

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 | 41 |
| Current depth | 1,899 mRT ¹ MD ² ; 1,399 mRT TVD ³ |
| Horizontal length | 347m |
| 24hr Progress | 320m |
| Hole size | 6-1/8" |
| Last casing point | 7" set at 1549.1 mRT MD; 1,392 mRT TVD |
| Current formation | Strzelecki Formation |
| Target formation | Strzelecki Formation |
| Target formation depth | 1,410 mRT MD; 1,356 mRT TVD |
| HS&E LTIs | 0 |

The well continues to be drilled horizontally through the Upper Strzelecki Formation having progressed 320m in the past 24 hours. The well is currently drilling past the Wombat-2 well location and encountering excellent gas shows, of up to 2,910 units or 581,000 ppm (C1⁴ 94.2%, C2 4.0%, C3 1.3%, C4 0.4%, C5 0.1%), in good quality sands.

The Upper Strzelecki Formation continues to demonstrate that it is gas saturated with extensive good quality sandstones being intersected. As the well progresses towards the previously drilled Wombat-3 well, approximately 1,100 m away, further gas shows are expected.

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

For enquiries regarding this release please contact:

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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
4. C1 to C5 gas shows refers to methane, ethane, propane, butane and pentane gases evident in the drilling muds returned to the surface.