ASX ANNOUNCEMENT
18 November 2025

INNAMINCKA – YARROW 1 WELL ONLINE AND PRODUCING

HIGHLIGHTS

- **Yarrow 1 successfully tied in by Operator Santos Limited (ASX: STO)**
- **The well is now completed and online and producing**
- **Commissioning completed earlier than initial expectations**
- **Follows fracture stimulation of Patchawarra and Tirrawarra formations, delivering ~1.8 MMscf/d during flowback**
- **Initial production rate of ~2.4 MMscf/d exceeds AFE P50 expectations of 1.6 MMscf/d**
- **Expected to lift Innamincka production and enhance near-term cash flow materially**
- **Operated by Santos (80%) with Red Sky holding a 20% working interest**

Red Sky Energy (ROG: ASX) (**Red Sky** or the **Company**) is pleased to confirm that the Yarrow 1 well, part of the Innamincka Dome Project in South Australia's Cooper Basin, has been brought online and is now producing, in line with the scheduled start-up date outlined in the Company's 7 November 2025 ASX announcement. Operator Santos Limited (ASX: STO) completed all tie-in and commissioning activities at Yarrow 1, allowing the well to commence production on 15 November 2025, earlier than the original guidance.

Red Sky Managing Director, Andrew Knox, commented:

> *"We are pleased to confirm that Yarrow 1 is now tied in and producing. Early production results exceed initial expectations and confirm the effectiveness of the stimulation and completion program. This marks another important step in strengthening our production and cash flow base at Innamincka. We look forward to updating shareholders as the well moves through early stabilisation."*

Yarrow 1 follows the successful re-entry, stimulation and completion program conducted earlier this year, targeting the Patchawarra and Tirrawarra formations. The two-stage hydraulic fracture stimulation delivered strong gas flowback of approximately 1.8 MMscf/d, demonstrating commercial reservoir quality and supporting the joint venture's strategy of unlocking remaining discovered resources across the Innamincka Dome.

Post-stimulation workovers optimised the well's configuration for long-term production, including installation of a new tubing string and updated downhole assembly. Construction of the tie-in flowline and surface facilities was also completed in accordance with the program detailed in the 7 November 2025 ASX announcement.

Early production data indicates Yarrow 1 is performing above initial modelling expectations. The well was brought online on 15 November 2025 and is currently producing at approximately 2.4 MMscf/d on a ~20 percent choke, with a flowing wellhead pressure of ~8.6 MPa. These rates reflect early-time production under controlled ramp-up conditions and should not be interpreted as indicative of long-term performance. Stabilised rates will be reported once sufficient operating history is available.

With Yarrow 1 now online, the well is expected to materially lift combined Innamincka production, consistent with prior guidance that output may more than double once stabilised subject to field performance and operating conditions. This uplift reinforces Red Sky's strategy of pursuing low-cost, short-cycle development through re-entry and completion tied into existing Santos-operated field infrastructure.

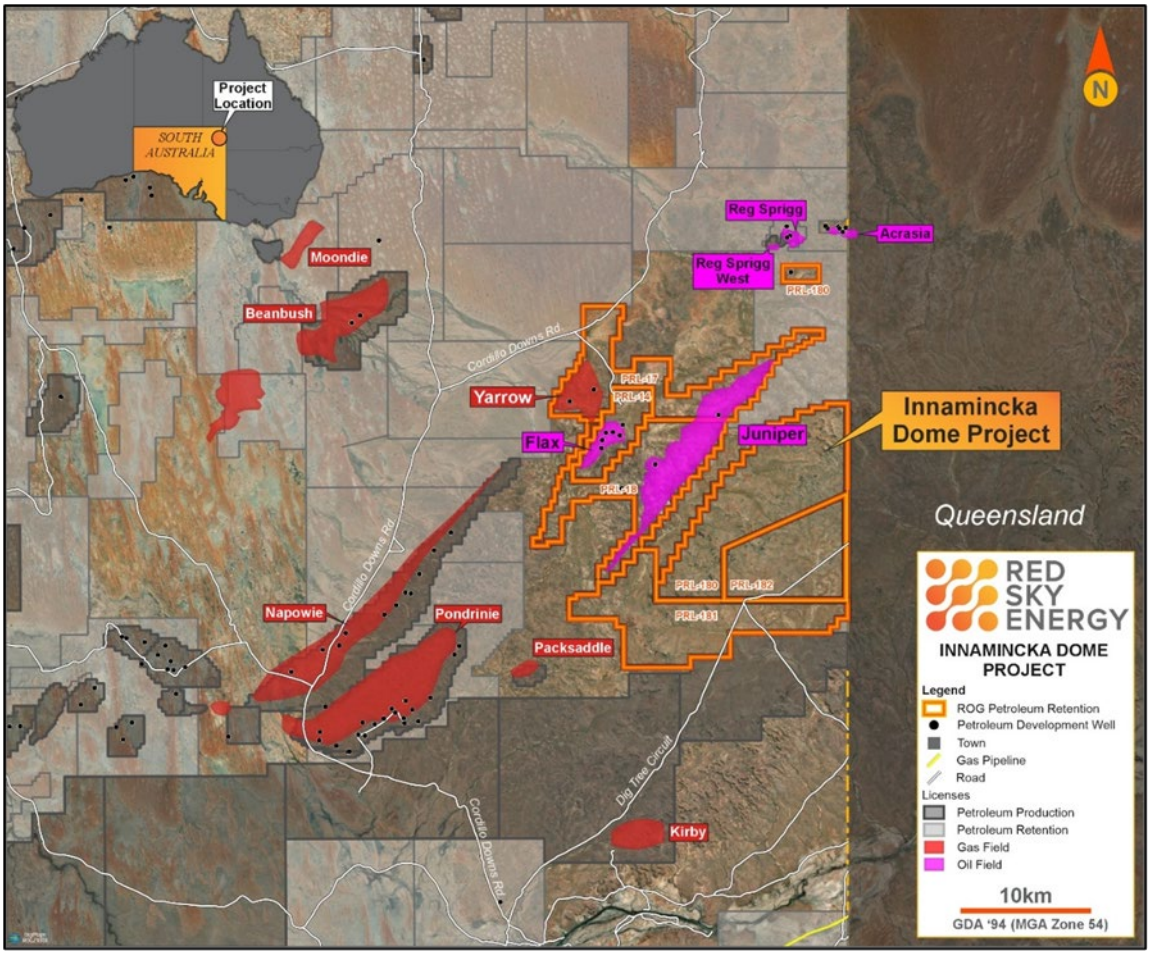


Figure 1: Innamincka Dome Projects location map with Yarrow and Napowie highlighted

Field Context And Background

The Yarrow 1 well is located within PRL 14 at the Innamincka Dome Project in South Australia's Cooper Basin, approximately 20 kilometres northwest of the Yarrow 3 production well. The Project is operated by Santos Limited (ASX: STO), which holds an 80% interest, with Red Sky holding the remaining 20% across six contiguous PRLs. The area contains multiple conventional gas accumulations within the Patchawarra, Tirrawarra and Epsilon formations.

Originally drilled and cased by Santos, Yarrow 1 was re-entered to evaluate and commercialise remaining tight-sandstone reservoirs identified from legacy logs and 3D seismic. This re-entry formed part of Red Sky's strategy to unlock discovered resources through low-cost re-completions and utilisation of existing infrastructure.

In early 2025, a two-stage hydraulic fracture stimulation was completed across the Patchawarra and Tirrawarra intervals to improve reservoir permeability. (Refer to ASX Announcement 6 March 2025.) Flowback achieved ~1.8 MMscf/d, confirming commercial gas deliverability and a significant uplift on pre-frac expectations.

A post-frac workover was subsequently completed, optimising the well for sustained production. Despite temporary delays from regional flooding, surface works and flowline construction were finalised, allowing Yarrow 1 to be tied into the Santos-operated gas gathering system.

With the well now online, Yarrow 1 is expected to materially increase Innamincka production and strengthen near-term cash flow. Together with continuing performance from Yarrow 3, the well provides a strong platform for further development ahead of planned 2026 drilling, to be guided by the interpretation of recently acquired 3D seismic.

Next Steps

- Monitor early production and stabilisation trends
- Optimise flow rates and surface settings for sustained deliverability
- Incorporate early performance data into broader field development planning
- Advance evaluation of additional development and exploration targets for 2026

Red Sky will provide further updates as operations progress.

-ENDS-

Released with the authority of the board.

For further information on the Company and our projects, please visit:

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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.