

20th March 2019

**88 Energy Limited
Alaska Projects Update**

88 Energy Limited ("**88 Energy**" or the "**Company**", ASX:88E, AIM 88E) advises the following in relation to its oil and gas operations on the North Slope of Alaska.

Highlights:

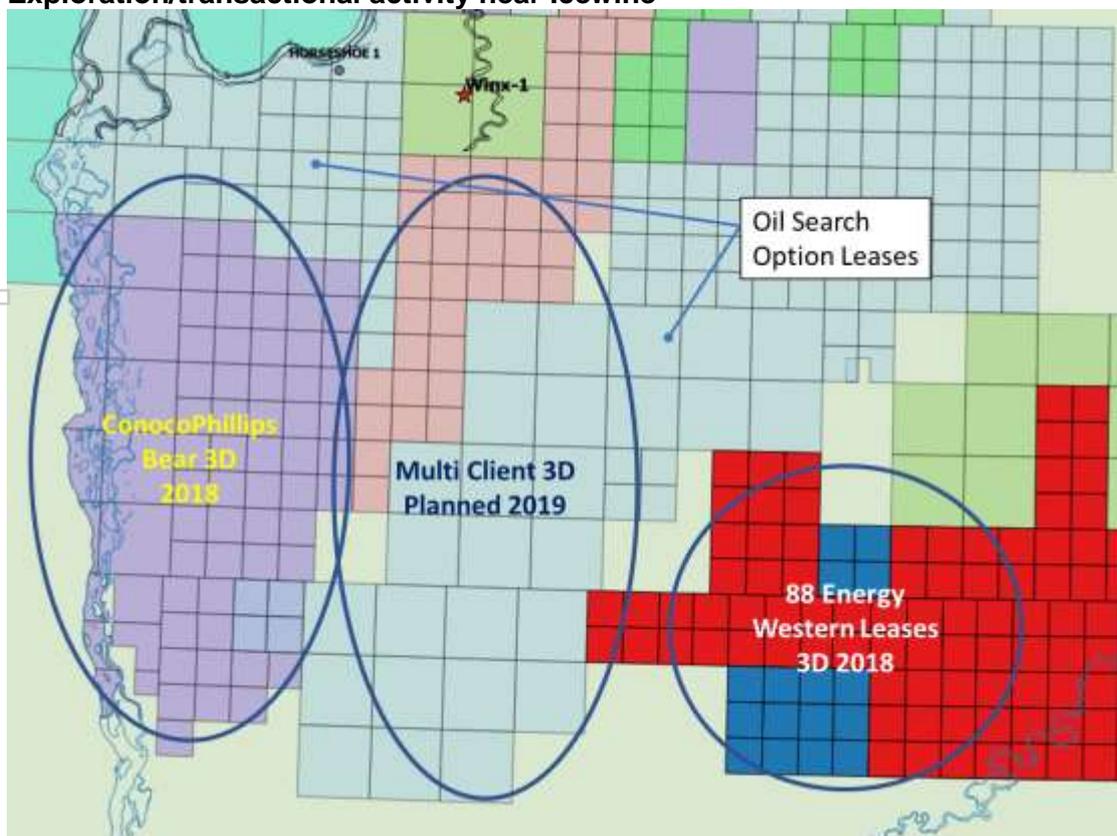
- Project Icewine Conventional: farm-out process advances - preferred bidder selected
- Project Icewine Unconventional: evaluation work continues - farm-out launch planned mid 2019
- Yukon Leases: inversion finalised – interpretation nearing completion
- Western Blocks: integration of Winx-1 result underway

Project Icewine Conventional

A fast track farm-out process commenced in August 2018, whilst processing of newly acquired 3D seismic (March 2018) was still underway. Processing was finalised in October 2018, including inversion, marking the first time that potential farminees could assess comprehensively the mapped conventional resource potential on the Western Play Fairway at Project Icewine. Consequently, requests were made by potential farminees for more time to evaluate the opportunity, which the Company granted.

The farm-out process has now progressed to the next stage, with a preferred bidder selected and discussions underway. The Company advises that there is no guarantee that the parties will agree terms and close out the transaction. A further announcement will be made in due course on the outcome of the ongoing negotiations, which are currently confidential in nature.

Exploration/transactional activity near Icewine



For personal use only

The last 18 months have seen a significant increase in interest in the acreage to the west of Project Icewine and on the same latitude, marking a southerly trend in exploration focus. ConocoPhillips acquired 3D seismic in 2018, ~15 miles west of the Project Icewine Western Margin Leases. The Company is also aware of a multi-client 3D seismic acquisition planned immediately to the west of, and adjacent to, the Project Icewine acreage (see image).

Additional near term transactional activity is expected associated with the on sale of an option acquired by Oil Search in 2017. This option is due to expire in June 2019 and includes acreage immediately to the south of the Western Blocks (where Winx-1 was recently drilled) and immediately west of Project Icewine (where the multi-client 3D seismic acquisition is planned).

Project Icewine Unconventional

Baker Hughes and the United States Geological Society (USGS) continue to apply advanced evaluation techniques to the HRZ shale play, including additional tests on both core and cuttings obtained from the drilling of the Icewine-1 and Icewine-2 wells.

The Company continues to receive third party interest in the HRZ shale project and anticipates being able to integrate the data from the current evaluation into a dataroom by mid-2019 in order to commence a formal farm-out process.

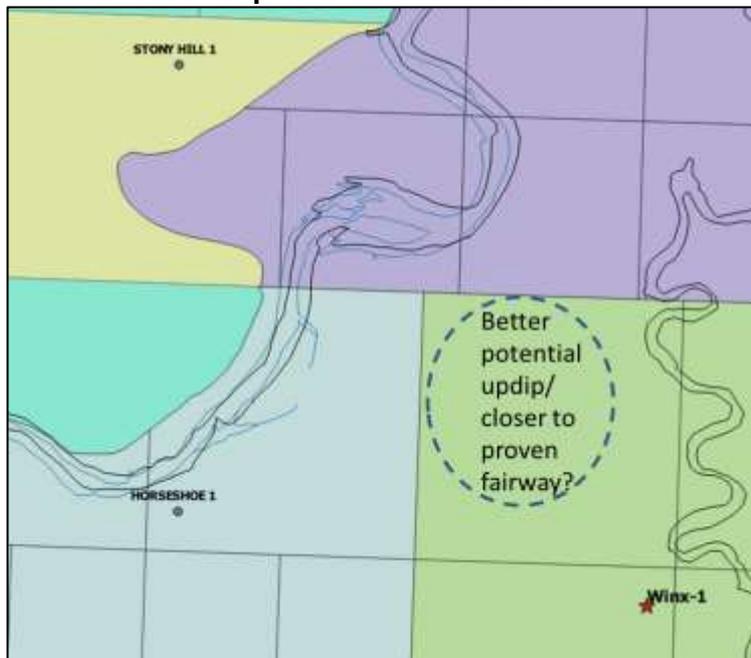
Yukon Leases

Final processing of the Yukon 3D seismic is now complete, with interpretation and resource evaluation currently underway on the inversion product. As previously reported, a number of prospective horizons have been identified on the acreage, including the Cascade lead, which was intersected peripherally by Yukon Gold-1, drilled in 1994, and classified as an historic oil discovery. The Yukon Leases are located adjacent to ANWR and in close proximity to existing infrastructure.

Western Blocks

Data obtained from the drilling of the Winx-1 exploration well will now be integrated into the existing dataset to develop our understanding of the Nanushuk depositional model and further evaluate the remaining resource potential of the acreage. There are several working theories that will be assessed over the coming months, including whether there is potential for better developed sands updip and in closer proximity to the successful Horseshoe-1/1A and Stony Hill-1 wells.

Area of focus for post Winx-1 evaluation



For personal use only



88 Energy Ltd's Managing Director, Dave Wall, commented: *"The progression of the farm-out process to the preferred bidder phase is encouraging but no deal is done until it is done."*

The team at 88 Energy continues to advance the status of all our Alaskan projects resulting in substantial value add activity throughout 2019."

Yours faithfully

A handwritten signature in blue ink, appearing to be 'Dave Wall', with a horizontal line extending to the right.

Dave Wall
Managing Director
88 Energy Ltd

Media and Investor Relations:

88 Energy Ltd

Dave Wall, Managing Director

Email: admin@88energy.com

Tel: +61 8 9485 0990

Finlay Thomson, Investor Relations

Tel: +44 797 624 8471

Hartleys Ltd

Dale Bryan

Tel: + 61 8 9268 2829

Cenkos Securities

Neil McDonald/Derrick Lee

Tel: +44 131 220 6939

For personal use only