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Lakes Oil N.L.

**ASX
Announcement and
Media Release
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**Lakes Oil N.L.
ASX Announcement**

Nangwarry-1 Exploration Well Update

Highlights:

- *Laboratory analysis of the gas samples from the Nangwarry-1 exploration well indicate the well is very high in CO₂.*
- *Analysis of the other samples obtained is continuing.*
- *The well will still be cased and suspended to enable it to be flow tested.*

Lakes Oil NL (**Lakes Oil** or **Company**; ASX:LKO) wishes to advise that the preliminary results from the first two gas samples analysed indicate that the CO₂ content of the Nangwarry-1 gas well is very high with the two samples from 2991m and 3020m returning concentrations of 92% and 89% respectively. The remaining four samples collected will be analysed to confirm gas composition.

Whilst not the expected pre-drill outcome Lakes is investigating its options for the well. Commercial quantities of carbon dioxide were historically produced from the Caroline-1 well, drilled in the Otway Basin in 1967 and produced until 2017. Caroline-1 was a very successful commercial operation producing 810,842 tonnes of liquid carbon dioxide. Liquid CO₂ is easily transported by road tanker and has many industrial and commercial uses including the soft drink industry, firefighting, medical and other industry markets.

The Nangwarry-1 well will be cased and suspended as planned pending future testing and potential development. A programme for flow-testing of the well will be implemented as soon as a full analysis of the potential of the well has been conducted and the requisite approvals and equipment are in place.

The Nangwarry-1 well is a 50:50 joint venture between Otway Energy Pty Ltd (a subsidiary of Lakes Oil) and Vintage Energy Ltd. The cost of the well has been partially funded through a \$4.95 million grant under the South Australian Government's Petroleum Accelerated Exploration (PACE) program. In accordance with PACE grant conditions, the PEL 155 joint venture will strive to commence supply of gas to South Australian gas user(s) by the end of 2020.

For and on behalf of the Board of Directors and for further information.

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