

This announcement contains inside information

88 Energy Limited

Project Icewine East: Maiden Independent Prospective Resource Estimate of 1.03 Billion Barrels*

Highlights

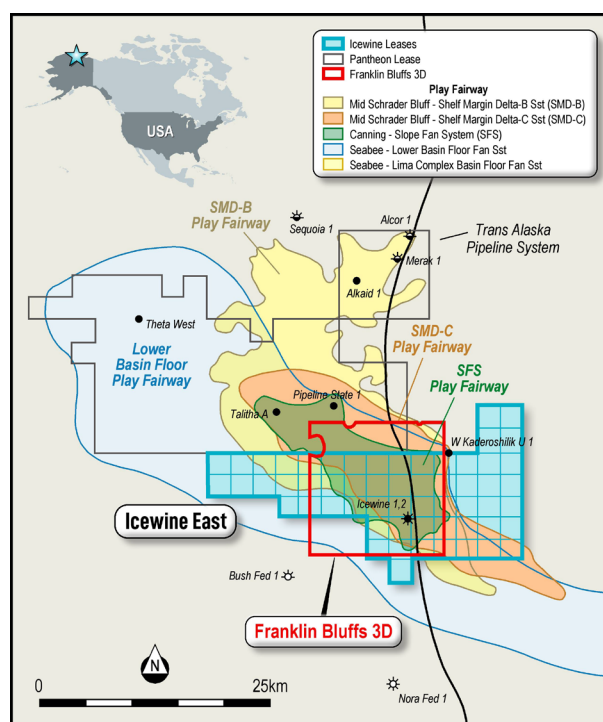
- Maiden Independent Prospective Resource estimate completed at Project Icewine East.
- Total estimated Prospective Resource of 1.03 billion barrels (**Bnbbbls**) of oil* recoverable from multiple reservoir zones.
- Independently certified prospective resource estimate prepared by Lee Keeling & Associates, Inc., a US based independent expert petroleum and engineering firm.
- Substantial oil volumes noted across all mapped play fairways, in particular the Seabee – Lower Basin Floor (**BFF**) and the Shelf Margin Delta (**SMD**) reservoirs.
- 88 Energy Limited is intending to drill an exploration well on the acreage in 2023.

88 Energy Limited (ASX:88E, AIM:88E, OTC:EEENF) (**88 Energy** or the **Company**) is pleased to report a maiden, independently certified Prospective Resource estimate of 1.03 Bnbbbls of oil (gross mean, unrisks) for Project Icewine East (~75% net working interest).

Significant prospective resources have been estimated across all the recently mapped Shelf Margin Delta (**SMD**), Slope Fan System (**SFS**), Basin Floor Fan (**BFF**) and Kuparuk (**KUP**) play fairways on the Icewine East acreage. Importantly, these are mapped as the same Brookian / Beaufortian reservoirs that nearby Pantheon wells – Alkaid-1, Talitha-A and Theta West-1 – have flowed 35° to 40° API oil. Pantheon's previous well tests have also confirmed reservoir deliverability of light, sweet oil (see Pantheon releases of 7 February, 21 February and 24 March 2022), which 88 Energy believes is positive for the prospectivity of the adjacent Icewine East acreage.

The maiden Independent Prospective Resource Report was completed by Lee Keeling and Associates, Inc. (**LKA**). The initial total prospective resource follows a period of review of an extensive data suite that included seismic data, well logs from Icewine-1 and nearby wells adjacent to the Icewine East acreage, recent petrophysical analysis and mapping. LKA are an independent US based expert petroleum geoscience and engineering consulting firm who have significant and recent experience in providing resource estimates globally as well as more specifically in Alaska.

* Gross mean unrisks prospective resource



Managing Director, Ashley Gilbert, commented:

“This maiden, independently certified 1.03 Bnbbls of oil resource estimate is a great result for 88E and its shareholders. Resources of this magnitude present our shareholders with significant upside potential and opportunity, which is why we continue to focus on our Alaskan portfolio and believe significant value exists in our Icwine East acreage.

Importantly, it is worth noting that the Icwine East acreage has been significantly de-risked by the recent Pantheon drilling and flow tests on their adjacent acreage, as well as data from the Icwine-1 well logs, and more recently the leased Franklin Bluffs 3D data set. This work substantially increases our confidence in unlocking the potential of the Icwine East acreage and is by far, the most compelling data suite the Company has analysed ahead of drilling any well.

Full interpretation of the recently licensed FB3D data is ongoing, including AVO analysis, to define ‘sweet spots’ for each play and determine optimal future exploration and appraisal drilling locations, the first of which is planned for 2023.”

Prospective Resources Estimate – Icwine East

The assessed maiden Prospective Resource estimate associated with 88 Energy’s Icwine East acreage (~75% net working interest) is summarised below.

| Icwine East: Alaska North Slope | Unrisked Gross Prospective Oil Resources (MMstb) ^{4,5} | | | | |
|-----------------------------------|---|------------|--------------|---------------------------|------|
| | Prospects (Probabilistic Method) | Low (1U) | Best (2U) | High (3U) | Mean |
| Shelf Margin Delta (SMD A, B & C) | 70 | 224 | 518 | 231 | 81% |
| Slope Fan Set (SFS) | 37 | 134 | 345 | 141 | 50% |
| Basin Floor Fan (BFF) | 119 | 543 | 1,480 | 569 | 50% |
| Kuparuk (KUP) | 39 | 88 | 156 | 89 | 72% |
| Prospects Total | 265 | 988 | 2,499 | 1,030 ² | |

| Icwine East: Alaska North Slope | Unrisked Net Entitlement to 88E ¹ Prospective Oil Resources (MMstb) ^{4,5} | | | | |
|-----------------------------------|---|------------|--------------|-------------------------|------|
| | Prospects (Probabilistic Method) | Low (1U) | Best (2U) | High (3U) | Mean |
| Shelf Margin Delta (SMD A, B & C) | 44 | 140 | 326 | 145 | 81% |
| Slope Fan Set (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.

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 movable hydrocarbons.*

The data used to compile the independent prospective resource report includes reprocessed 2D seismic data, basin modelling, petrophysical analysis of publicly available wells and historical geological records. The data was compiled and interpreted by 88E and was reviewed, validated and in some cases modified independently by LKA.

LKA's methodology for determining Prospective Resources for Project Peregrine

LKA has determined Prospective Resources by examining the areas of consistent bright amplitude that were mapped by independent consultants to 88E, Jordan and Pay, using the reprocessed 2D seismic data within the Icewine East area. Parameters including potential pool area and thickness, porosity, hydrocarbon saturation, oil expansion and recovery factor were estimated on a probabilistic low, mid and high basis. The Prospective Resources distributions were then aggregated into four (4) prospects, on the basis that one (1) well could effectively test all the mapped prospective intervals. The unrisks prospective resources estimates (and associated geological chance of success) were modelled using Monte-Carlo analysis on the assumption there was no economic minimum and that volumes and risks of each of the prospective intervals within each prospect were independent.

The Prospective Resources have not been adjusted for phase risk or chance of development. 88 Energy and LKA have considered the chance of discovering oil over gas to be 100% for all targets except for the Kuparuk Formation which was assessed to be 70%. Chance of development has not been estimated.

Please refer to the disclaimers attached as Schedule 1 of this ASX release for more information on the prospective resource report.

About LKA

LKA is a U.S. based independently owned petroleum Reserves and Resources auditor and engineering consultants, providing expert consultancy services to the upstream oil and gas industry since 1957. LKA technical staff include a wide range of professionally qualified engineers and geologists, who provide geoscience, reservoir, facilities and cost engineering and economic/commercial expertise in conventional and unconventional projects. Examples of current clients are noted on their website (<https://www.lkaengineers.com/clients/>) and include independent oil and gas operators, international, state and federal government agencies, bank and financial institutions, as well as legal and accounting firms.

This announcement has been authorised by the Board.

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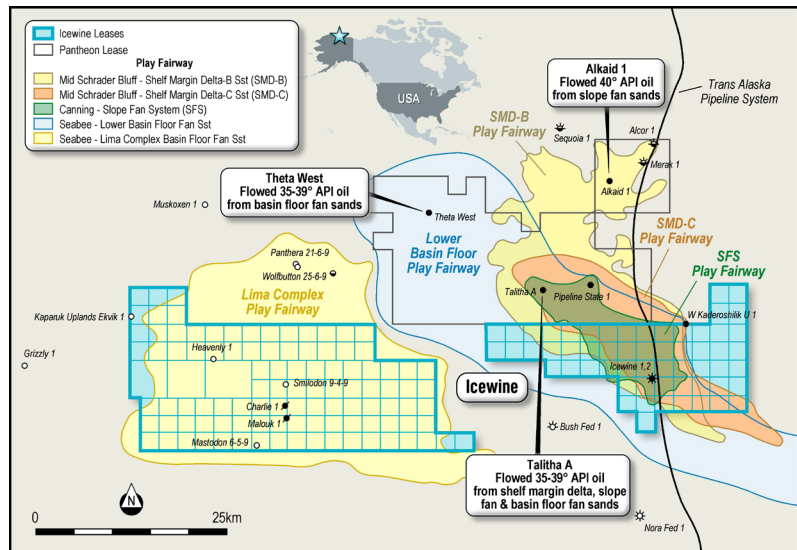
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About Project Icewine

Project Icewine is located on the central North Slope of Alaska and encompasses approximately 185,320 net acres. It is situated on-trend to recent discoveries in multiple, newly successful play types in topset and bottom-set sands of the Schrader Bluff and Seabee formations. 88 Energy has a 75.227% working interest in the Project.

Icewine East and West acreage positions hold an estimated conventional total 2.8 billion BOE* of prospective resource, independently assessed.

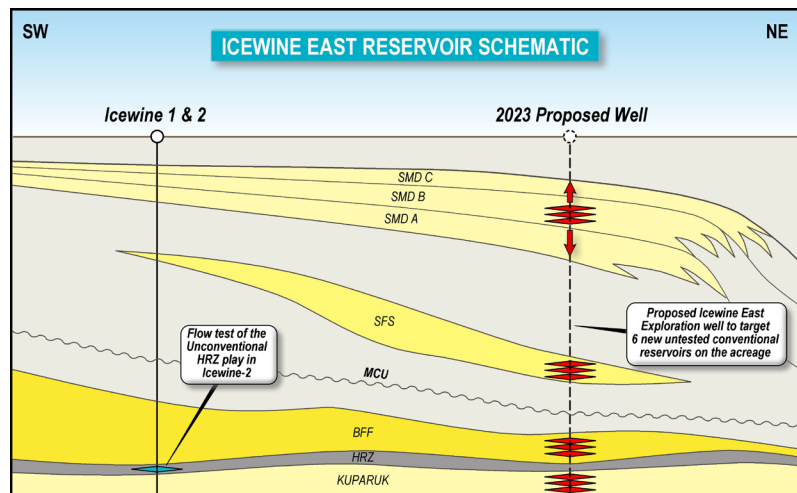


88 Energy has conducted 2D and 3D seismic acquisitions and drilled three exploration wells in the acreage, including the Charlie-1 discovery well in Q1 CY2020.

Project Icewine East – Total Prospective Resource of 1.03 Billion Barrels of Oil*

Icewine East resource estimate completed in Q3 2022. Acreage de-risked by historical exploration wells and near-field exploration drilling and flow tests recovering light oil, as well as recently leasing the Franklin Bluffs 3D (FB3D).

The FB3D will assist through subsequent analysis, including AVO scanning and simultaneous seismic inversion, in defining 'sweet spots' for each play and hence determine optimal drilling location for a planned well in 2023.



Project Icewine West – Total Prospective Resource of 1.8 Billion Barrels of Oil Equivalent*

Project Icewine West has previously been independently assessed as having a total gross mean unrisked prospective resource of 1.77 billion BOE**. The Charlie-1 discovery well, drilled in 2020, recovered hydrocarbons during wireline operations.

* Gross mean unrisked prospective resource

** Please refer to the ASX release dated 10 November 2020 for full details with respect to the Prospective Resource estimate and associated risking

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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 moveable hydrocarbons.

Hydrocarbon Resource Estimates – The Prospective Resource estimates for Project Icewine East presented in this report are prepared as at 9 August 2022. The Prospective Resource estimates are quoted on an unrisks basis together with the geological chance of success for each prospect. The unrisks mean total presented in the table is not representative of the expected total from the 4 prospects and assumes a success case in all reservoir intervals. 88 Energy and LKA have considered the chance of discovering oil over gas to be 100% for all targets except for the Kuparuk Formation which was assessed to be 70%. 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 LKA they must be used with caution.

Government Royalty and Overriding Royalty Interests – The Project Icewine East 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 88E’s Leases are subject to a 12.5% government royalty. In addition, the Leases are subject to an overriding royalty of 4.0% payable to non-related parties of the Company. The net economic interest to 88E has therefore been calculated as 62.81% 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 supplied by LKA, 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. Lee Keeling & Associates, Inc., the independent resource reviewer named in this document, has consented to the inclusion of information relevant to their review in the form and context in which it appears. Dr Stephen Staley, who is a Non-Executive Director of the Company, has more than 37 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 88E’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 88E 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>Bnbbbl</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 resources 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. |