

5 February 2019

EXTENSION TO ACQUIRE INNAMINCKA DOME PROJECT FROM BEACH ENERGY

Red Sky Energy Limited (“Red Sky” or “the Company”, ASX: ROG) is pleased to advise that it, through its wholly owned subsidiary Red Sky (NT) Pty Ltd, has further agreed to extend the time to complete the Sale and Purchase Agreement (SPA) with Acer Energy Pty Ltd, a Beach Energy Ltd (“Beach”, ASX: BPT) subsidiary to acquire that subsidiary’s interests in the Innamincka Dome Project in the Cooper Basin, South Australia until 14 February 2019.

Completion of the acquisition is conditional on obtaining Ministerial consent.

The Innamincka Dome Project comprises a portfolio of six highly prospective petroleum tenements (PRLs) near the township of Innamincka in northeast South Australia. Beach’s interest in this portfolio comprises a 100% owned and operated stake in:

- PRL14 (Flax oil field which was previously producing);
- PRL17 (Yarrow gas field);
- PRL18 (Juniper oil field);
- PRL180;
- PRL181; and
- a 75% interest in PRL182 (remaining 25% being purchased from Bengal Energy (Australia) Pty Ltd).

The purchase of Beach’s interest in the Innamincka Dome Project is inclusive of all existing production infrastructure, storage tanks, yards and camp facilities. This infrastructure is modern and in excellent operating condition, the project having been closed in 2015 due to the downturn in oil and gas markets. The Company will initiate “re-start” planning for the Innamincka Dome Project immediately with a focus on resuming oil and gas production at Flax as soon as possible following completion of the acquisition.

The acquisition will afford Red Sky with a significant opportunity to leverage the recovery from the oil price downturn by quickly returning quality shut-in assets to production at the Flax field, as well as delivering options to seek to:

- evaluate the unexploited Yarrow and Juniper fields; and
- evaluate the remaining highly prospective tenements within the Innamincka Dome Project.

About Red Sky Energy Limited

Red Sky Energy is an Australian incorporated public company based in Melbourne, Australia and listed on the Australian Securities Exchange.

The Company’s principal activities are the exploration for and production of hydrocarbons.

Current assets include 100% working interest in the Gold Nugget gas production in Wyoming, USA however Red Sky is currently active in seeking to acquire near field development assets onshore and offshore Australasia and South East Asia.

Any queries regarding this announcement should be directed to the Company on +613 96140600 or e-mail: admin@redskyenergy.com.au.

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