

Preliminary prospective resource estimate complete on L7 Perth Basin permit

- Talon and the L7 Joint Venture identify three material gas prospects in the L7 permit, each over 50 Bcf.
- All three gas prospects in immediate proximity to the Dampier-Bunbury Natural Gas Pipeline.
- L7 Joint Venture preparing to high-grade the two best prospects for drilling campaign in 2024.
- Bookara 3D seismic shows significant improvements in image quality and has shown one significant new feature not seen on legacy 2D seismic.

Talon Energy Ltd (Talon or the Company) is pleased to announce that it has completed a preliminary assessment of the L7 permit prospective resource estimate with our Joint Venture partners, Triangle Energy (ASX: **TEG**, Operator) and New Zealand Oil and Gas (ASX: **NZO**). The resource assessment has focused on two key gas-bearing intervals covered by the L7 permit, the Late Permian Dongara Sandstone and the deeper Early Permian Kingia Formation and High Cliff Sandstone. The Kingia Formation and High Cliff Sandstone (Kingia Interval) is where the large gas fields of Waitsia, West Erregulla, South Erregulla and Lockyer Deep have been discovered.

Preliminary analysis and interpretation of the Bookara 3D seismic survey has identified three stand-out prospects in the Kingia Interval that are provisionally named Booth, Huntswell Deep, and Mountain Bridge South. Additionally, a number of smaller leads have been mapped out so far. Further analysis of the Bookara 3-D indicates a significant improvement in imaging quality which has increased our confidence in the chance of success for these prospects and will drive the next stage of our work within the permit to obtain two firm drilling candidates. Next year the L7 Joint Venture is planning to drill the two best prospects and is actively looking at avenues to accelerate the drilling into early 2024. Aztech Well Construction Pty Ltd has been brought in by the Joint Venture to assist with well design, approvals and management of the drilling operations within our acceleration strategy.

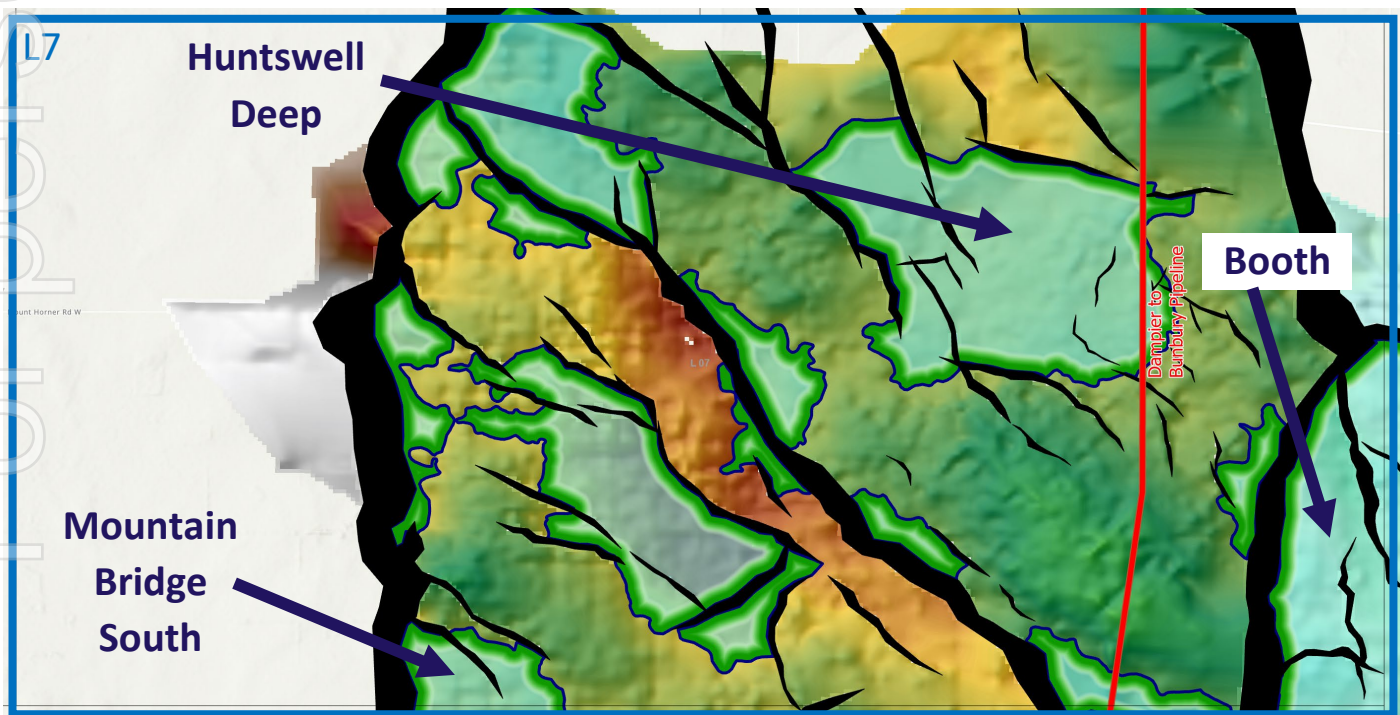


Figure 1. Map of Kingia Formation (TWT) from Bookara 3DSS PSTM volume across the L7 permit showing the location of mapped features with Booth, Huntswell Deep and Mountain Bridge Deep prospects labelled. Other prospects and leads are also indicated with blue/green outlines.

The largest of the Prospects, Booth is located in the southeast of L7 and on the Best to High volume cases, extends beyond the boundary of the L7 permit and is situated only 2 km from the Dampier-Bunbury Natural Gas pipeline. The mapped crest of the structure lies on an up-thrown faulted structure within L7 and the closure for the Best to High cases is upthrown against the Allanooka Fault to the south and downthrown against the Mount Horner block to the west. Booth covers approximately 5km² in within the L7 permit.

The Huntswell Deep Prospect is in the northeast of L7 and covers a large, gently dipping four-way anticline with minor fault control on the north and west. Huntswell Deep is a new prospect that was previously unrecognised in the permit and has been one of the hidden gems unlocked by the Bookara 3D. The closure at the Kingia Interval covers a maximum area of 11km² and the Dampier-Bunbury Natural Gas Pipeline runs over the eastern edge of the prospect.

The third of the key prospects is Mountain Bridge South which is a lowside fault closure in L7, similar in structural style to the Waitsia gasfield located 10km to the south. The Best and High case mapped closures for Mountain Bridge South extend to the south beyond the L7 permit boundary, and similar to Booth, the crest of the structure is located in L7. Mountain Bridge South has a mapped closure area in L7 of 2km².

The estimated Prospective Resources for these three prospects are outlined in the table below.

Prospect (Kingia Interval)	Unrisked Gross (100%) Prospective Resources			Unrisked Prospective Resources TPD 25% Net Equity		
	Low (Bcf)	Best (Bcf)	High (Bcf)	Low (Bcf)	Best (Bcf)	High (Bcf)
Booth	113	279	540	28.3	69.8	135
Huntswell Deep	30	61	115	7.5	15.3	28.8
Mountain Bridge South	24	53	98	6.0	13.3	24.5

Notes:

1. The Booth and Mountain Bridge South prospects have a Best prospective resource located within L7, with further resources located in adjacent acreage.
2. The Kingia Interval includes the Kingia Formation and High Cliff Sandstone where they are within the structural closure of the prospect.
3. The estimated quantities of petroleum that may potentially be recovered by the application of a future development project relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk to development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons. The estimates shown in this document are unrisked, however Talon notes that the prospects are considered moderate risk.

These Prospects are meaningful in size; comparatively, the Walyering Project (Strike Energy 55% (Operator), Talon Energy 45%) has a 2P Reserve of 48.3 Bcf. Like Walyering, there is immediately proximity to established pipelines, significantly reducing potential development costs.

Further assessment of the prospectivity of L7 and the adjoining EP437 permit is ongoing, and future work will focus in identifying the uplift to resource potential and identifying a preferred prospect within EP437 for a third well commitment in 2024.

Talon's Managing Director & CEO, Colby Hauser, commented: "Since the formal execution of the farm-in arrangement with Triangle to enter L7 and EP437 earlier this month, we have been working hard with our Joint Venture partners to advance our assessment of these Perth Basin assets so we can drill and hopefully commercialise what we hope to be significant gas resources.

Importantly we have been able to identify and high-grade three sizeable gas prospects, two of which will be drilled next year in 2024."

This Announcement was authorised for release by the Managing Director.

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Competent Persons Statement

The information in this report that relates to Contingent Resource information for the L7 Production License is based on information compiled by Dr. Douglas Gillies, an employee of Triangle Energy, and who is qualified in accordance with the requirements of ASX Listing Rule 5.41 and consents to the inclusion of the information in this report of the matters based on this information in the form and context in which it appears. This information was subsequently reviewed by Dr Darren Ferdinando PhD, BSc (Hons), who has consented to the inclusion of such information in this report in the form and context in which it appears. Dr Ferdinando is an employee of Talon, with approximately 30 years relevant experience in the petroleum industry and is a member of The American Association of Petroleum Geologists (AAPG) and a Fellow of the Petroleum Exploration Society of Australia (PESA). The Resources included in this report have been prepared using definitions and guidelines consistent with the 2018 Petroleum Resources Management System (PRMS) approved by the Society of Petroleum Engineers (SPE). The resources information included in this Report are based on, and fairly represents, information and supporting documentation reviewed by Dr Ferdinando. Dr Ferdinando is qualified in accordance with the requirements of ASX Listing Rule 5.41 and consents to the inclusion of the information in this report of the matters based on this information in the form and context in which it appears.

For person