

Red Sky Commences Drilling at Killanoola-2

HIGHLIGHTS

- All third-party contractor equipment and personnel safely mobilised to site
- Pre-spud activities completed, including Hazard Hunt, Emergency Drill, and Pre-Spud Meeting
- Killanoola-2 well spudded at 20:30 hrs on 24 October 2025
- Drilled 12-1/4" surface hole from 17m MD
- Drilled, cased, and cemented surface hole to ~365m MD
- Current operations: preparing BOPE and 8-1/2" BHA
- Planned to drill 8-1/2" production hole to ~1050m MD

Red Sky Energy Ltd (ASX: ROG) (Red Sky or the Company) advises that drilling has officially commenced at the Killanoola-2 (KN2) well, located within Petroleum Retention Licence 13 (PRL-13) in South Australia's onshore Otway Basin.

Condor Rig 01 spudded the well at 20:30 hrs on 24 October 2025, following completion of all pre-spud safety and readiness activities. Drilling of the 12-1/4" surface hole to approximately 365m MD was completed, and the surface casing was installed and cemented in place.

Current operations are focused on preparing the BOP equipment and changing out the bottom hole assembly to drill ahead the 8-1/2" production hole to approximately 1050m MD.

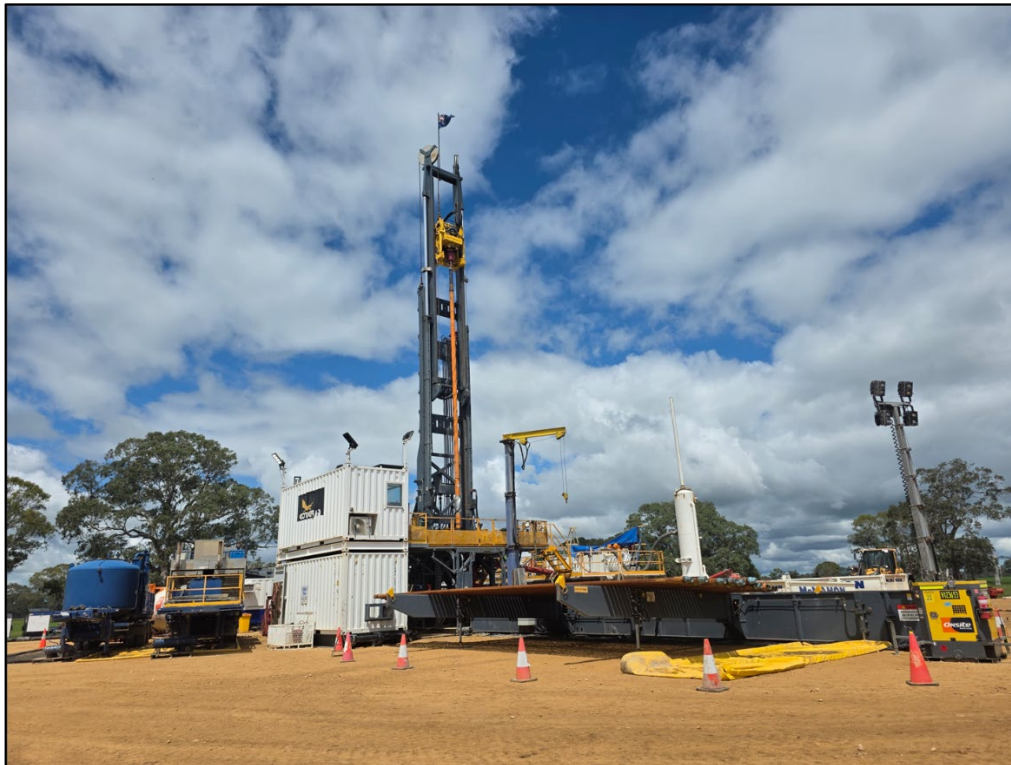


Figure 1: Condor Rig 01 at Killanoola 2 well

Managing Director, Andrew Knox, commented:

"Commencing drilling at KN2 marks a major step forward for Red Sky as the project advances from planning to execution. The Condor team is operating efficiently, and we look forward to updating shareholders as key milestones are achieved"



Figure 2: Red Sky Energy and Condor Teams On-Site at KN2

-ENDS-

Released with the authority of the board.

Investor Q&A Now Open

Want to know more? Ask your questions directly on our website beside each announcement. Our team reviews submissions and will respond where appropriate.

For further information on the Company and our projects, please visit: www.redskyenergy.com.au

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Forward Looking Statements

Various statements in this report constitute statements relating to intentions, future acts and events. Such statements are generally classified as forward-looking statements and involve unknown risks, expectations, uncertainties and other important factors that could cause those future acts, events and circumstances to differ from the way or manner in which they are expressly or impliedly portrayed herein.

Some of the more important of these risks, expectations and uncertainties are pricing and production levels from the properties in which the Company has interests and the extent of the recoverable reserves at those properties. In addition, the Company has a number of exploration permits. Exploration for oil and gas is expensive, speculative and subject to a wide range of risks. Individual investors should consider these matters in light of the personal circumstances (including financial and taxation affairs) and seek professional advice from their accountant, lawyer or other professional advisor as to the suitability for them of an investment in the Company.

About Killanoola and KN2

The Killanoola Oil Project is located within PRL 13 in South Australia's Penola Trough (refer Figure 1). Red Sky's 3D seismic programme, completed in 2023, resulted in a 46% uplift in the field's Best Estimate Petroleum Initially In Place (PIIP), increasing to 135.5 million barrels. KN2 targets a previously undrilled structural high identified from this new data. (Refer Table 1 and [ASX Announcement 21 April 2023](#).)

Killanoola has a conditional offtake agreement with Viva Energy Australia Limited (ASX: VEA) and is in discussions with Santos Limited (ASX:STO) (operator of the SACB JV) regarding alternative offtake and processing at the Port Bonython facility.

Once its production infrastructure is in place, KN2 has the potential to increase output and drive material revenue growth significantly in the near term.

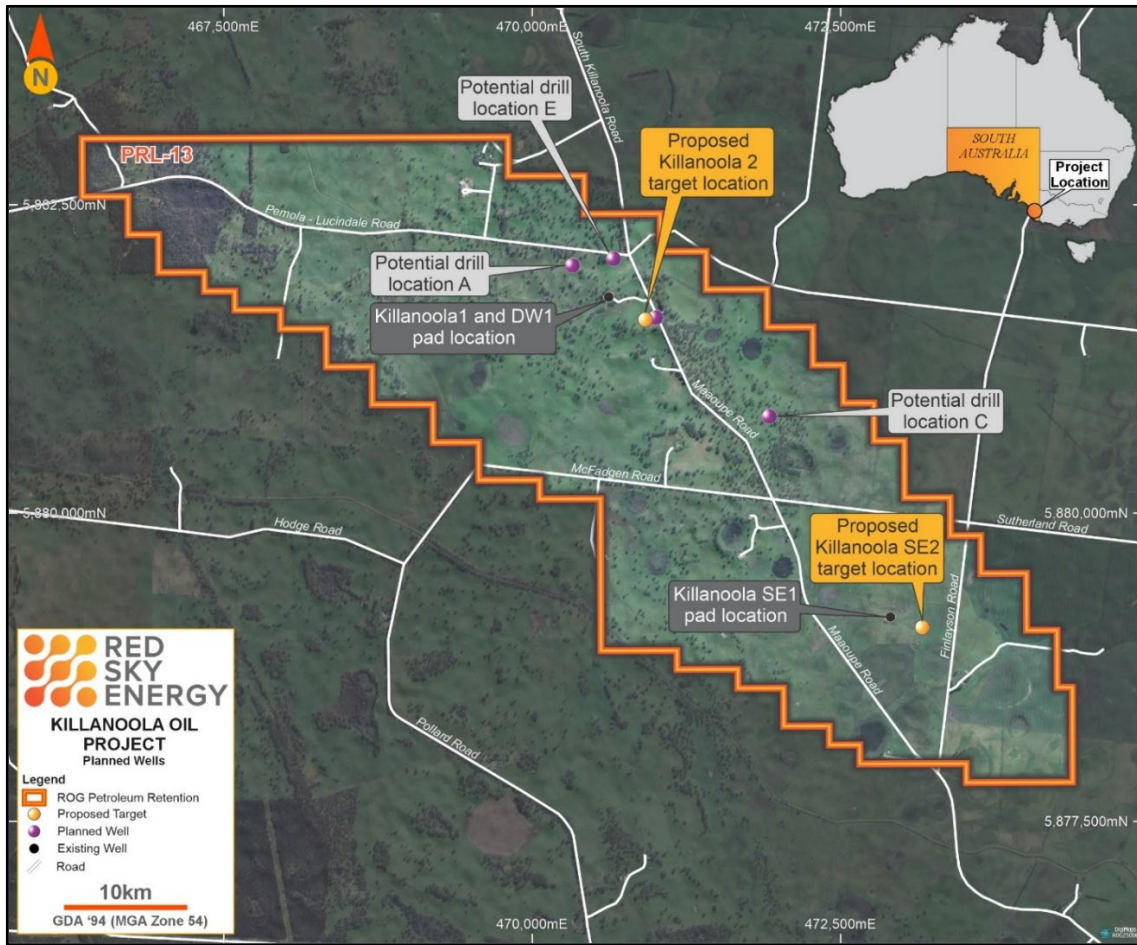


Figure 1: Killanoola Oil Project – Planned Wells (July 2025)

Table 1: Summary of discovered Petroleum Initially In Place (PIIP) of the PRL-13 Killanoola Oil Field (100%)

Killanoola Oil Field	Discovered Petroleum Initially In Place (mmbbls)		
	Low	Best	High
31 March 2022	57.2	93.0	98.6
19 April 2023	28.9	135.5	157.4
% Increase	(49.5)%	45.7%	59.6%

Table 1 above summarises the discovered petroleum initially in place of the Killanoola Oil Field as announced on [5 May 2022](#) and updated by GRI as at 19 April 2023. This evaluation was carried out in accordance with the Petroleum Resources Management System (PRMS) approved in 2018 by the Society of Petroleum Engineers, the World Petroleum Council, the American Association of Petroleum Geologists, and the Society of Petroleum Evaluation Engineers. The report was prepared and supervised by the Competent Person.

For the updated Independent Competent Person’s Report (CPR), refer to: [Independent Competent Person’s Report on the Discovered Petroleum Initially In Place \(PIIP\) in the Killanoola Oil Project, PRL-13, Penola Trough, South Australia \(19 April 2023\)](#)