

ASX Announcement

8 January 2025

Canyon-1H DFIT Confirms Significant Overpressure in Canyon Sandstone

Highlights

- Omega has successfully executed a Diagnostic Fracture Injection Test (DFIT) in the Canyon-1H horizontal well.
- Results confirm high overpressure of 0.79 psi/ft and favourable reservoir properties within the target Canyon Sandstone reservoir.
- Positive results enhance confidence of achieving a strong result from the upcoming Canyon-1H well test.
- Canyon-1H multi-stage fracture stimulation and flowback program is expected to commence around the end of February 2025.

Trevor Brown, CEO and Managing Director said:

"The successful execution of the DFIT program in the Canyon-1H horizontal well has provided an important, high-quality data set that provides enhanced confidence of obtaining a strong result from the upcoming fracture stimulation and flowback program. The DFIT data analysis indicates higher reservoir pressure and lower geo-mechanical stress than previously modelled, and reservoir permeability in line with expectations. High overpressure is a key success factor in analogous, international basin-centred gas plays.

These important results confirm favourable reservoir properties interpreted in the Canyon-1 vertical well and observed while drilling the horizontal section through the Canyon Sandstone in Canyon-1H.

Final preparations are now underway for the Canyon-1H fracture stimulation and flowback program which is expected to commence around the end of February 2025."

Omega Oil and Gas (ASX: OMA, Omega), the 100% holder of Potential Commercial Area (PCA) 342 and PCA 343 located in the Bowen Basin in Southern Queensland (Omega's Canyon Gas Field project), is pleased to update the market on the successful completion of the Diagnostic Fracture Injection Test (DFIT) carried out at the Canyon-1H, horizontal appraisal well.



Canyon-1H DFIT spread

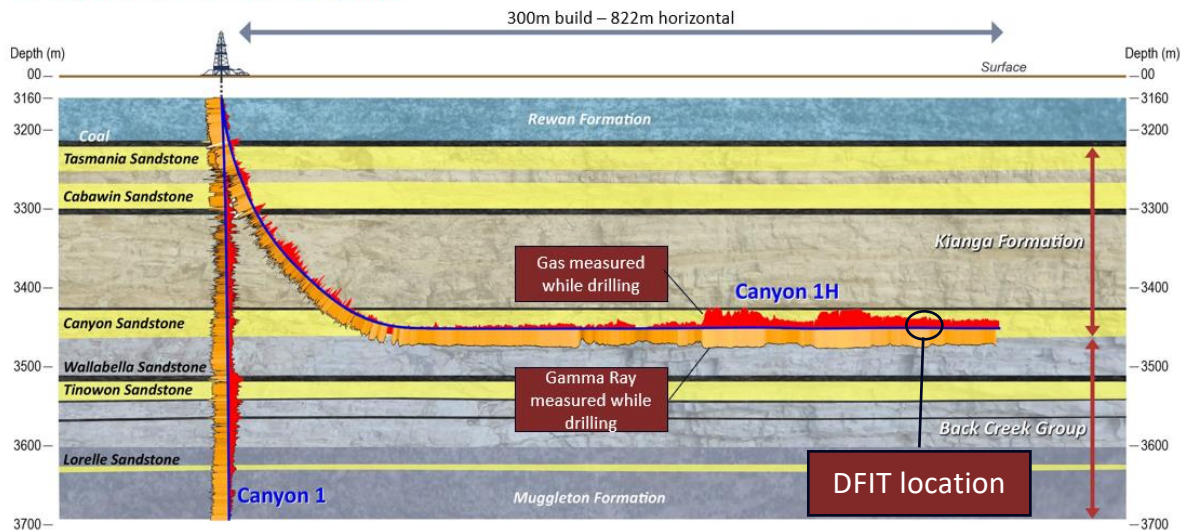
A DFIT is a commonly applied industry technique used to determine reservoir properties important for designing fracture stimulation programs. The Canyon-1H DFIT commenced on 21st December 2024 when a small volume of fluid was injected into the reservoir interval through an opening in the casing near the “toe” of the well to create a fracture in the reservoir. Subsequent well pressures have been monitored for over 14 days and analysis has allowed the calculation of formation pressure, reservoir permeability and geo-mechanical stress. The DFIT data analysis has been positive, indicating higher reservoir pressure (0.79psi/ft) and lower geo-mechanical stress than previously modelled, with reservoir permeability in line with expectations.

These positive data points further corroborate indications of high-quality reservoir and high formation pressures observed while drilling.

Good indications of reservoir quality were evident while drilling based on high penetration rates, high gas readings, strong fluorescence and the abundance of disaggregated quartz sand grains present throughout the sandstone intervals within the reservoir intervals.

Indications of elevated formation overpressure were observed while drilling with strong gas shows evident in the target gas sands.

Canyon-1H Well Diagram



Canyon-1H Well Diagram showing DFIT location – Depth in TVDSS.

Results of the Canyon-1H DFIT provide further confidence in the potential for a continuous, multi-TCF resource development play across Omega's acreage.

The DFIT results position Omega well for the Canyon-1H multi-stage hydraulic fracture stimulation project, which is expected to commence around the end of February 2025. Further updates will be provided as timing is confirmed.

This release has been authorised on behalf of the Omega Board.

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Forward looking Statements

This announcement may contain certain “forward-looking statements”. Forward-looking statements can generally be identified by the use of forward-looking words such as, “expect”, “should”, “could”, “may”, “predict”, “plan”, “will”, “believe”, “forecast”, “estimate”, “target” and other similar expressions. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. The forward-looking statements included in this announcement involve subjective judgement and analysis and are subject to significant uncertainties, risks and contingencies, many of which are outside the control of, and are unknown to, Omega. Forward-looking statements should be read in conjunction with, and are qualified by reference to, the risk factors set out in section 5 of the Prospectus lodged with Australian Securities and Investment Commission on 22 August 2022 and in Omega’s subsequent announcements and presentations. Actual future events may vary materially from the forward-looking statements and the assumptions on which those statements are based. Given these uncertainties, you are cautioned to not place undue reliance on such forward-looking statements. Omega disclaims any intent or obligation to publicly update any forward-looking statements, whether as a result of new information, future events or results or otherwise. Past performance information given in this announcement is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance.