

Successful Production Testing - Killanoola-1 DW-1

HIGHLIGHTS

- **Successful production test results at Killanoola-1 DW-1**
- **Activity Approval was received from SA Government DEM**
- **Live oil flowing with no water**

Australian Oil and Gas explorer and developer, Red Sky Energy (ROG: ASX) (Red Sky or the Company) is pleased to advise it has successfully flowed live oil to surface at Killanoola-1 DW-1 after receiving approval from the Government of South Australian (**SA Government**) Department for Energy and Mining (**DEM**).

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

"Red Sky is extremely pleased to have successfully flowed oil to surface from the existing 5 metres of pay at DW1. As previously announced there is a further circa 40 metres of potential pay to perforate in this well. The well is currently producing at an average oil rate of 40bopd. Next the team onsite will collect oil samples for assay and gradually increase the production rate."

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.

DW-1 - Activity Approval was received to commence testing of the existing 5 metres of pay at DW-1. Contracts for the testing were awarded, equipment was successfully mobilised to site and testing commenced as planned on 10 December 2021.

Production Test Results to Date

After unloading existing fluid in the production tubing and annulus the well commenced to produce live oil with no water.

-ENDS-

Released with the authority of the board.

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

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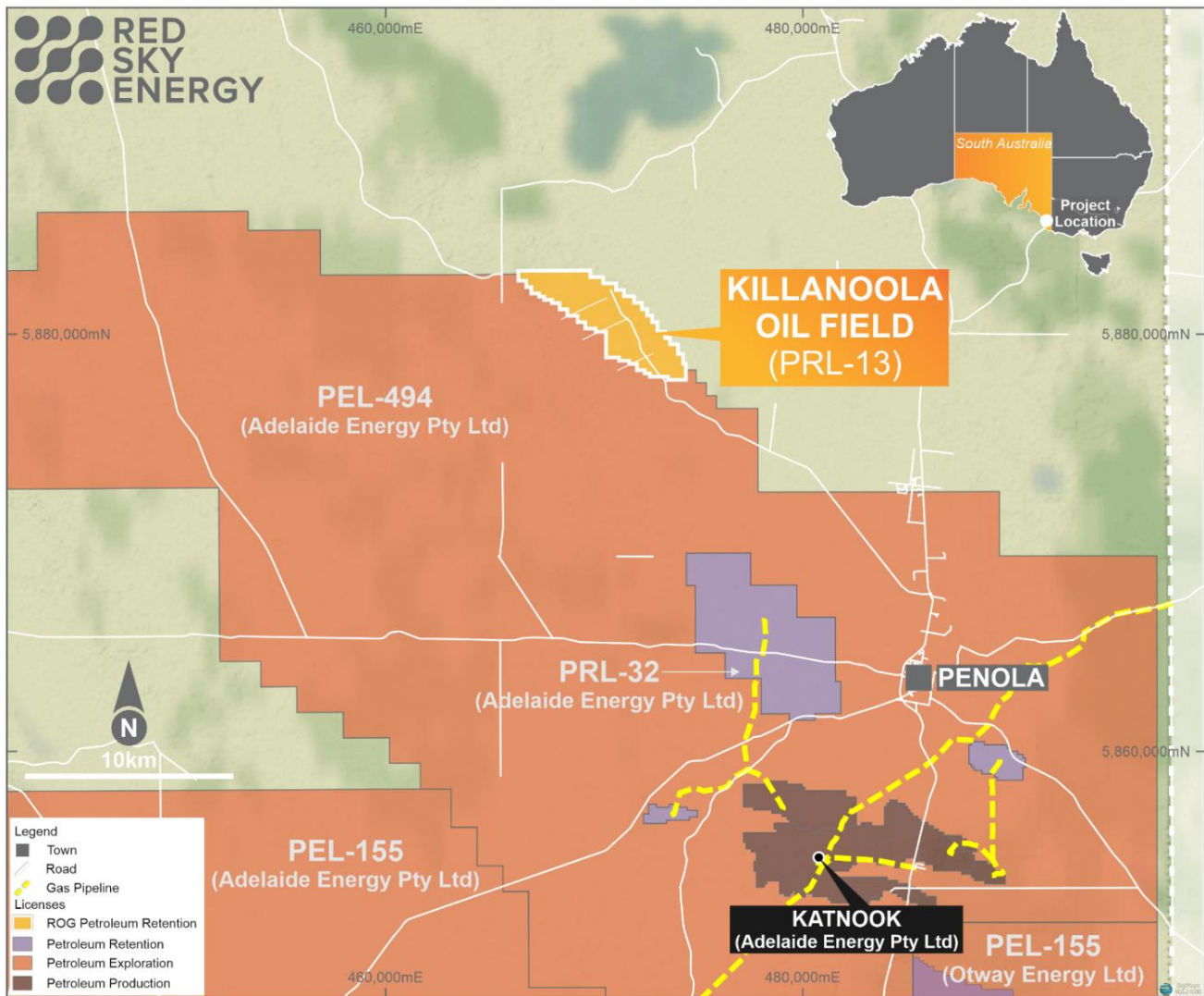


Figure 1: Killanoola Oil Field (PRL-13) location map

(Adelaide Energy Pty Ltd is a subsidiary of Beach Energy Ltd (ASX:BPT))

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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.