

12th February 2020

88 Energy Limited

Operations Update

88 Energy Limited ("88 Energy" or the "Company", ASX:88E, AIM 88E) is pleased to provide the following update related to operations for the upcoming Charlie-1 appraisal well, on the North Slope of Alaska.

Highlights

- Ice road now >80% complete
- Permit to Drill approved for Charlie-1 appraisal well
- Spud on track for late February

Detail

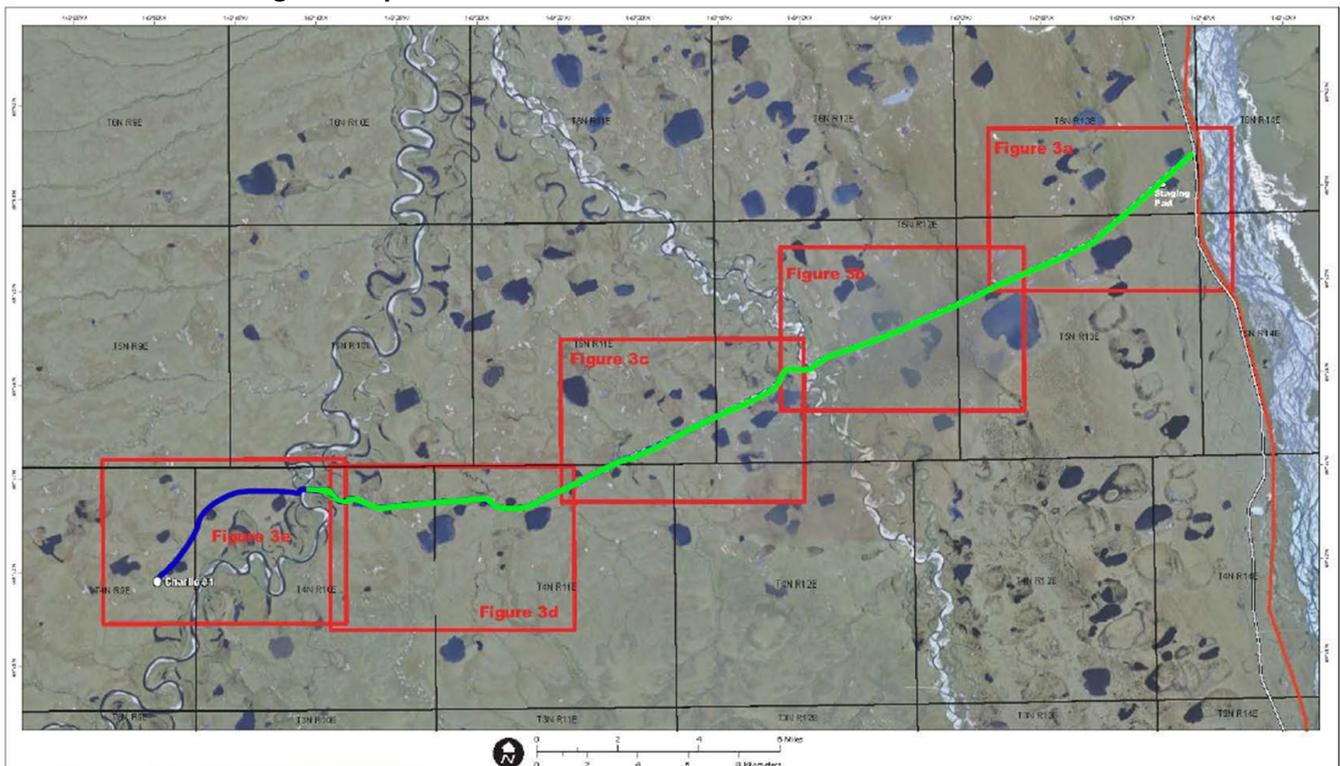
The ice road to the Charlie-1 location is now >80% complete and expected to be finished in the next two weeks. Ice pad construction is due to commence shortly and mobilisation of the Nordic Rig#3 to site should begin in approximately 10 days. Consequently, spud of Charlie-1 is anticipated in late February.

The Permit to Drill was approved on the 11th February and all permits required for drilling of Charlie-1 are now in hand.

A presentation detailing the drilling timetable and testing program will be released to the market prior to spud.

Managing Director of 88 Energy, Dave Wall, stated: *"Excellent progress has been made on the ice road construction, despite extremely cold temperatures. All permits are now in hand ahead of the scheduled spud in late February."*

Charlie-1 Ice Road Progress Map



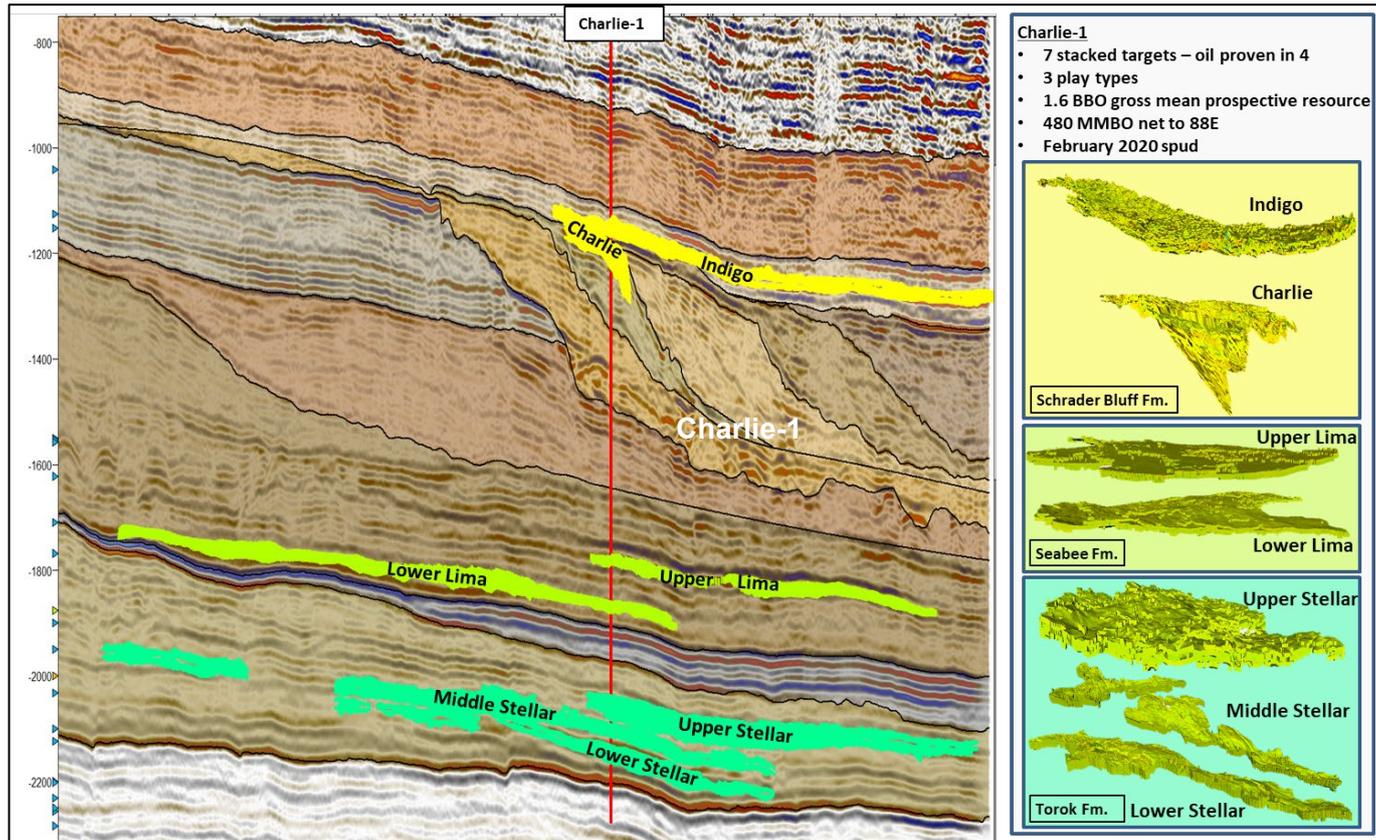
About the Charlie-1 Appraisal Well

The Charlie-1 appraisal well has been designed as a step out appraisal of a well drilled in 1991 by BP Exploration (Alaska) Inc called Malguk-1. Malguk-1 encountered oil shows with elevated resistivity and mud gas readings over multiple horizons during drilling but was not tested due to complications towards the end of operations, which resulted in lack of time before the close of the winter drilling season. It was also drilled using vintage 2D seismic, which was insufficient to adequately determine the extent of any of the prospective targets encountered.

88 Energy subsequently undertook revised petrophysical analysis, which identified what is interpreted as bypassed pay in the Malguk-1 well. 88E also completed acquisition of modern 3D seismic in 2018, in order to determine the extent of the discovered oil accumulations. Charlie-1 will intersect seven stacked prospects, four of which are interpreted as oil bearing in Malguk-1 and are therefore considered appraisal targets. 88 Energy will operate Charlie-1, via its 100% owned subsidiary Accumulate Energy Alaska, Inc, with cost of the well to be funded by Premier Oil Plc up to US\$23m under a recent farm-out agreement. Drilling is scheduled to commence in February 2020 with flow testing anticipated to conclude in April 2020. The total Gross Mean Prospective Resource across the seven stacked targets to be intersected by Charlie-1 is 1.6 billion barrels of oil (480 million barrels net to 88E). Refer announcement dated 23rd August.

Cautionary Statement: The estimated quantities of petroleum that may be potentially recovered by the application of a future development project relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration, appraisal and evaluation are required to determine the existence of a significant quantity of potentially movable hydrocarbons.

Charlie-1: Seven Stacked Horizons



CHARLIE-1 TARGETS	Prospective Oil Resource (MMBO): Post Farm-Out (Aug '19)					
	Horizon/Play	Low	Best	High	Gross Mean	Net Mean to 88E
Indigo Discovery	Schrader / Topset	225	358	543	374	112
Charlie Prospect	Schrader / Topset	126	201	304	210	63
Lima Discovery / Prospect (stacked)	Seabee / Apron Fan	105	323	713	376	113
Stellar Prospect / Discovery (stacked)	Torok / Fan Channel	320	604	999	639	192
CHARLIE-1 APPRAISAL WELL TOTAL					1,599	480

This announcement has been authorised by the Board.

Yours faithfully



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