

28 January 2020

CORPORATE AND OPERATIONAL UPDATE

Ansila Energy NL (**ANA** or the **Company**) announces the following corporate and operational update.

Highlights:

- Siciny-2 long-term transient pressure build-up test underway with completion expected in February
- Post-operational analysis of Siciny-2 well appraisal data is currently in process
- Strategy to exploit the conventional Rotliegendes gas potential across the Gora licence is underway
- Licence preparations and planning for Jany-C1 (Nowa Sol) work programme targeting 2C contingent resources of 36 MMbbls¹ oil in Q2 2020 in progress
- Active new ventures pipeline targeting technical resources with material valuation upside

Siciny-2 Appraisal (Gora Concession)

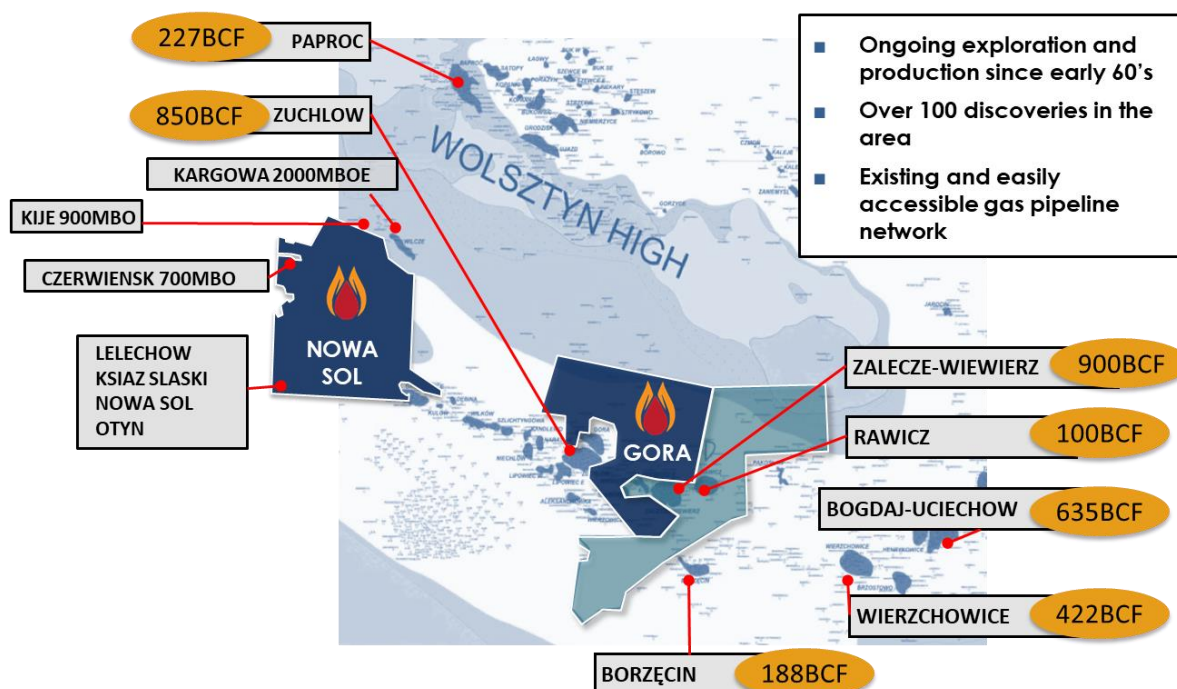
Following the Siciny-2 appraisal operational update announced on 20 January 2020, pressure gauges have been run into the well for the long term transient pressure build-up test and other services demobilised from the wellsite. The test will provide valuable data on the reservoir characterisation in terms of the permeability of the system, pore pressure and also the formation water encountered following the flow-back of frac fluid.

The data from the pressure build-up test will be integrated into the significant amount of data acquired during the initial phase of appraisal operations to develop our understanding of the tight Carboniferous reservoir across the Gora licence. Following the successful fracture stimulation of the Carboniferous interval, confirmation of hydrocarbon gas in the reservoir and free gas (methane) detected at surface, the post-operational analysis of Siciny-2 will determine next steps.

¹ Volume estimates are from Netherland, Sewell & Associates, Inc. report entitled "Estimates of Reserves and Future Revenue and Contingent Resources to the Gemini Resources Ltd. Interest and Gross (100 Percent) Prospective Resources in Certain Oil and Gas Properties located in the Nowa Sol and Gora Concessions Permian Basin, Onshore Poland as of May 1, 2019" (**Report**). The % CoS are estimated by ANA Management.

Conventional Gas Potential (Gora Concession)

In parallel with the Siciny-2 contingent resources of 1.6 Tcf¹ of unconventional gas in the Carboniferous reservoir, a key feature of the Gora concession is the conventional gas potential identified in the Rotliegendes interval from existing 2D and 3D seismic datasets across parts of the licence. Over 7 Tcf² of gas has been discovered in the Rotliegendes in Poland and it is a proven-producing reservoir in the Polish Permian basin where several material gas discoveries and producing gas fields are located adjacent to the Gora licence.



Source: PGI (Polish Geological Institute)

The Gora concession contains multiple conventional gas prospects totalling 210 Bcf¹ (best case estimate) with an average chance of success of 28% - the largest of these prospects is Rawicz North with a best case estimate of 110 Bcf of gas and 24% chance of success.

The Company recently purchased a reprocessed 3D seismic dataset which covers part of the Gora licence and specifically covers part of the Rawicz North prospect. This dataset has markedly improved the structural imaging of the Rotliegendes prospects and will be used to generate a new inventory of

² Volume estimates are from the Polish Geological Institute (PGI).

drill-ready prospects across this part of the licence, following further interpretation.

We may also reprocess and reinterpret the existing 3D seismic dataset across Siciny, including coverage of the Siciny-2 well, to evaluate the prospectivity of the Rotliegendes in this part of the licence. In addition, the Siciny-2 well, where recent operations have focused on the deeper Carboniferous play, contains 21 metres³ of conventional gas pay in the shallower Rotliegendes interval. Reprocessing of 3D seismic data in this part of the licence should assist in assessing the potential size of the gas accumulation in the Rotliegendes reservoir at Siciny-2 and may lead to the identification of additional conventional prospects.

The Company looks forward to providing investors with a further update regarding the conventional gas potential across the Gora licence once the reprocessing and interpretation of the various 3D seismic datasets have been completed.

Jany-C1 Appraisal Programme (Nowa Sol Concession)

The Jany-C1 appraisal program, consisting of the fracture stimulation and flow testing of the previously discovered 2C contingent resources of 36 MMbbls¹ of oil within tight Zechstein Dolomite formation, is scheduled for Q2 2020.

An application with the Ministry of Environment, Poland, for the conversion of the Nowa Sol Concession to a production licence has been submitted by the Operator, Gemini Resources Limited, and is expected to be approved by the end of Q1 2020.

An Operating Committee Meeting (OCM) will be held in February 2020 and we look forward to hearing further details on the likely timing of the Jany-C1 operations from the Operator and will provide a further update at this time.

New Ventures Strategy

Ansila's new ventures strategy is focused on acquiring operated or non-operated interests in European onshore or shallow water opportunities which exhibit the following characteristics:

- Existing discoveries with independently verified technical resources (2P reserves or 2C contingent resources)

³ Gas pay estimate is from Netherland, Sewell & Associates, Inc. report entitled "Estimates of Reserves and Future Revenue and Contingent Resources to the Gemini Resources Ltd. Interest and Gross (100 Percent) Prospective Resources in Certain Oil and Gas Properties located in the Nowa Sol and Gora Concessions Permian Basin, Onshore Poland as of May 1, 2019" (**Report**).

- Modest capital entry requirements
- Material appraisal and exploration upside in addition to identified resources
- Near-term activity to value creation events

Management have identified a number of asset and corporate opportunities which satisfy our criteria and will provide further updates as discussions with vendors progress.

Ansila has also made a strategic investment in a UK private company with the aim of applying for a number of blocks in the recent UK 32nd Offshore Licensing Round. The company has made two applications for seven contiguous blocks which contain multiple fields with undeveloped gas resources and a number of drill ready exploration prospects. We expect to hear the result of the application in mid-2020 and look forward to making a further announcement at this time.

-Ends-

CONTACTS

The Board of Directors of Ansila Energy NL authorised this announcement to be given to ASX.

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About Ansila Energy:

Ansila's earn-in transaction to the Gora and Nowa Sol concessions, onshore Poland, will see the Company acquire a 35% interest from Gemini Resources Limited by spending a total of A\$6.15m⁴ on those concessions with work programs designed to unlock and prove the commercial viability of two potentially large unconventional resources plays:

- **Siciny-2 (Gora):** Pressure testing the previously discovered 2C contingent resources of 1.6 Tcf¹ (circa 270 MMboe) of unconventional gas in an extensive Carboniferous reservoir scheduled for completion in Q1 2020; and
- **Jany-C1 (Nowa Sol):** Flow testing the previously discovered 2C contingent resources of 36 MMbbls¹ of oil within tight Zechstein Dolomite formation scheduled for completion in Q2 2020.

Please refer to the qualified person's statement relating to the reporting of contingent resources on the Gora and Nowa Sol concessions in Ansila's ASX Announcement dated 4 July 2019 (see Schedule 2). The Company is not aware of any new information or data that materially affects the about contingent resource estimates included in this announcement and all the material assumptions and technical parameters underpinning those estimates in this announcement continue to apply and have not materially changed.

Contingent Resources		1C	2C	3C
Jany-C1	MMbbls	9.3	36.1	85.8
	Ansila 35% Interest	3.3	12.6	30.0
Siciny-2	Tcf	0.7	1.6	3.2
	Ansila 35% Interest	0.25	0.56	1.1

Prospective Resources		Low Case	Best Case	High Case
Bronow	Bcf	16.0	21.4	28.1
Rawicz North	Bcf	80.1	109.7	148.8
Rawicz South	Bcf	37.8	51.8	70.4

⁴ Based on an exchange rate of 1AUD: 0.55GBP or 1AUD: 0.71USD

Siciny	Bcf	9.5	13.3	17.8
Zuchlow West	Bcf	10.0	13.3	17.6
TOTAL	Bcf	153.4	209.3	282.7
Ansila 35% Interest		53.7	73.3	98.9

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Contingent and Prospective resources reported herein have been estimated and prepared using the probabilistic method.

The conversion factor used to convert gas (Tcf) to oil (MMboe) is 5.8:1 – this conversion ratio is based on an energy equivalency conversion method and does not represent value equivalency.

Forward Looking Statements

This document has been prepared by Ansila Energy NL (ANA). This document contains certain statements which may constitute "forward-looking statements". It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including, but not limited to: price fluctuations, actual demand, currency fluctuations, drilling and production results, reserve and resource estimates, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory developments, economic and financial market conditions in various countries and regions, political risks, project delays or advancements, approvals and cost estimates.

ANA's operations and activities are subject to regulatory and other approvals and their timing and order may also be affected by weather, availability of equipment and materials and land access arrangements. Although ANA believes that the expectations raised in this document are reasonable there can be no certainty that the events or operations described in this document will occur in the timeframe or order presented or at all.

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