



INVICTUS
ENERGY LIMITED

Mukuyu-1 and sidetrack final well results and Rig 202 secured for further 12 months

3 January 2023

HIGHLIGHTS

- **Log analysis indicates multiple potential gas bearing reservoir units, despite no initial fluid sample being able to be obtained due to technical and operational issues**
- **Results prove up potential of the Upper Angwa formation over a 900m gross interval**
- **Exalo Rig 202 contract extended for 12 months to remain in Cabora Bassa Basin**
- **Preparations commencing for Mukuyu appraisal with Phase 2 drilling and evaluation**
- **Investor briefing to discuss Mukuyu drilling results and forward plan**

Invictus Energy Limited (“Invictus” or “the Company”) is pleased to provide an update on the Mukuyu-1 well that is currently being drilled in its 80% owned SG 4571 licence in Zimbabwe’s Cabora Bassa Basin.

Progress and current operations

Since the last update, the drill string was rigged up to conduct fishing operations to attempt to retrieve the wireline formation testing tool.

The drill string with the overshot was run in hole to the casing shoe to commence installation of the side entry sub to allow for allow wireline operations through drill pipe without interference from the rig’s top drive system. However, during the installation process the T Bar clamp broke and operations were suspended until a replacement T Bar could be sourced from a regional supply base resulting in several days of delays.

Following the arrival of a replacement T Bar clamp the side entry sub was successfully installed and fishing operations resumed.

The wireline cable was successfully freed, however the wireline formation testing tool became stuck against the borehole wall during the intervening period. The tool was successfully engaged with the overshot but required significant force (approximately 50,000 foot-pounds) to break the tool free and the tool is unsuitable for use until it can be assessed and repaired.

Following mechanical disconnection of the wireline cable, the tool was successfully retrieved to the surface.

ABOUT INVICTUS ENERGY

Invictus Energy Ltd is an independent oil and gas exploration company focused on high impact energy resources in sub-Saharan Africa. Our asset portfolio consists of a highly prospective 360,000 hectares within the Cabora Bassa Basin in Zimbabwe. SG 4571 and EPOs 1848/49 contain the Mukuyu and multiple Basin Margin prospects

BOARD & MANAGEMENT

Joe Mutizwa
Non-Executive &
Deputy Chairman

Gabriel Chiappini
Non-Executive Director
& Company Secretary

Scott Macmillan
Managing Director

Wireline log interpretation calculated porosity of up to 15% and gas saturation of up to 90% in selected potential pay zones but are yet to be calibrated with fluid and core data and subsequently subject to wide margins of error.

Forward plan

The primary and backup wireline formation testing tools are currently non-functional and the duration to repair or replace parts is unknown.

The logging conditions evidenced by tool and drillpipe sticking and significant overpull observed during fishing operations also render conditions unsuitable to make further attempts to obtain a fluid sample even with functioning wireline tools.

Subsequently further attempts to obtain a fluid sample are not feasible and the Company will conclude operations on Mukuyu-1 and ST1 and demobilise the well services equipment and personnel.

Rig 202 will be warm stacked at the Mukuyu-1 well location to allow for maintenance and upgrades prior to recommencing drilling at either Mukuyu-2 or Baobab-1 in 2023 following sourcing of required long leads and tendering of well services and equipment.

Laboratory analysis of sidewall cores acquired during logging and drill cuttings and mudgas samples acquired whilst drilling will provide further calibration of the wireline and the geological model once completed.

Exalo Rig 202 Contract Extension for 12 months to remain in Cabora Bassa Basin

Invictus and Exalo Drilling S.A (“Exalo”) have executed a contract amendment for Rig 202 to remain in the Cabora Bassa Basin in Zimbabwe for up to 12 months to enable the drilling of future wells in the basin.

The highly encouraging results from the initial Mukuyu-1 and side track well have provided the Company with the confidence to keep Rig 202 warm stacked at the Mukuyu-1 location whilst preparations are made for the future drilling campaign for at least one firm well in 2023, with further wells to be agreed.

During the rig stacking period Exalo will perform maintenance and upgrades to Rig 202 in preparation for drilling to recommence.

Comments from Managing Director Scott Macmillan:

“We have achieved a fantastic result from the Mukuyu-1 and sidetrack well which has multiple gas zones and potentially liquid hydrocarbon bearing intervals interpreted from wireline logs and drilling.”

"We have a proven hydrocarbon system in the Cabora Bassa Basin as evidenced from significantly elevated gas shows and fluorescence during drilling and confirmed the presence of rich source rock, seal, reservoir, trap and timing.

"Whilst we are frustrated with the numerous operational challenges encountered and not being able to obtain a fluid sample which would have enabled the formal declaration of a discovery, we have still achieved a hugely significant result from the first well in the basin which has substantially de-risked our dominant acreage position and established a new petroleum province.

"We have gathered a high quality dataset across the Mukuyu-1 and sidetrack well which will now be integrated with the existing seismic data to calibrate and refine our interpretation and plan for the appraisal of Mukuyu as well as additional prospects in the basin.

"We are particularly encouraged with the Upper Angwa Alternation Member horizon which proved up the hydrocarbon potential over a 900 metre gross interval with elevated gas shows up to 135 times above background and fluorescence to TD and still contains deeper untested potential and a further 300 metres of updip potential at the crest of the structure.

"The contract amendment executed with Exalo to keep Rig 202 for an additional 12 months underpins our confidence in the hydrocarbon prospectivity of the basin and will result in substantial time and cost savings to the Company compared to demobilising and remobilising the rig to and from East Africa for future drilling.

"Furthermore, the stacking of the rig at Mukuyu-1 will allow Exalo to perform maintenance and upgrades of the rig prior to recommencing drilling of either Mukuyu-2 or Baobab-1 in 2023 whilst the Company sources necessary long leads, conducts tendering for well services and integrates the substantial information gathered into the geological model to determine future drilling locations.

"We have gained a deeper understanding of the subsurface geology and valuable experience in drilling of the Cabora Bassa Basin which will allow us to optimise our plans, drilling fluids, equipment and services required for future campaigns.

"Overall, the drilling campaign and Mukuyu-1 and sidetrack well have been a tremendous success. We thank our shareholders and supporters for backing the Company to fund and sole risk the drilling campaign, the results of which have put us in a strong future position given the petroleum potential of the basin has been proven. We have an exciting portfolio of additional prospects and leads which has been substantially de-risked in addition to Mukuyu.

Shareholder Briefing

A shareholder briefing will be conducted at 09:30 AEDT / 06:30 WST to discuss the results of the Mukuyu-1 well to date and the forward operations.

Details of the webinar are as follows:

Presenters: Managing Director Scott Macmillan (via Zoom)

Time: Tuesday 3 January 2022 at 09:30 AEDT / 06:30 WST

Where: Zoom Webinar, details to be provided upon registration.

To register for the webinar please click through to the link:

https://us02web.zoom.us/webinar/register/WN_zInNOsgPTKWWKZga7cm2vw

-Ends-

Approved for release by the Board

Questions and enquiries

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About Invictus Energy Ltd (ASX: IVZ)

Invictus Energy Ltd is an independent upstream oil and gas company listed on the Australian Securities Exchange (ASX: IVZ). The Company is headquartered in Perth, Australia and has offices in Harare, Zimbabwe. Invictus is opening one of the last untested large frontier rift basins in onshore Africa – the Cabora Bassa Basin – in northern Zimbabwe through a high impact exploration programme.

Invictus Energy is committed to operating in a safe, ethical and responsible manner, respecting the environment, our staff, contractors and the communities in which we work.

***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. Prospective Resource assessments in this release were estimated using probabilistic methods in accordance with SPE-PRMS standards.*

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