

7 May 2024

ASX Release
Lakes Acquires 100% Ownership of PRL 2

Highlight:

- *Lakes Blue Energy has agreed terms to acquire full ownership of the Trifon/Gangell Gas Fields within Petroleum Retention Lease 2, in Gippsland, Victoria.*
- *Lakes Blue Energy will have independently certified contingent gas resources totalling 719 Billion cubic feet.*

The Directors of Lakes Blue Energy NL (**Lakes**, or the **Company**; ASX:LKO) are pleased to advise that the Company has agreed terms for resumption of full ownership of Petroleum Retention Lease 2 (**PRL 2**) in Gippsland, Victoria.

PRL 2 contains the Wombat and Trifon/Gangell Gas Fields, the latter of which (Trifon/Gangell JV Area) was 42.5% owned by Jarden Corporation Australia Pty Ltd (**Jarden**) in joint venture with Lakes. Agreement has been reached with Jarden for Lakes to resume full ownership of the Trifon/Gangell Block in consideration of:

- An amount of approximately \$170,000 owed by Jarden to Lakes being forgiven and Jarden being released from any future liabilities relating to the Trifon/Gangell JV Area; and
- Jarden receiving a 2.5% overriding royalty on revenue from future production of gas from the Trifon/Gangell JV Area, capped at aggregate royalty of \$10 million.

The Trifon/Gangell Gas Fields contain independently certified contingent (2C) gas resources of 390 Billion cubic feet (Bcf). Together with 329 Bcf of 2C gas resources contained within the Wombat Gas Field, the Company now has 719 Bcf of independently certified 2C gas resources at PRL 2 (see note on following page). The Company's vision is to commercialise and bring these resources into production.

This announcement has been authorised and approved by the Board of Lakes Blue Energy NL for lodgement with ASX.

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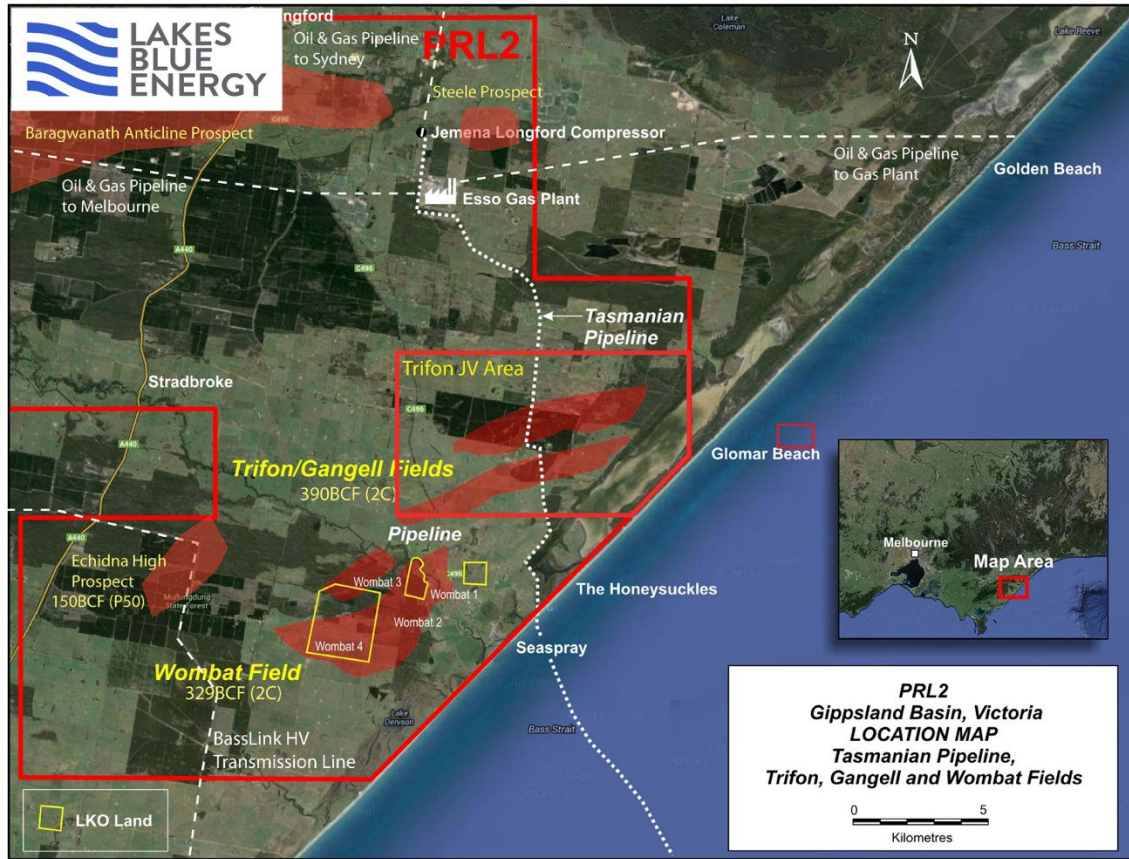
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Background Information

The location of the Wombat and Trifon/Gangell Gas Fields, within PRL 2, is illustrated in the following figure. The 'Trifon JV area', which was jointly owned by the Company and Jarden, will be 100% owned by Lakes Blue Energy NL



The Company envisages an integrated approach to development of the Wombat and Trifon-Gangell Gas Fields. Sales gas production would initially be from the Wombat Gas Field with the Trifon-Gangell Gas Field developed to support steady gas sales over a 20-year period. On this basis, the estimated conventional sales gas potential of the fields is at least 20 PJ/a.

Note - Source of gas resource estimates: Gafney, Cline and Associates, as reproduced on pages 24-25 of "Independent Specialist Report on the petroleum assets of Navgas Pty Ltd and Lakes Oil NL", SRK Consulting (Australasia) Pty Ltd, made public in December 2016. The Company is not aware of any new information or data that materially affects the information included in the relevant market announcement and confirms that all the material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. 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 moveable hydrocarbons).