

88 Energy

Augusta-1 exploration well doubles in resource size

Maiden Brookian and upgraded Ivishak lift South Prudhoe 2U to 769mmbbl

88 Energy (88E) has released an updated Prospective Resource Estimate for its 100%-owned South Prudhoe project, increasing gross unrisks 2U resources by ~35% to 769mmbbl. The uplift is driven by a maiden Brookian reservoir Prospective Resource at the North-West (NW) Hub split across the West Sak (61mmbbl) and Upper Schrader Bluff (USB, 120mmbbl) reservoirs. In addition, 88E provided an updated Ivishak Prospective Resource at the NW Hub of 70mmbbl 2U (+44%) following further analysis of the Schrader Bluff 3D seismic data. The NW Hub now holds 301mmbbl 2U and the South-East (SE) Hub 468mmbbl 2U. The Ivishak, Kuparuk and West Sak are all proven producing reservoirs in the immediately adjacent Prudhoe Bay Unit (PBU) and Kuparuk River Unit (KRU), with the West Sak J-pad analogue, where well 1J-115 has produced ~6mmbbl to date, materially de-risking the maiden Brookian resource. This, in our view, strengthens 88E's hand in the ongoing South Prudhoe farm-out process at a time when North Slope acreage is being re-rated by the oil majors.

Augusta-1 well targeting 134mmbbl across three stacked reservoir intervals

The Augusta-1 exploration well, expected to spud in CY'27 with the previously contracted Nordic-Calista Rig-3, will now test up to 134mmbbl 2U gross unrisks, more than 2x the prior 64mmbbl, with an estimated 48% geological chance of success. Primary targets remain the Ivishak (58mmbbl 2U, +41% from 41mmbbl, supported by integrated seismic interpretation, regional well control and calibration) and Kuparuk (24mmbbl 2U), with an additional secondary shallower USB target (53mmbbl 2U). The addition of the USB broadens the prospect of commercial success, given the West Sak/USB system has been in commercial production within the adjacent PBU and KRU for over two decades. Augusta is now clearly a multi-zone opportunity providing multiple potential pay zones from a single well, materially improving the risk/reward.

Strong farm-out positioning in a supportive Alaska backdrop

The expanded scale, reservoir diversity and J-pad analogue support should materially strengthen 88E's ongoing South Prudhoe farm-out process. Beyond Augusta-1, success at the well would meaningfully de-risk a deep follow-on inventory within the NW Hub, including the multi-reservoir Lasso prospect (121mmbbl 2U), the Augusta North Cluster (25mmbbl 2U, 62% GCoS – the highest CoS prospect in South Prudhoe) and the new Augusta West prospect (22mmbbl 2U); while the 468mmbbl 2U SE Hub provides separate longer-dated optionality. The macro backdrop is getting more supportive, with the March 2026 National Petroleum Reserve in Alaska ("NPR-A") lease auction attracting a record US\$164mm in upfront payments from bidders and the return of Shell, ExxonMobil and ConocoPhillips to the North Slope. With comparable acreage clearing at US\$122-US\$402/acre, this validates that high-quality, infrastructure-proximate Alaska acreage is being actively re-priced by the industry, in our view materially strengthening 88E's hand in farm-out negotiations.

Valuation: Risked NAV provides ~8x upside to the current share price

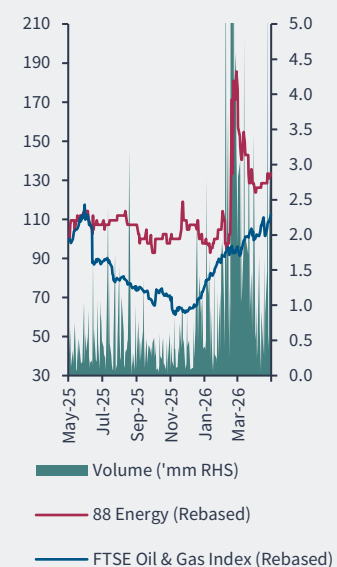
We have a total unrisks value of US\$1.2bn for the combined Augusta reservoir intervals, which demonstrates the potential scale of the opportunity. Our risked NAV has increased by 20% to 11.3p/sh, reflecting the upgraded Augusta Ivishak resource (now 58mmbbl 2U) and the additional value from the new secondary USB target at Augusta. The Ivishak risked NAV alone increases by 40% to 3p/sh on the resource uplift. For the USB, we apply the same US\$9.1/boe NPV unit value used for our existing Augusta valuations, giving an unrisks value of US\$481mm on the 53mmbbl gross 2U resource. We apply a 42% GCoS as per 88E's estimate for the USB and a 10% commercial CoS reflecting both potential farm-out dilution and the secondary nature of the target resulting in a USB risked value of US\$20mm, or ~1p/sh.

GICS Sector	Energy
Ticker	AIM: 88E
Market cap 18-May-26 (US\$m)	25.0
Share price 18-May-26 (GBP)	1.4

NAV summary (p/sh)

Asset	Unrisks	Risks
Cash & other	1.0	1.0
Phoenix	23	5.1
South Prudhoe	59	5.2
Total NAV	82	11.3

Source: H&P



Source: S&P CapIQ

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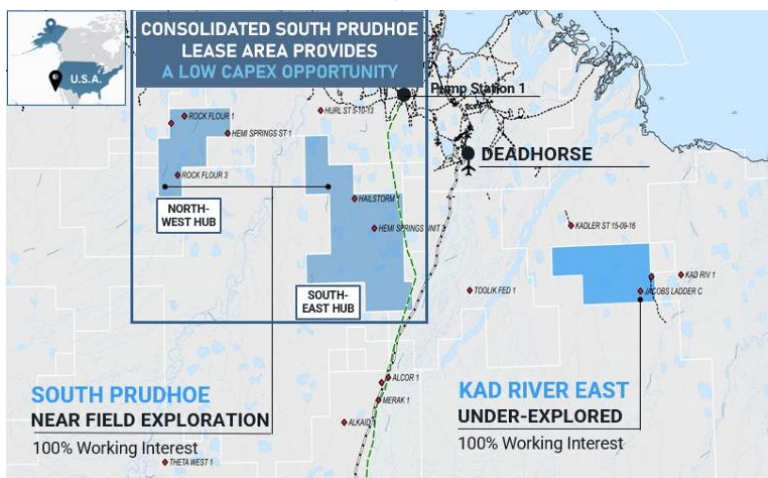
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South Prudhoe

In November 2025, 88E secured 14 leases, expanding its strategic landholding by 35k acres across two high-potential areas to the East (Kad River East) and West (South Prudhoe) of the Trans Alaskan Pipeline System (TAPS). The South Prudhoe leases place 88E directly within one of the most productive petroleum corridors on the North Slope with a 2U prospective resource potential of ~770mmbbl. The leases lie immediately south of the Prudhoe Bay and Kuparuk River Units – the largest and second largest oilfields in North America respectively. 88E has consolidated Project Leonis' acreage into South Prudhoe, strengthening its overall footprint in the region and providing greater control across a corridor of proven reservoirs situated close to existing infrastructure and export routes.

Dual development hub between Project Leonis and South Prudhoe



Source: 88 Energy

The acreage sits over high-quality conventional geology rather than frontier Brookian plays, giving 88E exposure to an underexplored extension of the same petroleum system that has supported more than four decades of production at Prudhoe Bay.

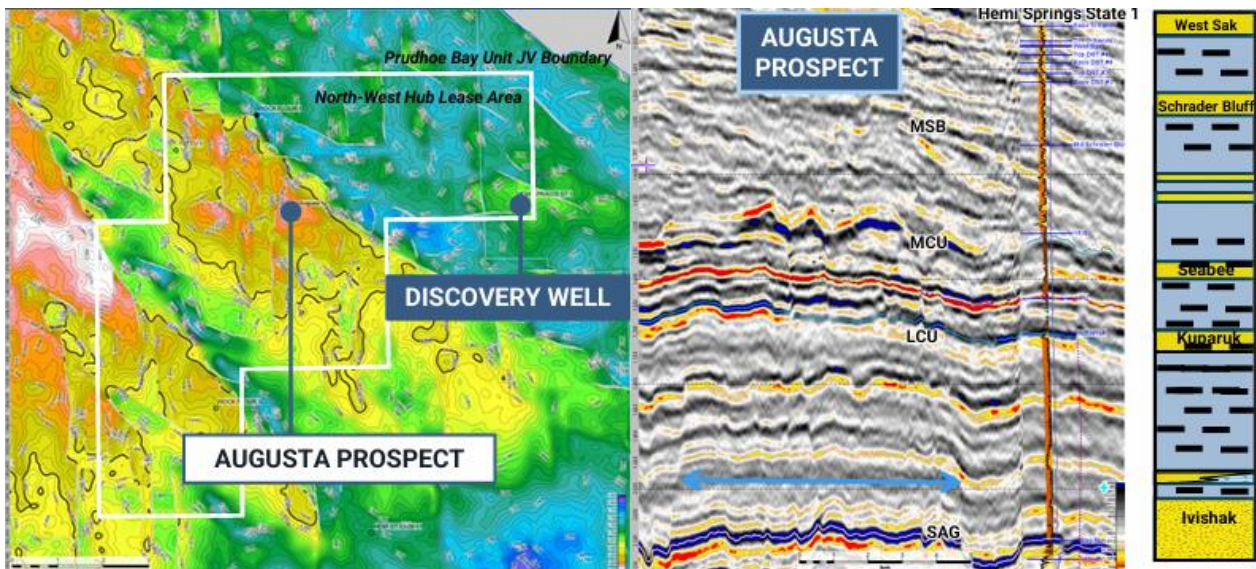
Technical support for the play is robust. The deeper Ivishak reservoir, which has accounted for more than 13bnbbl of cumulative production at Prudhoe Bay, is well imaged across the area on 3D seismic and is reinforced by multiple offset wells that encountered oil shows, productive reservoir intervals and encouraging porosity values. Key historic wells such as Hemi Springs State-1, Hailstorm-1 and Hurl St 5-10-13 demonstrate clear hydrocarbon charge, strong reservoir quality and flow capability across both Ivishak and Kuparuk-equivalent horizons. These data points, combined with clean sandstone reservoir properties (~20% porosity, 50–100mD permeability) and extensive well control from the adjacent producing fields underpin confidence in the subsurface across the acreage.

Strategically, the opportunity reflects a gap left by decades of under-investment. While major operators have prioritised redevelopment of existing fields and near-surface Brookian plays, the deeper Ivishak potential south of Prudhoe has remained largely untouched, often held by smaller private groups without the capital or technical capability to progress full work programmes. This creates an attractive window for 88E with both North Slope experience and access to modern seismic tools. For 88E, the result is a rare entry point into a proven reservoir system with material scale, strong analogue support and immediate proximity to established processing facilities and the TAPS corridor. In addition to the deeper Ivishak and Kuparuk targets, 88E has now formally delineated a maiden Brookian Prospective

Resource at the NW Hub of 182mmbbl 2U (151mmbbl net), materially expanding the stacked play opportunity.

Augusta Prospect – North-West Hub

Multiple Ivishak prospects



Source: 88 Energy

The Augusta Prospect is the company's priority near-term drilling target and the centrepiece of the North-West Hub. It is a multi-zone prospect carrying a combined gross 2U resource of 134mmbbl across the Ivishak (58mmbbl), Kuparuk (24mmbbl) and the newly delineated Upper Schrader Bluff ("USB") M and N sands (53mmbbl) reservoirs. The Ivishak resource has been upgraded ~41% following further geophysical analysis of the Schrader Bluff 3D seismic velocity dataset, while the maiden USB Prospective Resource adds a shallow Brookian objective to the Augusta-1 well design.

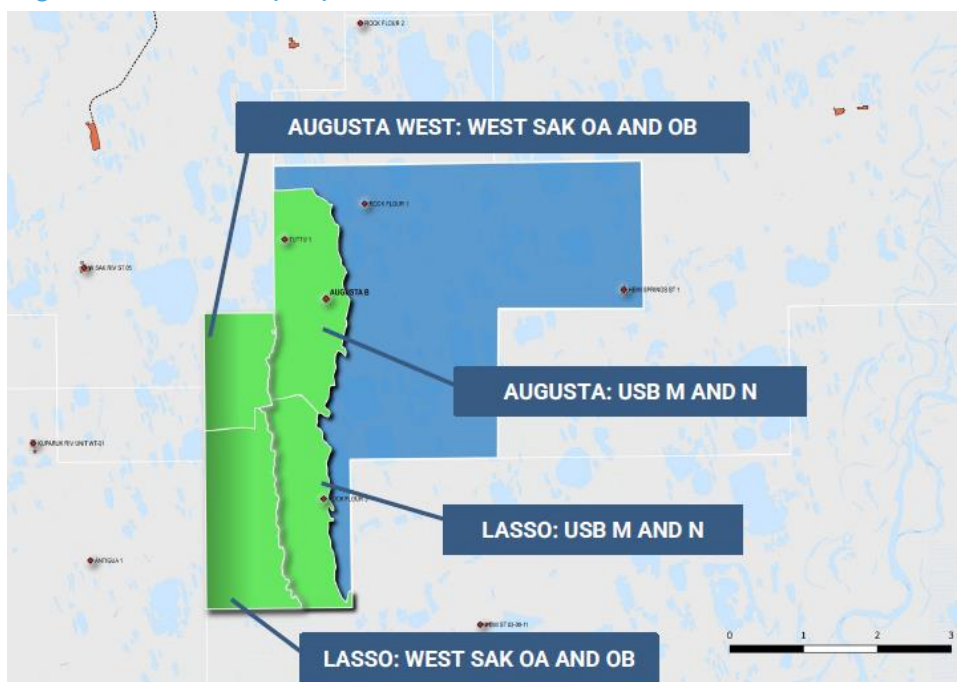
The Ivishak target at Augusta is a fault-bound closure near the Hemi Springs State-1 discovery well with ~100ft of structural relief and ~2,000 acres of areal extent. Reservoir quality is expected to mirror the high-quality Ivishak sandstones seen in the Prudhoe Bay field, with porosity around 20% and permeability near 100mD. 3D seismic data indicates a robust structure with upside along the flanks. Hemi Springs State-1, drilled by Arco Alaska in 1984 on the 88E lease, encountered 13ft of net oil pay in the Ivishak (~20% porosity) and recovered 26° API oil from a drill stem test.

The Kuparuk target is a robust, low-risk appraisal opportunity supported by strong nearby well performance, proven high-quality reservoir sands and clear evidence of reservoir continuity between offset producers. Hemi Springs State-1 also flowed oil from the Kuparuk at rates up to 515 BOPD (~34° API). The company notes that the Hemi Springs State-1 discovery has been formally recognised by the State of Alaska as capable of producing in paying quantities, providing regulatory confirmation of the commercial hydrocarbon potential within the Augusta area.

88E is targeting a spud of the Augusta-1 well in Q1 2027, designed to test all three stacked formations in a single wellbore. With a geological chance of success of approximately 1-in-2 (48% for the Ivishak), Augusta represents a uniquely attractive exploration opportunity – one which, on success, can be commercialised rapidly given the proximity to infrastructure. The Ivishak's high-quality reservoir characteristics (~20% porosity, ~100mD permeability), combined with the 6-mile tie-back distance to the Kuparuk Pipeline and the proven 2-year satellite development timeline on the North Slope, make this an important near-term value creation opportunity. All three reservoir targets are now formally quantified, with the secondary USB carrying its own 42% GCoS (vs 48% for the deeper Ivishak and Kuparuk targets), materially broadening the prospect of commercial success at the single Augusta-1 wellbore.

Brookian Formation – North-West Hub

Augusta West and Lasso prospects

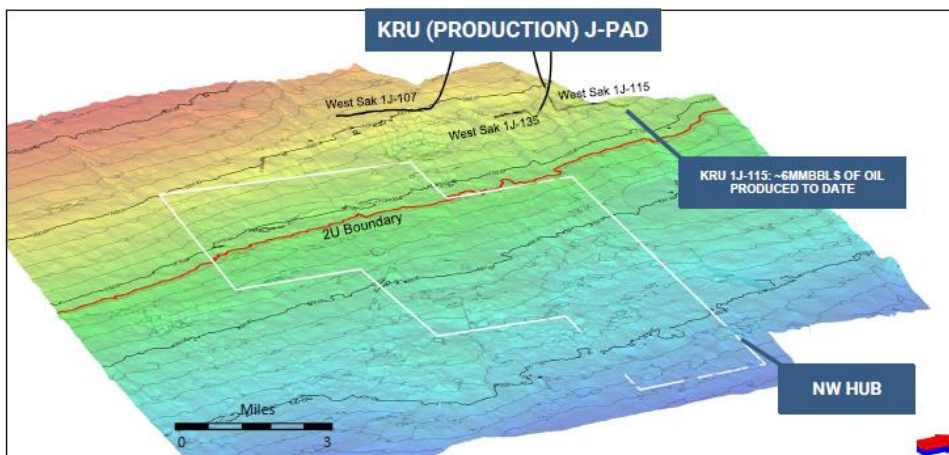


Source: 88 Energy

The May 2026 resource update introduces a maiden Brookian Prospective Resource at the North-West Hub of 182mmbbl 2U gross unrisks oil (151mmbbl net post royalties to 88E), spanning the West Sak (61mmbbl) and Upper Schrader Bluff ("USB", 120mmbbl) reservoirs. The Brookian interval comprises two shallow oil-bearing intervals: the USB M and N sands at Augusta and Lasso, and the West Sak Oa and Ob sands at Augusta West and Lasso. This materially expands the stacked reservoir opportunity set at the NW Hub, providing additional shallow optionality alongside the deeper conventional Ivishak and Kuparuk targets.

The maiden Brookian estimate is split across four prospects: Augusta USB M and N sands (53mmbbl 2U, 42% GCoS), which is now incorporated as a secondary target on the planned Augusta-1 well; Augusta West Oa and Ob sands (22mmbbl 2U, 54% GCoS), a new prospect on-trend with Augusta and previously unmapped; Lasso USB (68mmbbl 2U, 54% GCoS); and Lasso West Sak (39mmbbl 2U, 48% GCoS). Augusta-1's exposure to the secondary USB target adds a third reservoir interval to the well design, more than doubling the resource scope tested by the well to 134mmbbl 2U gross unrisks.

Nearby production wells within the Kuparuk River Unit

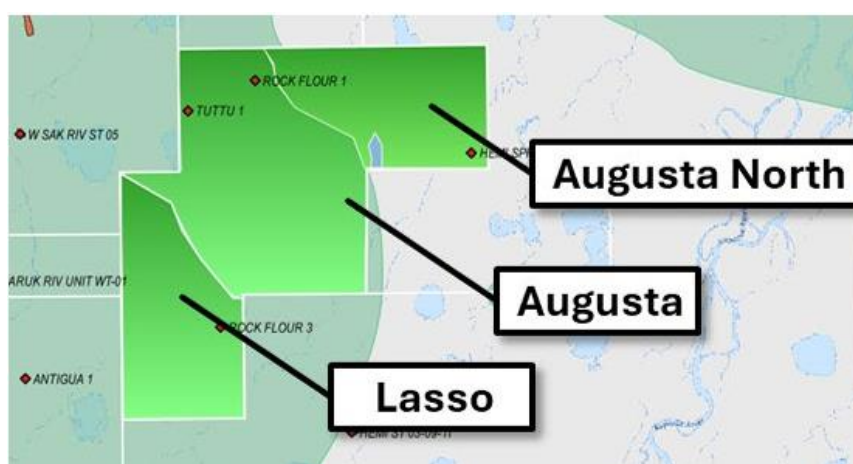


Source: 88 Energy

The West Sak O sand reservoirs are a proven shallow oil system within the adjacent Kuparuk River Unit (KRU) and Prudhoe Bay Unit (PBU), with commercial development enabled through phased drilling and use of existing infrastructure. The West Sak Participating Area within the KRU was established in 1997 after the State of Alaska recognised the reservoir's commercial productivity, and the Orion field has produced from the O sands since 2002 within the PBU. The reservoir comprises stacked Late Cretaceous marine sandstones with high porosity and heavy oil (15-22° API). Critically, the West Sak J-pad producers located immediately adjacent to the NW Hub boundary demonstrate that equivalent sands can deliver commercial production – well 1J-115 has produced ~6mmbbl to date, with wells 1J-135 and 1J-107 each having produced more than 1mmbbl. This adjacent production materially de-risks the maiden West Sak Prospective Resource at South Prudhoe and provides strong technical support for the shallow Brookian play within 88E's NW Hub acreage.

Augusta North Cluster and Lasso – North-West Hub

North West Hub



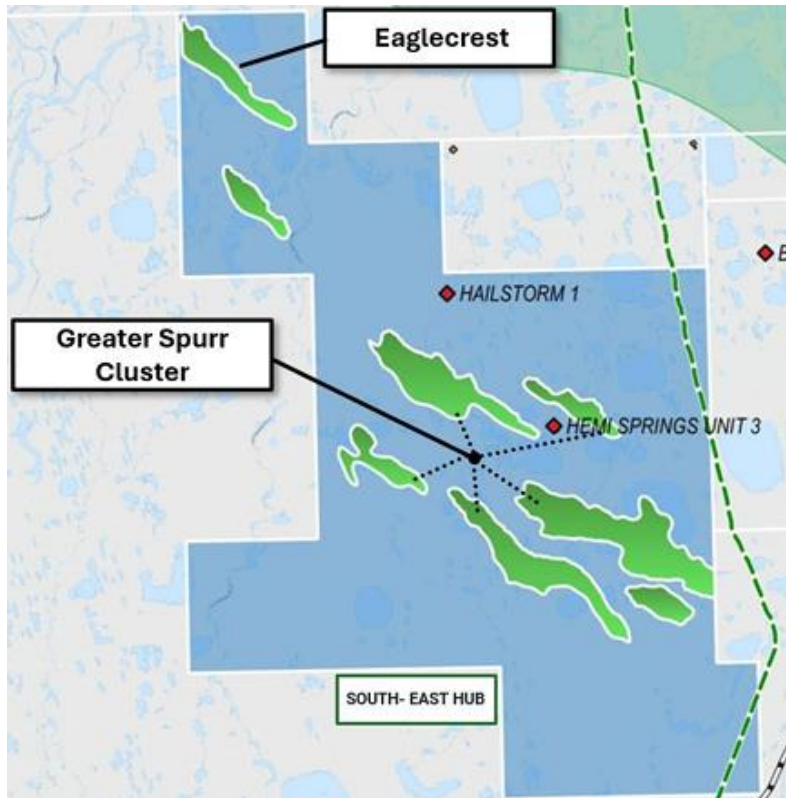
Source: 88 Energy

Beyond Augusta, the North-West Hub contains three further prospects providing material running room. The Augusta North Cluster carries 25mmbbl 2U across the Ivishak and Kuparuk reservoirs with a 62% GCoS – the highest of any prospect in the South Prudhoe portfolio. Notably, the Augusta North prospect was intersected by the Hemi Springs State-1 well and the company is evaluating potential reclassification from Prospective to Contingent Resources.

The Lasso prospect has been materially upgraded to 121mmbbl 2U (39% GCoS) and is now a multi-reservoir prospect spanning the Ivishak, Kuparuk, USB (68mmbbl) and West Sak (39mmbbl) reservoirs. Augusta West – a new prospect on-trend with Augusta and previously unmapped – adds a further 22mmbbl 2U at 54% GCoS in the West Sak Oa and Ob sands.

Greater Spurr Cluster and Eaglecrest – South-East Hub

South East Hub



Source: 88 Energy

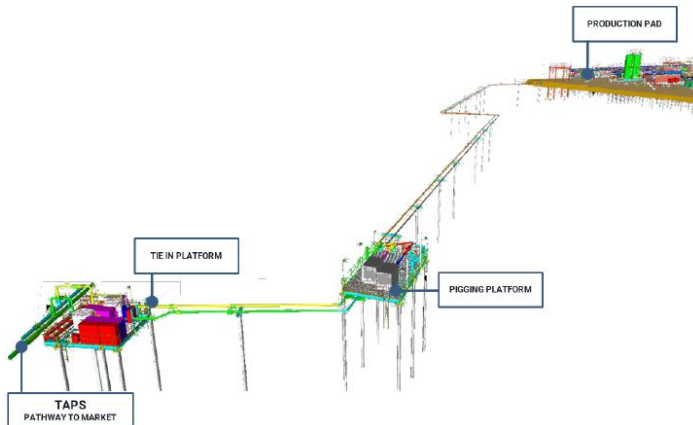
In the South-East Hub, the Greater Spurr Cluster has 23.6mmbbl (2U gross) in the Ivishak formation with a 43% GCOS, while the Eaglecrest prospect holds 9.1mmbbl (2U gross) across both Ivishak and Schrader Bluff intervals. Eaglecrest occupies a strategic position on the southern margin of the Prudhoe Bay Unit, adjacent to the PBU P-27 horizontal producer, which has delivered more than 4.1mmbbl to date, confirming long-term productivity from the Ivishak reservoir along this trend. With direct proximity to proven production and established infrastructure, Eaglecrest presents a clear, commercially attractive appraisal target.

Brookian Formation (Schrader Bluff) – South-East Hub Upside

88E has completed a comprehensive review of the Brookian sequence, consolidating the potential into six structurally defined prospects primarily within the South-East Hub. The former Canning interval has been reclassified as Lower Schrader Bluff, alongside Upper and Mid Schrader Bluff targets. Collectively, these prospects carry a gross 2U of 439mmbbl of oil (unrisked). The largest individual prospect is Donoho (O and N sands) at 161mmbbl (2U), followed by Cooper Canyon at 151mmbbl and Tressler at 106mmbbl across the MSB and LSB intervals. While the Ivishak and Kuparuk remain the near-term focus, the Brookian sequence provides material secondary upside across both hubs.

Development Concept

TAPS tieback concept from South-East Hub

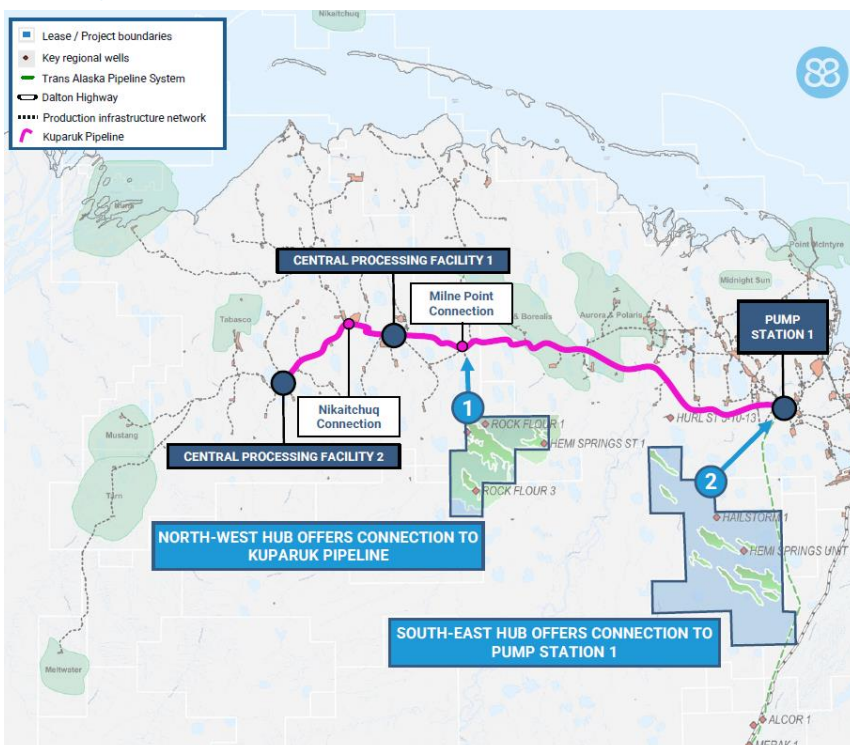


Source: 88 Energy

The South Prudhoe acreage supports a dual-hub development concept, with each hub benefiting from direct proximity to established North Slope infrastructure:

- **North-West Hub** centred on Augusta and nearby prospects with a clear path to market through tie-back to the Kuparuk Pipeline, ~6 miles to the north. The Kuparuk network is a regulated common carrier, meaning third-party producers are assured the right to tie in and move barrels to market, with published tariffs overseen by the state.
- **South-East Hub** centred on Greater Spurr and adjacent prospects with tie-back to TAPS at Pump Station 1, which is the starting point of TAPS and it is typical for producers who do not participate in ownership of TAPS to sell their crude at this point.

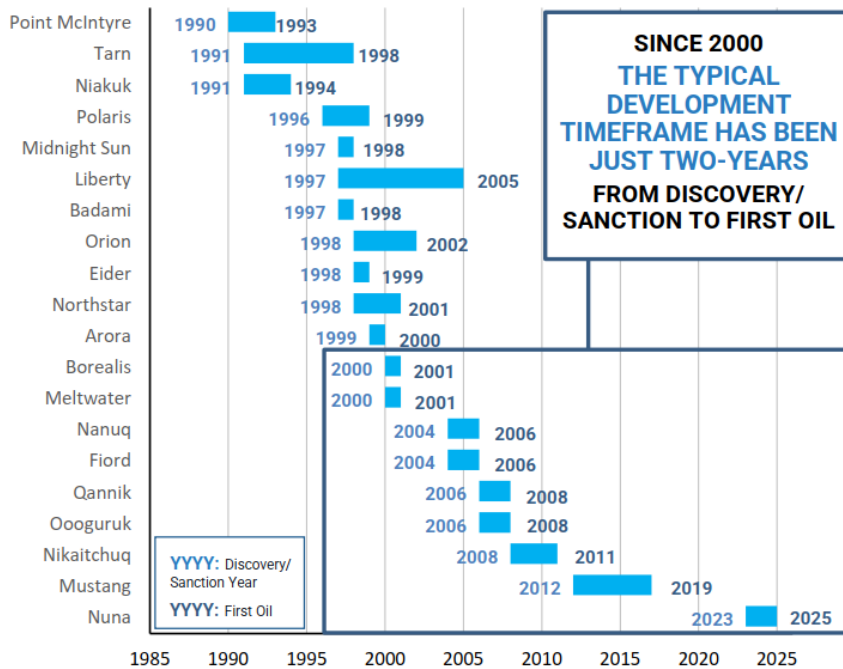
Proximity to infrastructure hubs



Source: 88 Energy

Both hubs sit within 6 miles of key tie-in points, providing a clear path to market on success. This proximity to established infrastructure enables a materially smaller capex than a standalone greenfield development, with a compact development configuration comprising a small number of horizontal wells and modular surface facilities capable of delivering a rapid and cost-effective pathway to first oil.

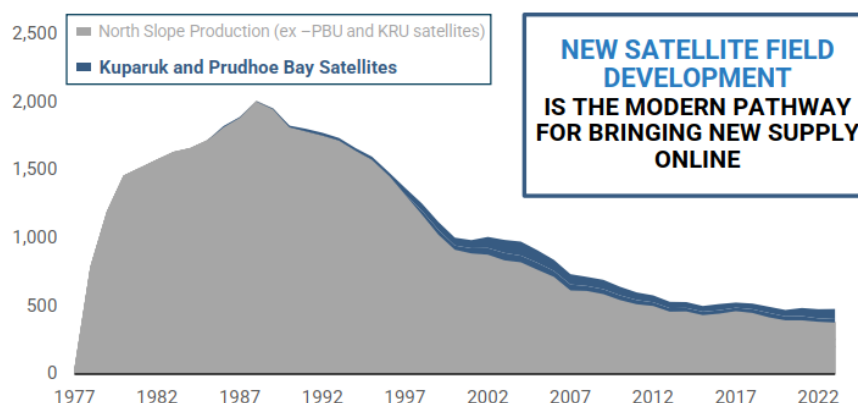
Satellite Oil Field Development Timeline



Source: 88 Energy

The development of satellite oil fields has been the primary pathway for bringing new supply online across the North Slope since the early 1990s, arresting the natural production decline through TAPS. Since Point McIntyre achieved first oil in 1993, a steady stream of satellites including Tarn (1998), Meltwater (2001), Nanuq (2006), Ooguruk (2008), Nikaitchuq (2011), Mustang (2019) and most recently Nuna (2025) have tied into existing infrastructure. These satellites typically host reserves of between 50 and 200mmbbl, benefit from smaller project footprints, lower capex and ongoing opex, and access established paths to market via the Kuparuk Pipeline and/or TAPS.

North Slope Oil Production by reservoir (kbb/d)



Source: 88 Energy

Since 2000, the typical development timeframe has been just two years from discovery or sanction to first oil. Nuna, acquired by ConocoPhillips in 2019, was sanctioned in 2023 and achieved first oil in December 2024, with estimated recoverable reserves of over 100mmbbl. Undeveloped resources on the North Slope have historically been acquired for US\$1.50-3/boe.

The South Prudhoe leases benefit from a low 16.67% state royalty and multiple routes to market including the Dalton Highway and TAPS. Importantly, TAPS throughput has declined from a peak of over 2mmbbl/d in the late 1980s to ~500kbb/d today, and the continued development of satellite fields is critical to sustaining pipeline viability. This structural dynamic creates a strong alignment of interest between the State of Alaska, existing infrastructure operators and new explorers such as 88E, underpinning a supportive regulatory and commercial environment for new satellite developments.

Indicative timeline

CLEAR WORK-PROGRAM ¹		2026 PRODUCTION TESTING AT PHOENIX + SECURING FARM-OUT AHEAD OF SOUTH PRUDHOE WELL IN 2027			
Q1 2026 LICENSE AND REPROCESS TWO LOW-COST 3D SURVEYS	Q1 2026 LAUNCH SOUTH PRUDHOE FARM-OUT	Q2 2026 NW HUB BROOKIAN PROSPECTIVE RESOURCE	MID-2026 FINALISE PLANNING FOR FB- 1H PRODUCTION TEST	Q2 2026 BURGUNDY FINALISE PHOENIX FB-1H FUNDING	Q1 2026 PEL93 AERO-GRAVITY AND RECON AFRICA WELL RESULT
Q2-2026 KAD RIVER PROSPECTIVE RESOURCE ASSESSMENT	Q2-2026 SECURE RIG AND COMMENCE PLANNING FOR AUGUSTA-1	2H-2026 FINALISE PERMITTING AND PLANNING FOR AUGUSTA-1	2H-2026 FB-1H PERMITTING COMPLETE AND SPUD WELL	2H-2026 FINALISE SOUTH PRUDHOE AUGUSTA-1 FUNDING	Q3-2026 ELECTION TO ENTER PEL 93 DRILLING PHASE

Source: 88 Energy

Valuation and NAV

Our favoured valuation methodology is a bottom-up risked NAV, modelling out the various fields and prospects and applying a geological and commercialisation risk to each. In our base-case scenario, we use a long-term flat Brent oil price of US\$70/bbl from 2027, a USD/GBP FX rate of 1.33 and a 10% discount rate.

Our risked NAV, on a fully diluted basis, is 11.3p/sh, which implies ~8x upside to the current share price. Overall, we estimate that 88E's unrisks value is US\$1.7bn or 82p/sh which is ~60x the current share price.

Currently, we assign no value to the additional targets on South Prudhoe as the immediate focus is on Augusta, thus we only consider the prospects that are being targeted in the Augusta-1 exploration well. We also exclude any value for the Namibian assets, as they are in early exploration. Further exploration success on Augusta-1 will de-risk the rest of the acreage and represents opportunity for further upside to the existing NAV.

Risked NAV

Asset	Gross mmboe	88E W.I.	Net mmboe	NPV US\$/boe	Unrisks US\$m	Unrisks p/sh	Geo. CoS	Comm. CoS	Risks US\$m	Risks p/sh
Cash					\$5	0.2p			\$5	0.2p
Options and Warrants					\$16	0.8p			\$16	0.8p
Capitalised G&A @2x					-\$4	-0.2p			-\$4	-0.2p
Equity raise (Mar'26)					\$3	0.2p			\$3	0.2p
Phoenix - 2C	252	25%	63	\$4.9	\$309	15p	100%	30%	\$93	4.4p
Phoenix - 2U	241	25%	60	\$2.8	\$167	8p	78%	10%	\$13	0.6p
S. Prudhoe - Augusta Ivishak	58	100%	58	\$9.1	\$525	25p	48%	25%	\$63	3.0p
S. Prudhoe - Augusta Kuparuk	24	100%	24	\$9.1	\$214	10p	48%	25%	\$26	1.2p
S. Prudhoe - Augusta USB	53	100%	53	\$9.1	\$481	23p	42%	10%	\$20	1.0p
Total NAV	627		257		\$1,716	82p			\$234	11.3p

Source: H&Pe

Sensitivity of risked NAV (GBP/sh) to the oil price and discount rate

		Oil price (US\$/bbl)				
		50	60	70	80	90
Discount rate (%)	5.0%	10.1	14.7	19.2	23.4	27.6
	7.5%	7.3	11.0	14.6	17.9	21.2
	10.0%	5.3	8.3	11.3	14.0	16.7
	12.5%	3.9	6.4	8.8	11.1	13.3
	15.0%	2.8	5.0	7.0	8.9	10.8

Source: H&Pe

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