

This announcement contains inside information

88 Energy Limited

20% WORKING INTEREST SUCCESSFULLY TRANSFERRED TO 88 ENERGY FOR STAGE 1 OF FARM-IN TO PEL 93

Highlights

- 20% working interest in PEL 93 successfully transferred (**WI Transfer**) to 88 Energy (or **the Company**) as part of Stage 1 of a three-stage farm-in agreement (**Farm-in Agreement**).
- WI Transfer follows approval by the Namibian Ministry of Mines and Energy.
- Stage 1 consideration of US\$0.7 million, with a carry of up to US\$3.0 million of 2024 work program to include acquisition of ~200 line-km of low-impact 2D seismic (**Seismic**).
- Farm-in Agreement provides entry into PEL 93, a vast 18,500km² onshore acreage position comprising blocks 1717 and 1817 in the Owambo Basin, Namibia (the **Licence**).
- Licence comprises an extensive lead portfolio, with ten significant independent structural closures identified from a range of geophysical and geochemical techniques.
- Considerable potential for more leads to be identified as dataset is expanded.
- Seismic acquisition planned for mid-2024 with potential initial exploration well targeting the Damara play as early as H2 CY2025.
- Namibia represents one of the last frontier oil and gas jurisdictions capable of delivering multi-billion barrel discoveries, as evidenced by recent offshore discoveries.
- The Company notes further Namibian offshore results in the Nambian Orange Basin, with GALP Energia confirming the discovery of a "significant column of light oil in reservoir-bearing sands of high quality", in their first exploration well (Mopane-1X) in block PEL83.
- Mopane-1X represents the fifth major oil discovery in under two years within the Orange Basin and confirms the extension of the petroleum play from TotalEnergies and Shell's acreage.

88 Energy Limited (ASX:88E, AIM:88E, OTC:EEENF) (**88 Energy** or the **Company**) is pleased to announce the successful WI Transfer by Monitor Exploration Limited (**Monitor**) to 88 Energy in relation to Petroleum Exploration Licence 93 (**PEL 93**), located in the Owambo Basin, Republic of Namibia (**Namibia**) following receipt of the approval of the Ministry of Mines and Energy.

In November 2023 88 Energy, via its wholly-owned Namibian subsidiary, executed a three-stage farm-in agreement for up to a 45% non-operated working interest in the onshore Petroleum Exploration Licence (PEL 93) covering 18,500km² of underexplored ground within the Owambo Basin in Namibia.

Forward work plan

The operator, Monitor, has utilised a range of geophysical and geochemical techniques to assess and validate the significant potential of the acreage since award of PEL 93 in 2018. It has identified 10 independent structural closures from airborne geophysical methods and partly verified these using existing 2D seismic coverage.

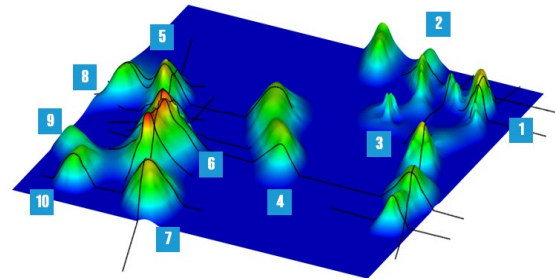
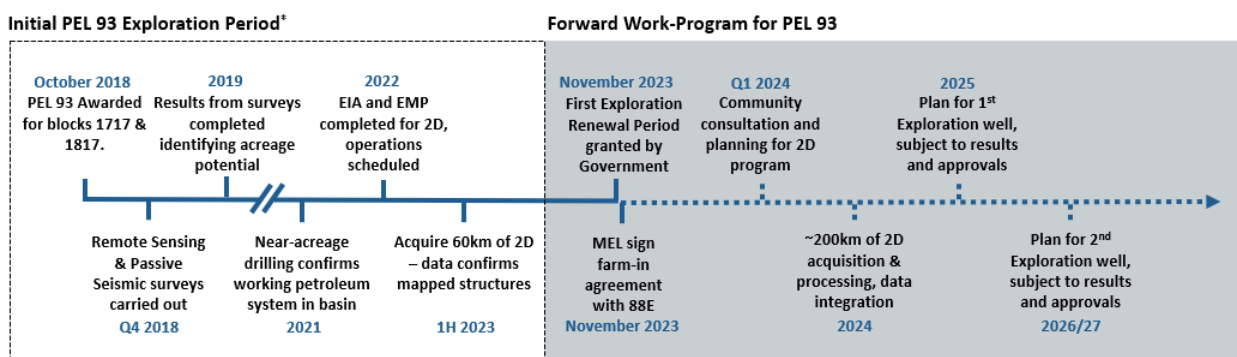


Figure 1: Lead inventory showing proposed 2D seismic program. (structural leads derived from airborne gravity data)

Further, ethane concentrations measured in soil samples over interpreted structural leads validates the existence of an active petroleum system, with passive seismic anomalies also aligning closely to both interpreted structural leads and measured alkane molecules (c1-c5) concentrations in soil.

The forward work-program will start with a low impact ~200 line-km 2D seismic program focusing on confirming the structural closures of the 10 independent leads identified. The 2D seismic program will be conducted in mid-2024 following a period of planning, public consultation, updating of environmental compliance requirements and receipt of relevant approvals. Results from the 2D seismic program will then be incorporated into existing historical exploration data over the acreage, with results used to identify possible exploration drilling locations.

An indicative forward work-program is shown below:



*Initial Exploration Period extended by 2 months in Q2 2022, until Oct 2023

The forward work-program is subject to exploration results and relevant Government and Joint Venture approvals

Background; Farm-In Agreement

The Farm-In Agreement was executed on 13th November 2023, between Eighty Eight Energy (Namibia) (Pty) Ltd (**88EN**), a newly formed, wholly-owned subsidiary of 88 Energy and private Namibian company, Monitor Oil and Gas Exploration (Namibia) Pty Ltd (**MELN**), a wholly-owned subsidiary of Monitor. **Following the WI Transfer, 88EN now holds a 20% working interest in the Licence**, MELN retains a 55% working interest and acts as Operator of the exploration and development of PEL 93. Private Namibian company, Legend Oil Namibia (Pty) Ltd (**Legend**) holds a 15% working interest and and Namibian government entity National Petroleum Corporation of Namibia (Pty) Ltd (**NAMCOR**) holds a 10% working interest in the Licence. Under the terms of the Farm-In Agreement 88EN is, together with the other three working interest owners, party to a new Joint Operating Agreement (**JoA**) in relation to the Licence.

88EN may earn up to a total **45% working interest in PEL 93** by funding its share of agreed costs under the 2024 work program and budget as defined in the Farm-In Agreement and any future work program budgets yet to be agreed. The maximum total investment costs are anticipated to be US\$18.7 million.

The current and potential future PEL 93 Joint Venture partners and working interests are as follows:

Entity	Pre Farm-in	Stage 1 - Current (Past costs & 2D)	Stage 2 (1 st Well)	Stage 3 (2 nd Well)
Monitor*	75.0%	55.0%	37.5%	30.0%
Legend	15.0%	15.0%	15.0%	15.0%
NAMCOR	10.0%	10.0%	10.0%	10.0%
88 Energy	-	20.0%	37.5%	45.0%

*Operator

Stage 1 schedule to earn a 20% working interest in the Licence is complete and comprises:

- 1st instalment: US\$0.28 million cash on signing for partial payment of back costs (**Completed**);
- 2nd instalment: US\$1.25 million to be paid in 88 Energy shares on signing for part payment of the 2D seismic carry (**Completed**);
- 3rd instalment: US\$1.25 million to be paid in 88 Energy shares upon approval of the Licence WI Transfer by the Namibian government, as a further payment in relation to the 2D seismic program carry (**Completed**); and
- 4th Instalment: US\$0.9 million in cash to be paid on or before 1 June 2024 for remaining payment of back costs and 2024 work-program carry.

The 2nd instalment payment of US\$1.25 million was paid by issuing 322,147,513 new ordinary shares in the Company at a deemed issue price of A\$0.006 per share on 11 December 2023.

The 3rd instalment payment of US\$1.25 million was paid by issuing 397,947,229 new ordinary shares in the Company at a deemed issue price of A\$0.0048 per share today following receipt of the Namibian government approval.¹

Both the second and third instalment shares were issued under Exception 16 (paragraph (b)) under ASX Listing Rule 7.2, with the Company having relied on Listing Rule 7.1 placement capacity at the time that it entered into the agreement to issue these shares. Under ASX Listing Rule 7.4 at the General Meeting held on 15 January 2024, the resolutions were passed for 2nd and 3rd instalments.

The New Ordinary Shares will rank pari passu with the existing ordinary shares in the Company with settlement on the ASX today. Application has been made for the New Ordinary Shares to be admitted to trading on AIM (**Admission**), with Admission expected to occur on or around 27 February 2024.

Following the issue of the New Ordinary Shares, the Company will have 25,123,367,790 ordinary shares on issue, all of which have voting rights. The figure of 25,123,367,790 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.

1. Working interest approval was dated 19 February 2024 and the 5-day WVAP per the subscription agreement up to and including the signed approval date with AU/USD exchange rate on 19 February 2024.

This announcement has been authorised by the Board.

Media and Investor Relations

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