

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-1 (ST-1). As at 8:00 am AEST today the status of the well is as set out below:

Days from spud	10
Current depth	1,091 mRT ¹ (MD ²)
24 hrs progress	20 m
Hole size	8-1/2"
Last casing point	9-5/8" set at 302.4 mRT (MD)
Current formation	Latrobe Group
Target formation	Strzelecki Formation
Target formation depth	1,360 mRT (TVD ³)
HS&E LTIs	0

After successfully kicking off the well at 1,050 mRT toward the northeast, the well was drilled to a depth of 1,091 mRT and its inclination built up to approximately 5 degrees. At that point, simultaneous failure of both mud pumps resulted in a loss of mud circulation in the hole and drilling progress was halted. The mud pumps, owned and operated by the drilling contractor, are required to circulate mud that carries cuttings from the drill bit back to the surface. The cause of their failure is still being investigated. Remediation works are being conducted to re-establish circulation and get drilling underway again.

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

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