

Wombat-5 Well, Gippsland Basin, Victoria Drilling Update

The Board of Lakes Blue Energy is pleased to be able to provide the following update on drilling operations at Wombat-5, side-track-2 (ST-2). As at 8:00 am AEST today, the status of the well is as set out below:

Days from spud	48
Current depth	2,273 mRT ¹ MD ² ; 1,401 mRT TVD ³
Horizontal length	721m
24hr Progress	73m
Hole size	6-1/8"
Last casing point	7" set at 1549.1 mRT MD; 1,392 mRT TVD
Current formation	Strzelecki Formation
Target formation	Strzelecki Formation
Target formation depth	1,410 mRT MD; 1,356 mRT TVD
HS&E LTIs	0

The bottom hole assembly, incorporating a downhole motor, was run into the hole to clear out the suspected debris, which was impeding progress whilst using the rotary steerable tool, and to get the wellbore back onto the desired well path. There was no sign of any debris as the assembly was run in to the hole, and the hole was seen to be in good condition. The contractor resumed drilling from 2,200 mRT MD whilst dropping inclination to get the wellbore back onto the desired well path.

Further significant gas shows of up to 1,565 units or 310,000 ppm (31% gas, comprising C1 to C5⁴) have been encountered in good quality, medium grained sandstones as the well has drilled ahead in 6-1/8" hole. There remains 777 metres to be drilled in order to reach the target total depth of approximately 3,050 mRT MD.

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

For enquiries regarding this release please contact:

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1. mRT means metres below the rotary table, effectively metres below the drilling rig floor.

2. MD means measured depth

3. TVD means true vertical depth

4. C1 to C5 gas shows refers to methane, ethane, propane, butane and pentane gases evident in the drilling muds returned to the surface.

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