

This announcement contains inside information

88 Energy Limited PLACEMENT TO RAISE A\$14.9M

Highlights

- Share placement commitments to raise A\$14.9 million gross proceeds.
- Issue price of A\$0.009 per share represents a 18.2% discount to last closing price of A\$0.011 (9 August 2022) and a 18.9% discount to the VWAP on the ASX for the ten calendar days to 9 August 2022.
- Funds to be directed towards the planned Icewine East 2023 exploration well targeting 1.03 billion bbls of oil*, in addition to new ventures opportunities and working capital.

88 Energy Limited (ASX:88E, AIM:88E, OTC:EEENF) (**88 Energy** or the **Company**) is pleased to advise that it has successfully completed a bookbuild to domestic and international institutional and sophisticated investors to raise A\$14.9 million (equivalent to £8.59m) before costs (the **Placement**). This is to be achieved through the issue of 1,655,555,556 fully paid ordinary shares in the Company (the **New Ordinary Shares**) at an issue price of A\$0.009 (equivalent to £0.0052) per New Ordinary Share) (the **Placement Price**).

The funds raised under the Placement together with the Company's existing cash reserves (A\$6.1 million (equivalent to £3.52m) as at 31 July 2022), are to be used to fund the planned Icewine East well long lead, pre-planning and permitting activities including planning for a flow test program, contingencies, new ventures portfolio expansion opportunities, and working capital.

The Company is continuing to advance its planning for an Icewine East well in 2023, which is designed to include at least one flow test in the 4 reservoir targets, the subject of the recent Icewine East maiden and independently certified, total Prospective Resource estimate of 1.03 billion barrels of oil*. The resource estimate is the result of a period of review of an extensive data suite that included seismic data, logs from Icewine-1 and nearby wells adjacent to the Icewine East acreage, in addition to the recently completed petrophysical analysis and mapping.

The continuing interpretation of the FB3D seismic, including AVO analysis to define 'sweet spots' in each of the plays targeted, will assist with determining optimal future exploration and appraisal drilling locations in the Icewine East acreage.

88 Energy Managing Director, Ashley Gilbert, commented:

"Completion of this placement ensures 88 Energy is now funded to pursue securing long lead items and progress pre-planning and permitting for its planned Icewine East exploration well and flow test scheduled for 2023, which is targeting an estimated 1.03 billion bbls of oil. The Icewine East acreage has been de-risked by the recent and ongoing Pantheon drilling and flow tests on their adjacent acreage, as well as data from the Icewine-1 well logs and the recently leased Franklin Bluffs 3D data set.*

This work substantially increases our confidence in unlocking the potential of the Icewine East acreage, and the Company looks forward to updating shareholders on our planned exploration well in 2023."

*Gross mean total prospective resources. Refer to ASX announcement on 10 August 2022 for further details and refer to Cautionary Statement.

“88 Energy has also been actively assessing multiple new venture opportunities across the asset life cycle to expand our portfolio of assets and opportunity types. We are targeting assets that are complementary to the existing portfolio and provide shareholders with exposure to additional value creation potential.”

Euroz Hartleys Limited acted as Sole Lead Manager and Sole Bookrunner to the Placement. Cenkos Securities Plc is acting as 88 Energy’s Nominated Adviser and Sole Broker to the Placement in the United Kingdom. Inyati Capital Pty Ltd (**Inyati**) acted as Co-Manager to the Placement. Commission for the Placement was 6% (plus GST) of total funds raised across Euroz Harleys Limited, Inyati Capital Pty Ltd and Cenkos Securities Plc. In addition, the Company will issue 90,000,000 Unlisted Options (exercisable at \$0.02 on or before the date which is 3 years from the date of issue) in total to the managers of the Placement. The Broker Options will be subject to shareholder approval.

The issue of the 1,655,555,556 New Ordinary Shares is not subject to shareholder approval as the issuance will fall within the Company’s placement capacity pursuant to ASX Listing Rule 7.1. The New Ordinary Shares will rank pari passu with the existing ordinary shares in the Company, with DVP settlement scheduled for 19 August 2022 and allotment 22 August 2022. Application has been made for the New Ordinary Shares to be admitted to trading on AIM. It is expected that admission of the New Ordinary Shares to trading on AIM will occur at 8.00 a.m. on 22 August 2022.

Following the issue of the New Ordinary Shares, the Company will have 18,265,762,962 ordinary shares on issue, all of which have voting rights. The figure of 18,265,762,962 ordinary shares may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or change their interest in, the Company.

As referenced in the quote from the Managing Director above, the Company notes that it is continually in discussions with various parties with respect to new venture opportunities across the asset life cycle to expand its portfolio of assets and opportunities. Such potential opportunities are not announced until such time as the Company has agreed the material commercial and legal terms with the relevant counterparty or counterparties, and customary due diligence is completed. Until the material commercial and legal terms have been agreed and due diligence completed, there can be no guarantee that such discussions, whether or not they have been disclosed, will lead to the announcement or completion of a binding agreement.

Cautionary Statement: *The estimated quantities of petroleum that may be potentially recovered by the application of a future development project relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration, appraisal and evaluation are required to determine the existence of a significant quantity of potentially movable hydrocarbons.*

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, Dr Stephen Staley, who is a Non-Executive Director of the Company. Dr Staley has more than 37 years’ experience in the petroleum industry, is a Fellow of the Geological Society of London, and a qualified Geologist/Geophysicist 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. Dr Staley has reviewed the information and supporting documentation referred to in this announcement and considers the resource and reserve estimates to be fairly represented and consents to its release in the form and context in which it appears. His academic qualifications and industry memberships appear on the Company’s website and both comply with the criteria for “Competence” under clause 3.1 of the Valmin Code 2015. Terminology and standards adopted by the Society of Petroleum Engineers “Petroleum Resources Management System” have been applied in producing this document

This announcement has been authorised by the Board.

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