

7 January 2020

SICINY-2 WELL APPRAISAL: OPERATIONAL UPDATE

Ansila Energy NL (**ANA** or the **Company**) announces an update with respect to the flow-back of frac fluids through production tubing as the clean-up of the Siciny-2 well continues ahead of preparations for the isochronal well test.

Following the flow-back of frac fluids through the well casing announced on 17 December 2019, Halliburton Wireline Services re-entered the well to set a packer above the perforations in the Carboniferous reservoir interval. Production tubing has been run into the well via the Ekranpol workover rig in preparation for further clean-up of the well and the isochronal well test.



Photo 1: Siciny-2 well appraisal site operations at Gora

A coiled tubing unit has been mobilised to the wellsite and deployed with nitrogen gas to displace the column of frac fluid from the Siciny-2 well. Upon displacement of the fluid column with nitrogen and opening of the well, the well has continued to flow fluid indicating that the clean-up process was not yet complete. To date 373 m³ of the 850 m³ of frac fluid used in the fracture stimulation of the Siciny-2 well has been returned via the flow-back. The well will continue to be flowed through the production tubing with the assistance of nitrogen displacement, if required, until the clean-up process is complete and the flow of gas to surface is confirmed ahead of the isochronal well test.

The following operational timeline highlights the remaining wellsite operations at Siciny-2 targeting 2C contingent resources of 1.6 Tcf¹, which are planned to occur during the remainder of Q1 2020:

MONTH	OPERATIONS
October 2019	Site preparation - Completed
12 November 2019	Install isolation valves/lower Frac Tree - Completed
25 November 2019	Mobilisation of Coiled Tubing Unit to wellsite - Completed
27 November 2019	Well clean out - Completed
28 November 2019	Perforation of Carboniferous reservoir - Completed
1-2 December 2019	Casing Integrity Test/Cement Bond Log (CBL) - Completed
9 December 2019	Mini-frac of the Carboniferous reservoir – Completed
10 December 2019	Pump of hydraulic frac of the Carboniferous reservoir - Completed
10 – 15 December 2019	Frac fluid flow-back through casing - Completed
15 – 30 December 2019	Rig up well for well test operations – Completed
January 2020	Continued well clean up through production tubing – In Progress
January 2020	Isochronal and well flow tests
January - February 2020	Long-term transient pressure build-up test

We look forward to providing investors with further updates as we progress through the Siciny-2 well test operations in January and February 2020.

Chris Lewis, Technical Director, commented: “Now that the well is open it is positive that the well is flowing back fluids unassisted. However, the use of nitrogen on coiled tubing will assist the reservoir to clean-up, return the frac fluid and commence the flow of free gas.”

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.

-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\$6.15m² 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 Tcf¹ (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 MMbbls¹ 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.

²² Based on an exchange rate of 1AUD: 0.55GBP or 1AUD: 0.71USD

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.

Forward Looking Statements

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