ASX ANNOUNCEMENT
3 April 2023

This announcement contains inside information

88 Energy Limited

Hickory-1 TD Reached – Additional Reservoir Identified

Highlights

- Hickory-1 successfully drilled to a Total Depth (**TD**) of 10,650 feet with preliminary net pay calculated across *all* pre-drill targets;
    - based on initial interpretation of real time logging while drilling data (**LWD**), together with multiple oil shows, elevated mud gas readings, and high resistivity signatures observed throughout.
- SFS reservoir exceeded pre-drill expectations with respect to both thickness and reservoir quality identifying multiple potential hydrocarbon bearing zones.
- New Upper SFS reservoir identified, not previously intersected by nearby wells with abundant oil shows in cuttings.
- Mud gas readings in both SFS and Upper SFS reservoirs greater than 15x background gas.
- BFF reservoir was consistent with pre-drill expectations.
- Preliminary estimated net pay across all targets to be confirmed by wireline logging, which is set to commence promptly.

88 Energy Limited (ASX:88E, AIM:88E, OTC:EEENF) (**88 Energy** or the **Company**) is pleased to report that the Hickory-1 exploration well has reached a Total Depth of 10,650 feet. Operations have progressed as planned since completion of the surface hole, with the Nordic Calista Rig-2 drilling to TD safely and currently estimated to cost less than US$13.5 million gross.

The Hickory-1 exploration well intersected all primary SMD reservoir targets and the secondary SFS and BFF reservoir targets, all at slightly higher than prognosed depths and with gross reservoir thicknesses equal or greater than pre-drill interpretation.

A new Upper SFS reservoir was also identified (refer to figure 1 below). This zone was not previously intersected by any wells on Project Phoenix acreage and recorded multiple shows and elevated log responses. Whilst drilling through the Upper SFS gas “pops” or bubbles were noted in rig tanks, an indication of hydrocarbons evolving from the drilling fluid at the surface.

LWD data collected over all the primary and secondary reservoirs, plus the new Upper SFS reservoir, have indicated multiple pay zones throughout the Hickory-1 well. Preliminary net pay calculated from the LWD data will be confirmed by wire-line logging and side wall coring programme, which is set to commence promptly.

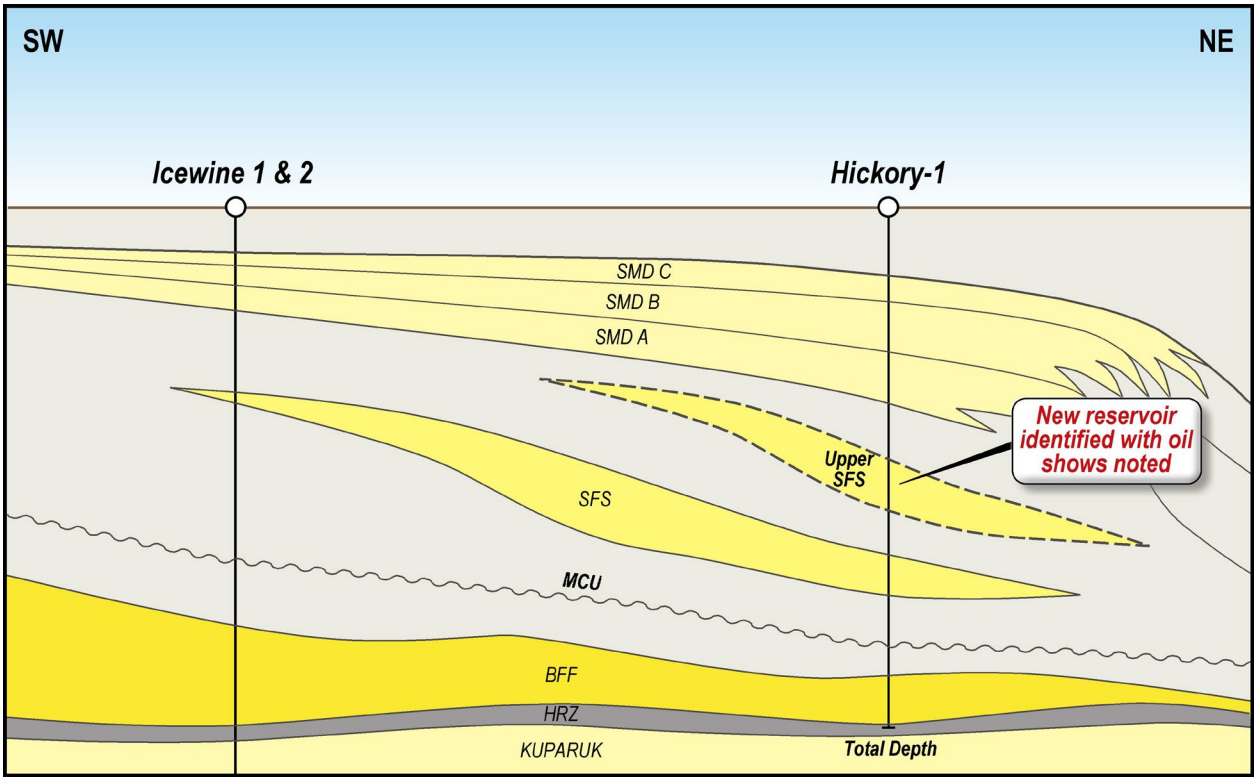

Figure 1: Hickory-1 has intersected all primary and secondary targets, and the newly identified Upper SFS reservoir, prior to calling TD within the HRZ to preserve hole conditions.

The presence of hydrocarbons was evidenced by fluorescence under ultraviolet light in multiple cuttings samples in the primary and secondary targets, including new Upper SFS reservoir. Elevated C3-C5 mud gas readings were also observed across all reservoir intervals. In particular, it was noted that mud gas readings were greater than 15x background gas over both SFS intervals.

The wellsite geologists at Hickory-1 also observed visible porosity in physical samples over all of the reservoir sections.

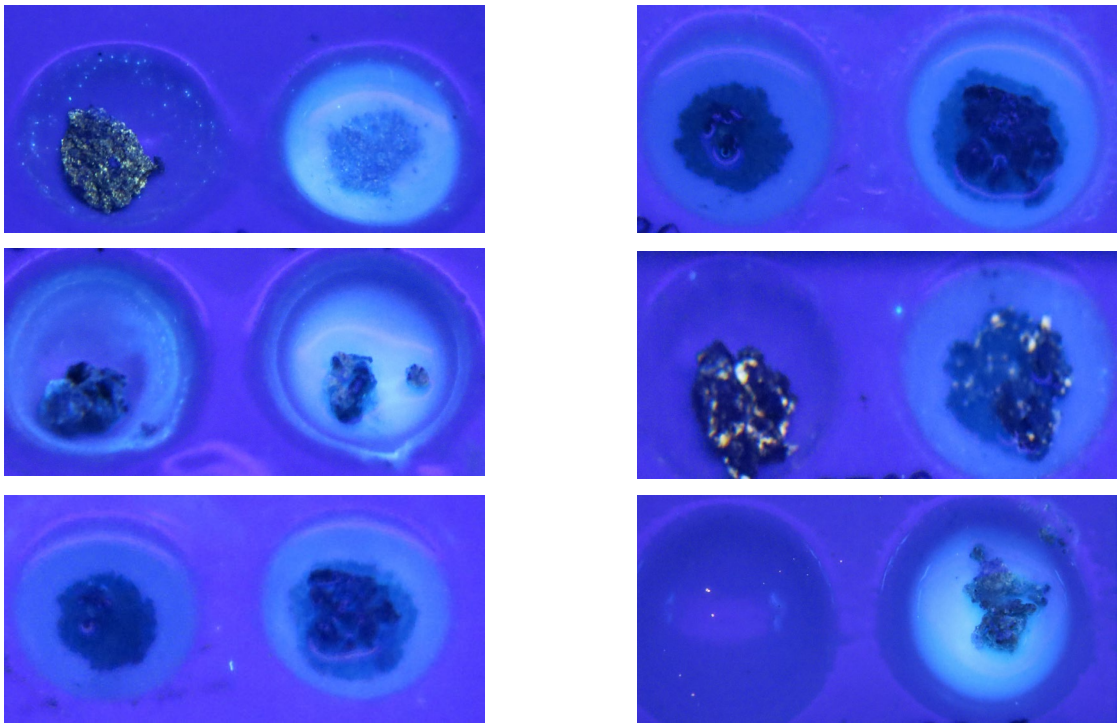

Figure 2: The presence of hydrocarbons was evidenced by fluorescence under ultraviolet light in multiple cuttings samples in the primary and secondary targets, including new Upper SFS reservoir.

Due to the encouraging results to date in the primary and secondary targets, the Company made the technical decision to TD prior to intersecting the tertiary Kuparuk reservoir target (**KUP**) in order to preserve borehole condition for the wireline logging program. This will ensure the best possible data acquisition conditions.

The Hickory-1 well will be suspended such that the KUP target can still be drilled and flow tested from the well bore following the flow testing of the upper zones and the Company will assess this during the well testing design phase.

Hickory-1 Remaining Programme and Next Steps

Having reached TD, the mandatory second BOP system test was conducted and passed.

A sophisticated wireline logging programme is now set to be run which includes the Triple Combo, CMR/XMR, Dielectric Scanner, Dipole Sonic and CoreVault tools. The focus of the wireline logging program is to;

- confirm the initial petrophysical interpretation of multiple pay zones identified during drilling; and
- obtain data to optimally design and plan the flow test of Hickory-1.

The wireline logging program is expected to take 5-7 days to be completed. The well will then be cased and suspended to allow for future well testing and the Nordic Calista Rig-2 demobilised. All operations and demobilisation are expected to be completed by mid-April.

Preliminary planning will now commence for the flow test program in the 2023/24 winter season, including the identification of suitable rigs and commencement of permitting.

The Company expects to provide further updates following completion of the wireline and coring program at Hickory-1.

Hickory-1/ Well: Summary of Initial Results and Observations During Drilling

Shelf Margin Delta (SMD) – Shows and Calculated Net Pay Identified

Key Observations:

- *Presence of hydrocarbons evidenced by fluorescence under ultraviolet light in cuttings;*
- *"immediate and streaming" blue-white "cuts" observed when solvent was applied to sample, suggesting there is good sample/reservoir permeability for future hydrocarbon extraction;*
- *Elevated C3-C5 mud gas readings were observed as well as high resistivity signatures and crossover of neutron density curves; and*
- *Calculated hydrocarbon pay noted over zones in SMD reservoirs.*

Upper Slope Fan System (Upper SFS) – Shows and Calculated Net Pay Identified

Key Observations:

- *Presence of hydrocarbons was evidenced by fluorescence under white light and ultraviolet light in cuttings;*
- *"Immediate very pale yellow greenish and streaming" diffuse "cuts" observed when solvent was applied, indicating good sample permeability for hydrocarbon extraction;*
- *Significant elevated C3-C5 mud gas readings were observed (mud gas readings were greater than 15x background gas);*
- *Visual porosity observed in cuttings along with crossover of Neutron Density curves throughout the interval indicates porous sands with a hydrocarbon (oil) response;*
- *Whilst drilling through the Upper SFS gas "pops" or bubbles were noted in rig tanks, an indication of hydrocarbons evolving from the drilling fluid at the surface;*
- *Calculated hydrocarbon pay noted; and*
- *The Upper SFS reservoir identified has not been previously intersected in Project Phoenix and there was no pre-drill prospective resource ascribed to this zone. Work will commence to define this prospect and resource estimate.*

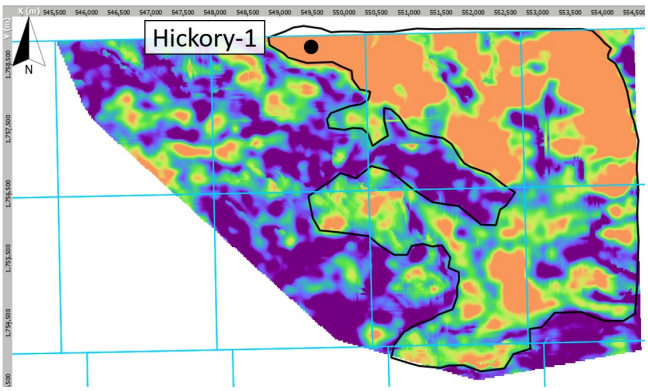

Figure 3: Upper SFS preliminary mapping from RMS amplitude extraction (within lease blocks).

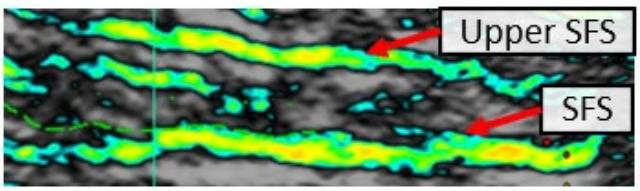

Figure 4: Upper SFS and SFS Dip line AVO response.

Slope Fan System (SFS) – Shows and Calculated Net Pay Identified

Key Observations:

- *SFS target 99 gross feet thicker and higher reservoir quality than anticipated pre-drill*
- *Presence of hydrocarbons was evidenced by fluorescence under ultraviolet light in cuttings;*
- *"Cut" was observed when solvent was applied to the sample;*
- *Elevated C3-C5 mud gas readings were observed as well as high resistivity signatures and crossover of neutron density curves; and*
- *Calculated hydrocarbon pay noted over multiple sand packages throughout the zone.*

Basin Floor Fan (BFF) - Shows and Calculated Net Pay Identified

Key Observations:

- *Elevated C3-C5 mud gas readings were observed as well as high resistivity signatures across all sands within BFF zone and crossover of neutron density curves;*
- *Presence of hydrocarbons was evidenced by fluorescence in cuttings;*
- *Calculated hydrocarbon pay noted over multiple sand packages throughout the zone; and*
- *Cleaner interval (lower Gamma profile) than recorded in Icewine-1.*

This announcement has been authorised by the Board.

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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 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 Phoenix

Project Phoenix (88E 75.2% WI) is located on the central North Slope of Alaska and encompasses approximately 82,846 gross acres. It is situated on-trend to recent discoveries by Pantheon Resources Plc (LSE: PANR) in multiple, newly successful play types across top, slope and bottom-set sands of the Mid Schrader Bluff, Canning and Seabee formations. Independent mapping has demonstrated that these plays extend into the Phoenix acreage.

Project Phoenix holds an estimated unrisked total of 647MMbbl of conventional prospective oil resources (mean unrisked, net to 88E), independently assessed by Lee Keeling and Associates (**LKA**) in Q3 2022 (see 88E ASX release dated 23 August 2022). The acreage has been significantly de-risked by the recent Pantheon drilling and flow tests on their adjacent acreage to the North, coupled with data from Icewine-1 well logs (encountered 380 ft of net oil pay within SMD sands) and a modern 3D seismic data set (FB3D).

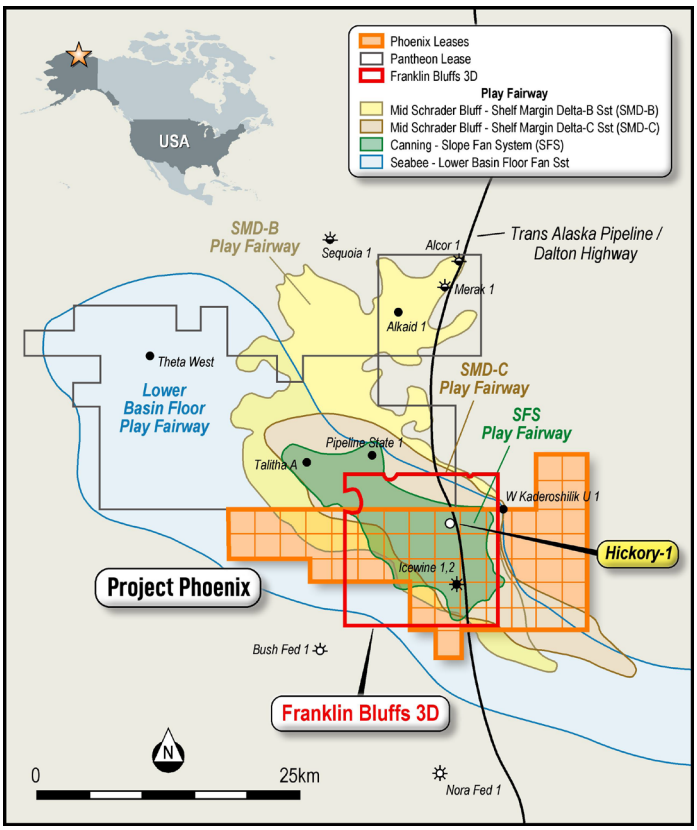

Figure 5: Project Phoenix lease area, including mapped play fairways, Franklin Bluffs 3D area and planned Hickory-1 well location.

Phoenix: Alaska North Slope	Unrisked Net Entitlement to 88E [1,6] Prospective Oil Resources (MMstb) [4,5]				
Prospects (Probabilistic Method)	**Low (1U)**	**Best (2U)**	**High (3U)**	**Mean**	**COS[3]**
Shelf Margin Delta (SMD A, B & C)	44	140	326	145	*81%*
Slope Fan System (SFS)	24	84	217	89	*50%*
Basin Floor Fan (BFF)	75	341	930	358	*50%*
Kuparuk (KUP)	24	56	98	56	*72%*
Prospects Total	**167**	**621**	**1,570**	**647 [2]**	

1. *88 Energy net resources have been calculated using a 75.227% working interest and a 16.5% royalty.*
2. *The unrisked means, which have been arithmetically summed, are not representative of expected total from the prospects and implies a success case in all reservoir intervals. 88 Energy cautions that the arithmetically summed 1U estimate may be a conservative estimate and the arithmetically summed 3U estimate may be optimistic when compared to a statistical aggregation of probability distributions.*
3. *COS represents the geological chance of success as assessed by 88 Energy and reviewed and endorsed by LKA.*
4. *Prospects are subject to a phase risk (oil vs gas). Chance of oil has been assessed as 100% for all targets except for the Kuparuk Formation which has been assessed as 70%. Phase risk has not been applied to the unrisked numbers.*
5. *The Prospective Resources have not been adjusted for the chance of development. Quantifying the chance of development (COD) requires consideration of both economic and other contingencies, such as legal, regulatory, market access, political, social license, internal and external approvals and commitment to project finance and development timing. As many of these factors are outside the knowledge of LKA they must be used with caution.*
6. *Please refer to ASX announcement dated 23 August 2022 for further details in relation to the prospective resources estimate and associated risking with Phoenix.*
7. *It should be noted that the prospective resources were calculated prior to the drilling of Hickory-1.*

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 movable hydrocarbons.