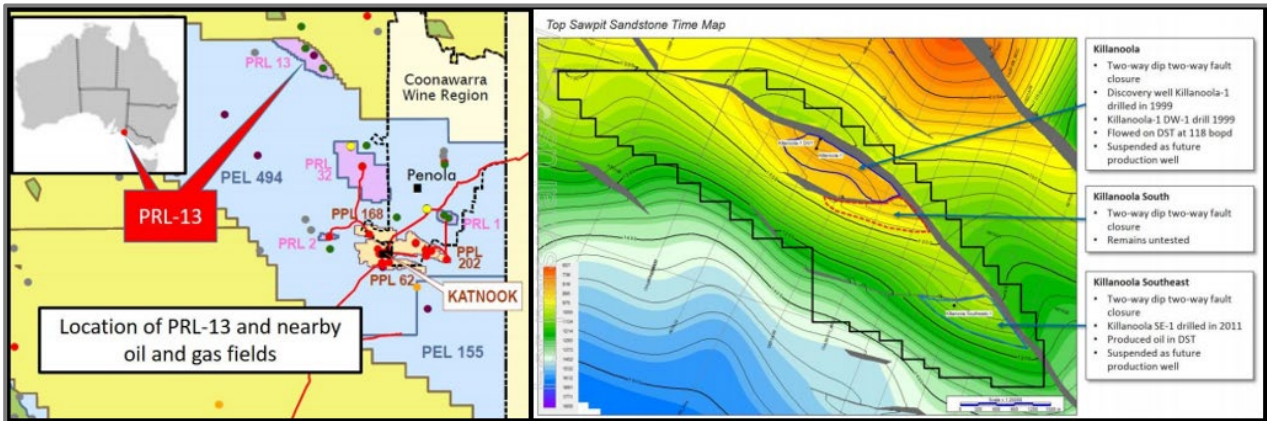


Figure 1: Killanoola Southeast-1 Location

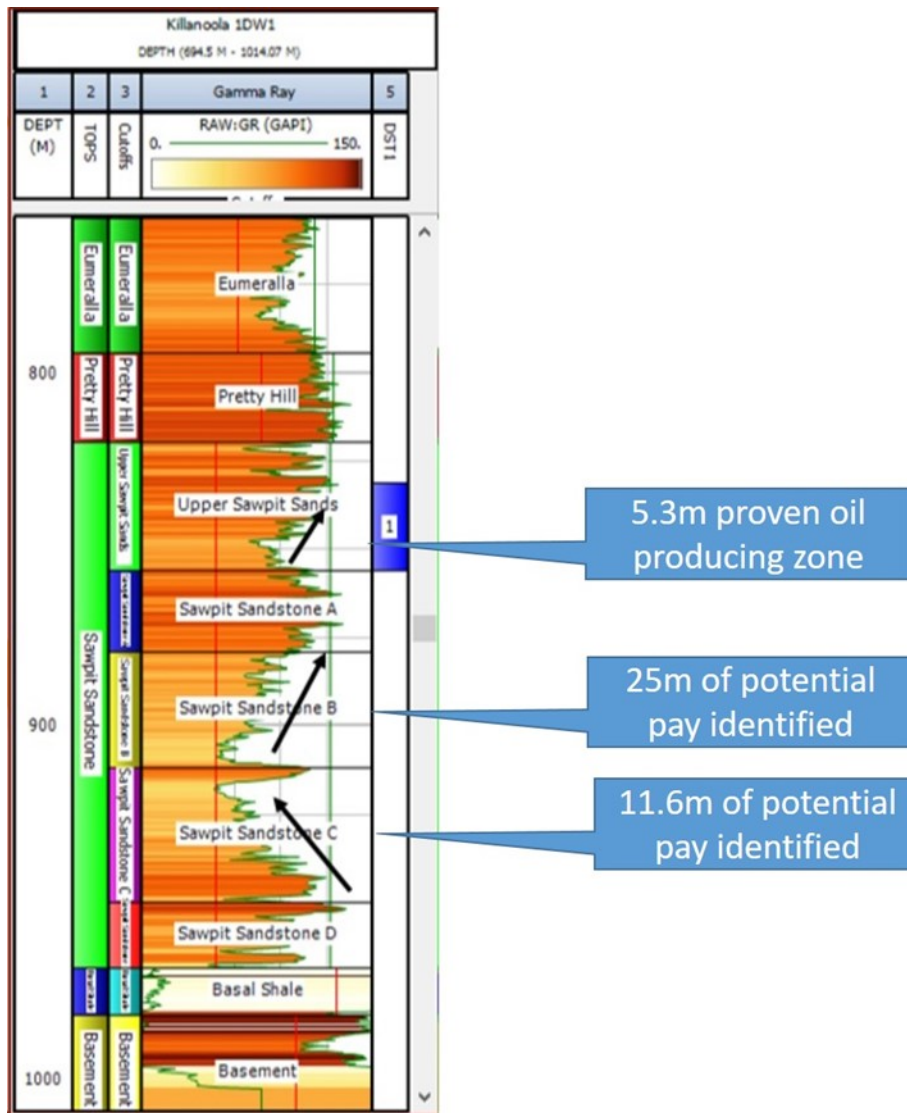


Figure 2: Sandstone units observed in the Killanoola 1 DW1 well

Zone Depths		Reservoir Cutoffs	Pay Cutoffs	Reservoir Results	Pay Results				
Zone	Gross	Net	Net/Gross	Av Phi	Av Sw	Av Vd	PhiH	PhiSoH	VdH
# Name	Interval	Res	Res	Res	Res	Res	Res	Res	Res
5: Pretty Hill	25.00	0.00	0.000	---	---	---	---	---	---
6: Sawpit Sandstone	149.00	58.37	0.392	0.158	0.735	0.358	9.20	2.44	20.88
7: Basal Shale	13.50	1.22	0.090	0.144	0.981	0.150	0.18	0.00	0.18

Zone Depths		Reservoir Cutoffs	Pay Cutoffs	Reservoir Results	Pay Results				
Zone	Gross	Net	Net/Gross	Av Phi	Av Sw	Av Vd	PhiH	PhiSoH	VdH
# Name	Interval	Pay	Pay	Pay	Pay	Pay	Pay	Pay	Pay
5: Pretty Hill	25.00	0.00	0.000	---	---	---	---	---	---
6: Sawpit Sandstone	149.00	42.82	0.287	0.169	0.679	0.300	7.25	2.32	12.85
7: Basal Shale	13.50	0.00	0.000	---	---	---	---	---	---

Figure 3: Killanoola 1DW1 Sawpit Sandstone Reservoir and Pay Sums

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Released with the authority of the board.

For further information on the Company and our projects, please visit:

www.redskyenergy.com.au

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Some of the more important of these risks, expectations and uncertainties are pricing and production levels from the properties in which the Company has interests and the extent of the recoverable reserves at those properties. In addition, the Company has a number of exploration permits. Exploration for oil and gas is expensive, speculative and subject to a wide range of risks. Individual investors should consider these matters in light of the personal circumstances (including financial and taxation affairs) and seek professional advice from their accountant, lawyer or other professional advisor as to the suitability for them of an investment in the Company.