

7 September 2023

ASX Release Capital Raise Underway

Highlights:

- **Entitlement Offer of Shares launched.**
- **Shareholders entitled to three new Shares for every 100 Shares presently held, with subscribers also receiving two, free of charge, bonus Shares for every three Shares subscribed for.**
- **Company aims to raise approximately \$1.7m to fund operations in the lead up to drilling of the highly prospective Enterprise North-1 well.**

The Directors of Lakes Blue Energy NL (**Lakes**, or the **Company**; ASX:LKO) wish to ensure that Eligible Shareholders are aware of their entitlement to subscribe for Shares in the Company pursuant to an Entitlement Offer announced on 5 September 2023. A copy of the Prospectus for the offer together with an Entitlement and Acceptance Form will be sent to Shareholders on 12 September 2023.

The objective of the Entitlement Offer is to raise approximately \$1.7 million to fund Company operations in the lead up to drilling of the Enterprise North-1 exploration well, in Victoria, in 2024. Options for funding of the Company's 49% share of the actual cost of drilling the Enterprise North-1 well are being investigated. The Entitlement Offer affords Shareholders the opportunity to secure Shares on a discounted basis so as to increase their shareholding in the Company prior to drilling of the well.

Shareholders participating in the Entitlement Offer will receive, free of charge, two bonus Shares for every 3 new Shares they subscribe for. This means that the effective cost of each new Share is 0.06 cent, representing a forty percent discount from the price at which Shares have traded during 2023. Shareholders are entitled to three new Shares (plus the two bonus Shares) for every 100 Shares presently held, but are able to apply for Shares in excess of the base entitlement.

Full details of the Entitlement Offer and the Company's activities, including the Enterprise North-1 well, are set out in a Prospectus lodged with the Australian Securities and Investments Commission and the Australian Stock Exchange on 5 September 2023.

Land access and approvals processes for drilling of the Enterprise North-1 well are presently underway. Drilling of the well will mark the resumption of exploration activity onshore in Victoria, following the 2021 lifting of a Victorian exploration ban. The Enterprise North-1 well will target the highly prospective, onshore Enterprise North prospect, which has a prognosed (high case) potential of up 419 Billion cubic feet of gas in place (205 Bcf net to Lakes, see Note). Given its onshore location, Enterprise North will be low cost, both to drill and develop. The prospect is poised to be a significant source of supply of gas for southeastern Australia, where the Australian Energy Market Operator predicts shortages of gas supply that are already being experienced will worsen over coming months and through 2024.

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This announcement has been authorised and approved by the Board of Lakes Blue Energy NL for lodgement with ASX.

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Note: The resource estimate is as announced by the Company on 28 October 2022. The Company is not aware of any new information or data that materially affects the information included in the relevant market announcement and confirms that all the material assumptions and technical parameters underpinning the estimate in the relevant market announcement continue to apply and have not materially changed.