

Wombat-5 Well, Gippsland Basin, Victoria Drilling Update

Wombat-5 Reaches Planned Total Depth at 3,052m Further High Gas Shows Over The Final 200 metres

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	54
Current depth	3,052 mRT ¹ MD ² ; 1,421 mRT TVD ³
Horizontal length	1,500m
24hr Progress	136m
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 Wombat-5 well has reached total depth of 3,052mRT (MD) with 1500m of horizontal hole drilled through the gas saturated interval at the top of the Strzelecki Formation. This is the proposed terminal depth and as such drilling has now stopped and the contractor is now pulling out of the hole in preparation for the 4-1/2" swellable packer completion to be run into the hole.

Further good quality, gas saturated sands were encountered with excellent gas shows of up to 1,791 units or 358,200 ppm (35.82%, C1 to C5⁴) in good quality, fine to med grained sandstones which correlate to the best recorded sand packages encountered in the Wombat-3 well.

Lakes Blue Energy's Chair noted:

"The board is further encouraged by the impressive gas shows in good quality sands in the final 200 metres of the well near Wombat 3"

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

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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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