

Lakes Blue Energy (ASX : LKO)
ASX Announcement
1 March 2022
Victorian Work Programs Approved

Highlights:

- **Work programs for Victorian exploration tenements have been approved**
- **Work underway to secure approvals for drilling of Wombat-5 and Otway-1 conventional wells in Victoria**

The Directors of Lakes Blue Energy NL's (**Lakes**, or the **Company**; ASX:LKO) are pleased to advise that the Victorian Department of Jobs, Precincts and Regions has approved the Company's proposed work programs for its Victorian petroleum exploration tenements.

Although the work programs are unchanged from those that were in place prior to the August 2012 introduction of the Victorian exploration ban, following passing of the *Petroleum Legislation Amendment Act 2020*, which amended the *Petroleum Act 1998*, the Company was required to resubmit programs for approval. The work programs, once approved, become conditions of the respective tenements.

An overview of the history and status of the Victorian petroleum exploration ban is appended for information of shareholders. With the exploration ban lifted from 1 July 2021, the new governing regulatory framework in place from November 2021, and work programs now approved, the Company is now able to resume on-ground exploration activity in Victoria. As was announced on 23 February 2022, work is underway toward securing approvals for drilling of the Wombat-5 and Otway-1 conventional wells. Subject to receipt of approvals, it is envisaged drilling will commence around mid 2022.

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

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History and Status of Victorian Exploration Ban

Onshore petroleum exploration was initially banned in Victoria in August 2012. The ban was legislatively formalised in 2017 through passing of the *Resources Legislation Amendment (Fracking Ban) Act 2017*. The Fracking Ban Act permanently banned fracking and coal seam gas exploration, and put in place a ban on all other petroleum exploration until 30 June 2020.

The *Petroleum Legislation Amendment Act 2020* was passed by the Victorian Government in June 2020. That Act:

- extended the ban on conventional petroleum exploration by a further year, to 30 June 2021;
- gave all exploration tenements a new, 5-year term commencing 1 July 2021; and
- required new work programs to be submitted by 1 January 2021, for each exploration tenement.

Lakes Blue Energy submitted new work programs for each of the Company's tenements on 30 December 2020. These are the programs that were approved by the Department of Jobs, Precincts and Regions (DJPR) on 22 February 2022.

Although the ban on onshore petroleum exploration formally expired on 30 June 2021, exploration activities were not practically possible until November 2021, when new Petroleum Regulations were promulgated. The Petroleum Regulations govern operations in the onshore conventional petroleum sector.

Lakes Blue Energy's onshore Victorian exploration tenements comprise:

Tenement	LKO Interest	Comment / Near-term Commitment
PRL 2 (overall)	100%	Wombat gas field – to be drilled mid 2022*
PRL 2 (Trifon blocks)	57.5%	Trifon/Gangel gas field
PEP 169	49%	Otway-1 gas well – to be drilled mid 2022*
PEP 167	100%	-
PEP 175	100%	Multi-tcf Portland Energy Project
PEP 163	100%	-
PEP 166	100%	-
PRL 3	100%	DJPR refusing to process extension application

*Note: subject to receipt of approvals.

