



Market Announcements Platform
ASX Limited
Exchange Centre
20 Bridge Street
Sydney NSW 2000

07/03/2018

Calima earns 20% working interest in the Montney JV

Highlights:

- Stage 1 Calima Lands expenditure of C\$5 million reached well ahead of cut-off date
 - 20% working interest earned in the highly productive liquids-rich Montney Play
 - Three well drilling and testing program scheduled for Q4 2018 on the Calima Lands
-

Calima Energy Limited (ASX:CE1) (“Calima” or the “Company”) is pleased to advise that it has reached the Montney JV Stage 1 minimum spend milestone of C\$5 million (“Stage 1”), thereby earning a 20% working interest in the Calima Lands that cover the liquids-rich Montney Play in British Columbia. Calima’s decision to accelerate expenditure on acreage build, subsurface works, logistics, planning and permitting to enable the drilling of three wells to commence in November 2018 has meant the 20% interest has been earned well before the Farm-in agreement Stage 1 cut-off date in August 2018.

Alan Stein, Calima’s Managing Director commented:

“To have earned the 20% working interest over the Calima Lands is a major milestone with the Montney JV. With the acreage build complete, Canadian operations team in place and key regulatory approvals being granted, Calima is well prepared for the drilling campaign planned to commence towards the end of this year.”

“As we continue to undertake further subsurface evaluation we are increasingly confident in the value of the acreage position that has been assembled and we look forward to demonstrating this later in the year when we commence drilling and testing of the wells”.



Under the Farm-in agreement, Calima is the Operator of the Montney Project and has the right to earn a further 35% working interest (55% total), via the funding of the remaining two stages. The funds will be spent on drilling and testing the Calima Lands via a three well program that is designed to convert a major component of the acreage into production licences and flow test the Upper and Lower Montney.

Stage	Expenditure Commitment	Working Interest Earned (Cumulative)		Cut-off Date
Stage 1	C\$5M	20.0%	(20.0%)	COMPLETED
Stage 2	C\$7M	17.5%	(37.5%)	28 February 2019
Stage 3	C\$13M	17.5%	(55%)	28 February 2020

For further information visit www.calimaenergy.com or contact:

Alan Stein

Managing Director

E: astein@calimaenergy.com

T: +61 8 6500 3270

Jonathan Taylor

Technical Director

E: jtaylor@calimaenergy.com

T+ 44 77391 77805

Glenn Whiddon

Chairman

E: glenn@lagral.com

T: +61 0 410 612 920

About Calima Energy

Calima Energy Limited (ASX:CE1) is an international oil and gas company with interests in an area of British Columbia that is considered to be highly prospective for the Montney Formation.