

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-2 (ST-2). As at 8:00 am AEST today, the status of the well is as set out below:

Days from spud	31
Current depth	1,394 mRT ¹ (MD ²)
72 hrs progress	165 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 contractor is currently preparing to run back into the hole after changing out the downhole motor and drillbit due to slow penetration rate. A mechanical failure, that occurred while pulling the drill string from the hole, caused by human error, delayed the change out while repair work was completed. The new directional Bottom Hole Assembly will be run into the hole to drill ahead at 8-1/2" diameter to the 7" casing point. The top of the target Strzelecki Formation is expected to be encountered within the next 20 metres and we are currently at 53 degrees inclination.

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