

SLICKLINE OPERATIONS SUCCESSFUL AT KILLANoola SE-1 PRL13 SOUTH AUSTRALIA

HIGHLIGHTS

- **Slickline operations at Killanoola SE-1 show well bore is clear**
- **Activity to begin immediately to facilitate commencement of wireline perforation works**
- **Killanoola SE-1 well will be re-entered and perforated for the first time**

Australian Oil and Gas explorer and developer, Red Sky Energy (ROG: ASX) (Red Sky or the Company) is pleased to advise that the slickline operations have been completed and were successful at the Killanoola Oil Project (**Killanoola**) located in the Penola Trough, South Australia, within Red Sky's PRL13.

The slickline intervention has shown the well is clear and work can now begin on wireline perforation works on the 16 metres of potential pay identified at SE-1. If successful, this will potentially increase production rates significantly.

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

"We were pleased that the slickline intervention was effective and successful with the well bore at Killanoola SE-1 clear and unencumbered. We can now move to installing a wellhead, then proceeding with perforation and testing of the well as planned."

A slickline is a metal rope used to lower tools down the well bore. This simple operation informs us if the well has any obstructions. This is a cost-efficient exercise for planning wireline and rig activities as it allows the Company to take each step with the best available and latest knowledge to overcome any issues that may arise.

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 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. ([See ASX Announcement 6 May 2021](#))

These results followed the recent exceptional result of 16m of Net Pay for the Killanoola SE-1 well. ([See ASX Announcement 22 March 2021](#)).

Red Sky is moving towards perforating and testing these newly identified pay potential zones in the wells. This testing, if successful, will allow Red Sky to book reserves associated with Killanoola-1DW-1 and Killanoola SE -1.

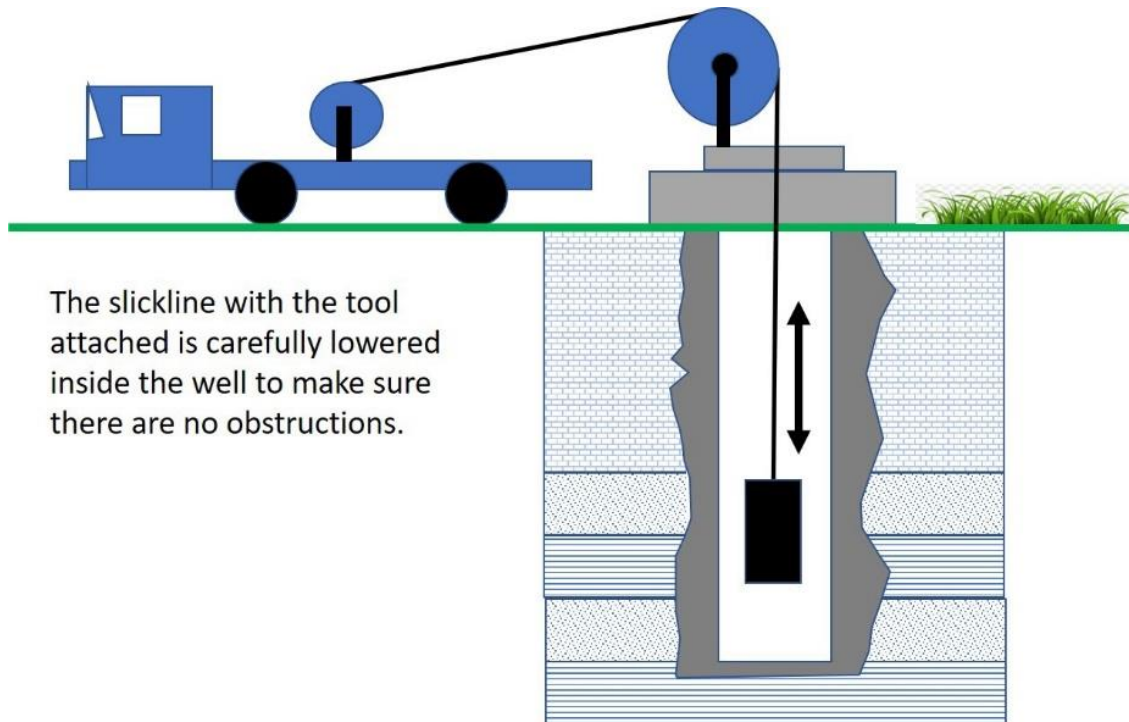


Figure 1 – Slickline diagram (not to scale)

-ENDS-

Released with the authority of the board.

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

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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.