

25 November 2022

**ASX Release**  
**Chairman's Address to Annual General Meeting**

In my March 2021 address I noted that our primary objective was to achieve commercial gas production within three years. I am exceptionally pleased to confirm that what you will hear today is consistent with that objective. By the end of this financial year, we will be able to lodge with the Victorian Government all the paperwork necessary for the drilling of the three prospects in Victoria. This is with the aim of commencing the drilling of the first well, Enterprise North-1, before the end of the financial year, of course subject to rig availability and any Victorian and Federal approvals. This is critical, not only for Lakes, but for the benefit of all Victorians, desperately short of clean gas for home and industrial use, to assist with the reinvigoration of the Victorian economy.

Since our last Annual General Meeting we have achieved significant progress in moving our assets forward. As you would be aware, we have entered an arrangement with Total Energies of France for the testing and hopefully development of our PNG asset known as the Buna prospect. This transaction is typical, at least initially, what we are trying to do with our assets that are of global scale. The Buna prospect has an estimated 3.3 TCF of recoverable gas and is a company maker in its own right. Lake's arrangement with Total provides your company with a 25% carried interest in exchange for Total fully funding its basin studies (including seismic) before spending the first 30 million U.S. dollars on the first exploration well.

On the domestic front, our continued analysis of the Victorian assets has led to the identification of Enterprise North (in PEL 169) as our primary target. The Enterprise North target sits just 3 kms north of Beach's 2021 offshore Enterprise discovery which outlined 180 PJs of recoverable gas and flowed at a massive 61 MMcfd gas. Given the same geological province, highly productive target reservoir in the Waarre Sandstone with similar expected permeability and productivity, a very similar seismic signature, a lower cost onshore situation and proximity to plant and infrastructure, the prognosed 200 bcf target at Enterprise North is expected to be our first company maker. Your company is funded and has access to further funding to drill this target with Armour.

Lakes owns a 49% interest in this licence with the operatorship and 51% owned by Armour Energy. We continue to work closely with Armour on the exploration and development of this opportunity and on it being drilled by mid-2023. We have received significant interest from industry players who are seeking to leverage this opportunity with us via a farm in. Lakes will not be proceeding with a farm in unless the terms are exceptional, as we have also received offers from foreign and domestic equity providers to assist with drilling 100% of the opportunity.

At Lakes we are a small team, and we should recognise the effort and work of that team in achieving what we have since our last meeting. Both our COO Tim O'Brien and our CEO Roland Sleeman have

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worked tirelessly to get us to where we are today, and my fellow director Nick Mather has committed substantial amounts of his time and resource to assist Lakes with its workload. I would also like to thank Elissa Hansen and Nicholas Marshall for their guidance and support.

Most Importantly, I would also like to thank our shareholders for their patience and continued support. We are in constant contact with our shareholder base, and we are aware of the various blogs that are a constant source of conversation about Lakes and the challenges it faces and the opportunities it has. The board and management of your company are aware of those challenges and believe we have a plan in place to meet those challenges and deliver on the opportunities a high quality asset base provide.

Our objective since re-listing has always been commercial gas production in Victoria and subject to the regulatory time frame and approvals, we believe this is achievable in 2024.

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

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