

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	43
Current depth	2,122 mRT ¹ MD ² ; 1,402 mRT TVD ³
Horizontal length	570m
24hr Progress	223m
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 continued to be drilled horizontally through the Upper Strzelecki Formation progressing 223m in the past 24 hours bringing the total horizontal well drilled to 570 m . The well encountered further gas shows, of up to 1,410 units or 282,000 ppm (C1⁴ 94.8%, C2 3.9%, C3 1%, C4 0.2%, C5 0.1%), in good quality sands which exhibit good flow capabilities. The contractor is currently pulling out of the hole to inspect the drill bit and bottom hole assembly due to minor discrepancies in the well direction.

The Upper Strzelecki Formation continues to demonstrate that it is gas saturated with further, extensive good quality sandstones being intersected.

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