



9 July 2015

Title Process Update and Clarification

Due to multiple requests from shareholders in regards to the process regarding transfer of Title for Project Icewine, 88 Energy Limited (“88 Energy” or “the Company”) is pleased to provide the following clarification. The sequence of events is described below:

Event	Timing	Description	Status
Term Sheet, Joint Development Agreement executed with Burgundy	17 November 2014	Grants contractual rights for 88 Energy to become Operator of 98,182 acres with an initial 87.5% working interest reducing to 78% on spud of the first well. Conditional upon winning bid and settlement of payment to the State of Alaska	COMPLETE
Winner bid on ~90,000 acres in Alaska tract sale	20 November 2014	Burgundy bids on behalf of 88 Energy and is announced high bidder	COMPLETE
Formal Award of Acreage to Burgundy	28 May 2015	Burgundy on title subject to settlement	COMPLETE
Settlement of Acreage Payments	28 May 2015	88 Energy transfers US\$2.92m to State of Alaska	COMPLETE
Burgundy assigns ADL392301 to 88 Energy	28 May 2015	The lease upon which Icewine #1 will be drilled was submitted to State of Alaska for assignment to 88 Energy	Est completion early to mid 3Q 2015
Title Granted to Burgundy on new leases	18 June 2015	Burgundy on Title for new acres won in November bid round	COMPLETE
Burgundy assigns remaining leases to 88 Energy	8 July 2015	All remaining lease assignment documents submitted to State of Alaska	Est completion mid to late 3Q 2015

The initial lease, ADL392301, was assigned to Accumulate Energy Alaska prior to the remainder of the leases in order to facilitate the bonding and permitting requirements related to the Icewine #1 exploration well. All the remaining lease documents have now been submitted to the State of Alaska, which must complete a due diligence process on 88 Energy in order to process the assignments. Given 88 Energy is a company in good standing no issues are anticipated with this process, which is largely administrative in nature.

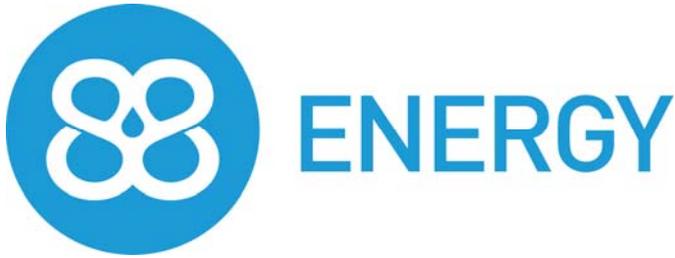
Managing Director of 88 Energy Ltd, Dave Wall commented: *“The process from here is transparent and straightforward and all executed assignment documents have now been submitted to the State for processing. The Company is in regular contact with the State regarding transfer of working interest with no issues having been identified to date and none expected.”*



ENERGY

Yours faithfully

Dave Wall
Managing Director
88 Energy Ltd



Project Icewine Highlights

In November 2014, the Company entered into a binding agreement with Burgundy Xploration (**BEX**) to acquire a significant working interest (87.5%, reducing to 78% on spud of the first well on the project) in a large acreage position on a multiple objective, liquids rich exploration opportunity onshore Alaska, North America, referred to as Project Icewine.

88 Energy, (through BEX their co-venture partner), was announced highest bidder on 90,720 acres (revised to 89,542 post survey) in the November State lease sale for the North Slope of Alaska on 20 November 2014. Post award of the acreage in Q2 2015 88 Energy will secure a 98,182 gross contiguous acre position with 85,900 acres net to the Company (76,582 net acres post spud). The primary term for the State leases is 10 years with no mandatory relinquishment and a low 16.5% royalty.

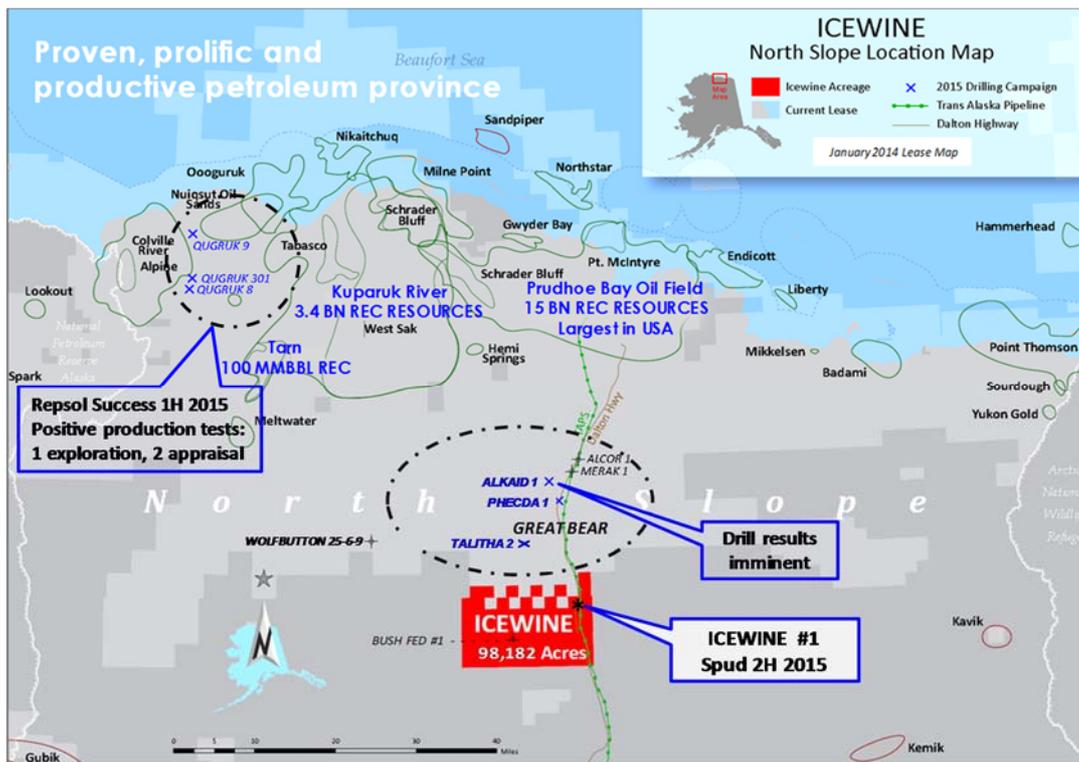


Figure 1: Project Icewine Location

Generous exploration incentives are provided by the State of Alaska with up to 85% of exploration expenditure in 2015 cash refundable, dropping to 75% mid 2016 and thereafter 35%.

The primary objective is an untested, unconventional liquids-rich shale play in a prolific source rock, the HRZ shale, (Brookian Sequence), that co-sourced the largest oil field in North America; the giant Prudhoe Bay Oil Field Complex. Internal modelling and analysis indicates that Project Icewine is located in a high liquids vapour phase sweetspot analogous to those encountered in other Tier 1 shale plays e.g. the Eagle Ford, Texas.

Conventional play potential can be found at Project Icewine within the same Brookian petroleum system and shallow to the HRZ shale and includes high porosity channel and deep water turbiditic sands. The Brookian conventional play is proven on the North Slope; the USGS (2013) estimate



the remaining oil potential to be 2.1 billion barrels just within the Brookian sequence. Additional conventional potential exists in the deeper Kuparuk sands and the Ivashuk Formation.

Drilling, (2012), in the adjacent acreage to the north confirmed that the HRZ shales, along with the underlying Kingak & Shublik shales, were all within the oil window which is extremely encouraging for the unconventional potential at Project Icewine. In addition a conventional oil discovery was reported in the Kuparuk sandstones.

A Prospective Resources Report by DeGolyer and MacNaughton, was commissioned by 88 Energy to evaluate the unconventional resource potential of Project Icewine in early December 2014 and was released to the market on 19 January 2015.

About 88 Energy: 88 Energy recently acquired an initial 87.5% working interest and operatorship in 98,182 acres onshore the prolific North Slope of Alaska (“Project Icewine”). The North Slope is the host for the 15 billion barrel Prudhoe Bay oilfield complex, the largest in North America. The Company, with its Joint Venture partner Burgundy Xploration, has identified two highly prospective play types that are likely to exist on the Project Icewine acreage – one conventional and one unconventional. The large resource potential of the Icewine Project was recently independently verified by leading international petroleum resource consultant DeGolyer and MacNaughton. In addition to the interpreted high prospectivity, the project is strategically located on a year-round operational access road and only 35 miles south of Pump Station 1 where Prudhoe Bay feeds into the TransAlaska Pipeline System. The Company plans to progress drilling and seismic in the near term to take advantage of the globally unique fiscal system in Alaska, which allows for up to 85% of CY2015 exploration expenditure to be rebated in cash.

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