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ASX/Media Release

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GOVT KAEHNE #9-29 WELL COMPLETION UPDATE

Highlights:

- **The Muddy Formation completion has been successfully implemented**
- **The Govt Kaehne #9-29 well commenced production on February 22**
- **43 bbls of oil were recovered on the first day before the well was shut in due to minor operational issues**

Eon NRG Limited ("Eon" or the "Company") is pleased to provide an update on the completion of the Govt Kaehne #9-29 well. During the drilling of the Govt Kaehne #9-29 well, 7' of net pay in the Muddy formation was identified. The Muddy formation has produced commercial quantities of oil in a number of nearby wells, some of which have produced in excess of 100 MBO¹.

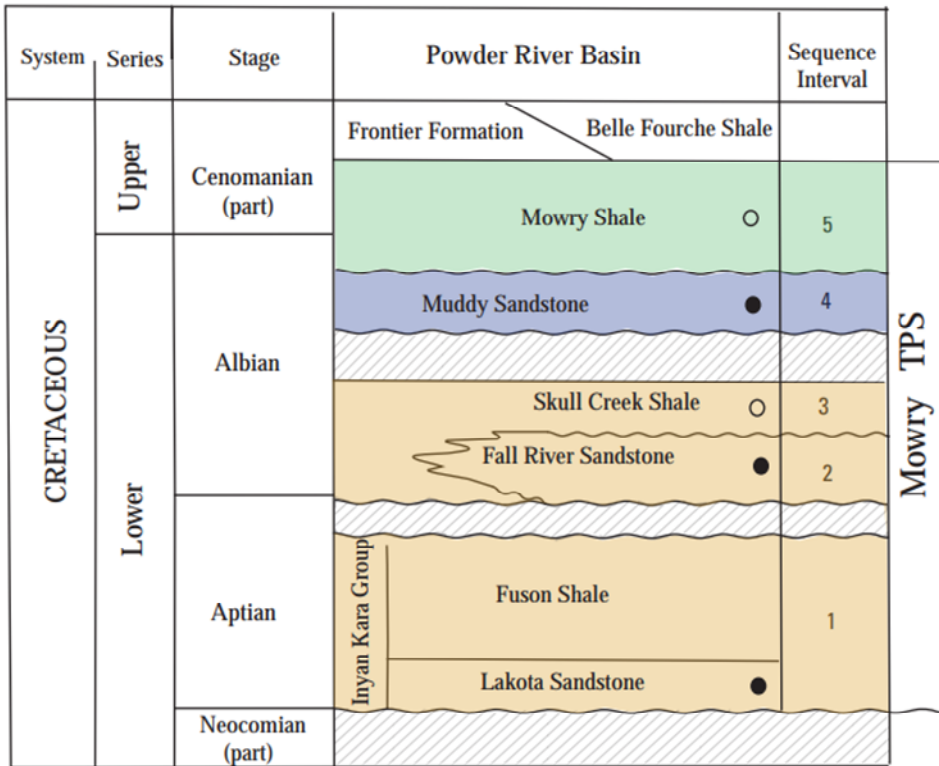
As previously reported, the completion of the Muddy Formation commenced on January 31. The well casing was perforated between 6075 and 6084'. The Muddy Formation typically requires stimulation to produce economically and the fracture stimulation that was carried out was successful. There were some minor delays in recovery of the frac fluids due to weather and installation of various down-hole and surface pumping equipment has been completed to enable production testing to commence.

A surface pumping unit has been installed and it began pumping on Saturday February 22. Pumping was intermittent for the first day due to associated gas production and this required the installation of a backpressure valve. On the first day of pumping, 43 bbls of oil and 20 bbls of water/frac fluid (gross) were produced in a 13 hour period before the well was shut in. Further adjustments will be required in due course to re-position the downhole pump to optimize production. A more reliable flow rate is expected to be known in the coming weeks.

John Whisler, Managing Director, said *"We are encouraged by the initial results of the Muddy completion in this well. It was always known that there was good local and regional oil production from the Muddy Formation and we remain confident that this well will show a good return on investment."*

The Muddy Formation is extensive across the Powder River Basin. It is a Cretaceous age formation which forms part of the Mowry petroleum system and has a long history of oil production within the Powder River Basin with the first discovery made in the late 1800's. Although it has been referred to as a secondary target on the drilling of the Govt Kaehne well, production from the Muddy Formation is not without precedent locally (Donkey Creek North Field) and regionally (Powder River Basin). A tank battery will be installed, and first sales are expected in March 2020.

¹ MBO – Thousands of barrels of oil



EXPLANATION
● Reservoir
○ Petroleum source rock

Stratigraphic column and succession intervals of Lower Cretaceous strata in the Powder River Basin including identification of the Mowry Total Petroleum System. TPS, total petroleum system.



Pumping unit installed at Govt Kaehne #9-29 well.

Authorised by:
Board of Eon NRG Ltd

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.

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.