

Talon completes Perth Basin Farm-In Agreement

- Talon completes formal Farm-In Agreement to acquire a 25% interest in Triangle's L7 and EP437 northern onshore Perth Basin permits.
- Due diligence over L7 and EP437 complete to Talon's satisfaction.
- Talon now has full access to the recently acquired high-quality Bookara 3D seismic data.
- Preliminary volumetrics undertaken by Triangle¹ indicate a best-case Prospective Resource (2U) of 617 Bcf (gross, unrisks) for five features in the L7 permit alone.

Talon Energy Ltd (Talon or the **Company**) is pleased to announce that it has executed the formal Farm-In Agreement with ASX listed energy company, Triangle Energy (Global) Ltd (**Triangle**) (ASX: TEG), to farm into a 25% participating interest in Western Australian onshore Production Licence L7 and Exploration Permit EP437.



Talon Managing Director & CEO, Colby Hauser (front) signing the Farm-In Agreement with Triangle Director Michael Collins (back left), Managing Director Conrad Todd (back centre) and Chairman Greg Hancock (back right)

In the time since signing the Term Sheet, Talon has completed the required due diligence on the permits, focusing on tenure status, environmental obligations and heritage agreements. The final outstanding Condition Precedent to the Term Sheet, the approval of new Joint Operating Agreements for L7 and EP437, has been waived by both Talon and Triangle until May to allow new Joint Venture (**JV**) farm-in partner New Zealand Oil & Gas (**NZOG**) sufficient time to join Talon and Triangle in drafting the new documentation.

As consideration for its 25% interest in L7 and EP437, Talon will pay Triangle ~A\$1.9 million towards past expenditure on the recently acquired Bookara 3D seismic data, with A\$1 million paid now, and the balance of ~\$0.9 million paid prior to 1 September 2023 (**Upfront Costs**). As detailed in the ASX announcement on 19th December 2022, in addition to the Upfront Costs, Talon will fund an uplift on the costs of three exploration wells to be drilled in 2024, with forecast expenditure of ~\$7.3 million, net to Talon, paid as costs are incurred.

With the Farm-In Agreement now complete, Talon will receive the recently acquired Bookara 3D seismic data, along with ancillary geological and geophysical data across the permits. Talon and Triangle intend to work through this dataset closely together, leveraging the complimentary technical skills brought together through this JV. Together we have identified L7 and EP437 as high-potential permits for hosting large gas fields. The permits are in a strategic location covering 865 km² in the northern Perth Basin, with prior work by Triangle¹ indicating a best-case Prospective Resource (2U) of 617 Bcf (gross, unrisks) for five features in the L7 permit alone. Talon look forward to announcing updated volumetric analysis to the market in the coming months as a result of this collaborative effort.

The cost associated with existing rehabilitation and restoration obligations for the permits are to be borne exclusively by Triangle.

Talon's Managing Director & CEO, Colby Hauser, commented: "The completion of the Farm-In Agreement with Triangle for 25% interest in L7 and EP437 marks the next step in the evolution of Talon and fleshes out our plans for growth in 2024 after we commence gas production from Walyering and undertake our Gurvantes pilot well testing programme in Mongolia during this year.

We are very pleased to be partnering with Triangle and NZOG, companies that share a similar corporate and technical ethos with Talon, with the JV working closely together to leverage its combined expertise to continue to drive shareholder value through successful exploration."

¹ Refer to Triangle Energy (Global) Ltd (TEG) ASX announcement dated 12 April 2022, titled "Perth Basin Permit L7: significant increase in prospective resource"

This Announcement was authorised for release by the Managing Director.

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