

14 July 2021

This announcement contains inside information

88 Energy Limited

Merlin-1 Testing Program Update

88 Energy Limited ("**88 Energy**" or the "**Company**", ASX:88E, AIM:88E, OTC:EEENF) is pleased to provide the following update in relation to its operations on the North Slope of Alaska and the ongoing testing programme following the drilling of the Merlin-1 well.

Highlights

- Additional Phase One geochemical analysis of fluid extracts from Merlin-1 core samples again demonstrates the presence of hydrocarbons.
- Results from Phase Two of side-wall core trim analysis are expected in the next few weeks, including quantitative extraction, SARA, isotopes and biomarker analysis.
- Phase Two is designed to confirm not only the presence of oil but also the nature of the source rock, enhancing understanding of the likely quality of the oil as well as migration pathways.
- VAS and gas analysis results also expected in coming weeks.
- Final analysis and results from Merlin-1 post well testing program expected to be concluded by end of July with announcement of full results summary targeted for early August.

88 Energy has received additional Phase One results for the remaining thirteen of eighteen specifically selected trims from the Merlin-1 side wall cores. Five of these thirteen trims confirmed the presence of hydrocarbons. This is in addition to the presence of hydrocarbons being confirmed in two of the first five trim results previously received (see 88E release dated 24 June 2021).

The additional five trims which confirmed the presence of hydrocarbons were again at depths that were among the most prospective zones noted during drilling as well as during post well testing analysis. The weight of evidence related to the prospectivity of these zones continues to build and is highly encouraging.

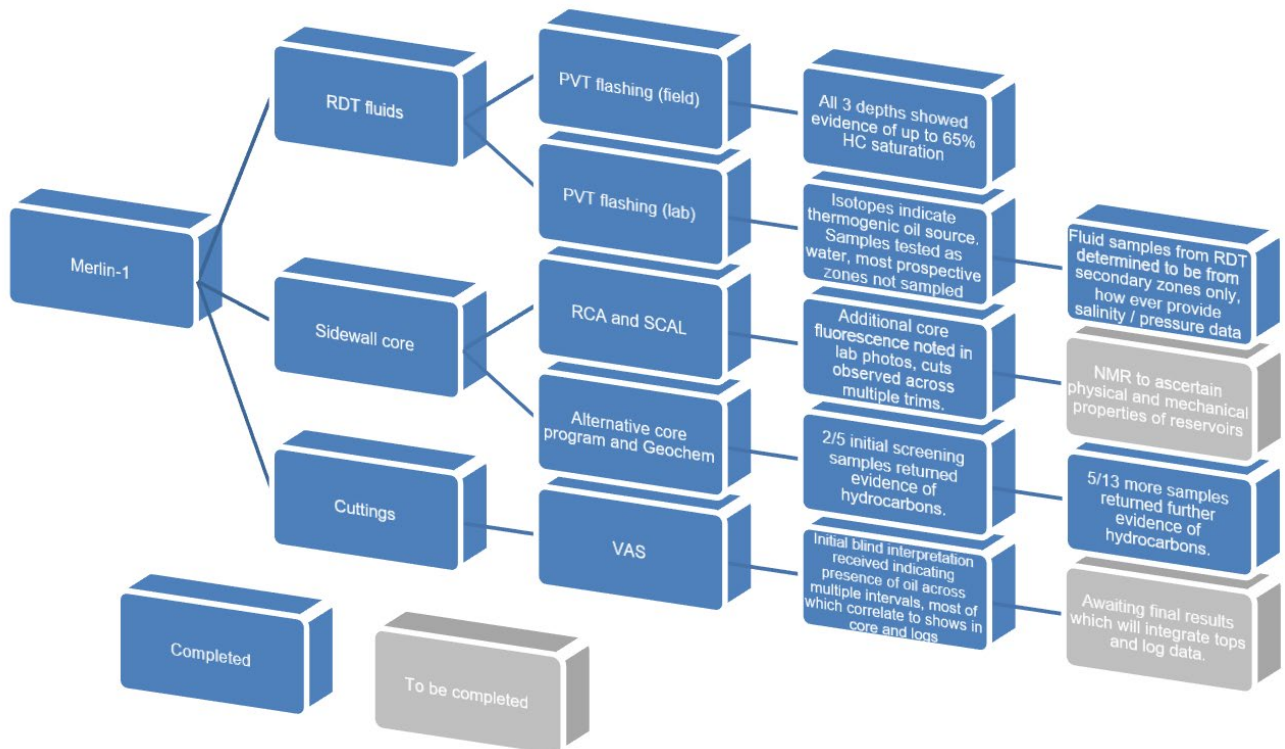
Phase Two of the geochemical analysis program on the side-wall core trims has commenced. This includes quantitative extraction, SARA (saturate, aromatic, resin and asphaltene analysis), isotopes and biomarkers analysis. Phase Two results are expected to be received in the next two to three weeks, with the analysis designed to confirm not only the presence of oil but also the nature of the source rock. This is targeted at enhancing understanding of the likely quality of the oil as well as migration pathways, which is critical for understanding regional implications on prospectivity across Project Peregrine.

The Company is also expecting the preliminary results of the Volatiles Analysis Service (VAS) in the next couple of weeks, as well as analysis of gases collected in isotubes while drilling. VAS and gas analysis further enhances knowledge of the depths at which oil accumulations may occur across the project area as well as wettability of the reservoir rocks.

Testing Program and Status

The Company continues to be highly encouraged by the preliminary results received to date from the Merlin-1 testing program, with analysis and interpretation of results ongoing and expected to be concluded by the end of July and a full summary of results targeted to be announced in early August. Once complete, these will be consolidated and integrated into the Project Peregrine database, which will form the basis of future farm-out and exploration decisions on the acreage.

The chart below provides an overview of the samples taken during drilling and related testing program and results received to date and/or pending.

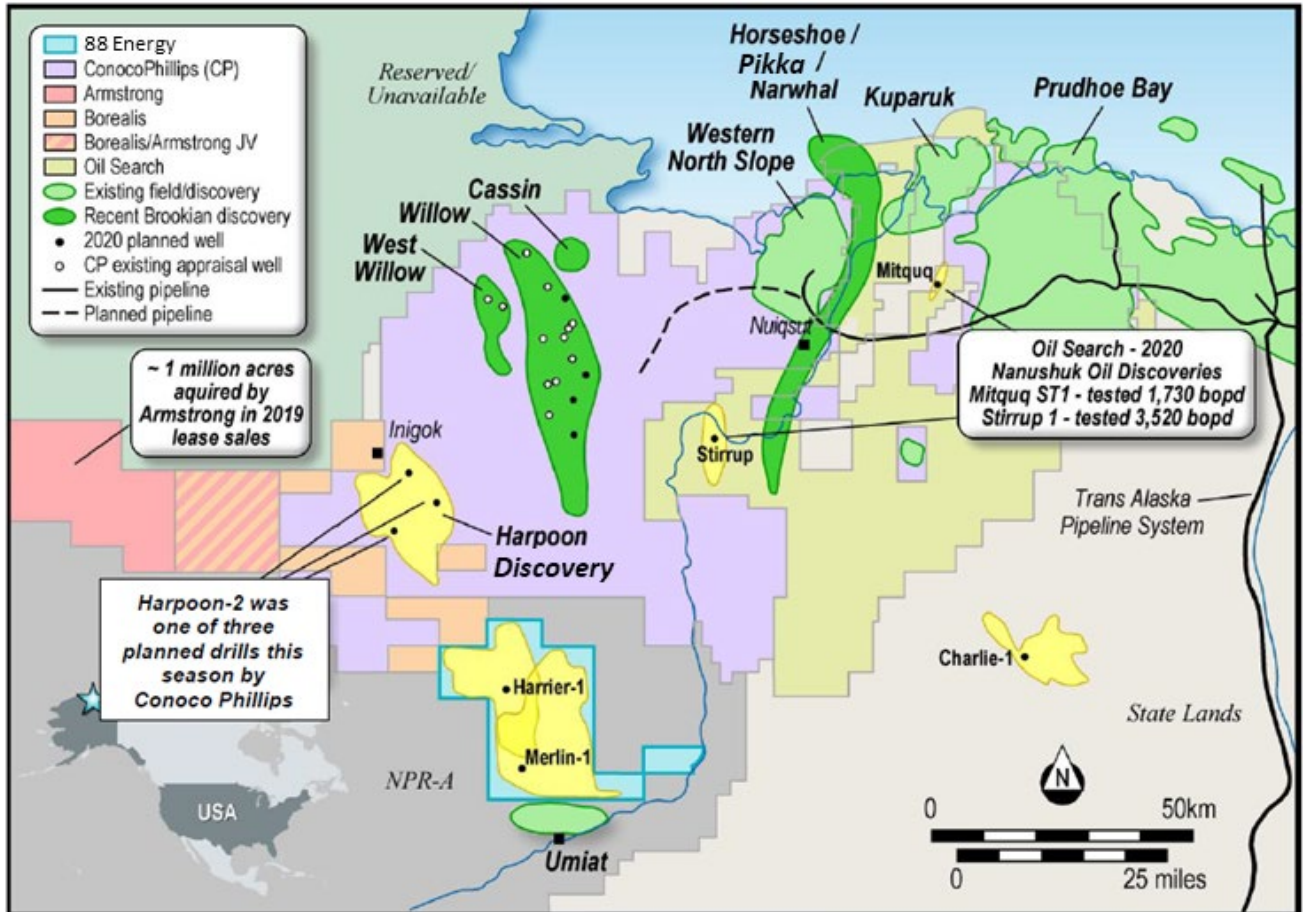


Pursuant to the requirements of the ASX Listing Rules Chapter 5 and the AIM Rules for Companies, the technical information and resource reporting contained in this announcement was prepared by, or under the supervision of, Dr Stephen Staley, who is a Non-Executive Director of the Company. Dr Staley has 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 resource and reserve 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.

About Project Peregrine

Project Peregrine is located in the NPR-A region of the North Slope of Alaska and encompasses ~195,000 contiguous acres. It is situated on trend to recent discoveries in a newly successful play type in topset sands in the Nanushuk formation. 88 Energy has a 100% working interest in the project, post completion of the acquisition of APDC's 50% interest in the project.

Project Peregrine and Recent Nanushuk Discoveries



The Merlin-1 well was spudded in March 2021 and targeted 645 million barrels of gross mean prospective resource#. Drilling is now complete, and interpretation of results is underway. A second well, Harrier-1, is planned to be drilled in 2022 and is targeting gross mean prospective resource of 417 million barrels#.

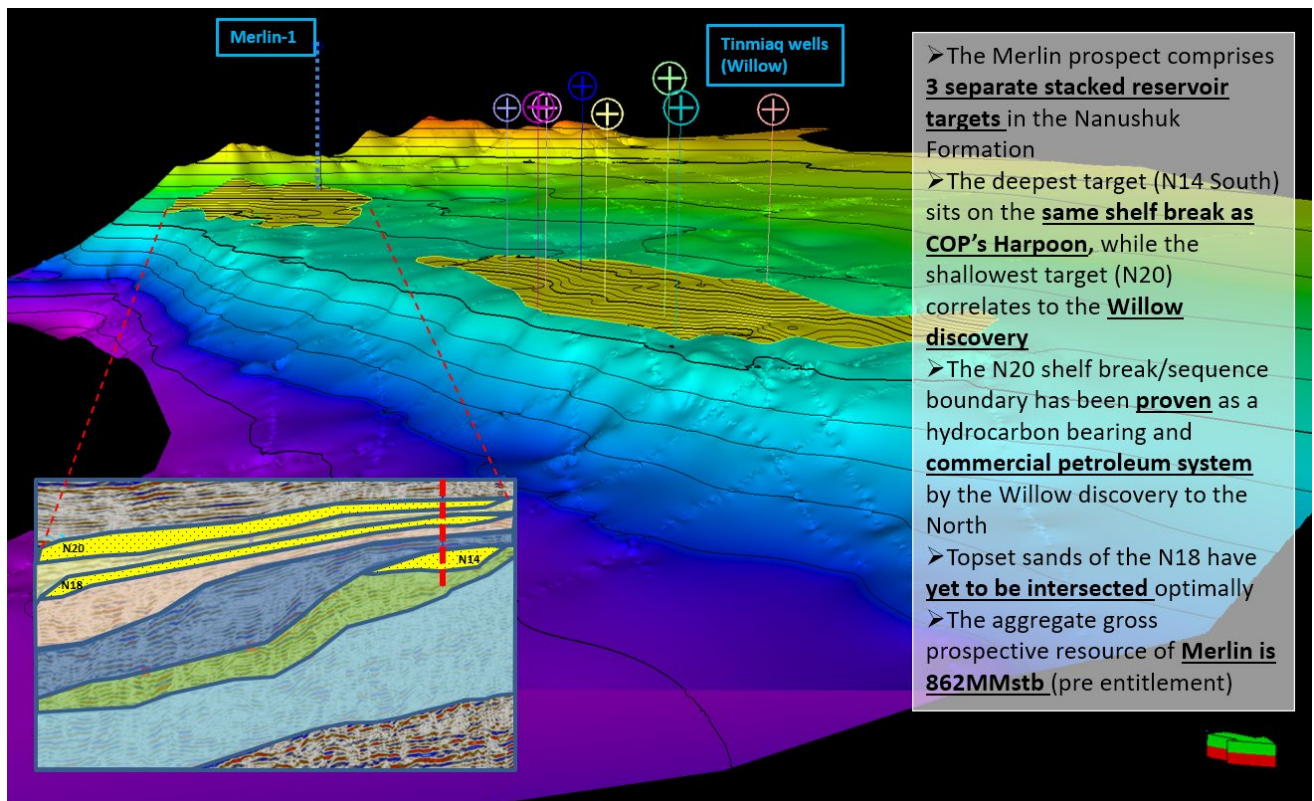
Independent Resource Assessment#

Project Peregrine: Alaska North Slope	Unrisked Net Entitlement to 88E Prospective Oil Resources (MMstb)				
	Low (1U)	Best (2U)	High (3U)	Mean	COS
Merlin (Nanushuk)	41	270	1,463	645	37%
Harrier (Nanushuk)	48	207	940	417	24%
Harrier Deep (Torok)	42	267	1,336	574	20%
Prospects Total				1,636	

#Please refer to release dated 23 February 2021 for full details with respect to the Prospective Resource estimate, associated risking and applicable Cautionary Statement. The Resource Assessment table does not incorporate the results of the Merlin-1 well.

The Merlin-1 well and the Harrier prospect are located on trend to an existing discovery, in the same play type (Nanushuk topsets). This has de-risked the prospects considerably and resulted in a relatively high independently estimated geological chance of success.

Merlin-1 – on trend to large Willow oil field



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.



This announcement has been authorised by the Board.

Yours faithfully

Ashley Gilbert
Managing Director
88 Energy Ltd

Media and Investor Relations:

88 Energy Ltd
Ashley Gilbert, Managing Director

Tel: +61 8 9485 0990
Email: investor-relations@88energy.com

Finlay Thomson, Investor Relations

Tel: +44 7976 248471

Fivemark Partners, Investor and Media Relations
Andrew Edge / Michael Vaughan

Tel: +61 410 276 744
Tel: +61 422 602 720

EurozHartleys Ltd
Dale Bryan

Tel: + 61 8 9268 2829

Cenkos Securities
Neil McDonald / Derrick Lee

Tel: + 44 131 220 6939