

Success at Walyering-5 with results exceeding pre-drill estimates

- Logging of the Walyering-5 appraisal well has confirmed the presence of a high-quality, low CO₂ (<1%), conventional gas accumulation at the Walyering gas field.
- Four gas charged reservoirs have been confirmed with a total gross thickness of 116m and total net pay of 51m
- Maximum porosities of 21.5% and an average of 15.4%.
- Measured average reservoir pressures around 4,386 psia with permeabilities of 274 mD.

Talon Energy Ltd (Talon or the Company) refers to the announcement today, 6th December, by Strike Energy Limited (ASX:STX), Operator of the EP447 Joint Venture, following completion of geophysical logging of the Walyering-5 appraisal well, which has confirmed the presence of a high-quality, conventional gas accumulation at the Walyering gas field.

Notably these results have exceeded pre-drilling expectations, with both a higher quality reservoir being observed, and 2 additional net gas pays encountered in the deeper C sands (C1 & C2 sands).

Mud logs, logging while drilling and wireline logging tools were used to evaluate the four high quality, blocky, coarse grained, conventional gas charged sands throughout the Jurassic aged Cattamarra Coal Measures. These sands are interpreted to be the regional A, B and C Sands seen in the historical Walyering wells and nearby Jurassic gas discoveries such as Gin Gin, Red Gully and Ocean Hill.

Pressure data was measured at approximately 4,386 psia with permeabilities of 274 mD. Along with gas samples indicating very low CO₂ of ~0.69%, Walyering should be one of, if not the cheapest, gas to market projects in the Perth Basin.

Talon's CEO/Executive Director, David Casey said: *"This is, by any measure, a fantastic result for Talon and our shareholders. It's not often that companies have success in their first drilling campaign in a new basin, and it is a credit to Strike and their team that they have been able to deliver this result for the Joint Venture. While we still need to undertake production testing, the results are yet another significant milestone as Talon looks to transition from explorer to producer in the near future.*

On the back of this result our exploration efforts will now shift to other larger leads identified in EP447, as well as the analogous Condor prospect, which has a Prospective gas and condensate P50 Resource of 408BCF and 20.2MMbbls respectively."

Cautionary Statement: The estimated quantities of petroleum that may potentially be recovered by the application of future development projects relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons. . For more information on the Prospective Resources for the Condor Prospect, refer to the ASX announcement dated 17 March 2021. Talon confirms that, other than noted above, it is not aware of any new information or data that materially effects the information contained in that Announcement and that all material assumptions and technical parameters underpinning the estimates contained in that Announcement have not materially changed.

This Announcement has been authorised for release by the board.

For further information, please contact:

Talon Energy Ltd

David Casey
CEO/Executive Director
+61 8 6319 1900
david@talonenergy.com.au

Media Enquiries

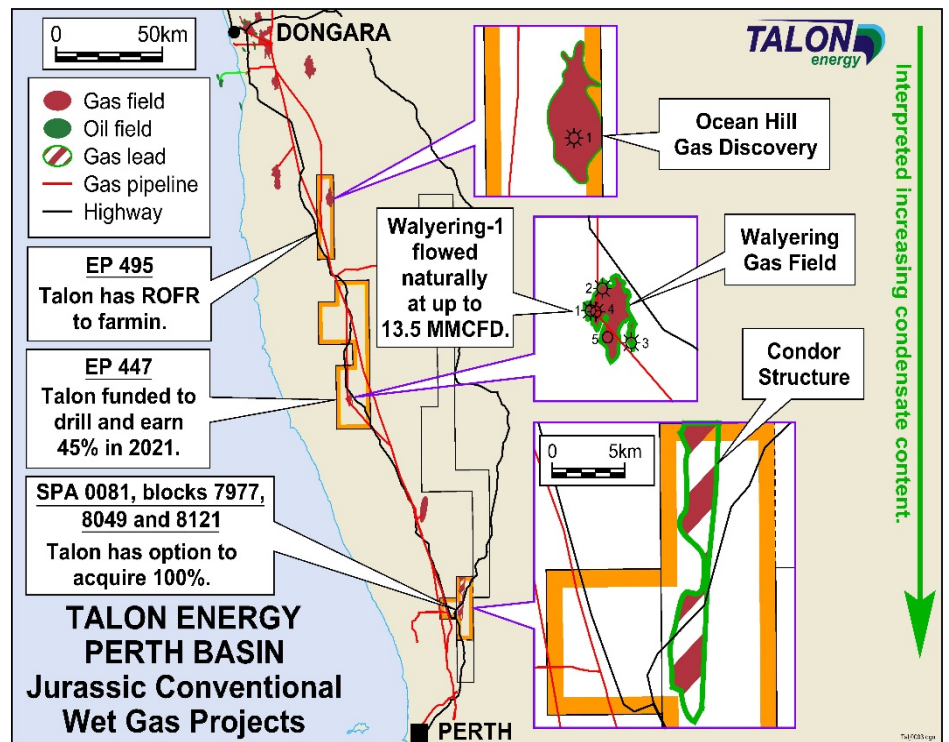
Angela East
Media and Capital Partners
+61 428 432 025
angela.east@mcpartners.com.au

EP447 - Walyering Overview

Located in the onshore Perth Basin within the EP447 permit area, Walyering is a conventional gas discovery made in the Cattamarra Coal Measures, a play which has seen commercial gas production from the Gin-Gin and Red Gully projects. Talon holds a 45% participating interest in EP447.

Recently acquired, high-quality 3D seismic over Walyering has led to increased understanding and confidence in the Jurassic wet gas play and has indicated the presence of wet gas potential up dip of the existing Walyering-4 well.

With CO₂ of less than 1% requiring minimal processing, successful drilling at Walyering could see any discovered resource developed quickly and at low cost given the permit's proximity to both existing pipeline infrastructure and potential commercial gas users.



Competent Persons Statement. The information in this report that relates to Prospective Resources for the Condor Prospect as set out in this document is based on information compiled by Mr John Lamberto and Mr John Begg who are geoscientists each with over 30 years of industry experience and both consultants to the Company. This information was subsequently reviewed by Mr David Casey BSc (Hons), who has consented to the inclusion of such information in this report in the form and context in which it appears. Mr Casey is a director of the Company, with approximately 30 years relevant experience in the petroleum industry and is a member of The Society of Petroleum Engineers (SPE), the Australian Institute of Mining and Metallurgy (AusIMM) and the Petroleum Exploration Society of Australia. The resources included in this report have been prepared using definitions and guidelines consistent with the 2007 Society of Petroleum Engineers (SPE)/World Petroleum Council (WPC)/ American Association of Petroleum Geologists (AAPG)/ Society of Petroleum Evaluation Engineers (SPEE) Petroleum Resources Management System (PRMS). The resources information included in this report are based on, and fairly represents, information and supporting documentation reviewed by Mr Casey. Mr Casey is qualified in accordance with the requirements of ASX Listing Rule 5.41 and consents to the inclusion of the information in this report of the matters based on this information in the form and context in which it appears.