



24 September 2015

### **Kuukpik Rig 5 Mobilisation Commenced – Project Icewine Drilling Next Month**

88 Energy Limited (“88 Energy” “the Company”) (ASX, AIM: 88E) is pleased to announce that Kuukpik Rig 5 has commenced mobilisation from Prudhoe Bay (Deadhorse) to the Franklin Bluffs pad. Mobilisation and rig up is scheduled to be complete ahead of the planned mid October spud date for the Icewine #1 exploration well.

The primary goal of the Icewine #1 exploration well is to derisk a potentially world class unconventional oil exploration play in the HRZ shale horizon that, if successful, could yield over a billion barrels of recoverable oil across the Project Icewine acreage, based on internal modelling.

Further details on the drilling and evaluation schedule will be released on spud.

The Icewine #1 exploration well has also been designed to evaluate, and test if appropriate, conventional reservoir potential at Project Icewine. However, due to the lack of 3D seismic at the project, the conventional potential of this well is considered secondary with a lower chance of success at this time.

Given the high level of activity over the coming weeks and months, the Company will be keeping investors well apprised as and when milestones are achieved, through regular announcements.

Managing Director of 88 Energy Limited, Dave Wall commented: *“It’s been a tough year in the oil patch but, thanks to the hard work of the 88 Energy team as well as the support of our shareholders, 88E is one of the few junior oil companies providing investors with exposure to significant leverage to what could be a company making well.”*

### **Kuukpik Rig 5**



Source: Supplied



### **About Kuukpik:**

Kuukpik Drilling operates with an unyielding commitment to the personal safety of each employee and the safety of the environment. Our goal is to nurture a zero incident culture and achieve zero incidents. Everyone goes home safely.

Kuukpik Drilling has operated on the North Slope of Alaska, Cook Inlet, and Hawaii with a commitment to the safety of our employees and the environment. It is our goal to make sure that every employee makes it home to their families while enjoying a prosperous relationship with our operators. Kuukpik Drilling brings substantial North Slope and Cook Inlet experience dating back to the early 1970's and four campaigns of work from 2005-2009 on the Big Island of Hawaii with a proven record of successful partnerships with multiple operators.

Kuukpik Drilling, LLC. is a wholly owned subsidiary of Kuukpik Corporation

Kuukpik Corporation is an Alaska Native Village Corporation established in 1973 under the provisions of the Alaska Native Claims Settlement Act. Kuukpik's business interests and activities consist primarily of oil and gas support services including drilling, catering, security, ice road and civil construction, infrastructure maintenance, seismic acquisition and engineering services. Nuiqsut, home of the Kuukpik Corporation, is located approximately eight miles from the Alpine oil field on the North Slope of Alaska. The corporation has significant land holdings in and around the Greater Colville River Delta and the National Petroleum Reserve – Alaska. Kuukpik Corporation maintains offices in both Nuiqsut, Alaska, and Anchorage, Alaska.

### *Media and Investor Relations:*

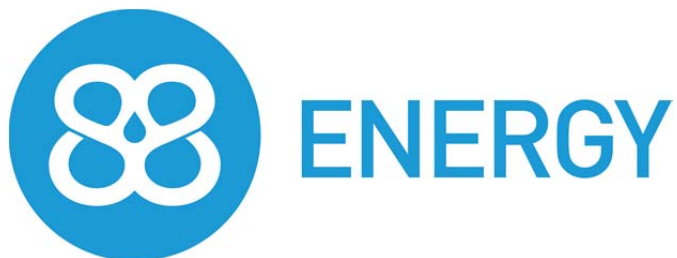
#### **Australia**

88 Energy Ltd  
[admin@88energy.com](mailto:admin@88energy.com)  
+61 8 9485 0990

Hartleys Limited  
As Corporate Advisor  
Mr Dale Bryan  
+61 8 9268 2829

#### **United Kingdom**

Cenkos Securities Plc	
As Nominated Adviser	
Mr Neil McDonald	Mr Derrick Lee
Tel: +44 (0)131 220 9771 /	Tel: +44 (0)131 220 9100 /
+44 (0)207 397 1953	+44 (0)207 397 8900



## 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 has a 98,182 gross contiguous acre position with 85,900 acres net to the Company (76,582 net acres post spud), located on an on all year operational access road with both conventional and unconventional oil potential. The primary term for the State leases is 10 years with no mandatory relinquishment and a low 16.5% royalty.

The unconventional oil play will be tested by the upcoming Icewine #1 exploration well, scheduled for commencement of drilling in October 2015.

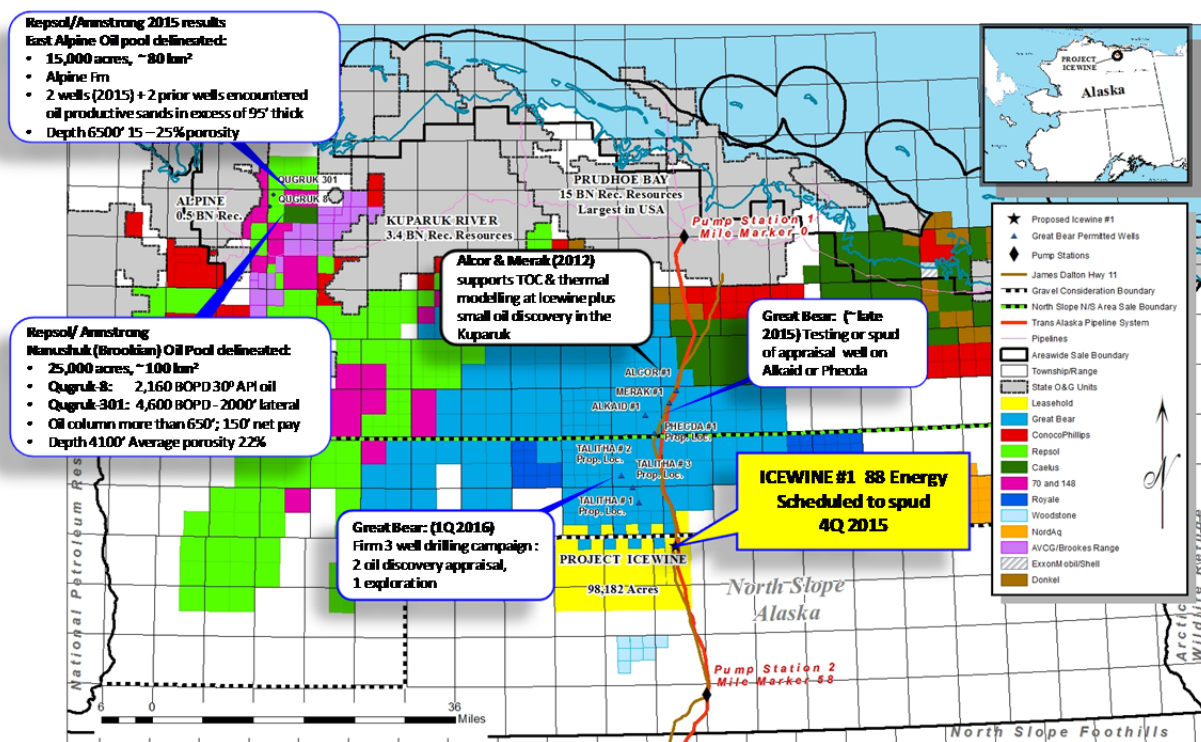
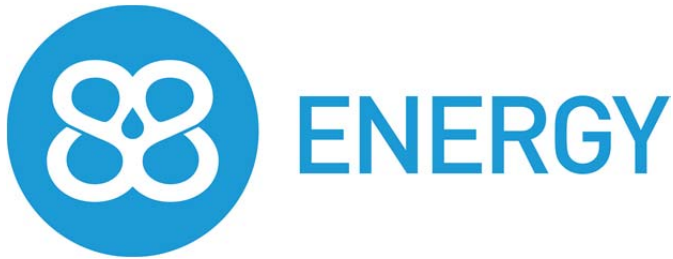


Figure 1: Project Icewine Location

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:** *In late 2014, 88 Energy acquired an initial 87.5% working interest (reducing to 78% on spud of the first well on the project) 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 conventional oil pool 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 Project Icewine was 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.*

*Pursuant to the requirements of the ASX Listing Rules Chapter 5 and the AIM Rules for Companies, the technical information and resource reporting contained in this announcement was prepared by, or under the supervision of, Mr Brent Villemarette, who is a Non Executive Director of the Company. Mr Villemarette has more than 30 years' experience in the petroleum industry and is a qualified Reservoir Engineer who has sufficient experience that is relevant to the style and nature of the oil prospects under consideration and to the activities discussed in this document. His academic qualifications and industry memberships appear on the Company's website and both comply with the criteria for "Competence" under clauses 18-21 of the Valmin Code 2005. Terminology and standards adopted by the Society of Petroleum Engineers "Petroleum Resources Management System" have been applied in producing this document.*