

88 Energy Limited

MAIDEN PROSPECTIVE RESOURCE ESTIMATE FOR THE CANNING FORMATION, PROJECT LEONIS

88 Energy Limited (ASX:88E, AIM:88E, OTC:EEENF) (**88 Energy** or the **Company**) is pleased to announce a maiden internal Prospective Resource estimate for the Canning Prospect (**Canning**) of 283 million barrels of oil (**MMbbls**)^{1,2} (net mean, unrisks) for Project Leonis in Alaska (100% working interest and a 16.67% State Royalty).

Highlights

- **Maiden Internal Prospective Resource Estimate:**
 - Material new Prospective Resource declared for the Canning Prospect at Project Leonis.
 - Total estimated net mean Prospective Resource of 283 MMbbls^{1,2} recoverable from the Canning Formation.
 - Unrisks net 3U (high) 469 MMbbls, 2U (best) 259 MMbbls, and 1U (low) 136 MMbbls estimated^{1,2}.
- **Now a Multi-Reservoir Opportunity of Scale:** Combined internal gross mean Prospective Resource estimate across the Canning and USB Prospects of 798 MMbbls, with (664 MMbbls net mean prospective resource to 88E (refer Tables 1 and 2 on page 8).
- **Planning underway for Tiri-1 Exploration Well:** Currently scheduled for H1 CY26, targeting both the Canning and USB Prospects.
- **Well Location Selection Underway:** Leveraging results from the quantitative interpretation study, targeting completion in Q1 CY25, followed by permitting and operational planning.
- **Targeting Shared Well Cost:** 88 Energy's 100% working interest provides strong potential to secure a large proportionate carry-on completion of the active farm-out process, ahead of any future drilling event.
- **Project Leonis Represents a Highly Attractive Exploration Opportunity:** Strategically **located** adjacent to the major pipeline system (TAPS) and the Dalton Highway, significantly enhancing any future development and commercialisation potential.

¹ **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 recoverable hydrocarbons.

² Net Unrisks Prospective Oil Resources (MMbbls). Refer to page 8 for further details.

Managing Director, Ashley Gilbert, commented:

"We are extremely pleased to announce the maiden, internally estimated Prospective Resource estimate for the Canning Prospect, which closely follows the successful bid for four new leases at Project Leonis in December 2024 with award expected in the 1st half of 2025.

The identification of the Canning Prospect comes after an extensive review of data, including newly reprocessed and interpreted Storms 3D seismic data, and the outcome of the recently completed quantitative interpretation study (rock physics, AVO and seismic inversion). This work has confirmed significant prospectivity at both reservoir intervals.

Importantly, advanced seismic techniques, such as the use of geophysical AVO technology, have played a critical role in recent drilling successes across the North Slope of Alaska. This technology has been employed successfully worldwide; and in Alaska has delivered major discoveries by Oil Search (now Santos), Repsol, Armstrong and ConocoPhillips when targeting the Nanushuk Formation. Similarly, 88 Energy utilised these techniques to great effect with the Hickory-1 discovery at Project Phoenix.

The Tiri-1 well will be optimally located to test both the Canning and USB Prospects, providing shareholders with a multi-zone exploration opportunity of considerable scale. The timing of the Tiri-1 exploration well is contingent on securing a farm-out partner, and with our 100% working interest in Project Leonis, we believe there is significant potential to secure a large proportionate carry on any future well.

Looking ahead, our focus is firmly on advancing the Tiri-1 well at Project Leonis scheduled to drill in Q1 2026 as well as finalising funding to deliver a horizontal well test at Project Phoenix".

Project Leonis: A Strategically Located Multi-Reservoir Opportunity of Scale

Material Prospective Resources have now been estimated within the Canning Formation (**Canning Prospect**) and Upper Schrader Bluff (**USB Prospect**) reservoirs in the Project Leonis acreage.

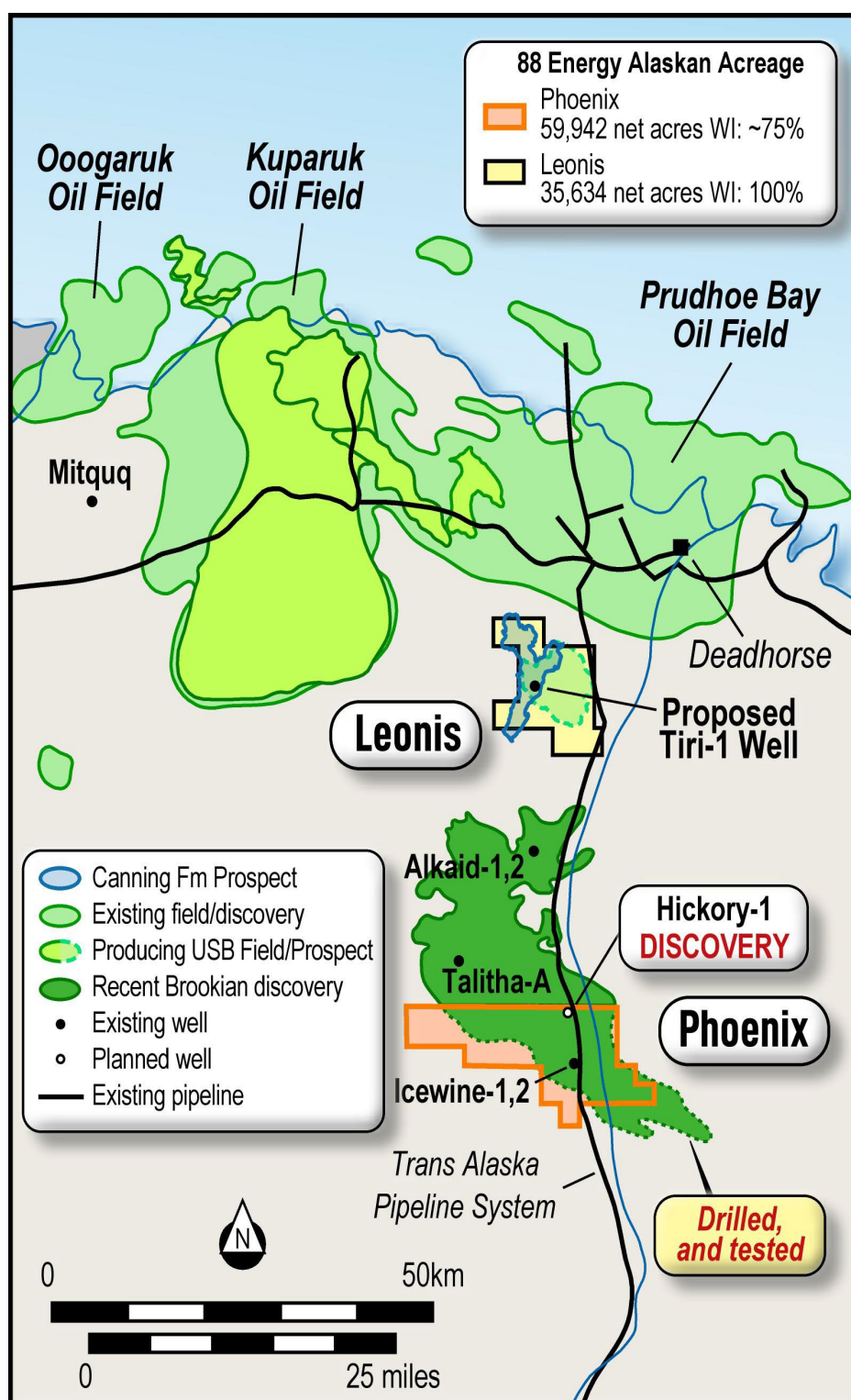


Figure 1: Project Leonis acreage position strategically located adjacent to TAPS and near to Deadhorse services hub. The Tiri-1 well will be optimally located to penetrate and test both the Canning and USB Prospects.

The new Canning Prospect Prospective Resource estimate follows a detailed review of an extensive data suite, including the reprocessed and interpreted Storms 3D seismic data. This review identified a significant geological feature attributed to basin-wide erosion during the Mid Campanian, which created canyon-like scours in the Hue shale, providing considerable accommodation space for high-energy, toe-of-slope turbidite sequences.

These turbidites form a thick reservoir succession of up to 336 feet thick, covering an area of approximately 43km², highlighting the substantial scale of the prospect.

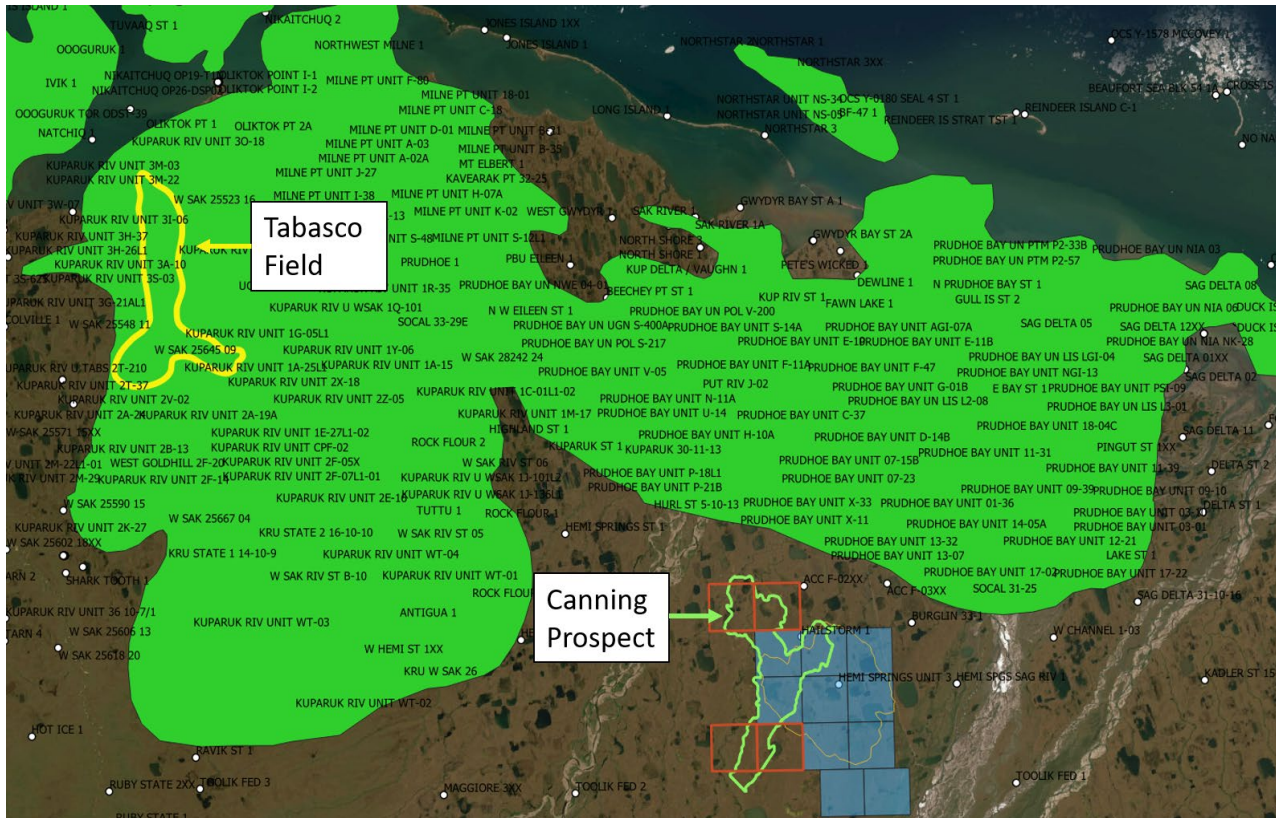


Figure 2: Conoco Phillips' Tabasco field, just 23 miles to the north-west of Project Leonis.

Notably, the Canning Prospect remains untested by offset wells in the immediate vicinity. However, oil shows, ("oil over shakers") and calculated pay have been observed at stratigraphic intervals in the Hemi Springs Unit 3 well (see Figure 3). The Canning interval at this well exhibited porosities of up to 28%, with reservoir quality within the canyon-like feature anticipated to be even higher. Similar high net-to-gross turbidites are being produced from Hue Shale scours in Conoco Phillips' Tabasco field, located just 23 miles to the northwest (see Figure 2).

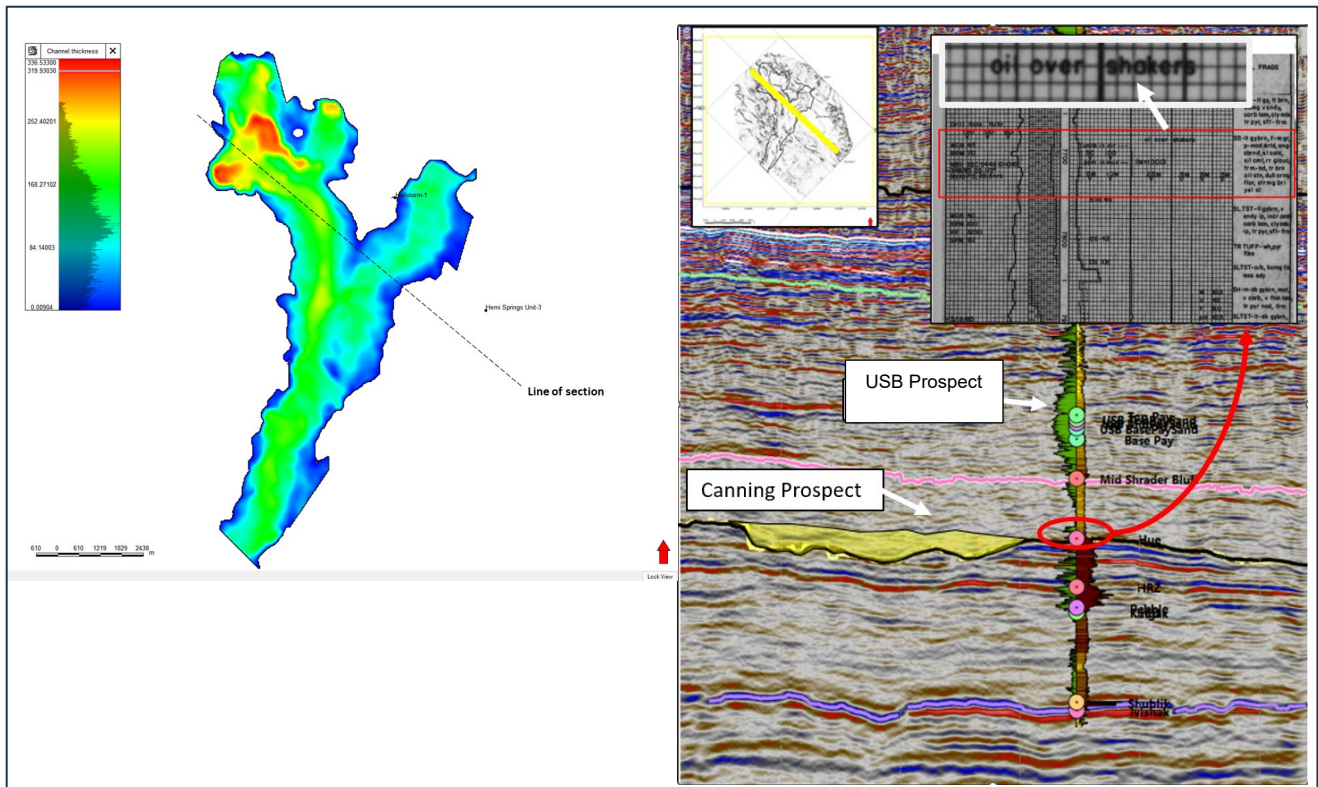


Figure 3: Seismic cross-section highlighting new Canning Formation reservoir and noted live oil over shakers at corresponding interval within this formation at the Hemi-Springs #3 well log.

Prospectivity Supported by Historical and Modern Data Interpretation

Historical data reinforce the compelling technical and commercial potential of Project Leonis. The Hemi Springs Unit 3 well, drilled in 1985, targeted deeper reservoirs than the Canning and USB Formations and without the benefit of modern seismic data, leading to overlooked low-resistivity oil pay. Re-evaluation of petrophysical data has since identified oil saturations within both the USB and Canning Formation, oil shows observed in the Hemi Springs Unit 3 mud log correlate with extensive areal mapped potential.

Modern advances in understanding low-resistivity pay have unlocked substantial reserves across Alaska's North Slope, as demonstrated by the Willow and Pikka fields. Similarly, 88 Energy's re-evaluation of legacy wells led to the successful drilling and testing of Hickory-1 in CY23-24. This approach has guided the evaluation of Project Leonis, leveraging both historical and modern data to identify and target untapped resources.

A comprehensive Quantitative Interpretation (**QI**) study, including rock physics, AVO and seismic inversion, commenced in Q3 24 and has now been completed. The primary objective was to identify anomalous responses within the Canning feature, while the secondary aim was to pinpoint "sweet spots" within the USB reservoir. Results from the AVO and inversion analysis confirmed significant prospectivity at both intervals, providing actionable insights for future well planning. See Figures 4,5 and 6.

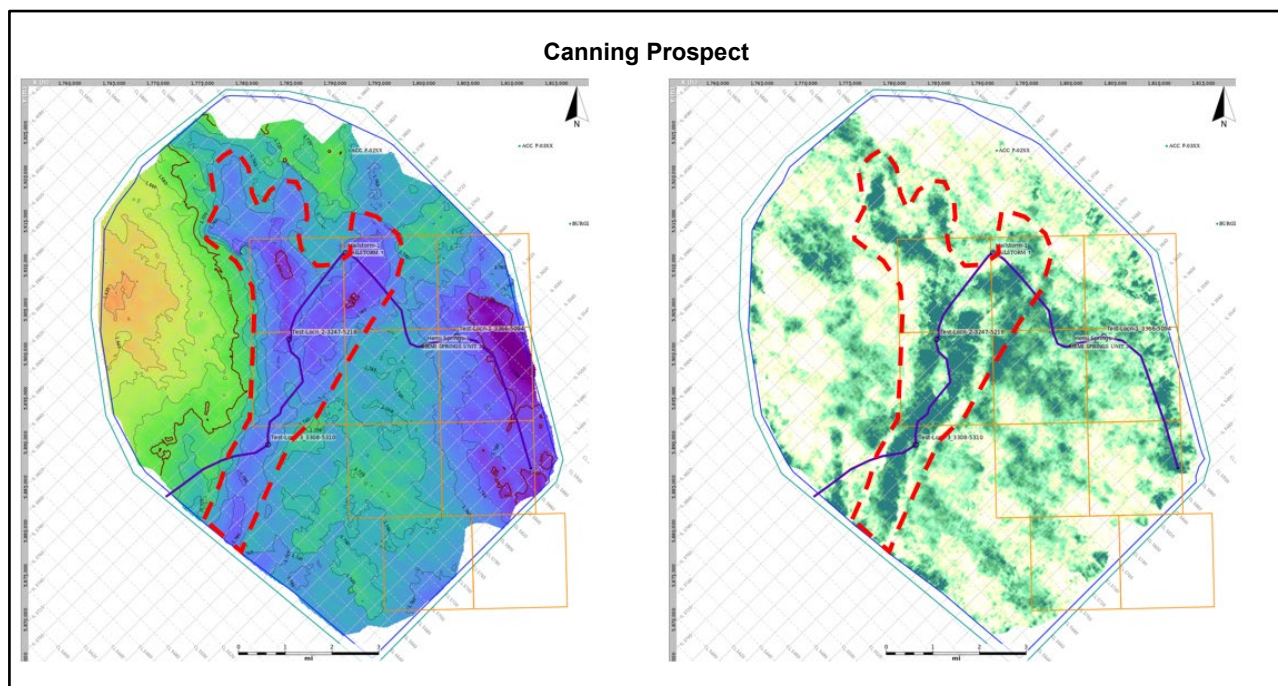


Figure 4: TWT and Probability of hydrocarbons from inversion at the Canning Prospects. Importantly, the canyon incision identified corresponds strongly with inversion derived hydrocarbon probability.

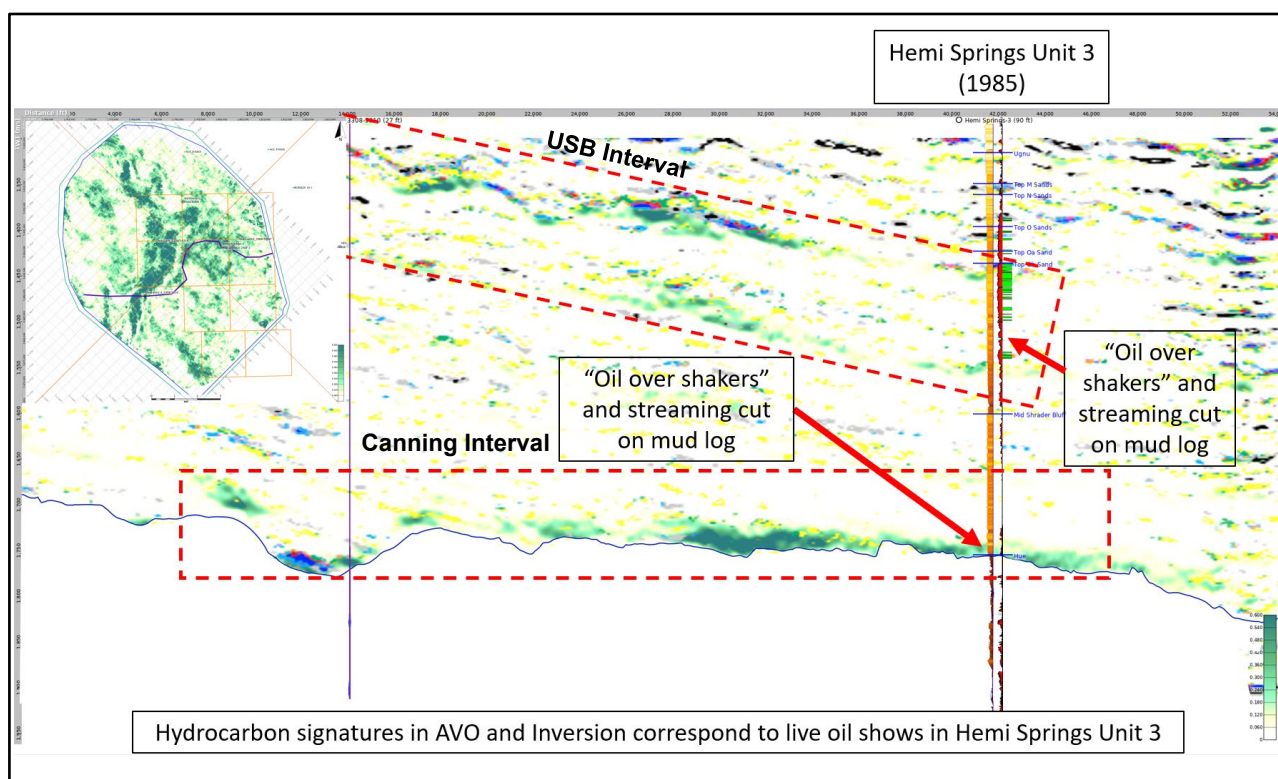


Figure 5: Hydrocarbon signatures in AVO and Inversion correspond to live oil shows in Hemi Springs Unit 3 at both the Canning Prospect and the USB Prospect.

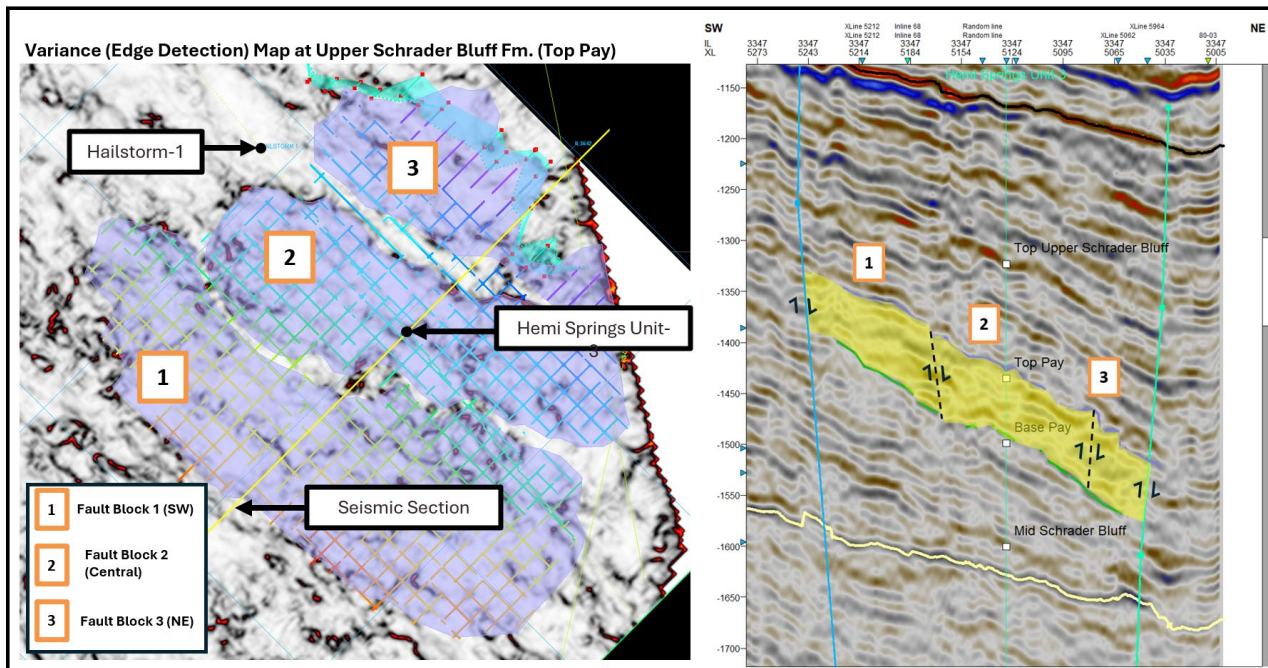


Figure 6: Zone of interest (Upper Schrader Bluff Formation) at the Hemi Springs Unit-3 well (green) and the Hailstorms-1 (blue) wells. Reprocessed 2005 Storms 3D.

Forward Program and Farm-Out Strategy

Project Leonis's strategic location, with proximity to existing infrastructure such as export pipelines and the Deadhorse services hub, enhances its commercial appeal. The project's multi-reservoir appraisal drilling opportunity targets 664 MMbbls of estimated net mean, unrisked Prospective Resources, (refer to page 8 for further details of Low, Best and High estimates, and page 1 for the Cautionary Statement).

88 Energy has engaged Fairweather to initiate planning and permitting for the Tiri-1 exploration well, which will target the USB and Canning reservoir zones. Drilling is contingent on securing a farm-out partner, with Llamas and Bannister Energy Advisors Ltd (**LAB**) recently appointed to manage an active, relaunched and expanded farm-out process. The expansion of Project Leonis's acreage and the addition of the Canning Formation reservoir opportunity underpins its status as a cornerstone asset in 88 Energy's portfolio.

Prospective Resources Estimate and Estimation Methodology

88 Energy has determined Prospective Resources using probabilistic methods, which involved interpreting top and base pay from the Hemi Springs Unit 3 petrophysical model and integrating reprocessed 3D seismic data. Key parameters, such as potential pool area, thickness, porosity, hydrocarbon saturation, oil expansion and recovery factors were modelled on a probabilistic low, mid and high basis using Monte Carlo analysis.

The Prospective Resources have not been adjusted for phase risk or chance of development, with a “probable” quantitative assessment of development upon geological success, given the project’s proximity to key infrastructure.

All Prospective Resource estimates included in this announcement adhere to the definitions and guidelines set forth in the Petroleum Resources Management System (**PRMS**) as revised in June 2018 by the Society of Petroleum Engineers. The PRMS defines Prospective Resources as those quantities of petroleum which are estimated, as of a given date, to be potentially recoverable from undiscovered accumulations. The evaluation date for the Prospective Resources stated within this document is 29 January 2025. Further details are available in the disclaimers attached as Schedule 1 of this ASX release.

Project Leonis: Alaska North Slope	Unrisked Gross Prospective Oil Resources (MMbbls) ^{3,4}				
Prospect (Probabilistic Method)	Low (1U)	Best (2U)	High (3U)	Mean	COS ²
USB Prospect* (Upper Schrader Bluff)	200	406	806	458	32%
Canning Prospect (Canning Formation)	163	311	563	340	33%
Total Prospective Resources	363	717	1369	798	

Project Leonis: Alaska North Slope	Unrisked Net Entitlement to 88E ¹ Prospective Oil Resources (MMbbls) ^{3,4}				
Prospect (Probabilistic Method)	Low (1U)	Best (2U)	High (3U)	Mean	COS ²
USB Prospect* (Upper Schrader Bluff)	167	338	671	381	32%
Canning Prospect (Canning Formation)	136	259	469	283	33%
Total Prospective Resources	303	597	1140	664	

* Formerly referred to as the Tiri Prospect. Refer to announcement dated 4 June 2024.

1. 88 Energy net resources have been calculated using a 100% working interest and a 16.6667% royalty.
2. COS represents the geological chance of success as assessed by 88 Energy, taking into account and risking of such factors as source, timing/migration, estimated reservoir and quality, mapped closures and seal effectiveness.
3. Prospects are subject to a phase risk (oil vs gas). Chance of oil has been assessed as 100%. Phase risk has not been applied to the unrisked numbers.
4. 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 not yet known, 88 Energy has qualitatively assessed the chance of development as “probable” upon geological success given the strategic location of the acreage position adjacent to TAPS and key infrastructure.

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 recoverable hydrocarbons.

This announcement has been authorised by the Board.

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SCHEDULE 1

Disclaimers:

Cautionary Statement for Prospective Resource Estimates - With respect to the Prospective Resource estimates contained within this report, it should be noted that the estimated quantities of gas that may potentially be recovered by the future application of a development project relate to undiscovered accumulations. These estimates have an associated risk of discovery and risk of development. Further exploration and appraisal is required to determine the existence of a significant quantity of potentially recoverable hydrocarbons.

Hydrocarbon Resource Estimates – The Prospective Resource estimates for Project Leonis presented in this report are prepared as at 29 January 2025. The Prospective Resource estimates are quoted on an unrisks basis together with the geological chance of success for the Upper Schrader Bluff prospect. 88 Energy have considered the chance of discovering oil over gas to be 100%. Chance of development has not been estimated. Quantifying the chance of development (COD) requires consideration of both economic contingencies 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 88 Energy they must be used with caution.

Government Royalty and Overriding Royalty Interests – The Project Leonis leases (“Leases”) are situated in the State Lands of the North Slope of Alaska and are administered by the Alaskan Department of Natural Resources – Oil and Gas Division (DNR). All leases issued by DNR are subject to a royalty and 88 Energy’s Leases are subject to a 16.67% government royalty. The net economic interest to 88 Energy has therefore been calculated as 83.33% and the Net Entitlement Prospective Resources have been adjusted to reflect this.

Competent Person Statement Information – In this report information relating to hydrocarbon resource estimates have been prepared by Allister Caird, Exploration Manager at 88 Energy Limited, and reviewed by Dr Stephen Staley, who is a Non-Executive Director of the Company. This information is based on, and fairly represents, information and supporting documentation compiled by Allister Caird, and the company has stated in the Report that it has been prepared in accordance with the definitions and guidelines set forth in the Petroleum Resources Management System, 2018, approved by the Society of Petroleum Engineers and have been prepared using probabilistic methods. Dr Stephen Staley, has more than 40 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 prospective resource 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.

Forward looking statements – This document may include forward looking statements. Forward looking statements include, are not necessarily limited to, statements concerning 88 Energy's planned operation program and other statements that are not historic facts. When used in this document, the words such as “could,” “plan,” “estimate,” “expect,” “intend,” “may,” “potential,” “should” and similar expressions are forward looking statements. Although 88 Energy believes the expectations reflected in these are reasonable, such statements involve risks and uncertainties, and no assurance can be given that actual results will be consistent with these forward-looking statements. The entity confirms that it is not aware of any new information or data that materially affects the information included in this announcement and that all material assumptions and technical parameters underpinning this announcement continue to apply and have not materially changed.

SCHEDULE 2

Definitions and Glossary of Key Terms:

SPE definition: Prospective Resource

Prospective resources are estimated volumes associated with undiscovered accumulations. These represent quantities of petroleum which are estimated, as of a given date, to be potentially recoverable from oil and gas deposits identified on the basis of indirect evidence but which have not yet been drilled. This class represents a higher risk than contingent resources since the risk of discovery is also added. For prospective resources to become classified as contingent resources, hydrocarbons must be discovered, the accumulations must be further evaluated and an estimate of quantities that would be recoverable under appropriate development project(s) prepared.

Glossary of Key Terms

<i>1U</i>	Denotes the unrisks low estimate qualifying as Prospective Resources.
<i>2U</i>	Denotes the unrisks best estimate qualifying as Prospective Resources
<i>3U</i>	Denotes the unrisks high estimate qualifying as Prospective Resources
<i>BOE</i>	Barrels of oil equivalent
<i>Bnbbl</i>	Billion barrels of oil
<i>Chance</i>	Chance equals 1-risk. Generally synonymous with likelihood.
<i>Chance of Development</i>	The estimated probability that a known accumulation, once discovered, will be commercially developed.
<i>Entitlement</i>	That portion of future production (and thus resources) legally accruing to an entity under the terms of the development and production contract or license.
<i>Mean</i>	The sum of a set of numerical values divided by the number of values in the set.
<i>MMbbl</i>	Million barrels of oil
<i>Prospect</i>	A project associated with a potential accumulation that is sufficiently well defined to represent a viable drilling target.
<i>Prospective Resources</i>	Those quantities of petroleum that are estimated, as of a given date, to be potentially recoverable from undiscovered accumulations.
<i>Reservoir</i>	A subsurface rock formation that contains an individual and separate natural accumulation of petroleum that is confined by impermeable barriers, pressure systems, or fluid regimes (conventional reservoirs), or is confined by hydraulic fracture barriers or fluid regimes (unconventional reservoirs).
<i>Royalty</i>	A type of entitlement interest in a resource that is free and clear of the costs and expenses of development and production to the royalty interest owner. A royalty is commonly retained by a resource's owner (lessor/host) when granting rights to a producer (lessee/contractor) to develop and produce that resource. Depending on the specific terms defining the royalty, the payment obligation may be expressed in monetary terms as a portion of the proceeds of production or as a right to take a portion of production in-kind. The royalty terms may also provide the option to switch between forms of payment at discretion of the royalty owner
<i>Working Interest</i>	An entity's equity interest in a project before reduction for royalties or production share owed to others under the applicable fiscal terms.

SCHEDULE 3

Project Leonis – lease information:

Project Leonis acreage comprises ten leases (in blue in the map below) covering approximately 25,430 contiguous acres and a further four leases (in red in the map below) ;

Project Leonis					
Sub-Project	Entity	ADL	Gross Acres	WI	Net Acres
Leonis	Captivate Energy Alaska, Inc	394125	2,560	100.0%	2,560
Leonis	Captivate Energy Alaska, Inc	394126	2,439	100.0%	2,439
Leonis	Captivate Energy Alaska, Inc	394134	2,560	100.0%	2,560
Leonis	Captivate Energy Alaska, Inc	394135	2,560	100.0%	2,560
Leonis	Captivate Energy Alaska, Inc	394136	2,560	100.0%	2,560
Leonis	Captivate Energy Alaska, Inc	394137	2,560	100.0%	2,560
Leonis	Captivate Energy Alaska, Inc	394138	2,560	100.0%	2,560
Leonis	Captivate Energy Alaska, Inc	394139	2,533	100.0%	2,533
Leonis	Captivate Energy Alaska, Inc	394140	2,544	100.0%	2,544
Leonis	Captivate Energy Alaska, Inc	394142	2,555	100.0%	2,555
Total Project Leonis			25,431	100.0%	25,431

In late 2022, the Company announced Captivate Energy Alaska, Inc. (a wholly-owned subsidiary of the Company) had been declared the successful bidder for select acreage offered as part of the North Slope Areawide 2022 Oil and Gas lease sale (refer 88 Energy's ASX announcement dated 10 November 2022). On 20 April 2023 the Company announced that the Alaskan Department of Natural Resources (DNR), Oil and Gas Division, had completed its adjudication process and formally issued award notices to Captivate Energy Alaska, Inc.

On 11 December 2024 (Alaska time) Captivate Energy Alaska, Inc. was declared the successful bidder on four additional (in red) lease blocks immediately adjacent to the existing Project Leonis leases (refer announcement 12 December 2024). The new lease blocks cover approximately 10,203 acres, expanding Project Leonis' footprint to a total of fourteen (14) leases covering approximately 35,634 contiguous acres. The leases are subject to adjudication and regulatory approvals in advance of formal award, expected in 1H 2025.

The leases have an annual rental of \$10/acre on or around 1 May each year, and a royalty of 16.6667% payable to the State of Alaska. The Project Leonis leases have a ten-year term and the original 10 leases expire on 30 April 2033. The four new leases will expire 10 years from the award date, in 2035.

