



DEEP | EARTH | ENERGY | PRODUCTION

August 26, 2019

DEEP TESTING AND DRILLING PROGRAM UNDERWAY, PRIVATE PLACEMENT OVERSUBSCRIBED

DEEP Earth Energy Production Corp. (the “**Corporation**” or “**DEEP**”) is pleased to announce that the 2019 field testing and drilling program is now underway. DEEP will be conducting an initial flow and build test into a tank farm comprised of 27 tanks for 3 days. During the flow test, multiple samples of brine, gas, and precipitated solids will be collected and analyzed to further characterize the composition of the produced brine. Results from the analyses are expected to enable the technical team to mitigate potential subsurface risks in order to maximize well productivity and address any reservoir incompatibilities which may be occurring between the geothermal formations. Furthermore, this supplementary data collected will be analyzed by subject matter experts to identify other brine constituents that may be extracted to be of additional value to the Williston Basin Geothermal Power Facility.

DEEP’s reservoir pressure test design stipulates a 3-day flowing period, via a downhole electric submersible pump, followed by a shut-in period of 12 days to measure pressure data that will be acquired by paired subsurface gauges. The well will then be recompleted into an injection well to enable an injection test that will be conducted by pumping the produced brine held in the tanks back down the tubing while recording surface injection rates and pressures. The well will be shut in for a second 12-day pressure build-up test. The duration of this test work is estimated at 50 days.

A second well drill program is planned to commence after the initial flow and build test is complete. This well will be drilled from the same surface location as the first well directionally to the southwest with a bottom hole located 1,500m laterally from the original well. Once complete, a 60-day production and injection test will commence on the project’s first combined geothermal well pair.

The results of this work will provide detailed data required for the final subsurface and facility design required prior to full construction. The reservoir data will be incorporated into a full scale simulation model to design the full production wells, optimal well spacing and full field development. This data will also be implemented to optimize the final surface power facility design.

The establishment of a production and injection well pair is major step forward for the first geothermal power project of its kind in Canada. Drone video footage and photos of the site activity can be found here:

<https://www.dropbox.com/sh/y01zd7bp4yhz6rh/AAB2VnUVkWVEwX3HjekYnCuEa?dl=0>

And on YouTube: <https://youtu.be/lR99vXX8jaI>

A \$5,000,000 private placement closed on August 20th, over subscribed to total \$5,190,000. Each purchased unit consisted of one Class “A” common voting share and one warrant to acquire one additional share prior to 24 months from the date the warrant was issued.

For more information, please visit DEEP’s website at www.deepcorp.ca or contact:

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