

## 88 Energy Limited

Non-Energy Minerals – Oil & Gas

88E A\$0.008

88 Energy Limited (88E) has over 440,000 net acres on the Alaskan Central North Slope and NPR-A regions and 1,300 net acres in the Permian Basin in Texas. The Company's highly prospective project areas consists of Project Peregrine, Umiat oil field, Project Icewine, and Yukon Leases in Alaska and recently acquired Project Longhorn, oil gas production assets in Texas, USA.

### Company Data

Number of shares	15,885.2M
Market Capitalisation (\$m)	127.1
Free float (%)	98.1
12-month high/low	\$0.052/\$0.008
Average Daily Turnover (\$m)	0.4
% S&P/ASX200	0.007%
DDM Ranking	577
% All Ordinaries	0.006%
GICS Industry Group	Mining

Source: FactSet, BPC

### Mineral Resource

[View in Appendices](#)

### Share Price Performance



Source: FactSet, Barclay Pearce Capital

## Projects Update: Icewine East & Longhorn

On 27<sup>th</sup> of June 2022, 88 Energy Limited (88E) announced an update at Icewine East and Longhorn, with the following highlights:

### Highlights:

- Licensing agreement signed with SAExploration, Inc. (SAE) for use of SAE's Franklin Bluffs 3D seismic survey data (FB3D), covering a significant area over the Project Icewine East leases;
- Critically, the FB3D covers an area over the Shelf Margin Delta (SMD), Slope Fan Set (SFS) and Basin Floor Fan (BFF) reservoir units, which are interpreted to extend from Pantheon Resources' (Pantheon) acreage onto Icewine East;
- Pantheon wells – Alkaid-1, Talitha-A and Theta West-1 – have flowed 35° to 40° API oil from multiple Brookian reservoirs (see Pantheon releases of 7 and 21 February 2022), with independent third-party mapping indicating all of Pantheon's play fairways extend onto Project Icewine East;
- Upfront license fee includes, as part of the initial payment, US\$1.0M in new 88E shares;
- The FB3D Shares and the Capital Development Shares will be issued at a price of A\$0.008 per share (equivalent to approximately 0.45 pence), being the closing price of 88 Energy shares on ASX on 24 June 2022;
- 88E to conduct a full interpretation of the FB3D data, including AVO analysis, to define 'sweet spots' for each play and determine optimal future exploration and appraisal drilling locations;
- Drilling of a new exploration well currently being planned to spud in 2023;
- Project Longhorn production has increased over 70% since acquisition, with plans to accelerate the capital development work program and increase production further given elevated oil prices; and
- 88 Energy will issue a total of 725,000,000 new ordinary shares, of which 181,250,000 will be issued to SAE in respect of part payment of the FB3D (FB3D Shares) and 543,750,000 new ordinary shares to Lonestar (Capital Development Shares).

### BPC comment:

- The licensing agreement with SAE for use of FB3D data will assist 88E through subsequent analysis and review in defining 'sweet spots' for each play and hence determine optimal drilling locations for future exploration and appraisal wells at Icewine East. Project Longhorn production has increased 70% since acquisition.

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27 June 2022

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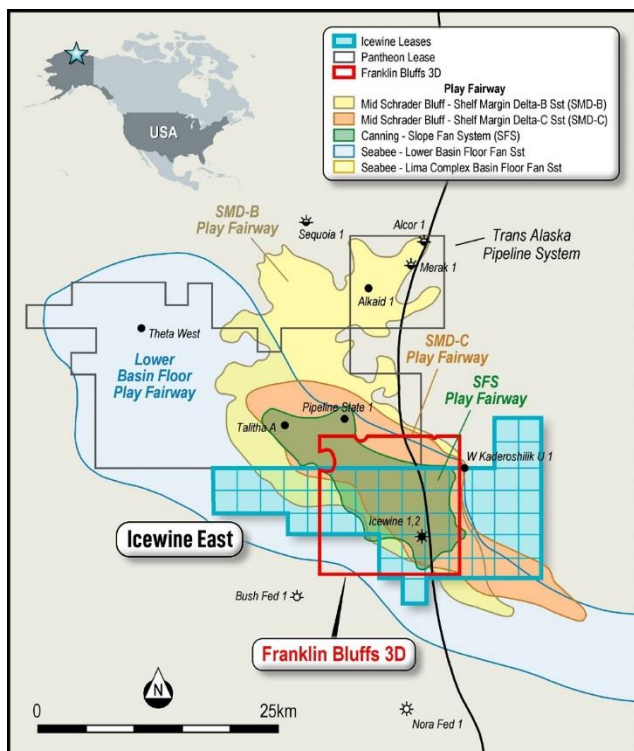
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## Appendix A.

### Project location



## Appendix B.

### Project Peregrine Resource

PROSPECTIVE RESOURCE (MMBO, UNRISKED) <sup>1</sup>					
Prospects	Formation	Low	Best	High	Mean
<b>Merlin-2 (N20, N19 &amp; N18)</b>	<b>Nanushuk</b>	<b>To be reassessed in conjunction with post well analysis</b>			
Merlin-1A (N14S)	Nanushuk	25	87	282	132
Harrier	Nanushuk	41	175	796	353
Harrier Deep	Torok / Basin Floor Fan	35	226	1,132	486

## Appendix C.

### Project Icewine Resource

PROSPECTIVE RESOURCE (MMBO, UNRISKED)					
Prospects	Formation	Low	Best	High	Mean
Lima Complex	Seabee / Basin Floor Fan	214	978	2,804	1,419
Stellar Fan 1-6	Torok / Basin Floor Fan	79	248	722	355
<b>TOTAL MEAN PROSPECTIVE OIL RESOURCE</b>					<b>1,774<sup>2</sup></b>

## Appendix D.

### Project Yukon Resource

PROSPECTIVE RESOURCE (MMBO, UNRISKED)					
Prospects	Formation	Low	Best	High	Mean
Cascade	Canning / Fan	24	64	162	82
PETM1	Staines Tongue / Topset	3	6	10	6
PETM2	Staines Tongue / Topset	1	1	2	1
<b>TOTAL MEAN PROSPECTIVE OIL RESOURCE<sup>1, 2</sup></b>					<b>90</b>

## Appendix E.

### Umiat Oil Field Reserves

RESERVES (MBO) <sup>1</sup>		
Classification	Gross	Net <sup>1,2</sup>
Probable reserves (2P)	123,692	94,006
Possible reserves (3P)	57,156	43,439

## Appendix F.

### Longhorn key statistics

**OVER 450 BOE  
PER DAY<sup>4</sup>**

Current gross  
production;  
~70% oil

**~73% MAJORITY  
WORKING  
INTEREST<sup>3</sup>**

Lonestar operator  
and owner of ~24%  
average interest

**2.1 MMBOE 2P  
RESERVES<sup>1,2</sup>**

Net 2P  
Independent  
certified reserves,  
31 December 2021

**3 WORKOVERS  
SUCCESSFULLY  
EXECUTED**

Delivered over  
50% increase to  
production since  
February 2022 on  
time and budget

**4 FURTHER  
ACTIVITIES  
PLANNED**

Low-cost workovers  
planned for H2 2022

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**Buy** – Describes stocks that we expect to provide a total return (price appreciation plus net yield) of 15% or more within a 12-month period.

**Hold** – Describes stocks that are neither a buy nor underperform.

**Underperform** – Describes stocks that we expect to provide a total return (price appreciation plus net yield) of less than minus 10% within a 12-month period.

**Speculative Buy** – Describes stocks we research with a positive bias, whose company fundamentals and/or financials are being covered, but for which there is insufficient information for BPCM to assign a Buy or Underperform rating.

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27 June 2022

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Buy	37.9%	0.0% of stocks with recommendations are Barclay Pearce clients)
Hold	22.8%	0.0% of stocks with recommendations are Barclay Pearce clients)
Underperform	39.4%	0.0% of stocks with recommendations are Barclay Pearce clients)