

Walyering-5 site works completed ahead of Spud

- Walyering-5 well site works completed in preparation for the arrival of Ensign Rig 970
- Currently awaiting release of Ensign Rig 970 from the Lockyer Deep well 230km to the north
- Upon release, it is anticipated that it will take approximately 2 weeks for the Rig to mobilise and setup at Walyering-5

Talon Energy Ltd (Talon or the Company) is pleased to announce that all site works were completed at EP447 by the Joint Venture Operator, Strike Energy (**STX**) as anticipated, in preparation for the arrival of Ensign Rig 970, and the drilling of the Walyering-5 appraisal well. The Joint Venture is currently awaiting the release of Ensign Rig 970 from the Lockyer Deep well to the north. Upon release it is anticipated that it will take approximately 2 weeks to mobilise to site and set up ahead of drilling commencing.



Walyering-5 well pad under construction

Talon's Managing Director, David Casey said: "While the delays in the mobilisation of Ensign Rig 970 to Walyering are unavoidable and outside the Joint Venture Operator, Strike Energy's control, we have used the time to ensure that all contingencies have been considered and that we are fully prepared for the rig's arrival on site. This is an exciting time for Talon as we prepare to drill our maiden Perth Basin well. At the same time, we continue to increase our technical understanding of the Condor Structure, which has the potential to yield significant additional upside in the event of drilling success at Walyering"

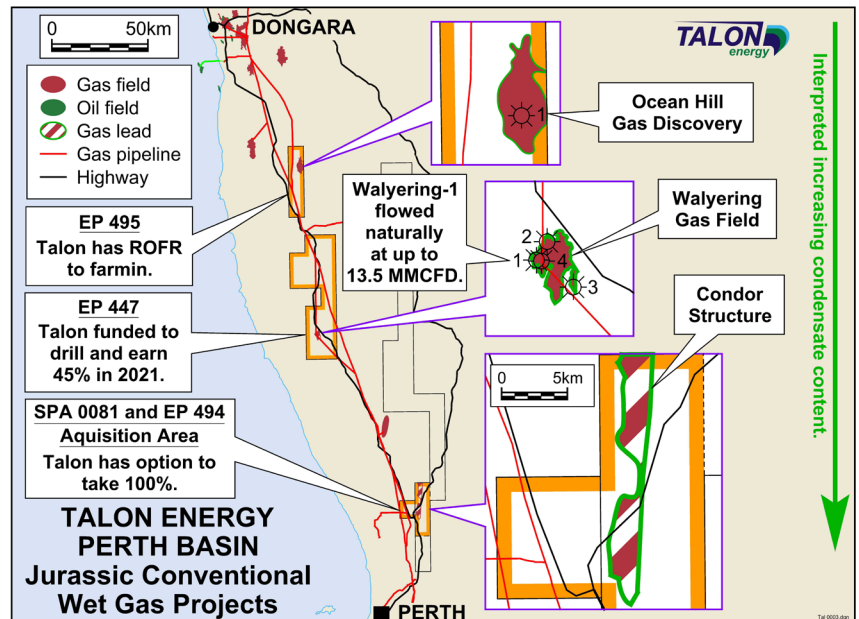
EP447 - Walyering Overview

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 an 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 content 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. The high-condensate ratio likewise has the potential to enhance the economics of Walyering.

In addition, Talon has secured an option over 100% of the area covering the large Condor Structure to the south of the Walyering project area. Condor is one the largest undrilled Jurassic wet gas targets in the Perth Basin region, with target reservoirs at levels much shallower than Walyering which should result in improved reservoir quality and lower drilling costs.



This announcement is authorised for lodgement by the Managing Director.

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