

Lakes Commences Drilling at Wombat-5 Well, Victoria Daily Drilling Report #1

HIGHLIGHTS:

- **Lakes has spudded the Wombat-5 well in Victoria's Gippsland Basin, targeting near-term gas supply to the east coast market**
- **Wombat Gas Field hosts a 2C contingent resource of 329 BCF, part of a combined 719 BCF¹ resource including adjacent Trifon-Gangell field**
- **Wombat-5 is targeting the productive Strzelecki Formation, with independently assessed potential to deliver up to 10 TJ/day² of conventional gas**
- **Drilling and completion of the well is expected to take approximately four weeks to reach total depth and run the swellable packer completion, subject to conditions**

Lakes Blue Energy NL (ASX: LKO) (Lakes or the Company) is pleased to advise that drilling of the Wombat-5 conventional gas well has officially commenced at the Company's 100%-owned Wombat Gas Field in Victoria's onshore Gippsland Basin.

The Wombat-5 well was spudded at 6am this morning, following completion of site works, rig establishment and the arrival of the third party services.

Wombat-5 will be drilled as a horizontal well to a planned total depth of approximately 3,050 metres (1,420 true vertical depth), targeting the gas-bearing zones of the Strzelecki Formation. The well is designed to confirm reservoir deliverability and support future development of the field.

The Wombat Gas Field is in close proximity to existing infrastructure, including the Longford gas hub and major east coast transmission pipelines, providing a potential low-cost pathway to market. The well forms part of Lakes' broader strategy to bring new domestic gas supply online amid tightening conditions on Australia's east coast.

¹ See pages 4 and 5 of LKO Quarterly Activities Report, 31 March 2025, for sources of estimates. The Company confirms that all the material assumptions and technical parameters underpinning these estimates continue to apply and have not materially changed.

² 1 TJ per day is a Terajoule or 1000 GJ (giga joules) per day. A giga joule is the basis for quoted gas prices which typically range from \$12/ GJ (contract) to \$20/GJ on the recent spot market in Victoria. 1 million cubic feet is equal to 1GJ.

Drilling and completion of Wombat-5 is expected to take approximately four weeks. The rig will then be demobilised from site and the surface well test package and coiled tubing unit will be mobilised to site to conduct the production test of the well. Subject to results, the Company will evaluate options for further extended testing and potential tie-in to sales infrastructure.

Lakes Chairperson, Mr. Roland Sleeman, commented: *"Spudding Wombat-5 is a major step toward unlocking a significant and strategically located gas resource. With a large resource, established infrastructure close by, and rising demand for domestic supply, we see a real opportunity for Wombat to become a meaningful contributor to Victoria's energy mix. We're excited to be getting underway."*

The status of drilling operations at Wombat-5, as at 8.00am AEST this morning, is as set out below:

Days from spud	0
Current depth	41m (MD)
Hole size	12-1/4"
Last casing point	13-3/8" conductor set at 12m
Current formation	Jeremys Point Formation
Target formation	Strzelecki Formation
Target formation depth	1360m TVD
HS&E LTIs	0

The Company will provide daily updates as drilling progresses.

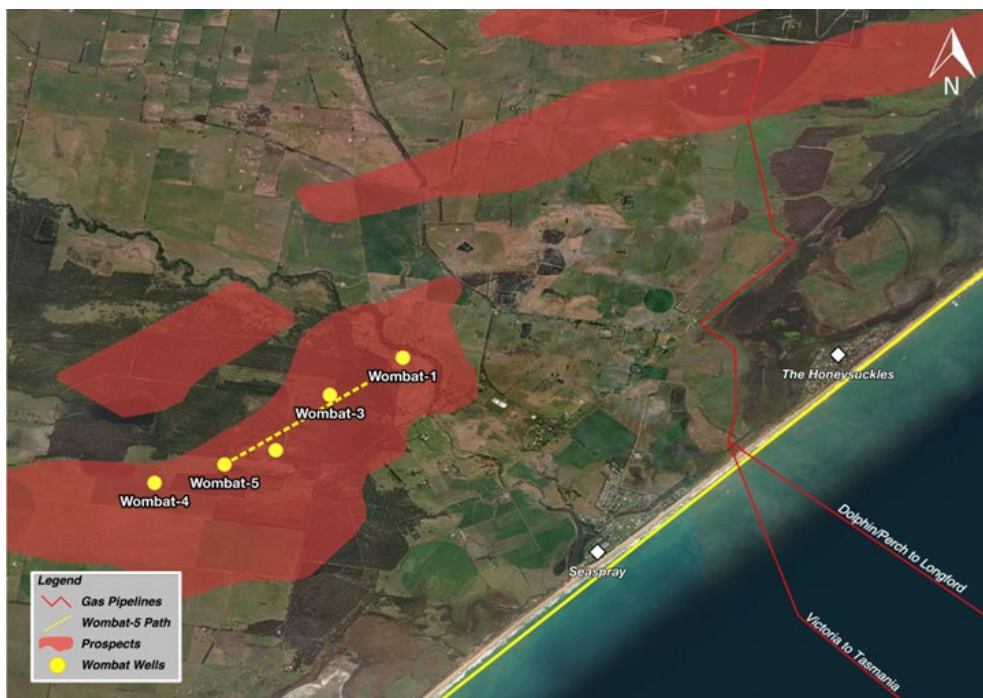


Figure 1 – Map showing the proposed path of the lateral component of the Wombat-5 well

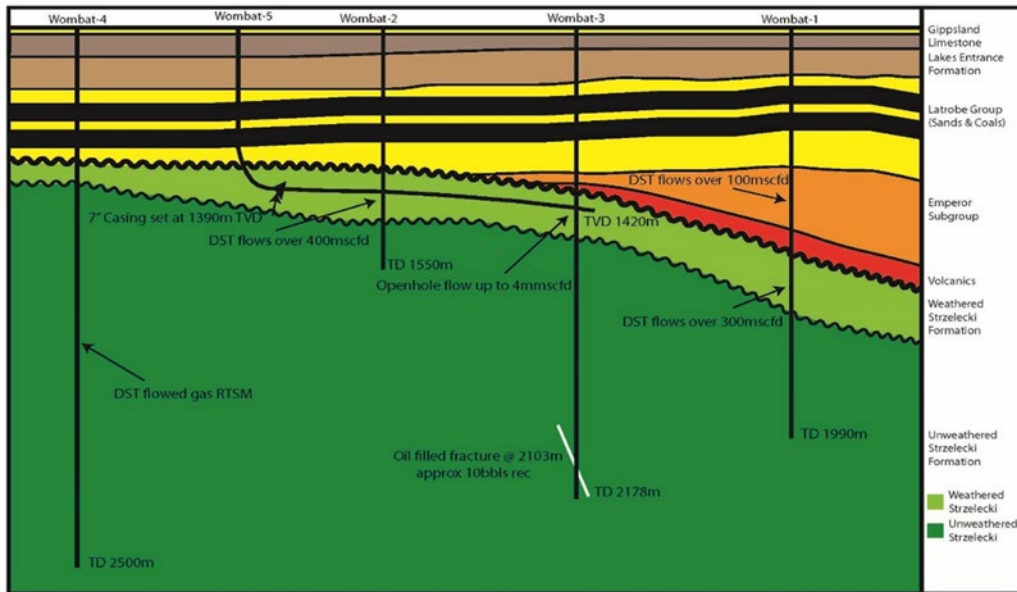


Figure 2 – Cross section of the proposed path of the Wombat-5 well, including previous wells drilled prior to 2013

This announcement was authorised by the Board of Lakes Blue Energy.

For enquiries regarding this release please contact:

Roland Sleeman

Chairperson

Tel: +61 3 9629 1566