ASX ANNOUNCEMENT
6 February 2023

This announcement contains inside information

88 Energy Limited

Hickory-1 Operations Update

Highlights

- Permit to Drill approved for the Hickory-1 exploration well
- Ice-pad construction to commence imminently ahead of drilling Hickory-1 well
- Mobilisation of Nordic Calista Rig-2 expected to commence mid-February
- Spud of Hickory-1 well on track for early March 2023
- Hickory-1 drilling costs estimated to be US$13.5m gross (88E 75% working interest)

88 Energy Limited (ASX:88E, AIM:88E, OTC:EEENF) (**88 Energy** or the **Company**) is pleased to confirm that the Permit to Drill (PTD) has been approved by the Alaska Oil and Gas Conservation Commission (AOGCC) for the Hickory-1 well, located in Project Phoenix on the North Slope of Alaska.

In addition, construction of the Hickory-1 ice-pad will commence imminently with mobilisation of the Nordic Calista Rig-2 scheduled to also begin around mid-February from the Pantheon Resources, Alkaid-2 well location. The Hickory-1 drilling location is directly adjacent to the Trans-Alaska Pipeline System (TAPS) and the Dalton Highway.

Planning and Permitting for the Hickory-1 well is now largely complete with the approval of the AOGCC PTD, ahead of targeted spud in early March 2023. Hickory-1 Project Manager, Fairweather, LLC, has completed the tendering and contracting program for the drilling operations with the well cost estimated to be approximately US$13.5 million gross (88E net ~US$10 million). The modest drilling cost is a direct result of the proximity of Project Phoenix and the Hickory-1 well to key infrastructure including the Dalton Highway.

Flow testing of the Hickory-1 well is planned to be undertaken in the 2023/24 winter season, subject to well results, providing sufficient time post-drilling to optimise the flow test design, permitting and implementation.

The Hickory-1 well is designed to appraise up to six conventional reservoir targets within the SMD, SFS, BFF and KUP reservoirs and 647 million barrels of oil[1,2]. Hickory-1 is permitted to a total depth of 12,500 feet. An optimal drilling location has been selected adjacent to the Dalton Highway utilising an extensive suite of data. This included interpretation of the Icewine-1 well logs, mapping and AVO analysis of the modern Franklin Bluffs 3D seismic data (FB3D) and publicly available information from the recent drilling and flow tests carried out on adjacent acreage by Pantheon Resources.

[1] ***Cautionary Statement:*** *The estimated quantities of petroleum that may be potentially recovered by the application of a future development project relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration, appraisal and evaluation are required to determine the existence of a significant quantity of potentially movable hydrocarbons.*

[2] *Mean unrisked resource - Net Entitlement to 88 Energy. Refer announcement released to ASX on 23 August 2022*

This announcement has been authorised by the Board.

Media and Investor Relations

88 Energy Ltd
Ashley Gilbert, Managing Director

Tel: +61 8 9485 0990
Email:investor-relations@88energy.com

Finlay Thomson, Investor Relations	Tel: +44 7976 248471
Fivemark Partners, Investor and Media Relations Michael Vaughan	Tel: +61 422 602 720
EurozHartleys Ltd, Dale Bryan	Tel: + 61 8 9268 2829
Cenkos Securities, Neil McDonald / Derrick Lee	Tel: + 44 131 220 6939

Pursuant to the requirements of the ASX Listing Rules Chapter 5 and the AIM Rules for Companies, the technical information and resource reporting contained in this announcement was prepared by, or under the supervision of, Dr Stephen Staley, who is a Non-Executive Director of the Company. Dr Staley has more than 35 years' experience in the petroleum industry, is a Fellow of the Geological Society of London, and a qualified Geologist/Geophysicist who has sufficient experience that is relevant to the style and nature of the oil prospects under consideration and to the activities discussed in this document. Dr Staley has reviewed the information and supporting documentation referred to in this announcement and considers the resource and reserve estimates to be fairly represented and consents to its release in the form and context in which it appears. His academic qualifications and industry memberships appear on the Company's website and both comply with the criteria for "Competence" under clause 3.1 of the Valmin Code 2015. Terminology and standards adopted by the Society of Petroleum Engineers "Petroleum Resources Management System" have been applied in producing this document.

About Project Phoenix

Project Phoenix (88E 75.2% WI) is located on the central North Slope of Alaska and encompasses approximately 82,846 gross acres. It is situated on-trend to recent discoveries by Pantheon Resources Plc (LSE: PANR) in multiple, newly successful play types across top, slope and bottom-set sands of the Mid Schrader Bluff, Canning and Seabee formations. Independent mapping has demonstrated that these plays extend into the Phoenix acreage.

Project Phoenix holds an estimated unrisked conventional total of 647MMbbl of prospective oil resources (mean unrisked, net to 88E), independently assessed by Lee Keeling and Associates (**LKA**) in Q3 2022 (see 88E ASX release dated 23 August 2022). The acreage has been significantly de-risked by the recent Pantheon drilling and flow tests on their adjacent acreage to the North, coupled with data from Icewine-1 well logs (encountered 380 ft of net oil pay within SMD sands) and a modern 3D seismic data set (FB3D).

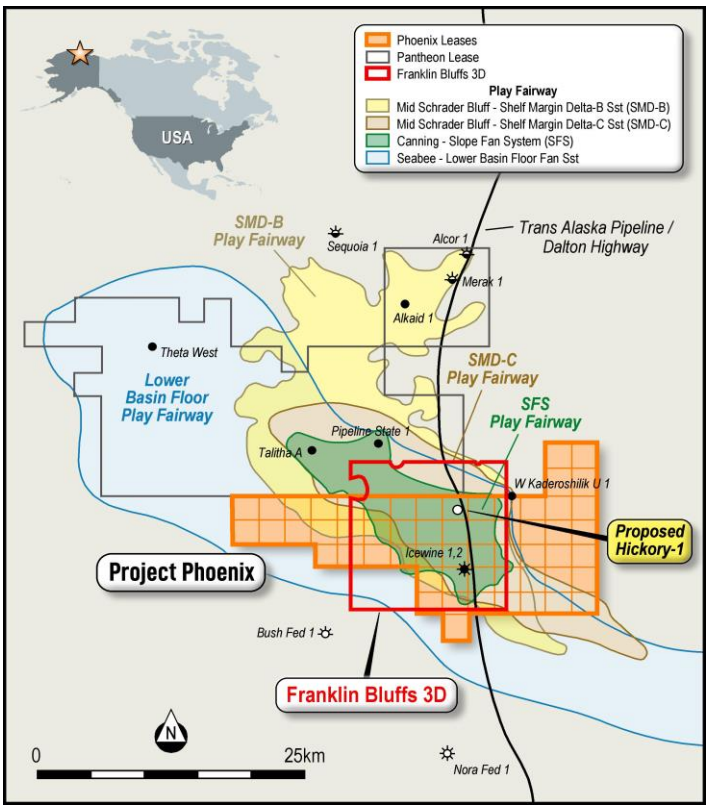

Figure 1: Project Phoenix lease area, including mapped play fairways, Franklin Bluffs 3D area and planned Hickory-1 well location (subject to permitting, as well as JV and Government approvals).

Phoenix: Alaska North Slope	Unrisked Net Entitlement to 88E [1,6] Prospective Oil Resources (MMstb) [4,5]				
Prospects (Probabilistic Method)	**Low (1U)**	**Best (2U)**	**High (3U)**	**Mean**	**COS[3]**
Shelf Margin Delta (SMD A, B & C)	44	140	326	145	*81%*
Slope Fan System (SFS)	24	84	217	89	*50%*
Basin Floor Fan (BFF)	75	341	930	358	*50%*
Kuparuk (KUP)	24	56	98	56	*72%*
Prospects Total	**167**	**621**	**1,570**	**647 [2]**	

1. *88 Energy net resources have been calculated using a 75.227% working interest and a 16.5% royalty.*
2. *The unrisked means, which have been arithmetically summed, are not representative of expected total from the prospects and implies a success case in all reservoir intervals. 88 Energy cautions that the arithmetically summed 1U estimate may be a conservative estimate and the arithmetically summed 3U estimate may be optimistic when compared to a statistical aggregation of probability distributions.*
3. *COS represents the geological chance of success as assessed by 88 Energy and reviewed and endorsed by LKA.*
4. *Prospects are subject to a phase risk (oil vs gas). Chance of oil has been assessed as 100% for all targets except for the Kuparuk Formation which has been assessed as 70%. Phase risk has not been applied to the unrisked numbers.*
5. *The Prospective Resources have not been adjusted for the chance of development. Quantifying the chance of development (COD) requires consideration of both economic and other contingencies, such as legal, regulatory, market access, political, social license, internal and external approvals and commitment to project finance and development timing. As many of these factors are outside the knowledge of LKA they must be used with caution.*
6. *Please refer to ASX announcement dated 23 August 2022 for further details in relation to the prospective resources estimate and associated risking with Phoenix.*

Cautionary Statement: The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially recoverable hydrocarbons.