

4 September 2024

## Lakes Blue Executes Sale Agreement to Sell PEP169

NewPeak Metals Ltd (ASX:NPM) (NewPeak or the Company) wishes to advise the market of the recent announcement by Lakes Blue Energy NL (ASX:LKO) (Lakes or Lakes Blue) that they have executed an Asset Sale and Purchase Agreement (**ASPA**), the overriding document to implement the sale of Lakes' 49% interest in Victorian Petroleum Exploration Permit 169 (**PEP 169**) (LKO ASX announcement 3 September 2024).

Lakes sets out the key terms of the transaction in an Annexure to their announcement and state that "Consideration for the sale comprises:

- A\$3.0 million cash, to be received on Completion, being when approval is issued for a one-year extension of the term of PEP 169. The extension of term, necessitated by protracted negotiations to secure access for drilling of the Enterprise North-1 well in PEP 169 was applied for on 30 June 2024 and is expected to be issued shortly;
- A further A\$3.5m, to be received following registration of the transfer to ADZ Energy Pty Ltd of ownership of PEP 169. Transfer documentation will be lodged on or before Completion; and
- a future royalty on net (wellhead) revenue from any sales of petroleum from ADZ's existing 51% share of PEP 169.

Lakes also state that "Proceeds from the sale of the 49% interest in PEP 169 will be prioritised for use in commercialisation of the large Wombat and Trifon/Gangell gasfields in Gippsland. Work to secure approval for drilling of the conventional Wombat-5 well is already under way. This includes updating of Cultural Heritage surveys, preparation of a new Environmental Management Plan and comprehensive Stakeholder Consultation. A detailed Notice of Operation was provided to all identified Stakeholders on 30 August 2024, and is available for review on Lakes' website. The Wombat-5 well is targeted for drilling in the second quarter of 2025.

**NewPeak is the largest shareholder in LKO**, holding 9,584,616 shares or approx. 16% of Lakes Blue and looks forward to Lakes advancing its business activities to create value for its shareholders.

*Authorised for Release by the Board of Directors.*

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