

Tamboran Resources Corporation (ASX: TBN)

## **SS-1H achieves commercial IP90 flow rate of 2.9 MMcf/d (normalized to 5.8 MMcf/d over 1,000 metres)**

### **Highlights**

- The Shenandoah South 1H (SS-1H) well in EP 117 achieved an average 90-day initial production (IP90) flow rate of 2.9 million cubic feet per day (MMcf/d) over the 1,644-foot, 10 stage stimulated length within the Mid Velkerri B Shale, normalized to 5.8 MMcf/d over 3,281-feet (1,000 metres).
- The IP90 flow test at SS-1H was ~65% higher than the Santos-operated EP 161 Tanumbirini 3H well, which previously achieved the highest flow rate in the Beetaloo Basin.
- The SS-1H flow test indicates that future development wells with lateral lengths of 10,000 feet may be capable of delivering average rates of 17.8 MMcf/d over the first 90 days of production.
- Flow testing has demonstrated productivity and decline profiles in line with the most prolific regions of the Marcellus Shale in the US. This confirms the Company's view that the Beetaloo West region is the preferred region in the basin to commence development operations.
- The well will now be shut in and suspended as a potential future production well.
- Tamboran continues to undertake Front End Engineering and Design (FEED) studies on the proposed Shenandoah South Pilot Project. The Company expects to take Final Investment Decision (FID) in mid-2024, subject to funding and key stakeholder approvals.

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

“The results of the SS-1H flow test have continued to exceed our pre-drill expectations, with flow rates and pressure declines in line with some of the most prolific regions of the Marcellus Shale in the US.

“The results have validated the Company's view that the deepest regions of the Beetaloo Basin are the most productive and are expected to deliver premium economics and returns when compared to shallower areas within the region. The 1 million acres of deep shale in the Beetaloo West have potential to deliver Tamboran's gross Beetaloo Basin production ambition of 2 Bcf/d (~775 MMcf/d net to Tamboran) (equivalent to more than 13.0 million tonnes per annum of LNG export capacity) for 40 years from a single landing zone.

“Management will commence an evaluation of the results and integrate these into our development planning, including the assessment of the 2024/25 six well drilling campaign that will support the proposed 40 MMcf/d (gross volume) Pilot Project in the Shenandoah South region in the Beetaloo West.

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“The gas sales from the proposed Pilot Project have been contracted to the Northern Territory Government under a binding take-or-pay gas sales agreement to support the local Northern Territory gas market over approximately 15 years. It is our commitment to produce first volumes from the Beetaloo Basin to Territorians and secure energy supply into the 2040s.”

### Shenandoah South 1H flow results

The SS-1H well in the Tamboran B2-operated Exploration Permit (EP) 117 achieved IP90 flow rates following the 10-stage stimulation program within the bottom 501 metres (1,644 ft) of the 1,020-metre (3,346 ft) lateral section in the Mid Velkerri B Shale on 24 April 2024.

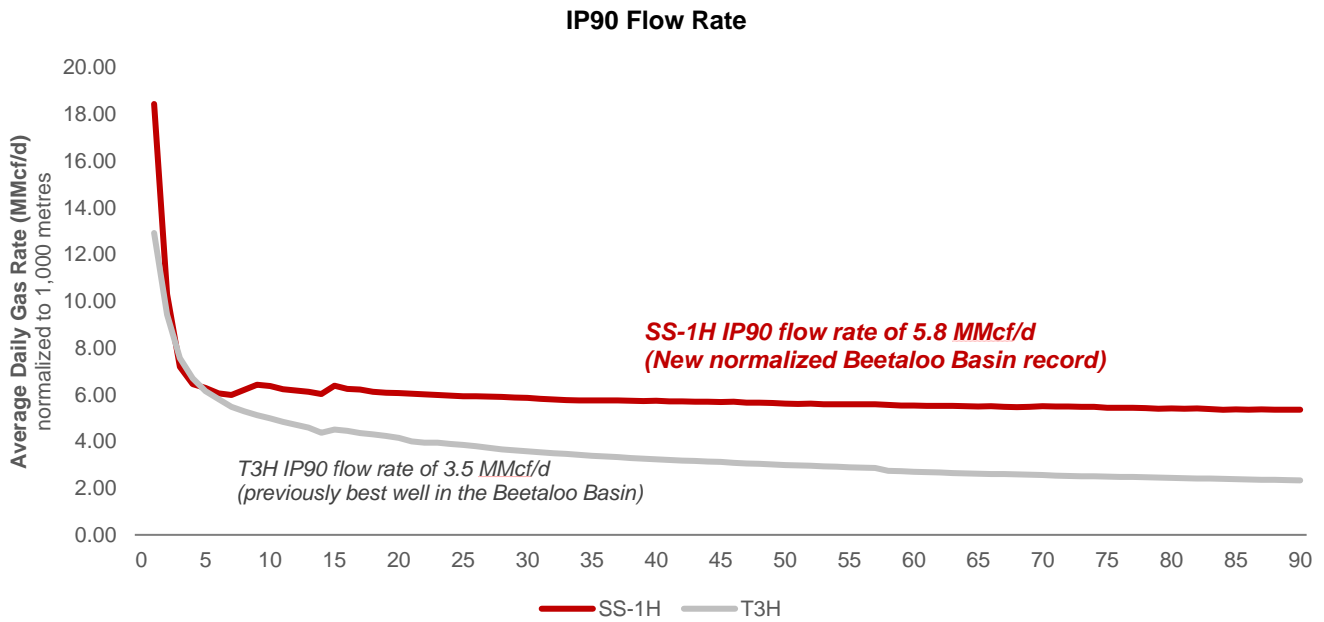
During the period from 26 March to 24 April 2024 (30 days), the choke was maintained at 43/64”, resulting in gas rates fluctuating from 2.76 to 2.64 MMcf/d, with an average of 2.7 MMcf/d over the 30-day period and day 90 exit rate of 2.68 MMcf/d. Flowing wellhead pressures were drawn down from 529 to 518 psi.

**Table 1: Breakdown of the SS-1H flow result**

| <i>Rates (MMcf/d)</i>         | <b>Actual<br/>(501m, 1,644 ft)</b> | <b>Normalized<br/>(1,000m, 3,281 ft)</b> | <b>Normalized<br/>(10,000 ft)</b> |
|-------------------------------|------------------------------------|--|-----------------------------------|
| <i>Peak rate</i>              | 12.9                               | N/A                                      | N/A                               |
| <i>Average IP30 flow rate</i> | 3.2                                | 6.4                                      | 19.5                              |
| <i>IP30 exit rate</i>         | 2.9                                | 5.8                                      | 17.6                              |
| <i>Average IP60 flow rate</i> | 3.0                                | 6.0                                      | 18.4                              |
| <i>IP60 exit rate</i>         | 2.8                                | 5.5                                      | 16.8                              |
| <b>Average IP90 flow rate</b> | <b>2.9</b>                         | <b>5.8</b>                               | <b>17.8</b>                       |
| <b>IP90 exit rate</b>         | <b>2.7</b>                         | <b>5.4</b>                               | <b>16.4</b>                       |

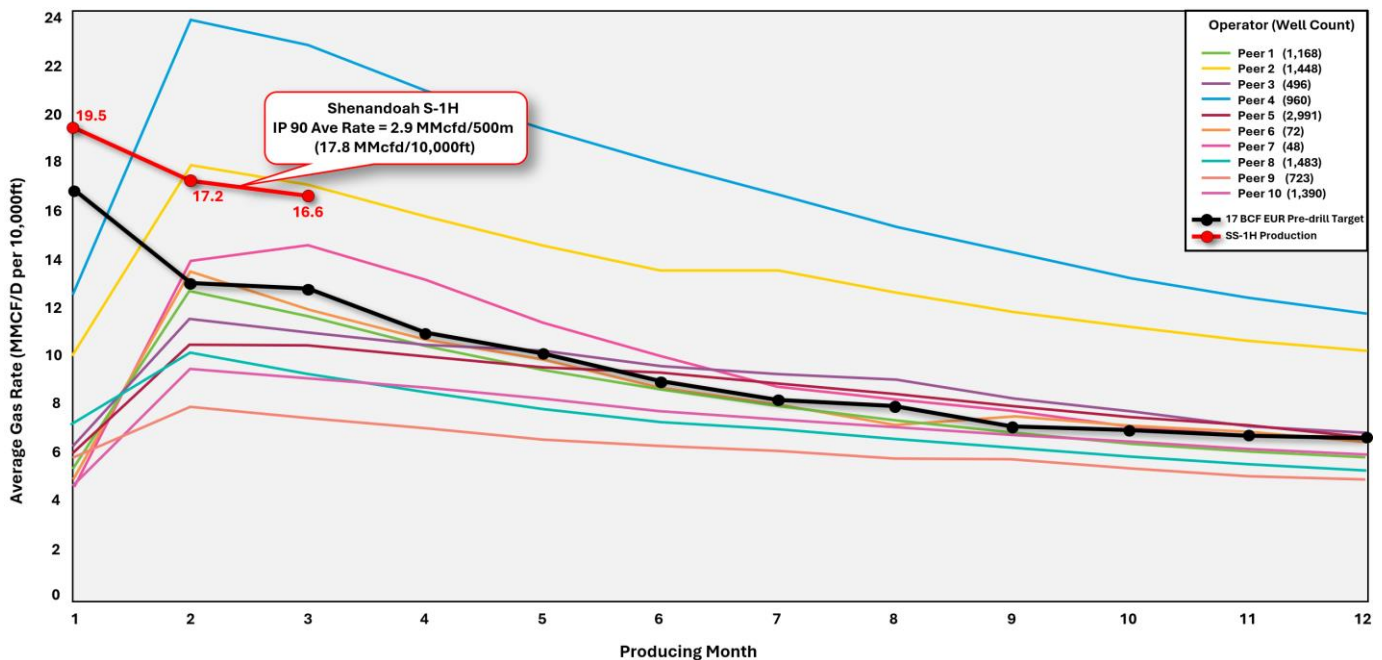
Source: Company data

**Figure 1: SS-1H IP90 Production**



Source: Company data (normalized over 1,000 metre horizontal section).

**Figure 2: Comparison of SS-1H flow performance to the average of Marcellus Shale producers**



Note: SS-1H initial 90-day production plotted against average of wells within the Marcellus dry gas window, grouped by operator, normalized to 10,000 ft lateral length. SS-1H average 90-day gas rate of 2.9 MMcf/d for 501-metres (~1,640 ft) stimulated lateral length normalized to 10,000 ft, shown in red. First month production for Marcellus operators includes a cleanup period with lower gas rates; SS-1H 90-day IP was initiated after ~10 days of cleanup and a 3-week shut-in period for soaking. Marcellus comparison includes 10,779 wells with minimum 12 months of production from the following operators: Antero Resources, Chesapeake, CNX Resources, Coterra Energy, EQT, HG Energy, Olympus Energy, Range Resources, Repsol and Southwestern Energy. Marcellus Production Data Source: Enverus Prism Foundations™ Forecast Analytics (22 Apr 2024).

**EP 98/117 interests**

| Company                                       | Interest      |
|---|---------------|
| Tamboran (B2) Pty Limited <sup>1</sup>        | 77.5%         |
| Falcon Oil and Gas Australia Limited (Falcon) | 22.5%         |
| <b>Total</b>                                  | <b>100.0%</b> |

**Shenandoah South-2 Drilling Spacing Units (DSUs) – 51,200-acres<sup>2</sup>**

| Company                                       | Interest      |
|---|---------------|
| Tamboran (B2) Pty Limited <sup>1</sup>        | 95.0%         |
| Falcon Oil and Gas Australia Limited (Falcon) | 5.0%          |
| <b>Total</b>                                  | <b>100.0%</b> |

<sup>1</sup>Tamboran (B2) is a 50%/50% Joint Venture between Tamboran and Daly Waters Energy, LP (100% owned by Formentera Australia Fund, LP, which is managed by Formentera Partners, LP, a private equity firm of which Bryan Sheffield serves as managing partner). Tamboran (B2) is the operator of EP 98/117 and Tamboran is acting as operator on behalf of the joint venture.

<sup>2</sup>Subject to the completion of the SS-2H and SS-3H wells on the Shenandoah South pad 2.

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

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## **About Tamboran Resources Corporation**

Tamboran Resources Corporation, (“Tamboran” or the “Company”), through its subsidiaries, is the largest acreage holder and operator with approximately 1.9 million net prospective 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 a significant natural gas resource within the basin.

Tamboran’s key assets include a 38.75% working interest and operatorship in EPs 98, 117 and 76, a 100% working interest and operatorship in EP 136 and a 25% non-operated working interest in EP 161, which are all located in the Beetaloo Basin.

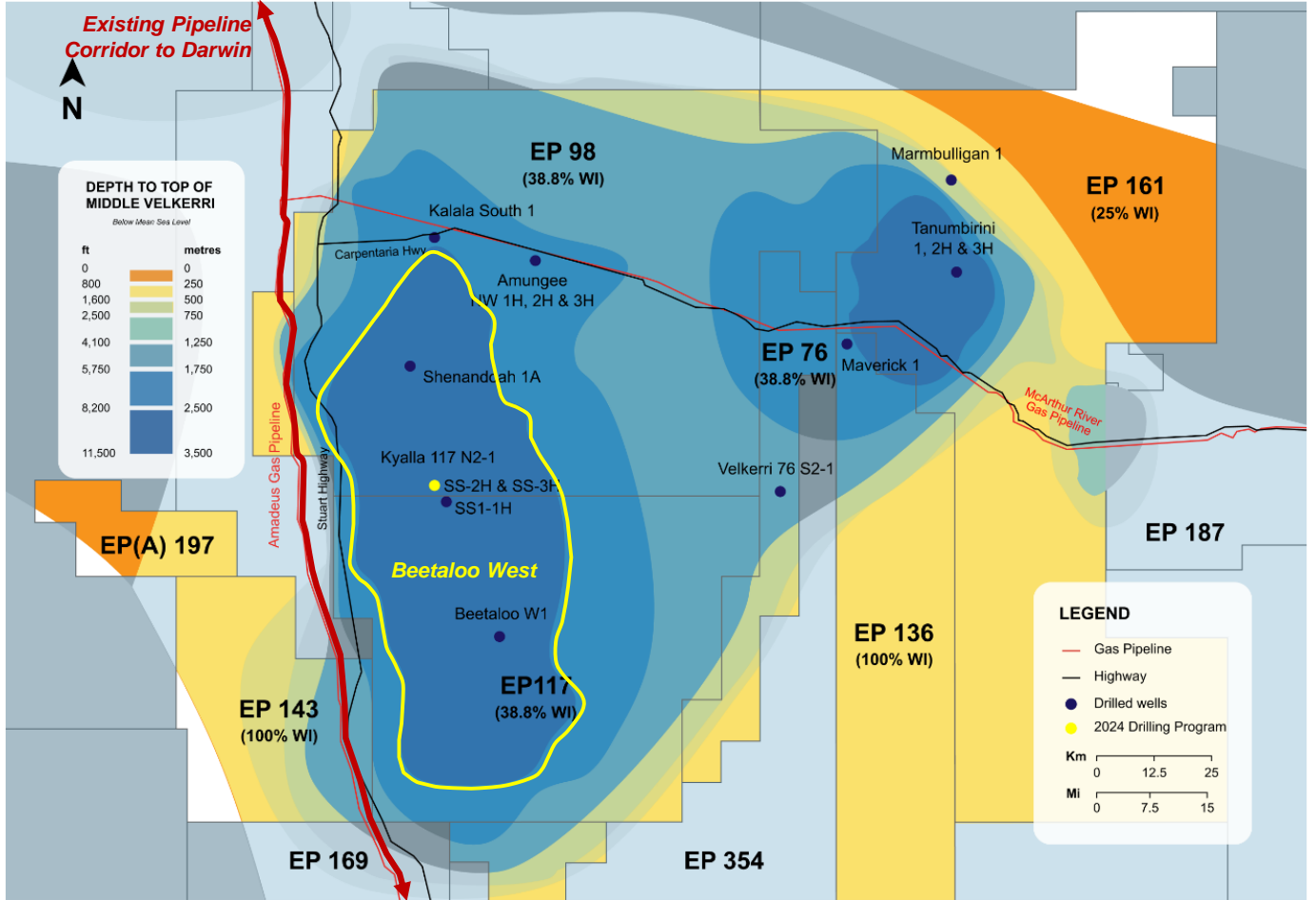
Tamboran will focus on the proposed Shenandoah South Pilot Project, where Tamboran has a minimum of 47.5% working interest and is targeting first production in H1 2026, and the proposed Northern Territory LNG (NTLNG) development at Middle Arm in Darwin, targeting first production by the end of 2030.

## **Disclaimer**

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Figure 1: Tamboran's Beetaloo Basin asset location map



**Table 1: Disclosures under ASX Listing Rule 5.30 (Shenandoah South 1H)**

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

Shenandoah South 1H horizontal (SS-1H) well.

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

EP 117 of Beetaloo Sub-basin, Northern Territory.

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

Tamboran holds a 38.75% interest in EP 117 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).

Tamboran is the operating manager of the Tamboran (B2) of EP 117 permit.

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 3,035 metres Total Vertical Depth (TVD) (9,958 feet TVD), with 501 metres (1,644 ft) of stimulated lateral length.

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

90-day initial production (IP90) gas flow test commencing 25 January 2024 and concluded 24 April 2024.

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

**Dry gas - mole %:** Methane – 91.5% to 92%, Ethane – 2.5% to 2.8%, Propane – 0.11 to 0.15%, Butane & higher <0.01%.

(Limit of Reporting [LOR] for the lab used to analyze hydrocarbons phases was <0.01%)

- 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 17 barrels of water per day with a cumulative 11,800 bbls of water recovered from day 1 of cleanup.

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

During the initial draw down period from 25 January to 8 February 2024 (~13.3 days), the choke was opened from 16/64 to 40/64 over staged intervals resulting in gas rates from 12.9 to 3.0 MMcf/d, with an average of 3.5 MMcf/d and 46.2 MMcf cumulative production over that period. Flowing wellhead pressures were drawn down from 4611 psi to 792 psi.

During the subsequent flowing period from 8 to 24 February 2024 (~16.7 days) the choke was opened to 43/64 at the beginning of the period, resulting in gas rates from 3.3 to 2.9 MMcf/d, with an average of 3.0 MMcf/d and 50.3 MMcf cumulative production over that period. Flowing wellhead pressures were drawn down from 792 to 578 psi.

During the flowing period from 25 February to 25 March 2024 (30 days) the choke was maintained at 43/64, resulting in gas rates from 2.9 to 2.76 MMcf/d, with an average of 2.83 MMcf/d and 84.8 MMcf/d cumulative production over the period. Flowing wellhead pressure were drawn down from 578 to 530 psi.

During the period from 26 March to 24 April 2024 (30 days), the choke was maintained at 43/64, resulting in gas rates from 2.76 to 2.64 MMcf/d, with an average of 2.7 MMcf/d and 81.5 MMcf/d cumulative production over the period. Flowing wellhead pressure were drawn down from 530 to 518 psi.

Total gas flared during the IP90 test was 262.8 MMcf.

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

Ten stage fracture stimulation stages and a toe stage covering over 501 metres (1,644 feet) at an average of 50-metre (164-foot) interval spacing within the Mid Velkerri B Shale. Average proppant concentrations of 2,212 lbs/ft per stage across the ten main stages with a total of over 3.5 million pounds of sand placed.

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

During the 90 day test, reported as Mol %: He – 0.06% to 1%, CO<sub>2</sub> – 3.4% to 4.2%, N<sub>2</sub> – 0.89% to 1.8%. Other inert gases measured below LOR.



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

The performance of the SS-1H well gives Tamboran confidence that the remaining 2024/25 capital program will continue to demonstrate economic viability of the Beetaloo Basin unconventional gas resource.