

Lakes Blue Energy (ASX : LKO)

ASX Announcement

15 February 2022

Wellesley-2 Update

Highlights:

- **Gas shows around 3 times background encountered in Boxvale Formation during drilling of Wellesley-2 well**
- **Flow Testing of Boxvale Formation to be carried out after completion of drilling to TD**

The Directors of Lakes Blue Energy NL's (**Lakes**, or the **Company**; ASX:LKO) advise that the target, Boxvale Formation was intersected today at the Wellesley-2 well in Queensland. While the Formation was thinner and finer grained than prognosed, natural gas shows of 3 times background were encountered.

The natural gas shows are from gas that is contained within cuttings from the drill-hole. Gas from the Formation itself does not flow into the drill-hole since drilling is carried out with a mud-weight formulated to prevent flow of gas or liquids from the surrounding strata.

The Company will complete drilling to designed total depth (**TD**) and will then carry out a straddle test to isolate the Boxvale Formation and assess the potential for gas flows from the Boxvale Formation in the Wellesley structure.

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

For more information, please contact:

Richard Ash
Chairman

Tel: +61 3 9629 1566

Email: lakes@lakesoil.net.au

Website: www.lakesblueenergy.com.au