

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	47
Current depth	2,200 mRT ¹ MD ² ; 1,400 mRT TVD ³
Horizontal length	678m
24hr Progress	0m
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

After removal of the drill string from the hole inspection revealed minimal damage to the bottom hole assembly (BHA) being scouring on the outside of the drill collars likely to be caused by suspected abrasive metal debris embedded in the side of the hole. The opportunity was taken to run a cement bond log (CBL) along the length of the 7" casing, from 1,500 mRT to surface.

A new directional BHA was then made up and is presently being run into the hole to commence removal of any further obstruction, and to resume drilling ahead in 6-1/8" hole to total depth at 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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