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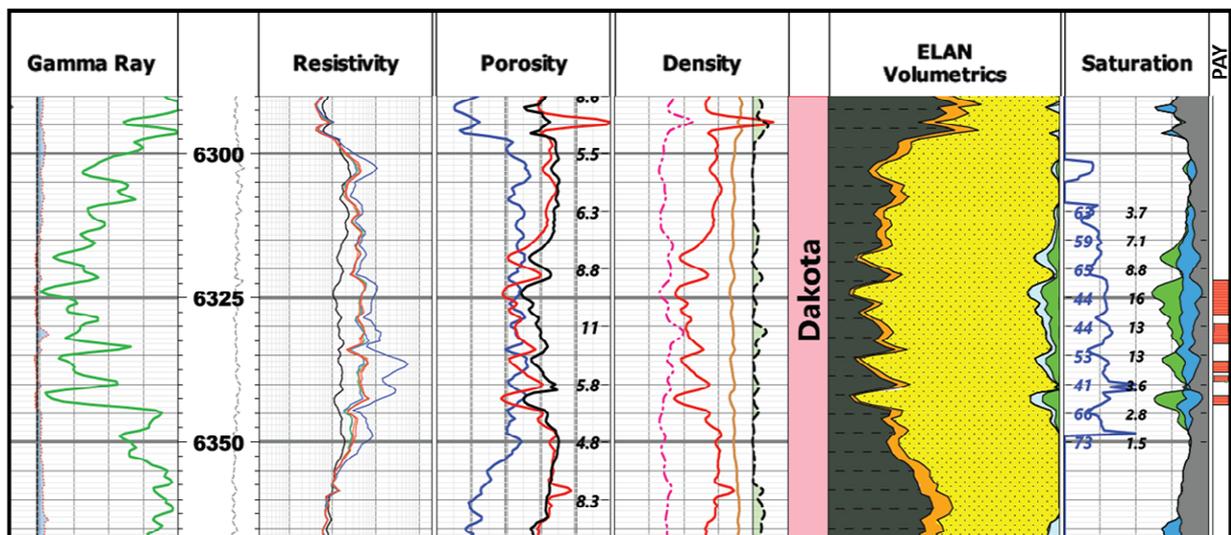
## SCHLUMBERGER LOG INTERPERTATION & ANALYSIS CONFIRMS OIL PAY IN THE FIRST POWDER RIVER BASIN WELL

### Highlights:

- Schlumberger log analysis indicate in excess of 30 feet of gross pay in the Govt Kaehne #9-29
- Additional pay identified within the secondary Muddy Formation
- Completion of the well should begin within 30 days at which time swab test rates can be established for the well
- Oil is expected to be flowing and available for first sales in January 2020
- Excellent performance of the CapStar drilling crew and active supervision from on-site management saw the well reach TD of 6,460 feet two days ahead of schedule and below AFE

Eon NRG Limited ("Eon" or the "Company") is pleased to announce that following completion of the drilling of the Govt Kaehne #9-29 well which reached total depth of 6,460 feet (1,969 meters), initial indications are that an excellent quality reservoir has been encountered with good oil shows in both the primary and secondary target formations.

The well was targeting oil production from the Dakota Sandstone Formation with a secondary formation being the shallower Muddy Sandstone Formation. Schlumberger wireline logs were run after reaching total depth in the Govt. Kaehne #9-29. The logs were sent to Schlumberger for further petrophysical analysis and insight into potential pay zones within the Dakota and Muddy formations as both formations are present and productive within the field.



Schlumberger Log Interpretation & Petrophysical Analysis over the Dakota Formation

Schlumberger calculations resulted in a total of 21' of net pay in the Govt. Kaehne 9-29 well. The Dakota formation has 14' of net pay beginning at 6,322 feet, while the Muddy formation shows 7' of net pay beginning at 6,068 feet. Good to excellent oil shows and gas shows exceeding 1,000+ units in each of the formations further support the presence of producible hydrocarbons within each of the formations.

There is no evidence of water underlying the oil column within either formation. The interpreted oil column is deeper than the inferred original oil-water contact for the Field, suggesting that this area of the Field is in a separate compartment and could even be at virgin pressure. Porosity within the Dakota varies throughout with Neutron-Density cross-plots showing 15-18% porosity throughout. Porosity in the best Muddy section exceeds 20% porosity. Micro-log interpretation shows good horizontal permeability throughout the Dakota and Muddy.

The Muddy Formation produces throughout the Donkey Creek Field from similarly thin intersections and two wells in the southern portion of the Field have produced cumulatively 95 and 64 thousand barrels of oil, with no water and very little gas.

*“The results to date from the logs on the #9-29 well have confirmed our understanding of the reservoir and give us confidence to continue with our future development plans,”* said John Whisler, Managing Director. *“We are confident that the production from this well proves to be economic.”*



*Unloading of production casing for completion at Govt Kaehne #9-29 well*

While running in the hole with Drill Stem Test tools, the test string became stuck some 400' off bottom due to a build-up of “mudcake” in the wellbore. The tools were jarred lose and successfully removed from the well. As a result, no Drill Stem Test was completed. The wellbore has been cased with 5½” production casing and cemented. The drilling rig has been released. The Company’s working interest is 61% and all working interest partners have committed to the casing election and will continue to participate with the completion of the well.

The completion phase should be concluded within 45 days at which time production will be brought on-line ready for sales to commence. First delivery of oil to the refinery is expected in January 2020 with payment for these deliveries within the following month.

This is the first well that has been drilled in the Company’s expansive acreage that it holds within the Powder River Basin, Wyoming. It has demonstrated that management can effectively identify and execute the drilling of a successful well and forms a strong base from which to launch the next phase of the Company’s development plan.

The targeting of conventional wells in the Powder River Basin has and will continue to provide the company with a strong business model to deliver value accretion through long term production growth and improved cash flow. The Company continues to evaluate production and drilling opportunities and expects to acquire additional production/drill additional wells in 2020.



*CapStar #311 preparing to run production casing*

**By order of the Board**

**About the Company:**

Eon NRG Ltd is an ASX listed company which has U.S. onshore focused energy exploration and production assets. The Company's growth path is through the drilling of high impact oil exploration wells, supported by a 100% owned and operated long life oil and gas production assets and associated cashflow. The company has a mixture of onshore USA exploration and development leasehold acreage along with oil and gas production assets located in Wyoming and California.

**Background to development of the Govt Kaehne #9-29 well:**

- The Company acquired 15,000 acres of leasehold in the Powder River Basin in October 2018
- The first drilling prospect that was identified in this acreage is located in an existing oil field, Donkey Creek North in Crook County, Wyoming (Location details – Section 29, Township 50, North Range 68 West, Latitude 44.290692, Longitude 105.059281). The Federal lease that the well is located on is WYW187422.
- Environmental and archeological surveys were carried out on and around the well location in the spring of 2019
- Applications to drill the new well were granted in July 2019
- The well pad and access road for the new well were built in August and completed in September
- JV funding was finalized in November 2019
- Drilling of the Govt Kaehne #9-29 commenced on November 19, 2019
- TD of well was reached on November 27, 2019

**All reference to dollars or \$ refers to USD unless otherwise stated.**

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**Forward-Looking Statement**

This document may contain certain statements that may be deemed forward-looking statements. Forward-looking statements reflect Eon NRG Ltd's views and assumptions with respect to future events as of the date of this press release and are subject to a variety of unpredictable risks, uncertainties, and other unknowns that could cause actual events or results to differ materially from those anticipated in the forward-looking statements. Actual and future results and trends could differ materially from those set forth to various factors, many which are beyond our ability to control or predict. Some of the risk and other factors that could cause results to differ materially include but are not limited to: industry conditions, including fluctuations in commodity prices; governmental regulation of the oil and gas industry, including environmental regulation; economic conditions in the US and globally; geological; technical and drilling results; predicted production and reserves estimates; operational delays or unanticipated operating event; physical, environmental and political risks; liabilities inherent in oil and gas exploration, development and production operations; fiscal and regulatory developments; stock market volatility; industry competition; and availability of capital at favorable terms. Given these uncertainties, no one should place undue reliance on these forward-looking statements attributable to Eon NRG Ltd, or any of its affiliates or persons acting on its behalf. Although every effort has been made to ensure this release sets forth a fair and accurate view, we do not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.