

Tamboran Resources Limited (ASX: TBN, OTC markets: TBNNY)

## **EP 98/117 Operational Update: Interim Amungee 2H update and forward plan**

### **Highlights**

- The Amungee 2H (A2H) well in EP 98 has achieved gas breakthrough, however modelling and independent third-party analysis of fluids recovered from the well have identified potential skin inhibiting gas and water flow. Tamboran is highly encouraged that the initial results from the laboratory provide a potential pathway to cleaning up the well and delivering improved flow rates.
- Despite gas flow rates being potentially constrained and with only 10 per cent of water used in the stimulation program recovered to date, the well is currently flowing at a steady rate of 0.83 million cubic feet per day (mmscfd) and averaged 0.97 mmscf over the first 50 days.
- Clean up activity is proposed to be undertaken during the third quarter of 2023. An update is expected to be provided on completion of these activities.
- The Beetaloo Joint Venture (BJV) does not believe this is a reservoir issue or that the initial results are indicative of the prospectivity of the Amungee area. The Amungee NW1H well achieved flow rates of >5 million cubic feet per day (mmscfd) over a normalised 1,000-metre horizontal section from the same well pad in 2021<sup>1</sup>.
- The BJV plan to drill the Shenandoah South 1H (SS1H) in EP 117 during the third quarter of 2023, where the Mid Velkerri "B Shale" is expected to be approximately 700 metres (30 per cent) deeper than at A2H. The SS1H well will complete the farm-in commitment with Falcon Oil and Gas Australia Limited (Falcon).
- Following the drilling of SS1H, the BJV plans to drill the Amungee 3H (A3H) well to follow up results from the A2H location. Tamboran will incorporate lessons learned from the drilling and stimulation program at A2H across both SS1H and A3H wells.
- Upon success at A3H and SS1H, the Amungee or Shenandoah area could underpin a proposed Flare Avoidance Project, including Clean Energy Fuels Australia Marketing's (CEFAM) mini-LNG facility, to provide a cleaner and economic alternative to diesel for electricity generation and fuel in the transport and mining industries.

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**Tamboran Resources Limited (ASX: TBN) Managing Director and CEO, Joel Riddle, said:**

“The A2H well is only the sixth horizontal well drilled and stimulated to date in the Beetaloo Basin and we continue to take each well as a learning opportunity. The well was successfully drilled with an increase in stimulated stages and proppant compared to the Amungee NW1H well, located on the same well pad. We believe the initial results from the A2H well are not indicative of the underlying production potential of the Mid Velkerri 'B Shale' in the Amungee area.

“Modelling of the well rates and independent third-party testing of fluids recovered from the well identified potential skin that seems to be inhibiting flow from the well. Despite the potential skin, the well is still delivering approximately 0.83 mmscfd, with tracer data showing a good distribution of flows across the entire stimulated section. The Beetaloo JV are currently assessing clean-up options with plans to undertake a clean-up campaign during the third quarter of 2023.

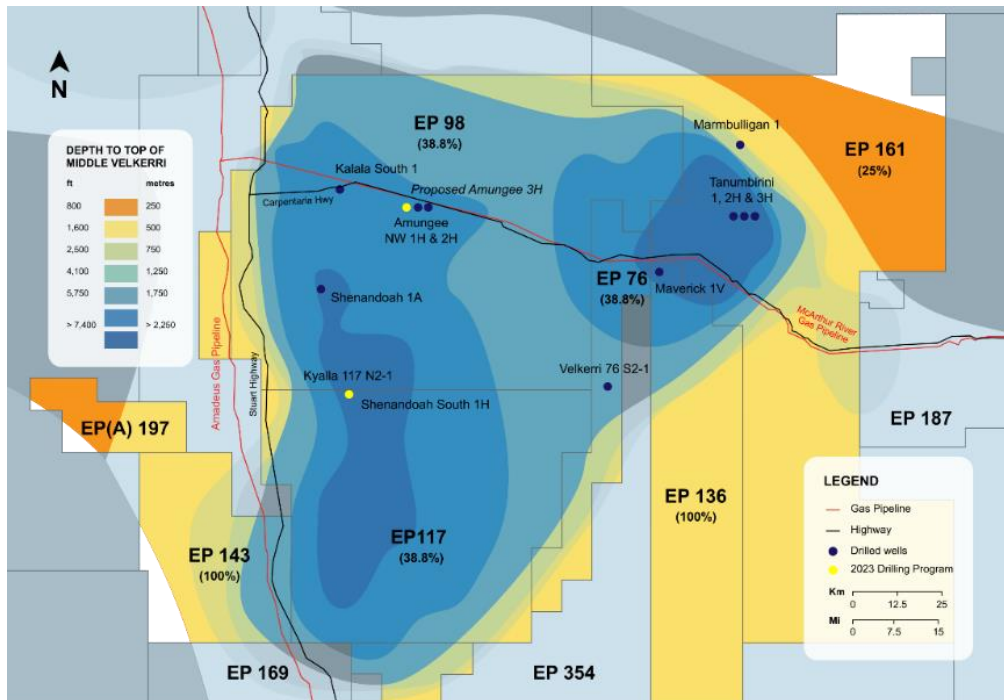
“Lessons learned from the four wells drilled and stimulated to date in across Tamboran's Beetaloo Basin permits will be incorporated into the proposed upcoming two-well drilling program. The program includes drilling the SS1H well in the deeper EP 117 acreage and the A3H well in the Amungee region, with operations commencing during the third quarter of 2023.

“The decision for the SS1H well location follows analysis of the Tanumbirini wells in the Santos-operated EP 161 permit, which showed Marcellus Basin production type-curves from the wells drilled in the Tanumbirini area. Specifically, at T3H, which has demonstrated a 20-year EUR of approximately 18.5 BCF for a future proposed 3,000-metre development well.

“This result demonstrates the enormous productivity within the deeper regions of the Beetaloo Basin and gives us confidence that improved results can be achieved at SS1H.

“On completion of flow testing at SS1H and A3H, and clean-up activities at A2H, the BJV will assess the performance and productivity of each region ahead of a potential sanctioning of a Flare Avoidance Project or pilot development, which could accelerate gas sales into the tightening NT Gas market.”

**Figure 1: Tamboran’s Beetaloo Basin asset location map**



### Amungee 2H flow results

The A2H well in Tamboran B2-operated EP 98 successfully achieved gas breakthrough following the 25-stage stimulation program and the installation of production tubing across the 1,020-metre horizontal section within the Mid Velkerri “B Shale”.

**Table 1: Comparison of Amungee NW1H and Amungee 2H stimulation and drilling campaign.**

	Amungee NW1H (full)	Amungee NW1H (flow) <sup>1</sup>	Amungee 2H
Stimulated lateral length (metres)	682	162	1,020
Stimulated stages (#)	11	4	25
Proppant volume (kbbbls)	67	31	169
Proppant tonnage (million pounds)	2.5	1.5	7.1
Average IP30 flow rate (mmscfd)	1.1		TBC

<sup>1</sup>The Amungee NW1H well was stimulated over a 682-metre horizontal section in the Mid Velkerri “B Shale”. Following testing, the flow was determined to be flowing over four stages (stage 8 – 11). Amungee NW1H (flow) shows flow across this smaller length. Refer to Falcon Oil & Gas Announcement (3 September 2021): “Amungee NW 1H Normalised Gas Flow Rate Equivalent to 5 mmscfd per 1,000m Horizontal”.

**EP 98/117 interests\***

<b>Company</b>	<b>Interest</b>
Tamboran (B2) Pty Limited <sup>2</sup>	77.5%
Falcon Oil and Gas Australia Limited (Falcon)	22.5%
<b>Total</b>	<b>100.0%</b>

\*EP 98 interest post-completion of the Stage 3 FIA.

<sup>2</sup>Tamboran (B2) is a 50%/50% Joint Venture between Tamboran and Daly Waters Energy, LP (100% owned by Sheffield Holdings, LP). Tamboran (B2) are the operator of EP 98/117 and Tamboran is acting as operator on behalf of the joint venture.

***This ASX announcement was approved and authorised for release by Joel Riddle, the Managing Director and Chief Executive Officer of Tamboran Resources Limited.***

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**About Tamboran Resources Limited**

Tamboran Resources Limited is the largest acreage holder and operator with ~1.9 million net prospective net acres in the Beetaloo Sub-basin within the Greater McArthur Basin in the Northern Territory of Australia. The Company is focused on playing a constructive role in the global energy transition towards a lower carbon future, by developing the significant low CO<sub>2</sub> gas resource within the basin. Tamboran's key assets include a 25% non-operated working interest in EP 161, a 100% working interest and operatorship in EP 136, EP 143 and EP(A) 197 and a 38.75% working interest and operatorship in EPs 98, 117 and 76 which are all located in the Beetaloo Basin. Tamboran will focus on the development of the proposed EP 98 Pilot Development, targeting first production by the end of calendar year 2025.

## **Disclaimer**

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**Table 1: Disclosures under ASX Listing Rule 5.30 (Amungee 2H)**

**a) The name and type of well.**

Amungee 2 horizontal (A2H) well.

**b) The location of the well and details of the permit or lease in which the well is located.**

EP 98 of Beetaloo Sub-basin, Northern Territory.

**c) The entities working interest in the well.**

Tamboran holds a 38.75% interest in EP 98 via its 50% holding in Tamboran (B2), a 50%/50% Joint Venture between Tamboran and Daly Waters Energy, LP (100% owned by Sheffield Holdings, LP), subject to completion of the Falcon Oil & Gas Farm-in Agreement, which will be satisfied upon the completion of drilling a second well within the EP 98 or 117 acreage (proposed Shenandoah South 1H well in EP 117).

Tamboran are the operating manager of the Tamboran (B2) of EP 98 permit.

Tamboran are carrying 100% of the Amungee 2H well cost.

Daly Waters Energy Limited hold a 38.75% interest and Falcon Oil & Gas Australia Limited hold the remaining 22.5%.

**d) If the gross pay thickness is reported for an interval of conventional resources, the net pay thickness.**

Not applicable—this is not a conventional reservoir.

**e) The geological rock type of the formation drilled.**

Organic-rich shale.

**f) The depth of the zones tested.**

Average depth of horizontal 2,440mTVD.

**g) The types of test(s) undertaken and the duration of the test(s).**

The well has been flowing for 50 days since the installation of production tubing in April 2023. Gas flows from the well are yet to establish 30-day initial production (IP30) rates with only ~10 per cent of the water used in the stimulation program recovered to date. Modelling indicates that potential skin may be inhibiting gas flow and BJV are evaluating options to clean-up the well.

**h) The hydrocarbon phases recovered in the test(s).**

Dry gas. 90.4% methane, 2.9% ethane.

**i) Any other recovery, such as, formation water and water, associated with the test(s) and their respective proportions.**

Fracture stimulation fluid is being recovered during testing. The well is currently producing 65 barrels of water per day with a cumulative 17,879 bbls of water recovered to date.

**j) The choke size used, the flow rates and, if measured, the volumes of hydrocarbon phases measured.**

68/64-inch choke size, delivering at a stabilised rate of 0.83 mmscfd with an average flowing tubing head pressure of 65 psi.

**k) If applicable, the number of fracture stimulation stages and the size and nature of fracture stimulation applied.**

25 stage fracture stimulation at an average of 40-metre interval spacing within the Mid-Velkerri "B Shale".

**l) Any material volumes of non-hydrocarbon gases, such as carbon dioxide, nitrogen, hydrogen sulphide or sulphur.**

CO<sub>2</sub> levels 4 - 5 per cent (taken over three samples over two months) and 1.4% N<sub>2</sub>.

**m) Any other information that is material to understanding the reported results.**

Tamboran is evaluating potential remediation options for the third quarter of 2023.