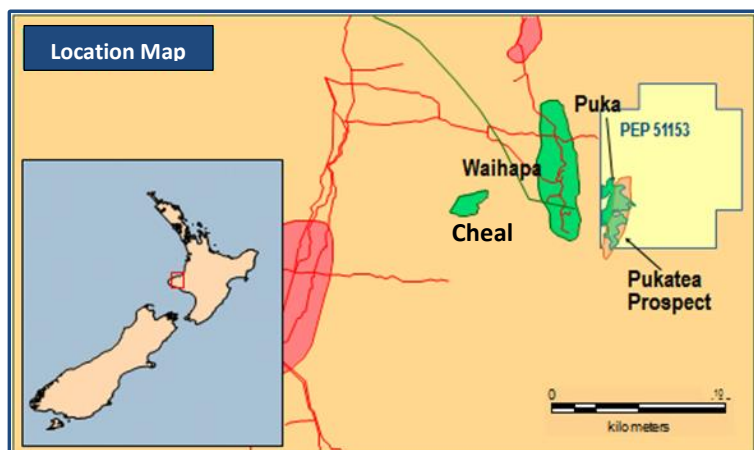


Onshore NZ permit with discovered resource and high impact Pukatea Prospect

Melbana holds a 30% interest in PEP51153 operated by TAG Oil ("TAG", 70%), which covers an area of approximately 85 square km (21,000 acres) and is located in the productive onshore Taranaki Basin of New Zealand. PEP51153 contains the Pukatea prospect and the suspended Puka oil field. PEP51153 is located less than 10km east of TAG's producing Cheal field.



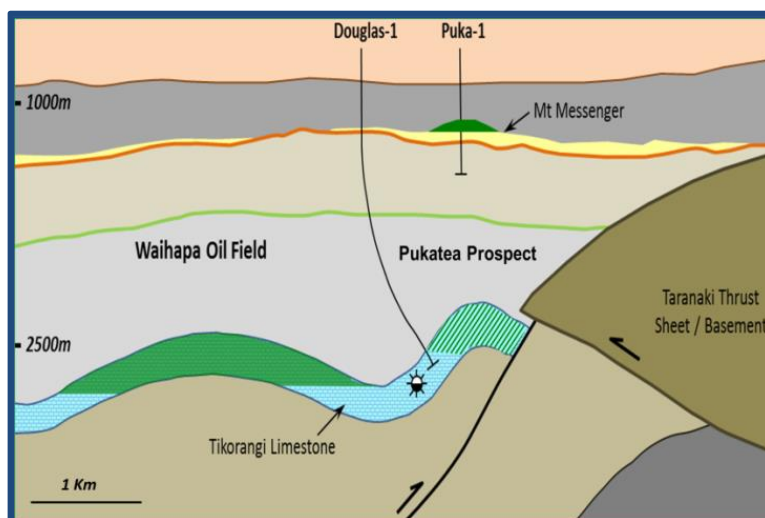
Pukatea targeting to be drilled Q1 2018

Pukatea Prospect

The Joint Venture plans to drill the Pukatea prospect commencing mid-January 2018. The prospective resources attributable to the Pukatea prospect to range from 1.3 to 40 million barrels (Low-High estimates) with a Best Estimate of 12.4 million barrels of oil equivalent* (see the following table). Pukatea has a geological chance of success** of 19%.

Deep Tikorangi Limestone prospectivity analogous to the adjacent Waihapa Oil Field

The Pukatea Prospect is targeting the high productivity Tikorangi Limestone reservoir proven at the adjacent Waihapa oil field with individual initial rates up to 5,000 barrels/day and total production in excess of 23MMstb of oil to date. Good reservoir quality and oil shows are demonstrated by the 2012 Douglas-1 well, which penetrated 145m of the reservoir interval in a location 350m down dip of the crest of Pukatea. Douglas-1 recorded oil shows in the upper Tikorangi



section, before encountering a series of large fractures which resulted in lost circulation and caused drilling operations to terminate. Subsequent testing of the interval in Douglas-1 was inconclusive as the perforated liner effectively blocked off the interval with oil shows when the liner could not be run to its design depth. As a result, the possibility that the shows represent an Oil-Water contact in the Douglas-1 well still remains.

Low cost drilling from existing well pad

The Pukatea prospect is directly below the Puka Mount Messenger oil pool and will be drilled from the Puka production pad. Civil works have commenced and a rig has been secured. Drilling is expected to commence mid-January 2018 and is anticipated to take ~30 days to reach objective. The net cost to Melbana is estimated to be A\$2.4m (excl. potential testing).

The Pukatea prospect is proximal to existing infrastructure and has a number of low cost alternative development paths. TAG operates the nearby Cheal production complex, less than 10km from the Pukatea prospect location. An independent expert values TAG's 2P reserves in nearby fields at ~A\$20/barrel (on an NPV10 basis). Considering the potential size of the Pukatea prospect, a discovery has the potential to be very significant for Melbana shareholders.

Pukatea Prospective Resource

Significant potential with 12.4MMboe recoverable resource as best estimate*

| 100% MMboe* | COS** | Low | Best | Mean | High |
|-------------------|-------|-----|------|------|------|
| Pukatea Tikorangi | 19% | 1.3 | 12.4 | 17.1 | 40 |

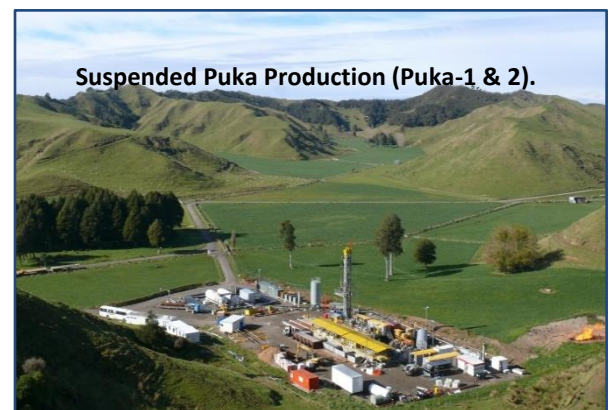
*** Prospective Resources Cautionary Statement:** The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Future exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

**** COS means "Chance of Success"**

Puka Field Resources

Two oil producing wells in shallow Puka field currently suspended

Three wells have been drilled since the Puka oil field was discovered in 2012, with the Puka-1 and Puka-2 wells producing 100 barrels/day from the Mt. Messenger formation before being shut in due to low oil prices and mechanical issues. Re-development of the Puka field may be considered viable in a higher oil price environment.



Puka Contingent Resource*

| 100% MMboe* | 1C | 2C | 3C |
|-------------------|-----|-----|-----|
| Puka Mt Messenger | 0.3 | 0.6 | 1.8 |

Work Program

Drill one well at a location and depth agreed between the permit holder and the regulator by no later than 23 February 2018.

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