RED SKY ENERGY

ASX ANNOUNCEMENT
28 September 2026

INNAMINCKA DRILLING PROGRAM UPDATE
YARROW NORTH 1 AND WILLOWIE 2 TO COMMENCE IN OCTOBER

HIGHLIGHTS

- **Yarrow North 1 re-entry to start in the second week of October 2026, following joint venture approval of the supplementary budget and Authority for Expenditure (AFE)**
- **Willowie 2 appraisal well in PRL 18 scheduled to spud in the third week of October 2026**
- **Yarrow 4 and Yarrow 5 both reached total depth, intersected gas pay in the same Patchawarra Formation and Tirrawarra Sandstone reservoirs that Yarrow 1 and Yarrow 3 produce from, and have been cased and suspended as future producers**
- **Fracture stimulation and completion of Yarrow 4 and Yarrow 5 to follow, subject to operator scheduling**
- **Red Sky's share of the Yarrow program includes stimulation, and the Company is funded for its share of the current program**
- **All wells operated by Santos (ASX:STO); Red Sky holds a 20% working interest**

Red Sky Energy (ASX:ROG) (**Red Sky** or the **Company**) provides an update on the Santos-operated (ASX:STO) Innamincka Dome joint venture drilling program in the Cooper Basin, South Australia.

Santos, as operator, has advised that re-entry of Yarrow North 1 will begin in the second week of October 2026, following joint venture approval of the supplementary budget and AFE (refer to ASX Announcement dated 9 September 2026). The Willowie 2 appraisal well in PRL 18 is scheduled to spud in the third week of October 2026.

This follows the drilling of Yarrow 4 and Yarrow 5 in PRL 17 (refer to ASX Announcements dated 8 September 2026 and 15 September 2026). Both wells have been cased and suspended as future producers, ahead of fracture stimulation and completion.

Yarrow 4 and Yarrow 5 results

Yarrow 4 and Yarrow 5 both intersected gas pay in the Patchawarra Formation and the Tirrawarra Sandstone, the same reservoirs that Yarrow 1 and Yarrow 3 produce from. Results are summarised in Table 1, alongside Yarrow 3 and Yarrow North 1 for context.

Table 1: Innamincka Dome well summary

Well	Total depth (mMD)	Target formations	LDG pay	Reservoir pressure	Status and next step
Yarrow 3 (2022)	2,748	Tirrawarra, Patchawarra	Gas in Tirrawarra and Patchawarra	–	Producing
Yarrow 4	2,908	Tirrawarra, Patchawarra	5.2m Tirrawarra; 0.2m Patchawarra	c. 3,335 psi	Cased and suspended; stimulation to follow
Yarrow 5	2,802	Patchawarra, Tirrawarra	6.4m Patchawarra (incl. 3.7m VC90 sand); 2.0m Tirrawarra	c. 3,849 psi Patchawarra; c. 3,618 psi Tirrawarra	Cased and suspended; stimulation to follow
Yarrow North 1	–	Tirrawarra Sandstone	–	–	Suspended since 2008; re-entry from week 2 of October

Source: ASX Announcements dated 26 September 2022 (Yarrow 3), 8 September 2026 (Yarrow 4), 9 September 2026 (Yarrow North 1) and 15 September 2026 (Yarrow 5). LDG = low deliverability gas.

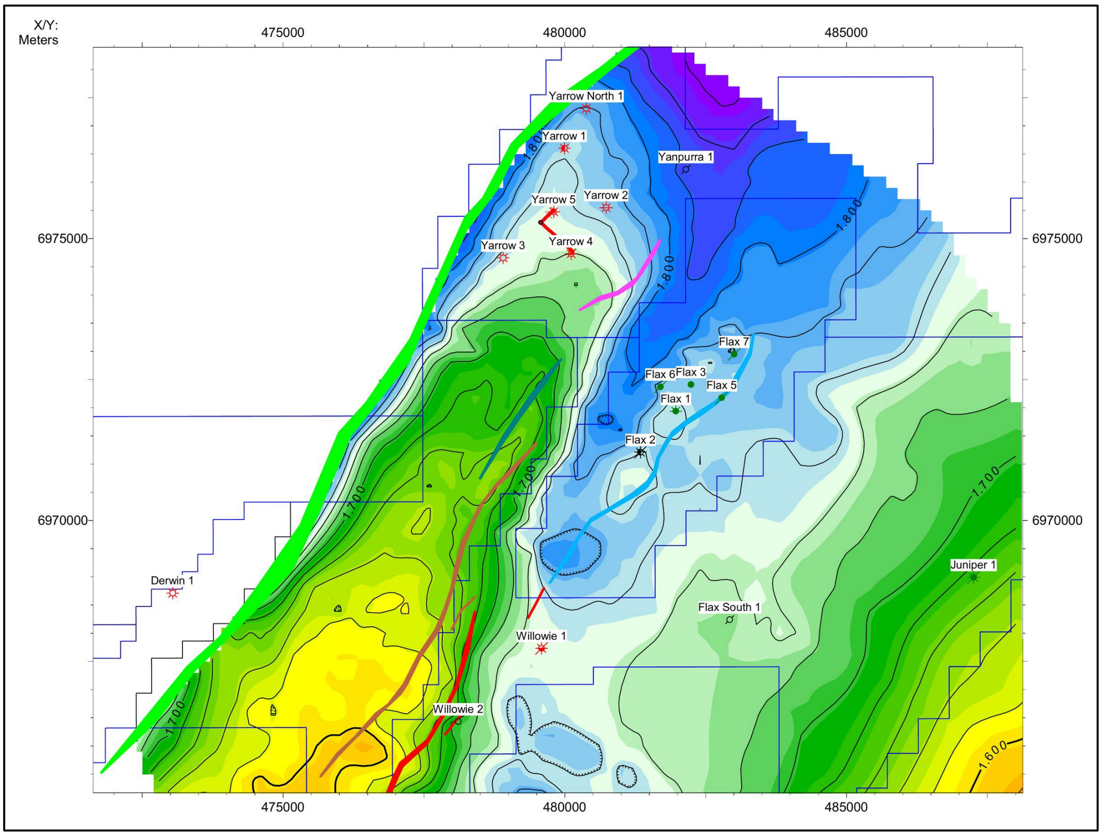

Figure 1: Yarrow and Willowie fields – Top Permian two-way time (TWT) structure map showing well locations

Red Sky Managing Director, Andrew Knox, commented:

"October will be a busy month at Innamincka. Yarrow North 1 and Willowie 2 start within a week of each other, and Yarrow 4 and Yarrow 5 are cased and waiting on stimulation. Yarrow 1 showed the benefit of stimulation in these reservoirs, and our share of the Yarrow program already covers that work. We look forward to updating shareholders as each well progresses."

Why stimulation matters

The Patchawarra and Tirrawarra reservoirs at Yarrow are tight, meaning gas does not flow freely through the rock without help. Fracture stimulation opens pathways from the reservoir to the wellbore so the gas can flow.

Yarrow 1 shows what stimulation can unlock. Following its re-entry and stimulation, it reached initial ramp-up production of approximately 2.4 MMscf/d, exceeding the AFE P50 expectation of 1.6 MMscf/d. These rates represent early-time performance and should not be interpreted as stabilised long-term production (refer to the June 2026 Quarterly Activities Report dated 30 July 2026).

No production testing has been carried out at Yarrow 4 or Yarrow 5. Flow rates and commercial deliverability cannot be determined until the wells are stimulated, completed and tested. Red Sky will report results once they are available.

Next steps

Table 2: Upcoming activity

Timing	Activity	Details	Red Sky net cost
Week 2, October 2026	Yarrow North 1 re-entry	Re-entry, stimulation and tie-in to the Yarrow 1 flowline; first gas targeted early 2027	c. A$0.6m
Week 3, October 2026	Willowie 2 spud (PRL 18)	Appraisal well up-dip of Willowie 1, targeting the Patchawarra Formation and Tirrawarra Sandstone	c. A$1.75m, covering drilling, stimulation, completion and connection
To follow, subject to operator scheduling	Yarrow 4 and Yarrow 5 stimulation and completion	Rates to be determined after testing	Included in Red Sky's c. A$2.0m share of the Yarrow AFE

Willowie 2 is expected to be stimulated along with Yarrow 4 and Yarrow 5 once the drilling and re-entry work is complete. Santos provides timing estimates, which are subject to change and remain dependent on rig availability, weather, access windows and operational scheduling. Red Sky will update the market when dates are confirmed.

Funding

Red Sky is funded for its share of the current program. The Company held A$6.17 million in cash at 30 June 2026. Its total share of the current program, part of which has already been incurred on the drilling of Yarrow 4 and Yarrow 5, is approximately A$4.35 million: about A$2.0 million for Yarrow (including stimulation of Yarrow 4 and Yarrow 5), A$1.75 million for Willowie 2 and A$0.6 million for Yarrow North 1.

Production from the existing Yarrow wells continues to provide cash flow. Red Sky received A$1.045 million in Yarrow receipts in the June 2026 quarter, and approximately A$7.6 million in total since August 2023 (refer to June 2026 Quarterly Activities Report).

Additional information under ASX Listing Rule 5.30

This announcement does not report new drilling results. Details of Yarrow 4 and Yarrow 5 required under ASX Listing Rule 5.30, including well type, location and permit, working interest, formations, depths and pay thicknesses, were set out in the ASX Announcements dated 8 September 2026 and 15 September 2026. No stimulation or flow testing has yet been undertaken at either well.

Innamincka Dome – Production Base Established

Red Sky holds a 20% working interest across six PRLs (14, 17, 18, 180, 181 and 182) within the Santos-operated Innamincka Dome Joint Venture.

The Innamincka Dome is a proven producing region of the Cooper Basin. Santos (ASX:STO) operates established gas-gathering, pipeline, and processing infrastructure that connects directly to the Moomba facility, thereby reducing well development costs and time to first production. Yarrow 1 and Yarrow 3 are currently producing gas into that network.

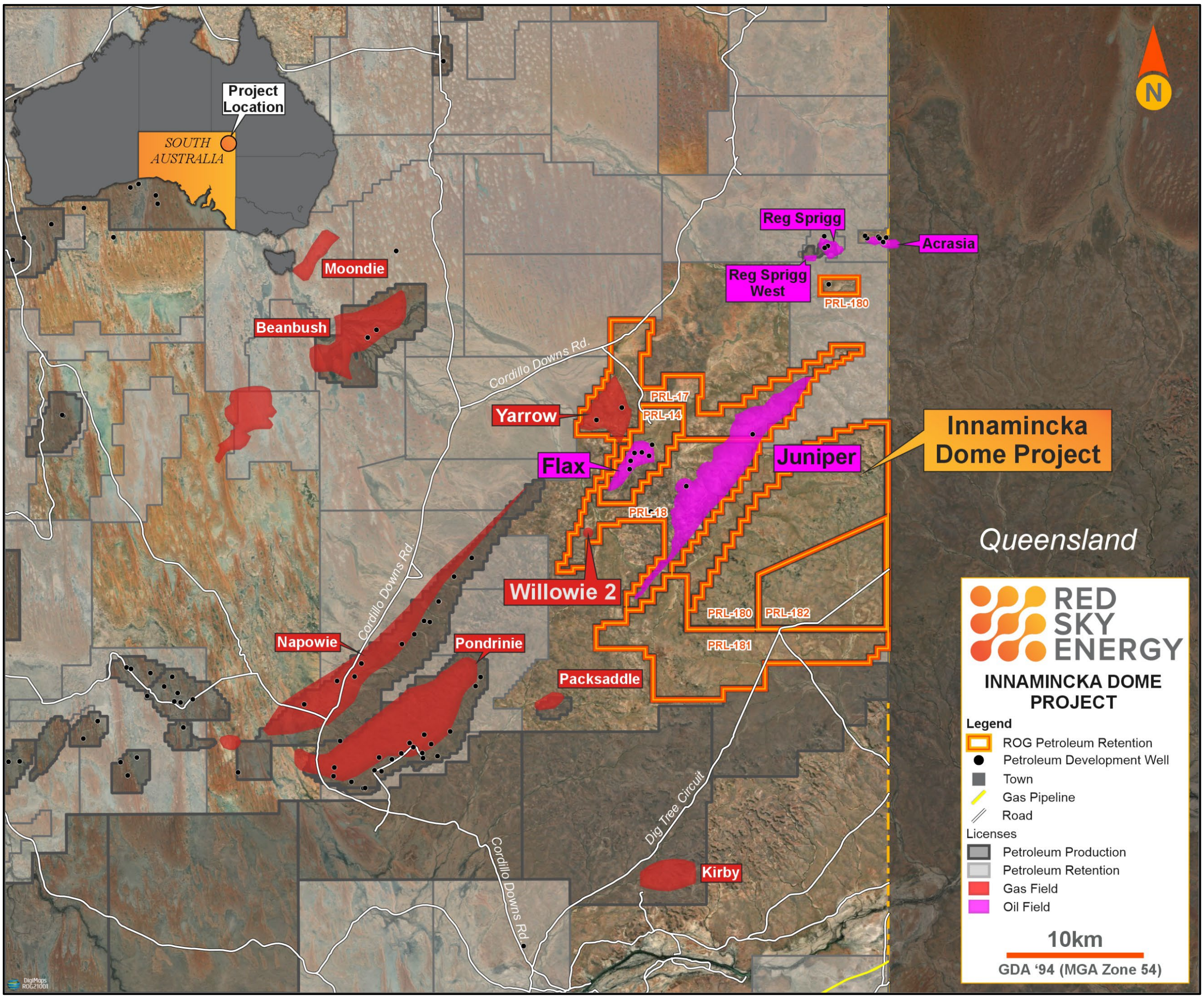

Figure 2: Innamincka Dome Projects location map with Yarrow and Willowie highlighted

-ENDS-

Released with the authority of the board.

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.