ANSILA ENERGY

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6 December 2019

SICINY-2 WELL APPRAISAL: OPERATIONAL UPDATE PRIOR TO FRACTURE STIMULATION AND WELL TEST

Ansila Energy NL (**ANA** or the **Company**) is pleased to announce the following update regarding operations at the Siciny-2 (Gora) wellsite prior to preparations for the hydraulic fracture stimulation and well test scheduled for December 2019.

Following mobilisation of the Coiled Tubing Unit (CTU) by Exalo Drilling S.A. on 25 November 2019 and pressure testing of the Blow Out Preventer (BOP), the Siciny-2 well was re-entered and cleaned up via the circulation of cleaning solution followed by potassium chloride (KCl) brine solution. On completion of the clean-up process the shut-in well head pressure (WHP) increased from 5 bar to 28 bar indicating effective pressure communication between the well and the reservoir. On removal of the CTU, perforation guns were run into the well on 28 November 2019 and the casing was perforated at 3,413 to 3,414 metres and re-perforated at 3,272 to 3,273 metres.

Halliburton Wireline Services were then mobilised to the wellsite to perform a well integrity test which involved running a Circumferential Acoustic Scanning Tool (CAST) tool, a Multi-finger Imaging Tool (MIT) and a Radial Bond Tool (RBT) to assess the condition of the casing and cement in the Siciny-2 borehole. The logging was successfully completed on 2 December 2019. The result of this has demonstrated that both the well casing and the cement were of sufficient integrity for the reservoir stimulation to be performed through the casing without the need for a through-tubing operation.

Preparations are now underway for a two-stage reservoir stimulation of the perforated Carboniferous reservoir section to be performed followed by the pumping of a ceramic proppant to maintain the fracture system prior to placing the well on flow test. The Halliburton frac fleet is now being mobilised to the well site, along with the Weatherford well testing equipment, in preparation for the upcoming operations.

Prior to the flow test, downhole pressure gauges will be set after which a brief isochronal well test will be conducted followed by a longer flowing period and a long term transient pressure build-up test to gather reservoir data over an extended period. The pressure build up data, together with the flow rate data, will confirm the potential commerciality of the Siciny-2 well.

The following operational timeline highlights the remaining wellsite operations at Siciny-2 targeting 2C contingent resources of 1.6 Tcf[1], which are planned to occur in December 2019:

[1] Volume estimates are from Netherland, Sewell & Associates, Inc. report entitled "Estimates of Reserves and Future Revenue and Contingent Resources to the Gemini Resources Ltd. Interest and Gross (100 Percent) Prospective Resources in Certain Oil and Gas Properties located in the Nowa Sol and Gora Concessions Permian Basin, Onshore Poland as of May 1, 2019" (**Report**). The % CoS are estimated by ANA Management.

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MONTH	OPERATIONS
October 2019	Site preparation - **Completed**
12 November 2019 **25 November 2019** **27 November 2019** **28 November 2019**	Install isolation valves/lower Frac Tree - **Completed** Mobilisation of Coiled Tubing Unit to wellsite - **Completed** Well clean out and install upper Frac Tree - **Completed** Perforation of Carboniferous reservoir - **Completed**
1-2 December 2019 **December 2019**	Casing Integrity Test/Cement Bond Log (CBL) - **Completed** Two-stage hydraulic frac of the Carboniferous reservoir Commence well test

We look forward to providing investors with further updates as we progress through the Siciny-2 fracture stimulation and well test operations throughout the remainder of December 2019.

Chris Lewis, Technical Director, commented: "The results from the well integrity wireline logs, showing that both the casing and cement are in good condition, improves our confidence in executing a successful frac of the Carboniferous gas bearing reservoirs early next week, and further de-risks the operations at the well site".

-Ends-

CONTACTS

The Board of Directors of Ansila Energy NL authorised this announcement to be given to ASX.

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About Ansila Energy:

Ansila's earn-in transaction to the Gora and Nowa Sol concessions, onshore Poland, will see the Company acquire a 35% interest from Gemini Resources Limited by spending a total of A$6.15m[2] on those concessions with work programs designed to unlock and prove the commercial viability of two potentially large unconventional resources plays:

- **Siciny-2 (Gora):** Flow testing the previously discovered 2C contingent resources of 1.6 Tcf[1] (circa 270 MMboe) of unconventional gas in an extensive Carboniferous reservoir scheduled for completion in Q4 2019; and
- **Jany-C1 (Nowa Sol):** Flow testing the previously discovered 2C contingent resources of 36 MMbbls[1] of oil within tight Zechstein Dolomite formation scheduled for completion in Q2 2020.

Please refer to the qualified person's statement relating to the reporting of contingent resources on the Gora and Nowa Sol concessions in Ansila's ASX Announcement dated 4 July 2019 (see Schedule 2). The Company is not aware of any new information or data that materially affects the about contingent resource estimates included in this announcement and all the material assumptions and technical parameters underpinning those estimates in this announcement continue to apply and have not materially changed.

Contingent Resources		**1C**	**2C**	**3C**
Jany-C1	MMbbls	9.3	36.1	85.8
	Ansila 35% Interest	**3.3**	**12.6**	**30.0**
Siciny-2	Tcf	0.7	1.6	3.2
	Ansila 35% Interest	**0.25**	**0.56**	**1.1**

Volume estimates in this presentation are from the Netherland, Sewell & Associates, Inc. report entitled "Estimates of Reserves and Future Revenue and Contingent Resources to the Gemini Resources Ltd. Interest and Gross (100 Percent) Prospective Resources in Certain Oil and Gas Properties located in the Nowa Sol and Gora Concessions Permian Basin, Onshore Poland as of May 1, 2019", and were first reported to the ASX on 4 July 2019.

Contingent resources reported herein have been estimated and prepared using the probabilistic method.

The conversion factor used to convert gas (Tcf) to oil (MMboe) is 5.8:1 – this conversion ratio is based on an energy equivalency conversion method and does not represent value equivalency.

[2] Based on an exchange rate of 1AUD: 0.55GBP or 1AUD: 0.71USD

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Forward Looking Statements

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