

Wombat-5 - Production Testing Continuing

Lakes Blue Energy NL (ASX:LKO; “Lakes” or “the Company”) provides the following update on ongoing production testing operations at the Wombat-5 gas well. As previously reported, drilling at Wombat 5 encountered three strong gas zones within a 1,500 meter horizontal section across a broad package of gas saturated sands as shown below in Figure 1:

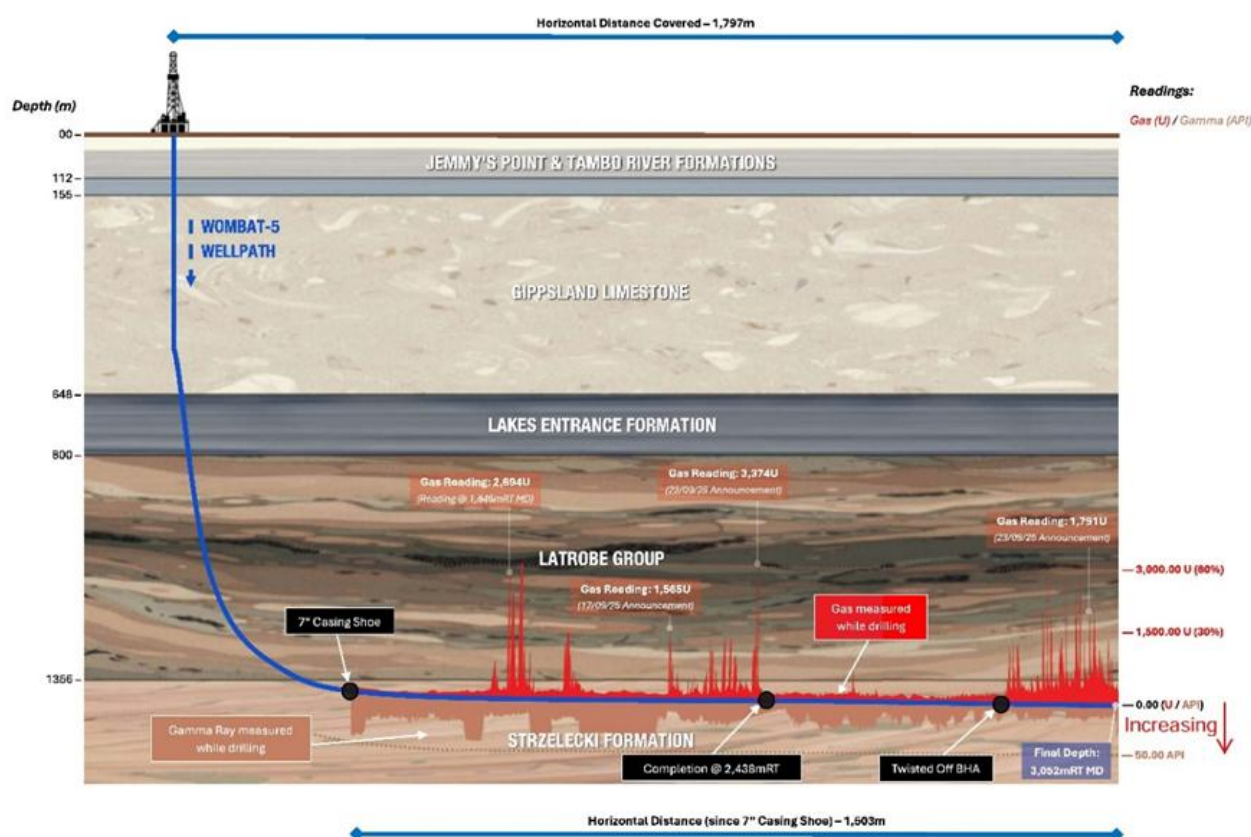


Figure 1: Schematic cross-section showing the Wombat-5 well path and significant gas shows to be evaluated during the production testing operations.

Since the Company’s previous announcement on 9 February 2026, operations have focused on unloading drilling fluid from the well using nitrogen lifting and undertaking gas in-flow pressure build up diagnostic testing.

The Company has concluded that additional operations will be required to establish full gas flow from the wellbore. The Company has now suspended well flow and clean-up activities at the Wombat 5 site and completed demobilisation of contractor equipment. The extended pressure build-up phase of the approved well test program has now commenced concurrently with the

regulatory approval, and this work is expected to provide longer-term pressure buildup data to assist in evaluating reservoir properties.

Following completion of the extended pressure build-up program, and subject to regulatory approval, the Company intends to return to the well and implement a perforation program in the completed horizontal reservoir interval as shown in the Figure 2 below. The objective of the perforation program is to improve gas flow into the wellbore. Perforation is a conventional enhancement technique in wells of this nature.

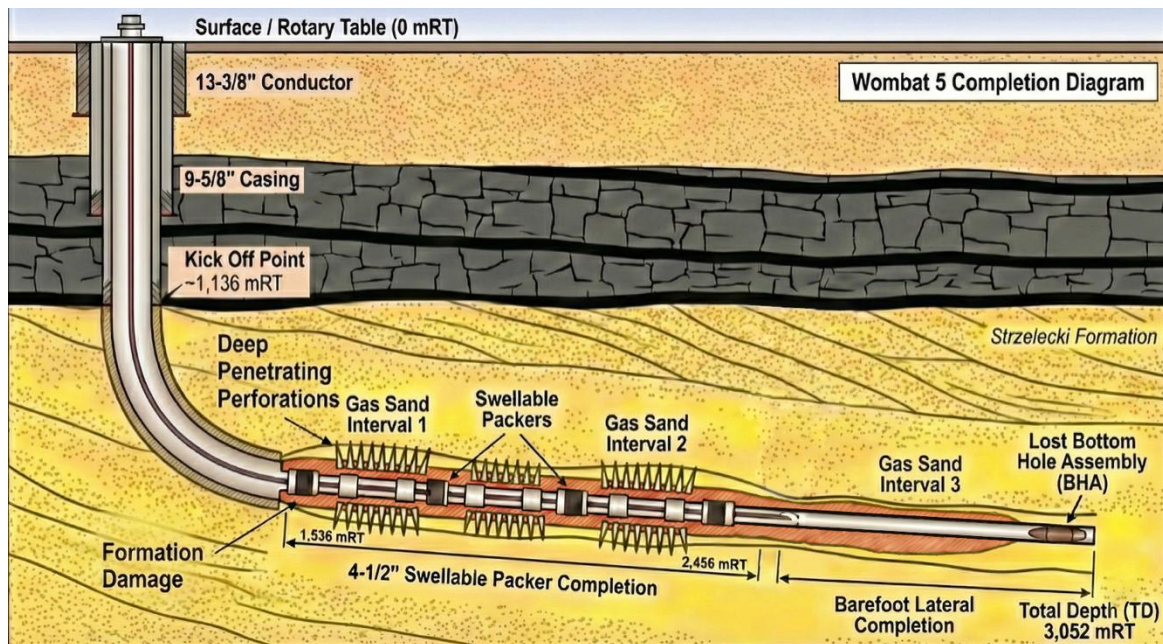


Figure 2 – Schematic of Proposed Perforating Programme

The perforation program may be complemented by other enhancement activities, including acid washing aimed at further improving the well's flow performance. Technical design work for these activities is already underway and discussions with the regulator have commenced in relation to securing any approvals required to undertake the next phase of operations.

While additional remediation work is required, the testing undertaken to date has provided valuable reservoir and well performance information. The Company continues to assess the Wombat Field as prospective for commercial gas production and will update the market as further results become available.

This announcement was authorised by the Board of Lakes Blue Energy.

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