

19th October 2020

This announcement contains inside information

88 Energy Limited

Project Icewine Working Interest Increased Ahead of Independent Resource Estimate

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

Highlights

- "Area A" leases at Project Icewine now formally re-assigned to 88 Energy
- Independent resource estimate at Project Icewine, integrating the results from Charlie-1, due within weeks
- Good progress on the Project Peregrine farm-out – deal on schedule for year-end close
- Permitting and planning for 2 well program at Project Peregrine on track for 1Q 2021 spud

Detail

88E's working interest on approximately 40% of the gross Project Icewine lease position has increased from 30% to 75% in the area surrounding the recently successful Charlie-1 well (a net increase of ~85,000 acres) following the re-assignment of leases in "Area A". Work related to an independent resource estimate in this area is progressing and is expected to conclude in the coming weeks. Both the increase in acreage and the independent resource estimate are expected to facilitate ongoing farm-out discussions at Project Icewine.

Additionally, recent work on core and cuttings from Charlie-1 supports the presence of a liquid oil phase in the Torok, with microthermometry showing oil inclusions with 46-49 degree API (condensate) as well as 37-42 API (volatile oil). This confirms the conclusions of previous analysis which indicated excellent liquid hydrocarbon saturations, specifically:

- Nuclear Magnetic Resonance / Dean Stark saturations (showing 25-57% liquid hydrocarbon saturation in sidewall cores from the Torok in Charlie-1); and
- thermal maturity from both gas isotopes and visual kerogen analysis (demonstrating source rocks directly beneath the Torok at Charlie-1 are in the early mature oil window).

The farm-out process at Project Peregrine has progressed through technical due diligence for multiple parties and several initial non-binding offers have been received. Whilst encouraging for the scheduled close of a deal prior to year-end, there can be no guarantee that a deal will be completed within this timeframe.

Permitting, planning and contracting works associated with the drilling of the Merlin and Harrier prospects at Project Peregrine remain on schedule for spud of the first well in 1Q 2021.

Managing Director of 88 Energy, Dave Wall, stated: *"We are very pleased with how the Company is currently positioned and look forward to closing out several material items in the near-term."*

Reporting requirements under LR 5.30

The Charlie-1 well is located on the North Slope of Alaska, ADL 393380, where 88 Energy has a 75% working interest. The well penetrated sandstones in seven stacked targets and shale in one target. No flow tests were undertaken; however, gas condensate samples were retrieved to surface from the Torok formation at 10,506' and 10,656' using a downhole sampling tool (Ora) run during the wireline operation.

This announcement has been authorised by the Board.

Yours faithfully



Dave Wall
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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.