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ASX Release

OPERATIONS REPORT: EARLY GAS FLOWS AT RIDGE RUNNER 13-17 WELL AT CLEAR CREEK

Marion Energy Limited (ASX: MAE, MAEO, MAEOA) advises that it is in the process of bringing its Ridge Runner 13-17 well (RR 13-17) located at its Clear Creek Project on production. Workover operations on this well commenced on February 9 with the removal of the bridge plug in preparation for installing a submersible pump into the well bore. Initial results are very encouraging with the well flowing at rates in excess of 200,000 cubic feet per day prior to the installation of the submersible pump.

As soon as operations commenced on the well bore, the reservoir immediately became active and started to flow gas to surface. Gas flows were not expected at this early stage of operations. This early and continuing occurrence of consistent gas flows, in excess of 200,000 cubic feet per day, before the installation of the pump is significant. Pumping operations to draw down the fluid level in well bore will create the optimum conditions to maximise production. The Company is now preparing to run the pump into the well bore. Once this operation is completed, the well will be turned into the sales line.

This well was completed by Marion as part of its Clear Creek development program. The well is connected to the gathering system and pipeline. From these encouraging early results, the well has the potential to be a significant gas producer as during previous testing in the initial well completion process, rates of over 1.5 million cubic feet of gas per day were observed. Gas flow is expected to increase as the fluid level is drawn down in the well bore and the back pressure is lowered on the reservoir. It is anticipated that the fluid level will need to be drawn down to approximately 200 feet above the pump to achieve optimum production rates.

The Company has a 100% working interest in the Clear Creek Project.

Further updates will be provided as workover operations progress

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