



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

CALIMA
ENERGY

ASX Code: CE1

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Drilling Update - Vertical Well Spudded

Highlights:

- Spud of the Calima-1 vertical well.
 - Operations remain on schedule and on budget.
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Calima Energy Limited (ASX:CE1) (“Calima” or the “Company”) is pleased to advise the spud of the first well of a three well programme to test the prospectivity of the Montney Formation in the Company’s 72,000 acre lease holdings in British Columbia.

The Calima-1 vertical well (official designation - Calima Tommy A-54-C/94-G-09) is planned to be drilled to a total depth of 1,860m. Core data will be collected over a substantial section of the Montney interval followed by the acquisition of a full suite of wireline logs. The wireline data will be used to confirm the depth of the two horizontal wells which will be drilled immediately after completion of the Calima-1 logging operations. The wireline and core data combined will provide essential stratigraphic and rock property data that will be integrated with the results of the two horizontal wells to determine the productivity of the Montney Formation over the Calima Lands.

A further announcement will be made upon completion of the coring operations.

Alan Stein, Calima’s Managing Director commented:

“We are delighted to get this drilling campaign underway and are appreciative of the support of our shareholders which has enabled us to reach this milestone. The operations team are doing an outstanding job and we look forward to presenting further results over the next few weeks.”





Figure 1 – Spud of Calima-1 vertical well using the PD 379 rig.



Figure 2 – Aerial view of the drilling pad.



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
David Tasker Chapter One Advisors E: dtasker@chapteroneadvisors.com.au T: +61 433 112 936		

About Calima Energy

Calima Energy Limited (ASX:CE1) is an international oil and gas company with over 72,000 acres of drilling rights prospective for the Montney Formation in British Columbia, the most active oil and gas play in Canada.

Calima's neighbours in the Montney include international operators Shell, ConocoPhillips and Petronas Canada, as well as Canadian producers Black Swan Energy, Saguaro Resources and Painted Pony Energy. The region's liquids-rich hydrocarbon reserves are being targeted for LNG export alongside domestic and international oil market opportunities.