

9 October 2019

ALASKA OPERATIONS UPDATE

- **Archaeological Ground Survey covering Project Peregrine lease area completed during summer weather window**
- **INTRO Project nearing completion and Independent Prospective Resource Report commissioned**

XCD Energy Limited (ASX:XCD) (“XCD or the “Company”) is pleased to provide the following update with respect to its Project Peregrine lease area in the National Petroleum Reserve – Alaska (“NPRA”).

Since the last update, the Company has now completed the ground survey using helicopter resources out of Deadhorse in Alaska. The ground survey took several days and was completed without incident at the end of the summer weather window (for helicopter operations).

Valuable data was collected from the survey and is now being collated and documented to ensure any areas of cultural, historic or archaeological significance are identified. The final report is expected to be submitted to the various agencies shortly.

The survey, which is required to be undertaken in the summer months when there is no snow cover and helicopter operations are considered safe, is required to allow the Company to permit future on-ground operations, including seismic and drilling. This is an important step in the initial approval process and getting this completed in a cost-effective manner during the 2019 summer has been a short-term objective of the Company.

With this survey now completed, the focus will shift back to the Integrated Nanushuk Technical Regional Overview (“INTRO Project”) which is nearing completion. This work has been an important ingredient into the Independent Prospective Resource Report which has now been commissioned by the Company with ERC Equipose Pte Ltd (“ERCE”) being engaged to undertake the work which is expected to be completed late October 2019.

XCD’s Managing Director, Mr. Dougal Ferguson commented:

“Completion of the field work during the 2019 summer was critical to allow the Company to commence operations in the 2019/20 winter season should the opportunity arise. The engagement of ERCE to undertake the Independent Prospective Resource Report is another step towards achieving the objectives we set ourselves this calendar year and will set the Company up well to commence a farm-out campaign later this year.”

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For further information on XCD Energy, please visit the Company's website at www.xcdenergy.com

About the Project Peregrine Leases

The Project Peregrine leases have a seven to ten-year exploration period and covers an area of around 150,000 acres within the NPR-A. The leases are around 35km south of the Willow discoveries owned and operated by ConocoPhillips estimated to be between 400 – 750 MMBOE ⁽¹⁾. Directly south of the Project Peregrine leases lies the Umiat oil accumulation estimated to have greater than 1 billion barrels of oil in place by the USGS.

Infrastructure in the area is limited but should the Willow area be developed in the timeframe predicted by ConocoPhillips ⁽¹⁾, then that will become the nearest infrastructure to the Project Peregrine leases and would represent the closest route to market should a commercial discovery be made at Project Peregrine.

⁽¹⁾ <https://static.conocophillips.com/files/resources/willow-fact-sheet-final.pdf>

