

10th November 2020

This announcement contains inside information

88 Energy Limited

Large Independently Assessed Resource at Project Icewine

88 Energy Limited ("88 Energy" or the "Company", ASX:88E, AIM 88E) is pleased to provide the following update related to its Project Icewine on the North Slope of Alaska.

Highlights

- Total Prospective Resources of 1.77 billion barrels of oil equivalent*
- Substantial oil volume in the Seabee formation – 1.4 billion barrels*
- Farm-out process for 2022 drilling at Project Icewine to commence immediately

*Gross mean unrisks prospective resource

Detail

Independent Prospective Resources estimates were prepared at Project Icewine for prospects in the vicinity of the recently drilled Charlie-1 well by ERCE Equipoise Pte Ltd (ERCE) and are tabulated below. Significantly, the majority of the resource has been estimated within the Seabee formation, which has been interpreted as part of one large stratigraphic accumulation over multiple, potentially connected, sand bodies in the Lima Fan System. Excellent oil saturations were observed in cores taken from this horizon during the drilling of Charlie-1. There was no flow test at this horizon in Charlie-1 and, consequently, reservoir deliverability remains to be established. However, given the significant size of the estimated resource, 88 Energy is confident that it will be able to attract a partner to fund drilling of additional wells to evaluate the flow potential in the Seabee. The Company is also optimistic about the potential for light oil in the Torok, which could enhance value substantially.

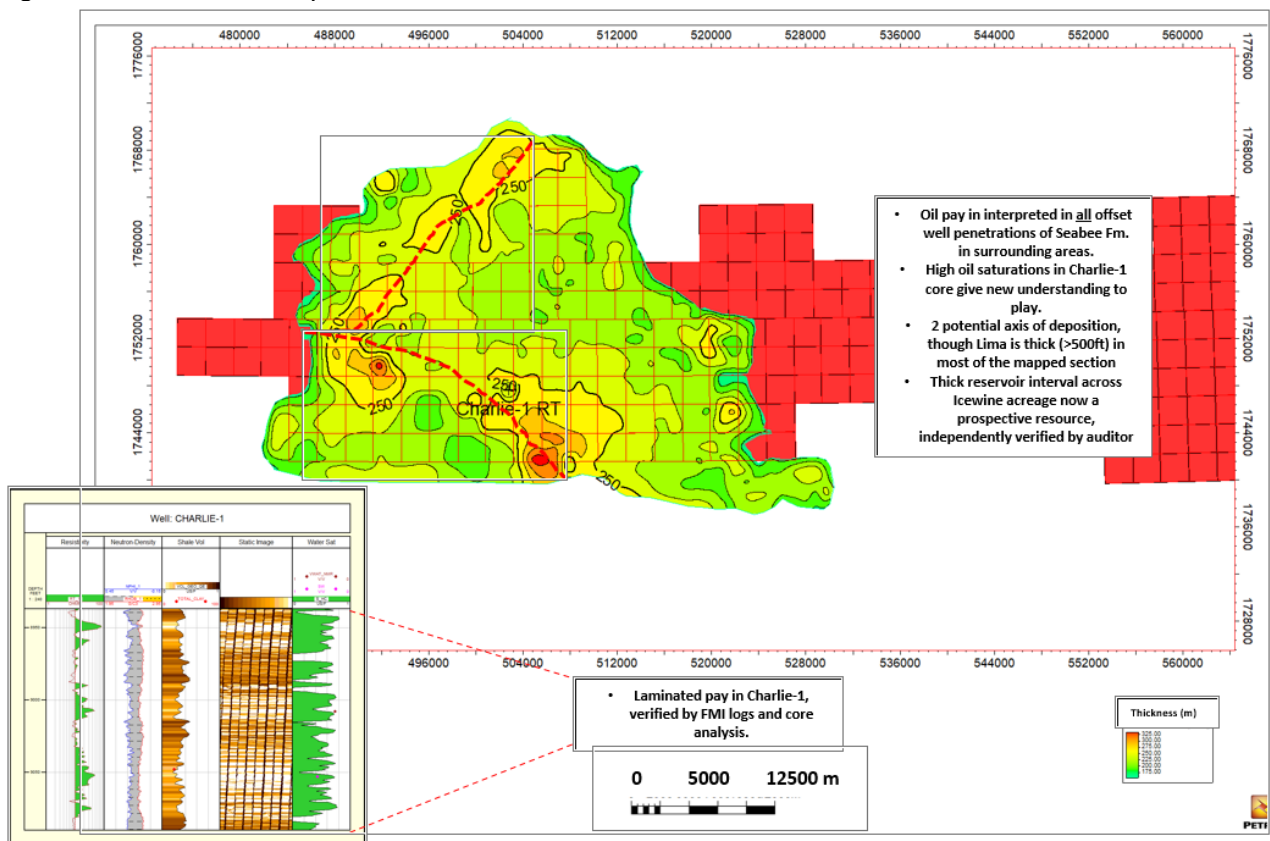
Prospect (Reservoir)	Expected Phase / (Chance of Phase) ⁴	Unrisks Net Entitlement to 88E Prospective Resources (MMboe) ^{1,2,3}				Geological Chance of Success (COS)	Chance of Development (COD) ⁶
		1U	2U	3U	Mean		
Lima Fan (Seabee)	Oil (100%)	134.1	612.6	1755.9	888.6	40%	30%
Stellar F1 (Torok)	Oil (60%)	4.7	17.0	50.6	25.3	70%	30%
Stellar F3-1 (Torok)	Oil (60%)	1.9	6.8	23.3	11.0	60%	30%
Stellar F4 (Torok)	Oil (60%)	6.2	22.1	76.7	36.9	60%	30%
Stellar F5/6 (Torok)	Oil (60%)	7.2	27.2	102.0	46.0	20%	30%
Stellar F2 (Torok)	Gas (60%)	13.2	35.8	83.9	44.1	80%	10%
Stellar F3-2 (Torok)	Gas (60%)	16.0	46.3	115.7	59.0	80%	10%
Total					1,110.9⁵		

1. 88 Energy net resources have been calculated using a 75% working interest and 16.5% royalty
2. Prospective Resources have been assessed on the basis that they are unconventional in nature
3. MMboe estimates include condensate but exclude associated gas and assume a conversion of 6,000scf equivalent to 1bbl
4. Prospects are subject to a phase risk (oil vs gas). ERCE has volumetrically assessed most likely phase only. Phase risk has not been applied to the unrisks numbers.

5. The unrisks means, which have been arithmetically summed, are not representative of the expected total from the prospects and implies a success case in all reservoir intervals
6. Quantifying the chance of development (COD) requires consideration of both economic contingencies and other contingencies, such as legal, regulatory, market access, political, social license, internal and external approvals and commitment to project finance and development timing. As many of these factors are outside the knowledge of ERCE they must be used with caution.

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.

Figure 1. Lima Fan Complex



Managing Director of 88 Energy, Dave Wall, stated: "The net potential to 88E in the Lima Fan System was estimated internally by 88E at around 100 million barrels prior to the drilling of Charlie-1. With this large independent upgrade and the recent increase in working interest in the leases, this potential has now improved to almost 900 million barrels net to 88E – an outstanding result for our shareholders. Resources of this size are why we are operating in Alaska and we are on the cusp of drilling at another similarly sized opportunity at one of our other projects, Project Peregrine."

This announcement has been authorised by the Board.

Yours faithfully



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Pursuant to the requirements of the ASX Listing Rules Chapter 5 and the AIM Rules for Companies, the technical information and resource reporting contained in this announcement was prepared by, or under the supervision of, Dr Stephen Staley, who is a Non-Executive Director of the Company. Dr Staley has more than 35 years' experience in the petroleum industry, is a Fellow of the Geological Society of London, and a qualified Geologist/Geophysicist who has sufficient experience that is relevant to the style and nature of the oil prospects under consideration and to the activities discussed in this document. Dr Staley has reviewed the information and supporting documentation referred to in this announcement and considers the prospective resource estimates to be fairly represented and consents to its release in the form and context in which it appears. His academic qualifications and industry memberships appear on the Company's website and both comply with the criteria for "Competence" under clause 3.1 of the Valmin Code 2015. Terminology and standards adopted by the Society of Petroleum Engineers "Petroleum Resources Management System" have been applied in producing this document.

Glossary of Key Terms

<i>1U</i>	Denotes the unrisks low estimate qualifying as Prospective Resources.
<i>2U</i>	Denotes the unrisks best estimate qualifying as Prospective Resources
<i>3U</i>	Denotes the unrisks high estimate qualifying as Prospective Resources
<i>Barrel of Oil Equivalent (BOE)</i>	The term allows for a single value to represent the sum of all the hydrocarbon products that are forecast as resources. Typically, condensate, oil, bitumen, and synthetic crude barrels are taken to be equal (1 bbl = 1 BOE). Gas and NGL quantities are converted to an oil equivalent based on a conversion factor that is recommended to be based on a nominal heating content or calorific value equivalent to a barrel of oil.
<i>Chance</i>	Chance equals 1-risk. Generally synonymous with likelihood.
<i>Chance of Development</i>	The estimated probability that a known accumulation, once discovered, will be commercially developed.
<i>Entitlement</i>	That portion of future production (and thus resources) legally accruing to an entity under the terms of the development and production contract or license.
<i>Mean</i>	The sum of a set of numerical values divided by the number of values in the set.
<i>MMboe</i>	Million barrels of oil equivalent

<i>Prospect</i>	A project associated with a potential accumulation that is sufficiently well defined to represent a viable drilling target.
<i>Prospective Resources</i>	Those quantities of petroleum that are estimated, as of a given date, to be potentially recoverable from undiscovered accumulations.
<i>Reservoir</i>	A subsurface rock formation that contains an individual and separate natural accumulation of petroleum that is confined by impermeable barriers, pressure systems, or fluid regimes (conventional reservoirs), or is confined by hydraulic fracture barriers or fluid regimes (unconventional reservoirs).
<i>Royalty</i>	A type of entitlement interest in a resource that is free and clear of the costs and expenses of development and production to the royalty interest owner. A royalty is commonly retained by a resources owner (lessor/host) when granting rights to a producer (lessee/contractor) to develop and produce that resource. Depending on the specific terms defining the royalty, the payment obligation may be expressed in monetary terms as a portion of the proceeds of production or as a right to take a portion of production in-kind. The royalty terms may also provide the option to switch between forms of payment at discretion of the royalty owner
<i>Working Interest</i>	An entity's equity interest in a project before reduction for royalties or production share owed to others under the applicable fiscal terms.