

5 December 2023

This announcement contains inside information

88 Energy Limited

PROJECT PHOENIX – JV PARTNER UPDATE

Highlights

- Burgundy Xploration, LLC (**Burgundy**) has secured US\$2.0M in initial funding that has been agreed to be paid to 88 Energy immediately in part settlement of outstanding cash calls
- 88 Energy has agreed to a standstill of the default until 31 January 2024 for Burgundy to pay the remaining outstanding amount
- If Burgundy is unable to cure and pay the remaining outstanding amount in full by 31 January 2024, 88 Energy will receive 50% of Burgundy's working interest in Project Phoenix
- Burgundy remains committed to funding their share of the Hickory-1 flow test program
- 88 Energy is fully funded from the recent Placement and receipt of these funds and is focused on delivering the successful flow testing of multiple reservoirs at the Hickory-1 well in Q1 2024

88 Energy Limited (ASX:88E, AIM:88E, OTC:EEENF) (**88 Energy** or the **Company**) is pleased to advise that it has received US\$2.0 million in funds from its Project Phoenix JV partner Burgundy Xploration, LLC (**Burgundy**) as part settlement of the US\$3.745 million in unpaid cash calls (represented by US\$3,452,967 in relation to outstanding cash calls due plus interest of US\$292,505).

The Company via its 100%-owned subsidiary Accumulate Energy Alaska, Inc (**88E-Accumulate**) has also entered into a further standstill agreement with Burgundy which provides additional time for Burgundy to cure and pay the remaining outstanding funds due of US\$1.745 million by 31 January 2024. If Burgundy fails to pay by this date, Burgundy will immediately transfer to 88E-Accumulate 50% of Burgundy's working interest in all of Project Phoenix's Toolik River Unit leases (or a pro rata amount of Burgundy's working interest if Burgundy pays some but not all of the outstanding cash calls amount by 31 January) (**Transfer interest**).

Burgundy will also within 5 days after 31 January 2024, sign and return the Hickory-1 flow test AFE at the revised working interest level post the Transfer interest. If Burgundy has not made payment for its share of the AFE cost within six months after the due date of the AFE cash call then Burgundy will transfer 50% of its remaining working interest in the Toolik River Unit leases, post the Transfer interest.

The Company maintains its rights under the joint operating agreement should Burgundy not be able to pay any future cash calls, including exercising the option to require Burgundy to relinquish its working interests in Project Phoenix and the joint venture.

Burgundy continues to support the progression of the upcoming Hickory-1 flow test program, and it has informed the Company it intends to fund its share of the flow test program.

This announcement has been authorised by the Board.

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