



13 November 2017

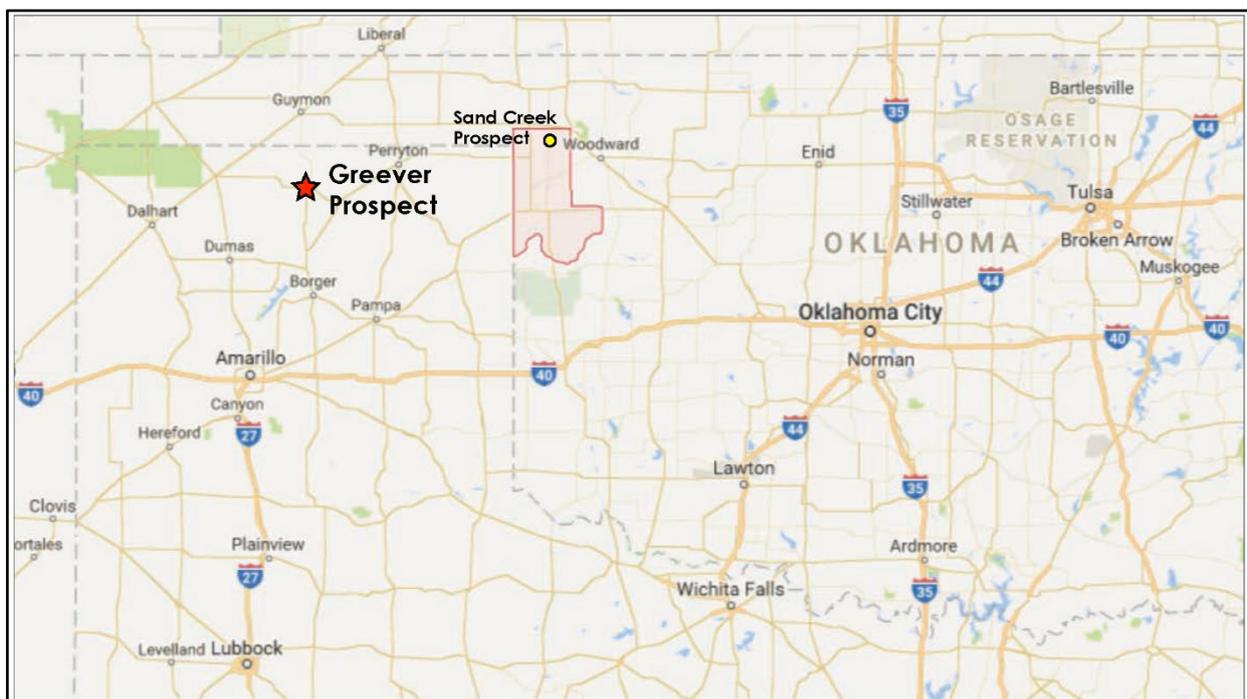
## BURGESS PROSPECT SET TO SPUD AND OPERATIONS UPDATE

Lone Star Energy Limited, via its wholly-owned subsidiary LS Operating Pty Ltd, has entered into a Letter Agreement with BRK Oklahoma Holdings, LLC by which it will be referred opportunities to assess and undertake potential future conventional well bore drilling and or acreage acquisition opportunities. Based on discussions with BRK Oklahoma, Lone Star anticipates receiving many such referrals of opportunities.

### GREEVER PROSPECT

The first opportunity presented was the Texas Panhandle Greever Prospect. The Greever Prospect is a conventional horizontal drilling opportunity in the Marmaton Formation in the Hansford Oil and Gas Field in Hansford County, Texas, USA, approximately 96 miles north of Amarillo. The Hansford Field is described as a significant field (>1,000 Billion cubic feet (Bcf) of gas) with over 50 years of exploitation. An initial horizontal well bore was spud in July 2017. The well is offsetting a recent successfully drilled (producing) horizontal well and is adjacent to an analogous field with five recently drilled horizontal Marmaton Formation producing wells.

The Greever Prospect has now been drilled, successfully completed and is currently flowing back to sales.



## **BURGESS PROSPECT (Sand Creek)**

The second opportunity presented to Company is the Burgess Prospect (Sand Creek), located in Ellis County, Oklahoma, USA. The Burgess Prospect, NE/4 28-24N-23W Ellis County, Oklahoma, proposes to target Morrow sands at an approximate depth of 7,850 ft. These Morrow sands are known to produce commercial quantities of natural gas from vertical wells within section 28 and adjacent sections. LS Operating has agreed to participate for up to a 100% working interest (with a 75% net revenue interest) in the drilling of the Burgess well. The well is set to spud in late November 2017 and is expected to take approximately 4 weeks to drill.

**- ENDS -**

### **For further information, contact:**

Sonu Cheema  
**Company Secretary**

Lone Star Energy Limited  
Tel: (+61 8) 6489 1600  
s.cheema@cicerogroup.com.au

## **FORWARD-LOOKING STATEMENTS AND OTHER DISCLAIMERS**

This announcement may include forward-looking statements. Forward-looking statements are only predictions and are subject to risks, uncertainties and assumptions, which are outside the control of Lone Star Energy Limited ("Lone Star" or "the Company"). These risks, uncertainties and assumptions include commodity prices, currency fluctuations, economic and financial market conditions in various countries and regions, environmental risks and legislative, fiscal or regulatory developments, political risks, project delay or advancement, approvals and cost estimates. Actual values, results or events may be materially different to those expressed or implied in this announcement. Given these uncertainties, readers are cautioned not to place reliance on forward-looking statements. Any forward-looking statements in this announcement speak only at the date of issue of this announcement. Subject to any continuing obligations under applicable law, Lone Star does not undertake any obligation to update or revise any information or any of the forward-looking statements in this announcement or any changes in events, conditions or circumstances on which any such forward looking statement is based.

This announcement does not constitute investment advice. Neither this announcement nor the information contained in it constitutes an offer, invitation, solicitation or recommendation in relation to the purchase or sale of shares in any jurisdiction. Shareholders should not rely on this announcement. This announcement does not take into account any person's particular investment objectives, financial resources or other relevant circumstances and the opinions and recommendations in this announcement are not intended to represent recommendations of particular investments to particular persons. All securities transactions involve risks, which include (among others) the risk of adverse or unanticipated market, financial or political developments.

The information set out in this announcement does not purport to be all-inclusive or to contain all the information, which its recipients may require in order to make an informed assessment of Lone Star. You should conduct your own investigations and perform your own analysis in order to satisfy yourself as to the accuracy and completeness of the information, statements and opinions contained in this announcement.

To the fullest extent permitted by law, the Company does not make any representation or warranty, express or implied, as to the accuracy or completeness of any information, statements, opinions, estimates, forecasts or other representations contained in this announcement. No responsibility for any errors or omissions from this announcement arising out of negligence or otherwise is accepted.