

April Investor Presentation

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April 2023

ASX: TPD

www.talonenergy.com.au



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Corporate Overview

Emerging producer with near term cashflow and several significant growth catalysts



Capital Structure

Ordinary shares on issue (ASX:TPD)	~627m
Cash Balance	~\$16.1m (28 Apr 23)
Unlisted Options	~18m
Unquoted Performance Rights	~22m
Market Capitalisation @ \$0.170 (undiluted)	~\$107m

Share Price Performance – 3 months



Board & Management

	Greg Columbus	Non-Executive Chairman
	Colby Hauser	Managing Director & CEO
	Doug Jendry	Non-Executive Director
	David Casey	Non-Executive Director
	Matt Worner	Non-Executive Director
	Chris Kohne	Chief Financial Officer
	Darren Ferdinando	Exploration Manager
	Jo-Ann Long	Company Secretary

Company is now **fully funded** to enter production at Walying and utilise free cash flow for further growth. First gas targeted Q2 2023

Talon is fully funded and has a strong capital position to fund development of our sequenced portfolio

Investment Highlights

Talon is an emerging oil and gas producer with a high-quality diverse portfolio



#1 - Imminent cashflow

- Fully funded for Walyering development
- First gas targeted during Q2 2023, up to \$30m p/a (net) to Talon
- Timing of first gas subject to APA gas pipeline connection and Strike as the Operator

#2 – Exploration Upside

- EP447 leads are spatially larger than Walyering, with significant upside to potentially tie-in
- Entry in to L7/EP437 permits, exposure to Kingia Gas prospects in northern Perth Basin
- Sizeable Perth Basin Jurassic Wet Gas Prospect in Condor 100% Interest (subject to transfer)
- Gervantes XXXV Project (1.2 Tcf gross) rapidly developing to service China's energy demand

#3 – Near-term value catalysts

- Talon transitioning from Explorer to Producer

Executing on a diversified portfolio

Foundations are built. Downside de-risked; significant growth imminent



← Perth Basin
AUSTRALIA

South Gobi Basin →
MONGOLIA



Permit	Share	Summary
Walyering L23 / EP447	45% Talon Energy 55% Strike Energy (operator)	<ul style="list-style-type: none"> FID undertaken by JV, first gas 1H CY23 2P Reserve 54.2PJ (24.4 PJ Talon share)
L7 / EP437	25% Talon Energy (farmed in) 25% NZOG, 50% Triangle	<ul style="list-style-type: none"> Kingia gas prospects, Perth Basin (North) Farm-In Agreement executed
Condor	Talon Energy is earning 100%	<ul style="list-style-type: none"> Perth Basin (South) 2U 408 Bcf Prospective Resource
Gurvantes XXXV CSG	33% Talon Energy 67% TMK Energy (operator)	<ul style="list-style-type: none"> Five core hole drilling campaign 1.2 Tcf (2C) Contingent Resource at drilling location; (~400 Bcf Talon Share)

Our non-operated position across the portfolio = capital efficient business model

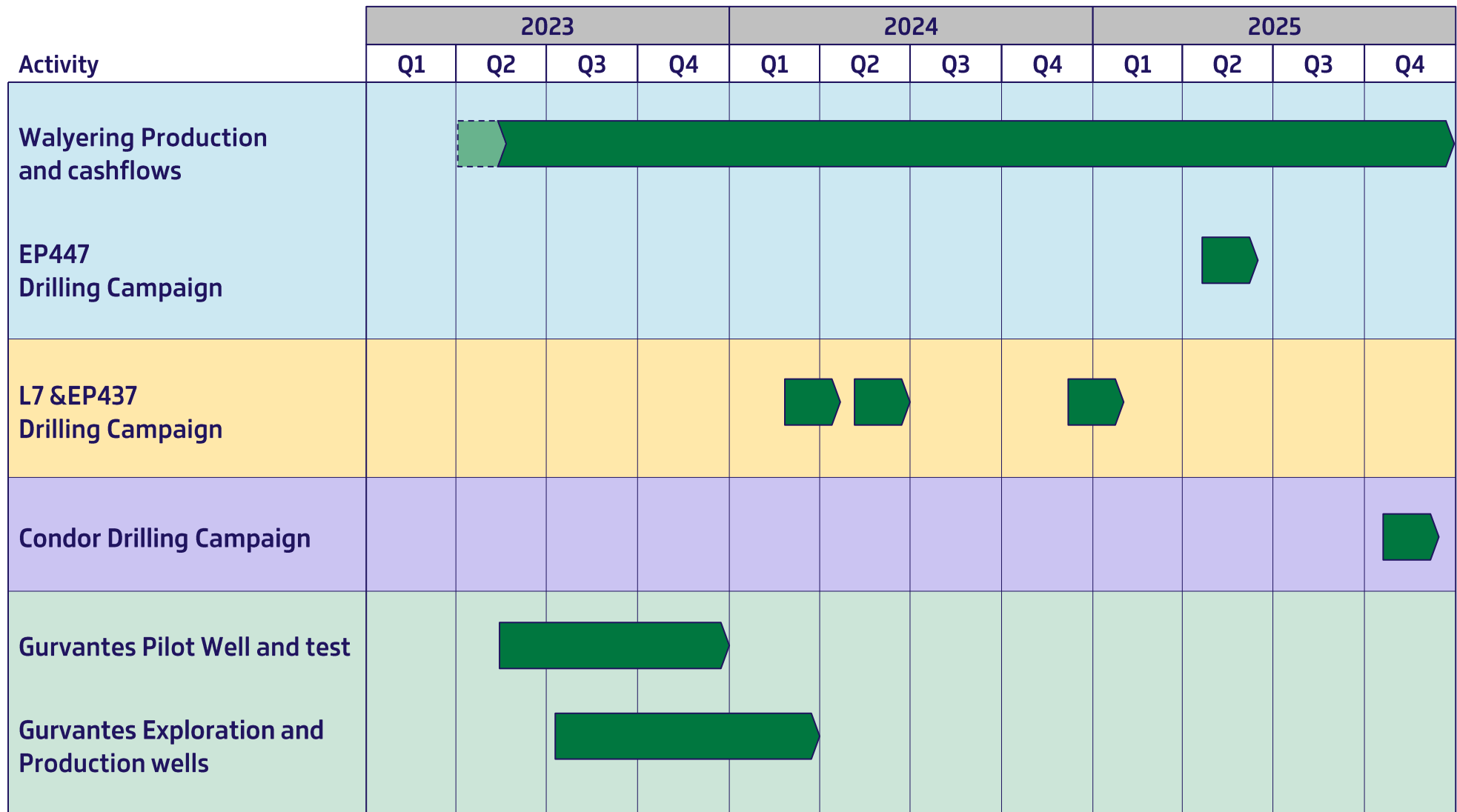
Talon's Net Reserves & Resources



Project	Beneficial Interest	1P	2P	3P	1C	2C	3C	1U	2U	3U
Sales Gas (Bcf)										
Walyearing	45%	13.0	21.7	33.0	7.2	12.8	20.4	2.3	6.4	12.4
Gurvantes XXXV	33%	-	-	-	131.3	400.6	779.1	246.2	425.4	618.4
Condor	100%	-	-	-	-	-	-	202.0	408.0	710.0
L7	25%	-	-	-	-	-	-	41.8	98.4	188.3
Arithmetic Sum (Bcf)		13.0	21.7	33.0	138.5	413.4	799.5	492.3	938.2	1,529.1
Sales Gas (PJ)										
Walyearing	45%	14.6	24.4	37.1	8.1	14.4	22.9	2.6	7.2	13.9
Gurvantes XXXV	33%	-	-	-	137.5	419.3	815.5	257.7	445.2	647.5
Condor	100%	-	-	-	-	-	-	217.2	438.7	763.4
L7	25%	-	-	-	-	-	-	43.6	102.7	196.5
Arithmetic Sum (PJ)		14.6	24.4	37.1	145.6	433.7	838.4	521.1	993.8	1,621.3
Condensate (MMstb)										
Walyearing	45%	0.15	0.25	0.38	0.08	0.14	0.22	0.03	0.07	0.14
Gurvantes XXXV	33%	-	-	-	-	-	-	-	-	-
Condor	100%	-	-	-	-	-	-	9.50	20.20	39.00
L7	25%	-	-	-	-	-	-	-	-	-
Arithmetic Sum (MMstb)		0.15	0.25	0.38	0.08	0.14	0.22	9.53	20.27	39.14

Talon's Corporate Strategy - Delivery

3-year view



* Timelines shown are an estimate and are subject to rig availability and joint venture decisions

Perth Basin Consolidation

Corporate activity expected to continue



- The northern Perth Basin is where the M&A interest has been focused to date
- There have been several prolific Kingia gas discoveries in recent years
- Now more than ever, there is an urgent requirement for infrastructure positions to be established, further driving activity
- Talon's recent entry into the L7 / EP437 permits put it square in this area.
 - 3D has been shot across both permits
 - Data has been interpreted
 - High confidence in top 3 L7 prospects
 - L7 to be drilled 1H 2024
- Only three remaining companies are independent:



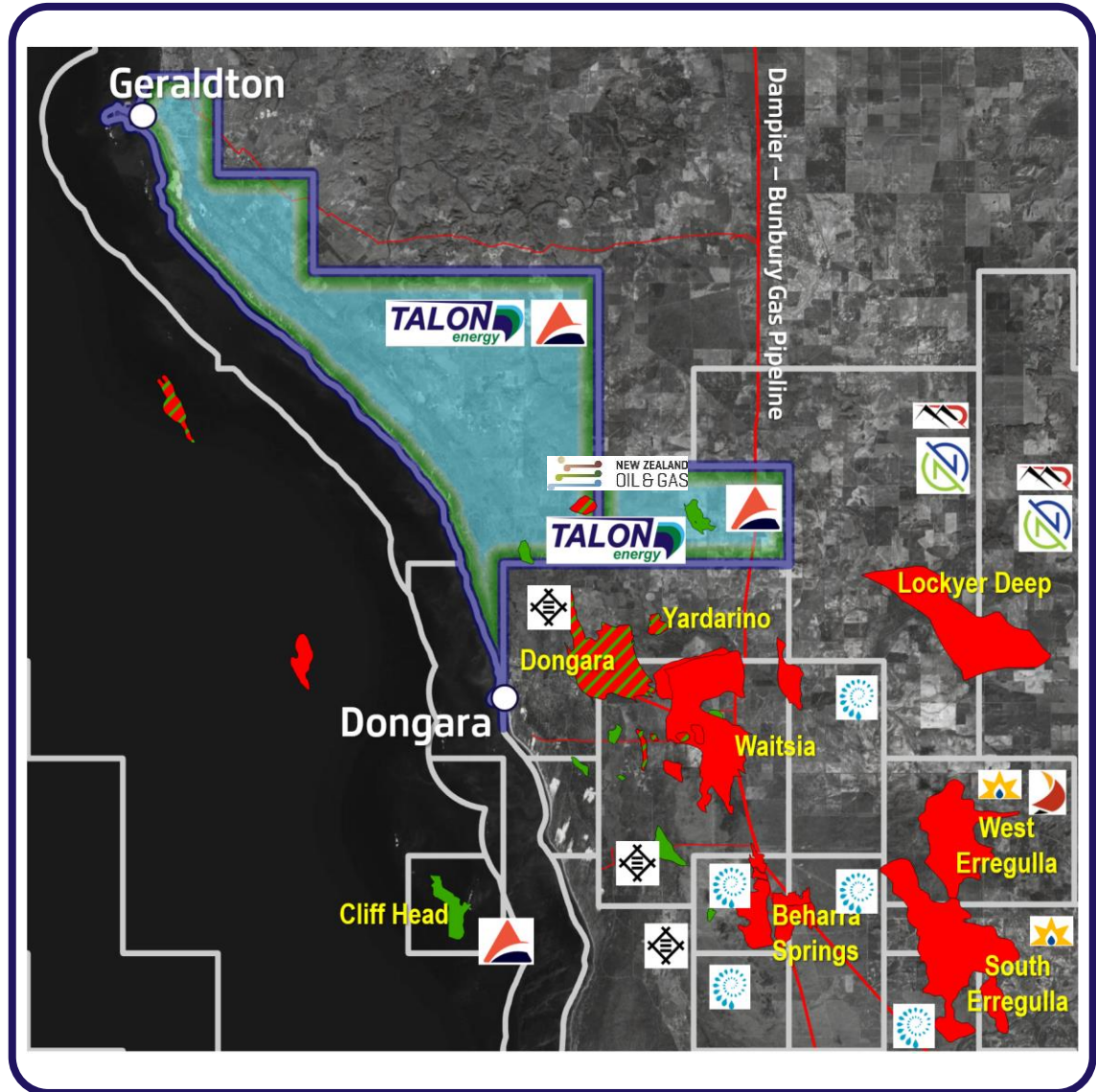
- ~\$1,150m



- ~\$110m



- ~\$25m

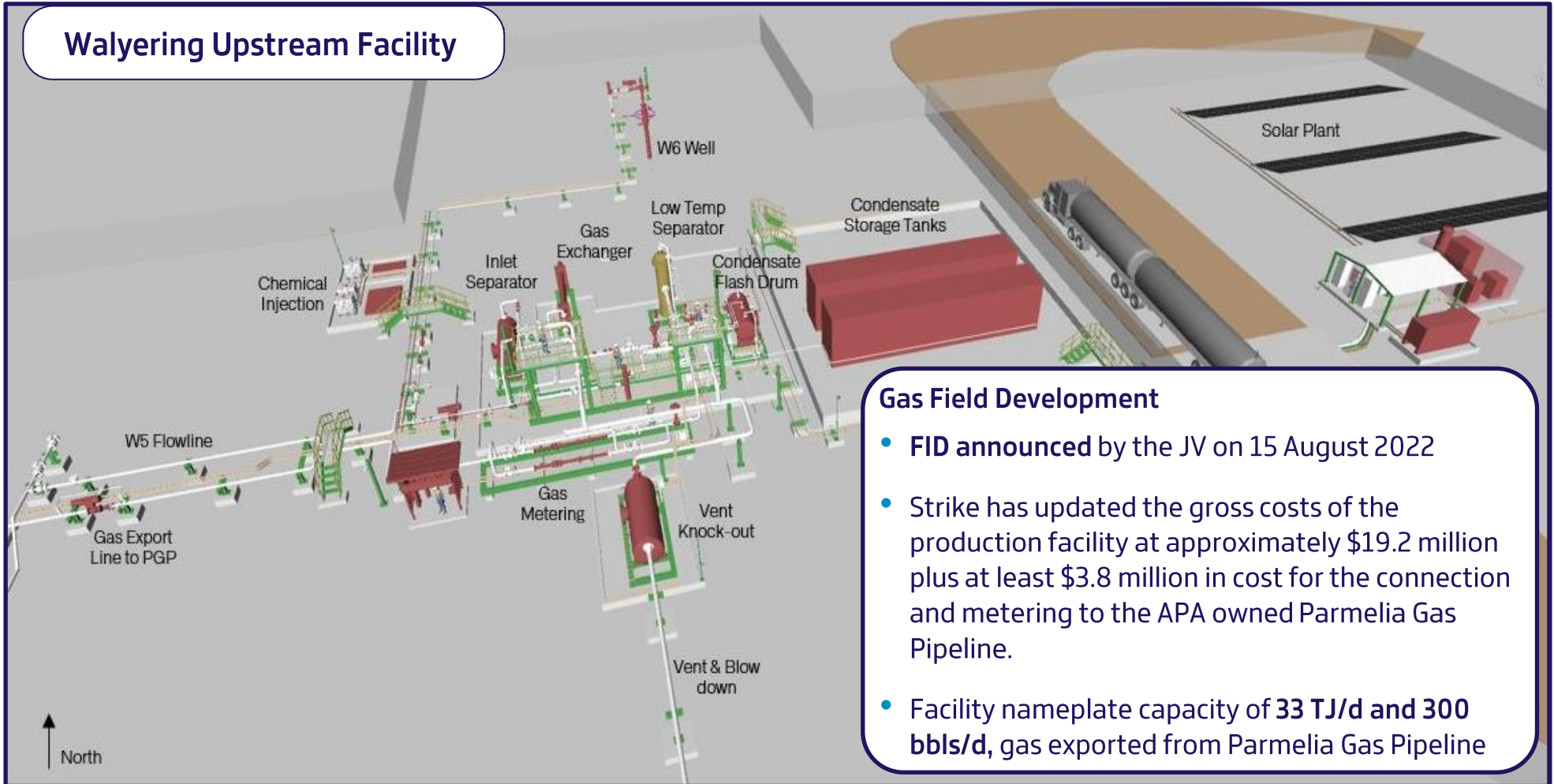


Imminent Cashflow - Walyering Project

Low CAPEX, quick to market



Walyering Upstream Facility



Gas Field Development

- FID announced by the JV on 15 August 2022
- Strike has updated the gross costs of the production facility at approximately \$19.2 million plus at least \$3.8 million in cost for the connection and metering to the APA owned Parmelia Gas Pipeline.
- Facility nameplate capacity of 33 TJ/d and 300 bbls/d, gas exported from Parmelia Gas Pipeline

Low CAPEX and OPEX contribute to excellent project profitability

Imminent Cashflow - Walyering Offtake



Two Revenue Streams

Gas Markets

- Join Venture has executed a Gas Sales Agreement with Santos for a minimum of 36.5 PJ
- Spot market pricing has increased more than 200% in the last 2 years
- Domestic Gas Supply continues to tighten, spot pricing in WA trending ~ **\$ 10 / GJ**, prices expected to trend higher

	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23
Maximum Price	\$6.60	\$6.60	\$7.00	\$8.00	\$9.80	\$9.53
Average Price	\$5.86	\$6.10	\$6.91	\$7.06	\$8.11	\$8.20
Minimum Price	\$5.85	\$6.10	\$6.88	\$7.00	\$8.00	\$7.90

Source: gastrading.com.au

Condensate

- Production estimated to be between 150 -300 bbls/d
- Offtakes and transportation contracts nearly finalised

Cash Flow

- Both products combined are expected to produce between \$50-75m in gross cashflows per annum

Projected net cash flows up to \$30m per annum net to Talon

Exploration Upside: Perth Basin–Walyering Prospectivity

Potential for additional wet gas discoveries in EP447 / L23



- Walyering Gasfield has been excised from EP447 into a separate Production Licence (L23), creating two permits

Leads in the excised Exploration Permit (EP447)

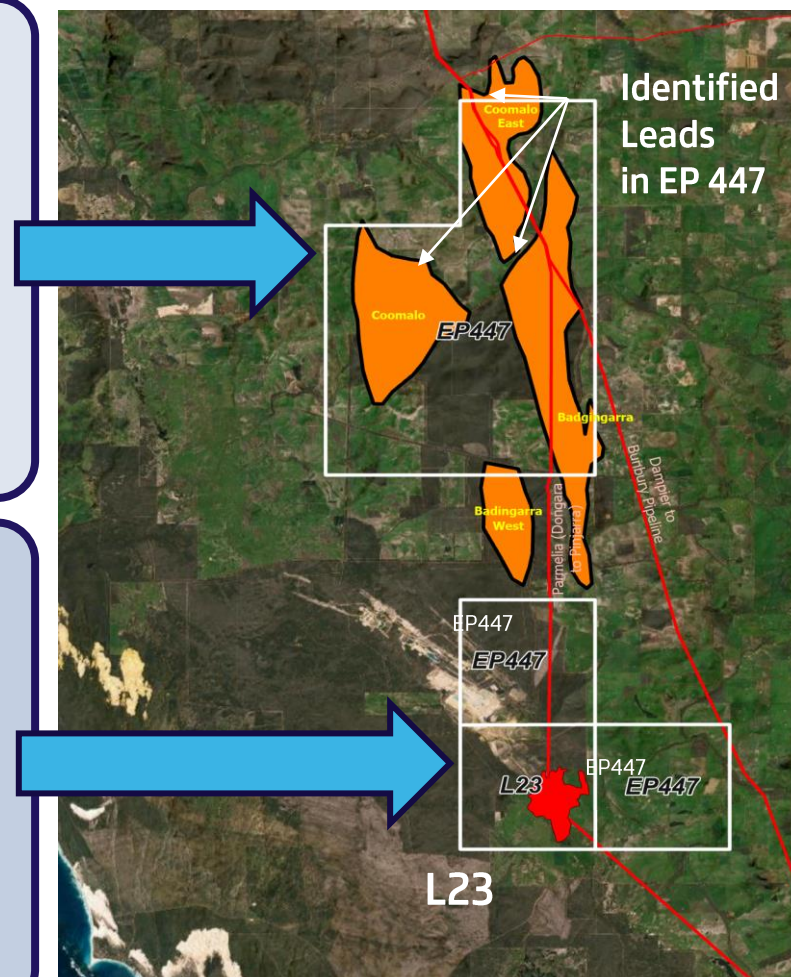
Identified material prospectivity in EP447;

- Three large leads identified in the northern part of recently renewed EP447 (Talon Energy 45%)
- Talon and EP447 Operator, Strike Energy, to fully characterise these leads in 2023
- Will high grade one lead to prospect and drill in 2025

Resources within the Production License (L23)

Walyering Gasfield has 3P upside potential of 82.4 PJ, plus an additional 80 PJ of 3C + 3U resource

- 3P upside has a production life of ~9 years if producing at an average of 27 TJ/d
- With contingent and prospective resource upside, field life could extend to 18 years of production

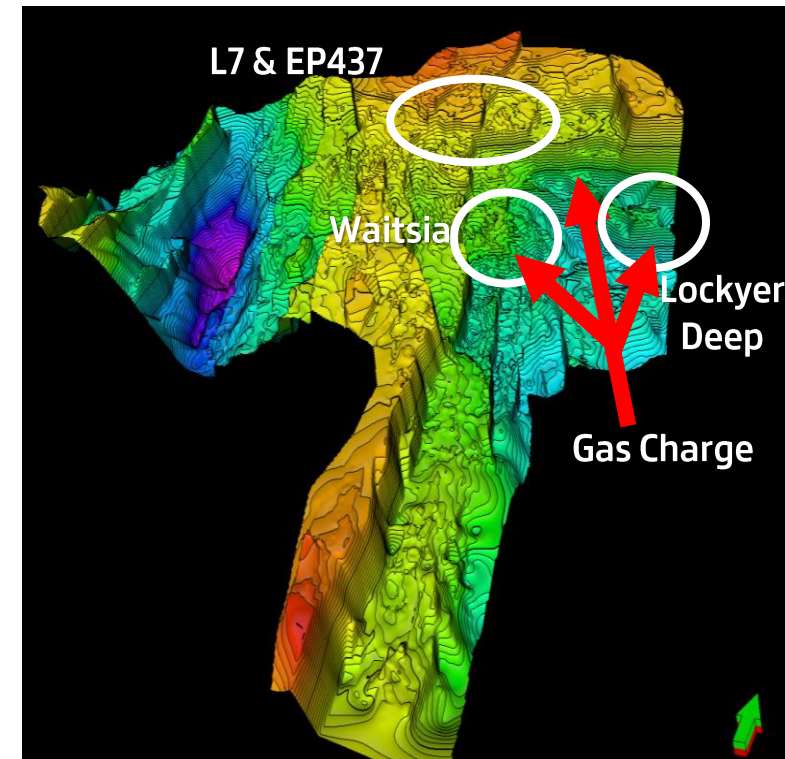


Talon's exploration upside materially higher with L7 / EP437

TPD acquired a 25% interest in L7 and EP437 in the northern Perth Basin



- Agreement signed to acquire a **25% interest** in Exploration Permit 437 and Production Licence L7 in the northern Perth Basin from Triangle Energy executed 1st March 2023
- Strategic location covering 865 km² in the northern Perth Basin.
- Updated Preliminary Resource estimate across top 3 high graded prospects in L7 have a combined Prospective Resource (2U) of **393 Bcf** (gross, unrisks)
- L7 & EP437 add significant value upside to Talon's portfolio:
 - Diversifies the portfolio by bringing in Early Permian dry gas
 - Minimal upfront entry cost, cashflow funded drilling campaign
 - Bookara 3D seismic survey completed and has now been processed and interpreted
 - Higher confidence in updated Prospective Resource
 - MinRes seeking to finalise acquisition of Norwest Energy, whose permits are adjacent to L7, at a 65% premium (shares at Dec 15) indicate this area is highly prized



3D visualisation of northern Perth Basin showing gas charge into L7 area

¹ See TEG ASX Announcement April 12 2022

Exploration Upside: Perth Basin – Condor

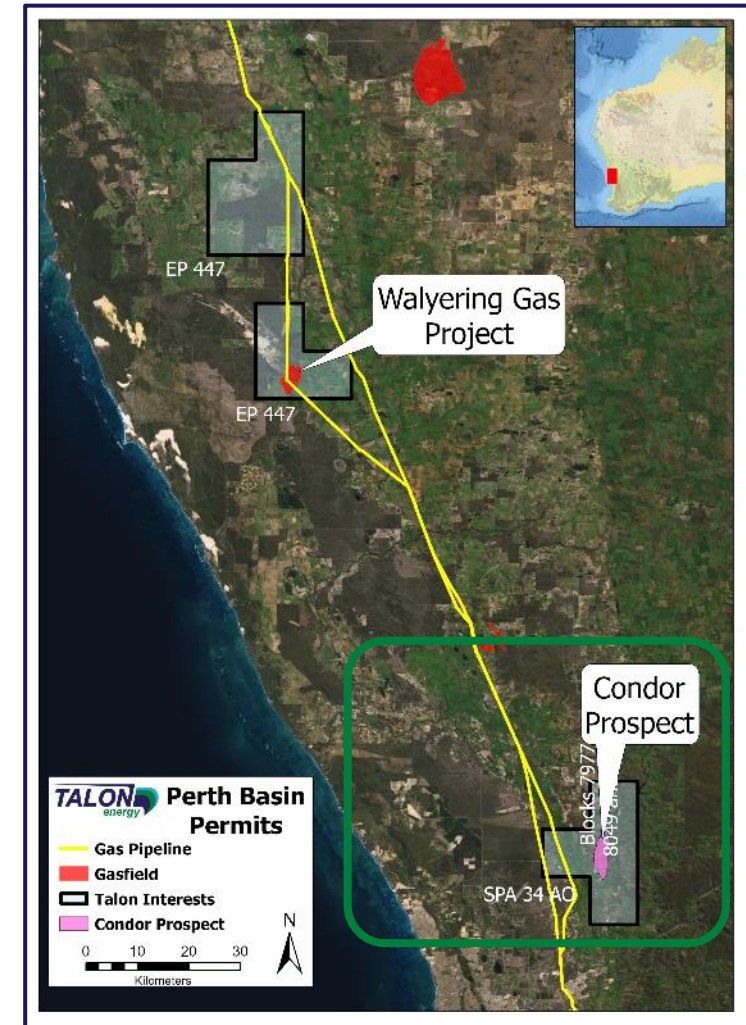
Another Walyering Field analogue...

- Talon has a binding option agreement to acquire 100% of the Condor lead. Permit transfer from DMIRS in progress.
- Condor is the **largest untested Jurassic wet gas structure** in the Perth Basin

Condor Structure - Un-risked Prospective Resource Talon Interest (option to acquire 100%)						
Permit	Low (P90)		Best (P50)		High (P10)	
	Condensate (MMbbl)	Gas (Bcf)	Condensate (MMbbl)	Gas (Bcf)	Condensate (MMbbl)	Gas (Bcf)
EP494	9.5	202	20.2	408	39	710

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 above Prospective Resources, refer to ASX announcement dated 17 March 2021. Talon confirms that 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.

- Prospective Resource recently audited by RISC
- The conventional sandstone reservoir targets are much shallower (vs. Walyering)
 - Cheaper drilling costs and better quality reservoir
- Access to market, DBNGP and PGP run through permit



Talon will hold 100% of Condor - could be up to 5X larger than Walyering

Exploration Upside: Mongolia - Gurvantes XXXV

Multi Tcf CSG prospect, close to Chinese energy market

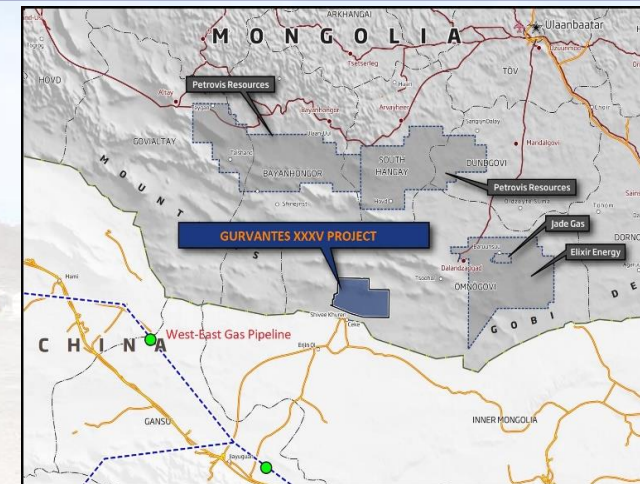


Size of the Prize:

- World Class discovery on first exploration campaign
- 100% drilling success with strong technical parameters
- Talon Energy has **now acquired 33%**, by making election and funding Stage 2 (Pilot Program)
- Independently certified (NSAI) contingent resource (2C)
 - ~1.2 Tcf (**~400 Bcf net Talon**)
- Located in South Gobi Basin, closest project to China
- 3 Well Pilot program underway:
 - Lucky Fox – 1 (LF-01) has been successfully drilled to a total depth of 375 metres
 - Intersected approximately 60 metres of coal over the production interval (upper coal seam)
 - Site prep commenced on Lucky Fox-2
 - Commissioning Pilot Wells Q2 2023
 - Production Test Q3-Q4 2023

Country	Basin	Coal Rank	Coal Thickness (m)	Gas Content (m3/t ar)	Permeability (mD)
US	San Juan Basin	Sub/Bituminous	1 - 13 m	<3 - 25	<10 - 100mD
	Powder River Basin	Sub-bituminous	1 - 75 m	0.1 - 4	1 - 1000mD
Canada	WCSB	Sub/Bituminous	1 - 4 m	0.8 - 2.3	3 - 5mD
Australia	Bowen Basin	Bituminous	1 - 30 m	1 - 11	0.5 - 13.6mD
	Surat Basin	Sub/Bituminous	3 - 4 m	1 - 8	0.07 - >500mD
China	Qinshui Basin	Anthracite	1 - 15 m	15 - 20	0.01 - 3mD
	Ordos Basin	Bituminous	1 - 11 m	4 - 23	1 - 5mD
Mongolia	Gurvantes XXXV	Bituminous	60 - 91m	9.3 - 13.2	0.04 - 47mD

*Flores R.M., 2014 Coal and Coalbed Gas Fuelling the Future



1.2 Tcf Contingent Resource (2C) booked (NSAI), the largest to date in Mongolia

Exploration Upside: Mongolia - Gurvantes XXXV

Project Timeline

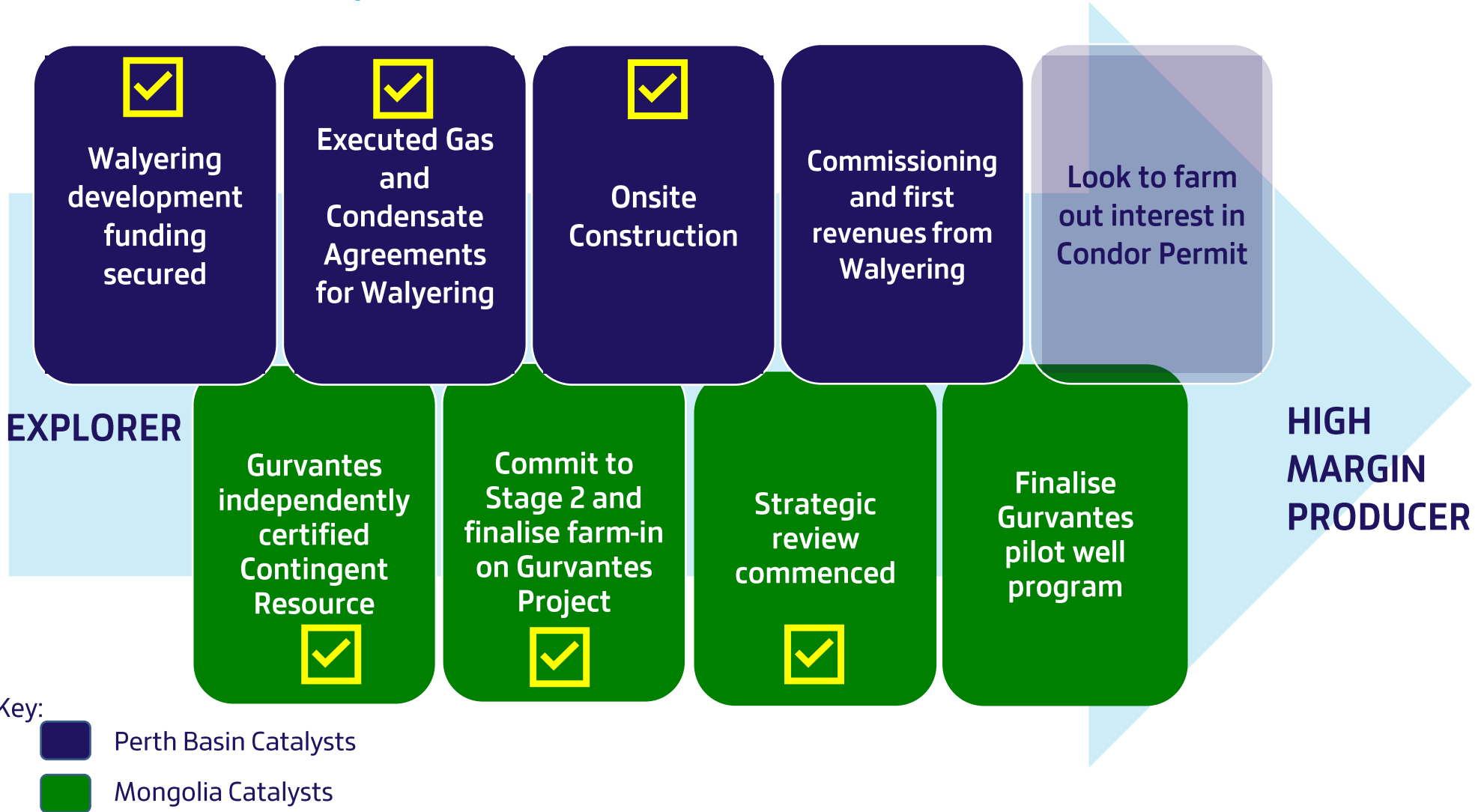


Activity	2022		2023			
	Q3	Q4	Q1	Q2	Q3	Q4
Exploration Drilling						
Desorption Testing						
Maiden Contingent Resource						
Talon acquires 33% interest						
Pilot Well Program						
Production Test						
Reserve and Feasibility Studies						
2023 Exploration Program						
Production Well Program						
Exploitation License						
First Gas Plant						

April 2023

Near term value catalysts

Talon moves from Explorer to Producer



*Timelines are indicative only. Talon may choose not to farm-out Condor.

Resource Information

Please refer to the following for ASX announcements for reserves and resources presented in this presentation:

- Walyering: Talon's ASX announcement dated 21 July 2022
- Gervantes XXXV: Talon's ASX announcement dated 9 November 2022
- Condor: Talon's ASX announcement dated 17 March 2021
- L7: Talon's ASX announcement dated 27 March 2023

Talon confirms that it is not aware of any new information or data that materially effects the information contained in those Announcements and that all material assumptions and technical parameters underpinning the estimates contained in those Announcements have not materially changed.

Perth Basin

Competent Persons Statement: Information in this report that relates to Prospective Resource information in relation to the Walyering Prospect and Contingent Resource information in relation to Ocean Hill is based on Prospective Resource and Contingent Resource information compiled by Strike Energy Limited, the operator both EP447 and EP495. Information in this report that relates to Prospective Resource that relates to the Condor Structure is based on information compiled by Mr. John Begg and Mr. John Lamberto, both consultants to the Company. The information in this report that relates to Prospective Resource information for the Perth Basin Production Permit L7 is based on and fairly represent information and supporting documentation prepared and authorised by Dr Douglas Gillies, who is a full-time employee of Triangle Energy (Global) Limited (TEG). Dr Gillies is a qualified resources estimator in accordance with ASX listing rule 5.41, and has consented to the inclusion of this information in the form and context in which it appears. Dr. Gillies holds a Bachelor of Science (Hons) and a PhD (Edinburgh) in geology, is a member of the Society of Petroleum Engineers (SPE) and Petroleum Exploration Society of Australia (PESA) with over 30 years of experience practicing in Petroleum Geology. This information was subsequently reviewed by Dr Darren Ferdinando PhD, BSc (Hons), who has consented to the inclusion of such information in this report in the form and context in which it appears. Dr Ferdinando is the Exploration Manager of the Company, with approximately 30 years relevant experience in the petroleum industry and is a member of The American Association of Petroleum Geologists (AAPG) and a Fellow of the Petroleum Exploration Society of Australia (PESA). The resources included in this report have been prepared using definitions and guidelines consistent with the 2018 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 Dr Ferdinando. Dr Ferdinando 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.

Undeveloped Reserve – Walyering Conventional Gas Project

Cautionary Statement: The Reserves and Resources information in this Announcement are derived from the “Walyering Reserves and Resources Report EP447 Perth Basin” produced for Talon Energy by RISC on 20 July 2022 (Reserves and Resources are as at 1 July 2022). The Reserves and Resources assessment was prepared in accordance with the definitions and guidelines set forth in the 2018 Petroleum Resources Management System (PRMS) approved by the Society of Petroleum Engineers (SPE). As presented in the 2018 PRMS, petroleum accumulations can be classified, in decreasing order of likelihood of commerciality as Reserves, Contingent Resources, or Prospective Resources. Different classifications of petroleum accumulations have varying degrees of technical and commercial risk.

Prospective Resources

Cautionary Statement: Prospective Resources are the estimated quantities of petroleum that may potentially be recovered by the application of a future development project related to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk to development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons. The estimates of Prospective Resources included in the announcement have been prepared in accordance with the definitions and guidelines set forth in the Petroleum Resources Management System (“PRMS”) as revised in June 2018 by the Society of Petroleum Engineers. The PRMS defines prospective resources as those quantities of petroleum which are estimated, as of a given date, to be potentially recoverable from undiscovered accumulations.

Condor Structure

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 above Prospective Resources, refer to Talon's ASX announcement dated 17 March 2021.

Production Permit L7

Cautionary Statement: All Prospective Resources indicated for L7 are calculated for a Gross 100% interest in the Permit and were calculated using a probabilistic method, then resource ranges for the prospects and leads were summed arithmetically. The volumes reported are “Unrisked” in the sense that the Geological Chance of Success (GCoS) factor has not been applied to the designated volumes but currently are considered to be in the moderate to high range. These prospects were mapped using 2D seismic data which has been recently reviewed and reinterpreted. TEG has applied a range of reservoir parameters based on regional well information.

Resource Information

Mongolia

Gurvantes XXXV CSG Project Mongolia

Competent Persons Statement. The information in this report that relates to Prospective Resource information for the Gurvantes XXXV Project is based on information compiled by Mr. John Hattner, an employee of Netherland, Sewell & Associates Inc, and who is a Qualified Petroleum Reserves and Resources Evaluator (QPRRE). 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/World Petroleum Council/American Association of Petroleum Geologists (AAPG)/Society of Petroleum Evaluation Engineers 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.

Prospective Resources – Gurvantes XXXV CSG Project

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 above Prospective Resources, refer to Talon's ASX announcement dated 18 August 2021.

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