

Wombat-5 Well, Gippsland Basin, Victoria Update – Production Casing In Progress

The Board of Lakes Blue Energy provides 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	59
Current depth	3,052 mRT ¹ MD ² ; 1,421 mRT TVD ³
Horizontal length	1,500m
24hr Progress	Production Casing run to 2,185 mRT
Hole size	6-1/8"
Last casing point	7" set at 1,549.1 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 conditioning the hole to 2,450 mRT the cleanout bottom hole assembly was pulled from the hole and equipment for running the 4-1/2" completion was rigged up. The completion includes swellable packers, sliding sleeves to access gas zones and distributed temperature sensing optic fibre cable to assist in sensing gas flows from individual zones.

The 4-1/2" swellable packer completion is now being run into the hole. It is presently at a depth of 2,185 mRT. The completion will be positioned at a depth of 2,440 mRT to facilitate gas production from the two major gas zones behind it. The third, deeper major gas zone is expected to be accessible on a 'barefoot' basis via the bottom of the completion.

After installation of the completion the gas production wellhead will be installed at the top of the well and the drilling rig will be demobilised. The site will then be secured pending the arrival of a workover unit and gas flow test package, scheduled for 10 November to allow time for the swellable packers to set.

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