Gas Flow testing for Lakes's Wombat Gas field is on track for 27 November 2026

HIGHLIGHTS:

- The proposed flow testing of the well remains on track for later this week.
- Last week the well was cleaned out and stabilised.
- Perforation to access gas bearing sands is expected to occur no earlier that Friday 27 November 2026.
- The perforating guns are currently at a depth of 1,215 meters, approximately 50% of the way to the proposed target depth of 2,417 meters.
- Perforation is expected to occur no earlier that Friday 27 November 2026.

Lakes Blue Energy NL (ASX: LKO) (**Lakes** or the **Company**) advises that recompilation and testing operations at the Wombat-5 location are on schedule with no significant delays incurred to date.

At 0600 this morning, perforating guns were being run in hole on the 2-3/8" completion tubing at a depth of 1,215m, approximately 50% of the way to the final depth of 2,417m.

Last week, a work string was run to the bottom of the Wombat-5 well to clean out minor solids build up and gas pockets. The well was stabilised and a non-damaging completion fluid placed over the horizontal interval.

The perforating guns were then assembled and placed into the hole. It is expected that the guns will be fully positioned at the appropriate depth by Tuesday afternoon. The workover rig will then be removed from location, the well completion and gas production equipment installed, and the surface well testing equipment connected and pressure tested.

Perforation is expected to occur no earlier than Friday, 27 November, with initial-gas flow periods commencing over the 28 and 29 November and during the early part of the following week. Lakes plans to make a further announcement at that time.

Wombat 5 was drilled last year with a 1.5 km horizontal lateral which intersected three strongly gas bearing sand zones. Drilling and completion issues have to date prevented adequate testing of the two accessible zones. Lakes' reconfiguration of the well and the application of state of the art well completion perforation and testing strategies with the input of leading industry technology providers, SLB (formerly Schlumberger,) a recognised petroleum production industry leader, are targeted to overcome previous difficulties.

Wombat holds a Contingent Gas Resource of 329 bcf.

This announcement has been authorised by the Board of Lakes Blue Energy NL.

For enquiries regarding this release please contact:

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NOTES

Source of Contingent Resources estimate: "Technical GIIP and EUR Estimate Update Post Wombat #4: Wombat Field", June 2010, Gaffney, Cline and Associates. Source of Wombat-5 gas production potential: "Production Forecast for the Proposed Lakes Oil Wombat 5", September 2013, Stimulation Petrophysics Consulting LLC.

Cautionary Statement

The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

Royalties

Any future production of hydrocarbons will be subject to both State Royalties (currently 10%) and in the case of the Victorian assets the Lakes Royalty Trust arrangements. Under those arrangements, an over-riding royalty of 10% is payable to third-party investors.