

ASX RELEASE

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Cerro Padilla-1 Update

PROGRAMME

- **Spudding has been delayed due to late arrival of equipment**
- **Cerro Padilla-1 is expected to spud within days**
- 4 well low cost conventional programme will address:
 - multiple wells different targets
 - significant conventional potential with very material upside
 - oil and gas targets
 - non-binary outcome, 3 of 4 wells have multiple objectives

Petrel Energy Limited (ASX:PRL) confirms that the New Force rig is completing the final stages of setup at Cerro Padilla-1 with spudding delayed due to the late arrival of a final piece of equipment. This equipment is in Uruguay with final adjustments currently being made. The Cerro Padilla-1 well is expected to spud within days.





Photo 1 & 2. New Force rig setting up at Cerro Padilla-1

Petrel's overarching vision for Uruguay is to drill four wells to cover as much of the concession area as possible while targeting multiple and different conventional exploration objectives within and across each well. More specifically the programme will seek to answer questions from the 2015 partner process such as:

- confirm source rock maturity, quality and extent
- confirm conventional reservoir quality and extent – Darcy permeability (>1000md) already measured in core samples 30km apart
- confirm migration and potential trap integrity - while not the primary objective 3 of the 4 wells are also targeting conventional structures for oil and gas trapped in either the same sequence or up-dip of oil shows and/or weeping core samples as well as provide new insights into the regional geology of this largely unknown sub-basin of the larger Parana Basin
- confirm validity of AVO anomalies identified on seismic

Ultimately Petrel would like to see this as yet another significant step for Uruguay along the path to potential energy self-sufficiency and possible energy exporter at some point in the future.

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