

Wombat-5 Well, Gippsland Basin, Victoria Drilling Update

The Board of Lakes Blue Energy is pleased to be able to provide the following update on drilling operations at Wombat-5, side-track-1 (ST-1). As at 8:00 am AEST today the status of the well is as set out below:

Days from spud	15
Current depth	1,091 mRT ¹ (MD ²)
24 hrs progress	0 m
Hole size	8-1/2"
Last casing point	9-5/8" set at 302.4 mRT (MD)
Current formation	Latrobe Group
Target formation	Strzelecki Formation
Target formation depth	1,360 mRT (TVD ³)
HS&E LTIs	0

The necessary equipment has arrived onsite to sever the drill-string above the sticking point, thereby enabling the free section of drill-string to be removed from the hole. Following retrieval of the free drill-string a cement plug will be set. Subject to review of the Contractor's report on the mud pump failure (which has yet to be received), the well will then be sidetracked around the stuck section of drill-string and drilled towards the 7" casing point at approximately 1,548 mRT (MD).

This announcement was authorised by the Board of Lakes Blue Energy.

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1.mRT means metres below the rotary table, effectively metres below the drilling rig floor.

2. MD means measured depth

3. TVD means true vertical depth