

## Alameda-1 intersects 670 metres of oil shows

### Highlights

- Oil shows reported last week in the Upper Thrust sheet have continued to be encountered. The shows included flows of oil into the wellbore
- The oil shows occurred continuously to a depth of 1130 metres, for a total gross thickness of 670 metres
- Melbana's onsite geologist describes the shows as good but logging needs to be undertaken before their significance can be better understood
- Drilling has reached a depth of 1,820 metres and is continuing towards the deeper primary targets (N and Alameda)

### SYDNEY, AUSTRALIA (05 OCTOBER 2021)

Melbana Energy Limited (ASX: MAY) (**Melbana**) is pleased to report the following update on the progress of the Alameda-1 exploration well being drilling in Block 9 PSC, onshore Cuba.

Melbana has a 30% interest in Block 9 and is the operator of the current drilling program.

As of 4:00PM Monday, 4 October (Cuban time), the well was drilling ahead at 1,820 metres in limestone and clastic sediments in the Upper Thrust Sheet.

Encouraging hydrocarbon shows (described as good by Melbana's personnel on site) were encountered just below the first casing point at 454 metres, when moveable oil was reported at surface within the mud and cuttings samples. The oil, which appears to be lighter than that normally seen at this depth, was accompanied by elevated gas readings. Drilling continued through the shallow limestones and minor clastic sediments, with similar shows persisting over a gross interval of about 670 metres. This includes the interval of the anticipated "U1" secondary objective, through which excellent hydrocarbon shows were reported. Variable oil shows have continued to be encountered below this interval to the current depth of the well.

At this stage, the significance of these very encouraging shows is uncertain, but they will be evaluated when logs become available at the conclusion of the current hole section. Any further evaluation of deliverability and lateral extent of this new potential oil zone will be determined after the conclusion of drilling of the Alameda-1 well.

**Melbana Energy's Executive Chairman, Andrew Purcell, commented:** "Encountering oil shows over such a significant interval is, of course, very encouraging. We hope to reach the next casing point sometime in the week ahead, following which we'll run logs in order to provide our geoscientists with more data to assist them in their assessment of what we've encountered."

## Forward Plan

Drilling is continuing to the planned intermediate casing point at about 2,200 metres, after which a wireline logging program will be undertaken to further evaluate the current open hole section, including the interval with the oil shows.

After running casing, drilling will recommence towards the deeper (Lower Thrust Sheet) primary targets of the Alameda-1 well which are the “N” and “Alameda” objectives.

## Civil Works

Construction of the Zapato-1 well pad is progressing satisfactorily and expected to be completed on schedule.

The Zapato-1 well is to be drilled immediately following the completion of the Alameda-1 well to test a 95 million barrel prospect (best estimate, prospective resource)<sup>1</sup>.



*Figure 1 - Inspecting the underreamer at Alameda-1*



Figure 2 - Construction of the Zapato-1 well pad

<sup>1</sup> Prospective Resources Cautionary Statement - The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) related 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. All quoted volumes have been taken from Independent Expert McDaniel & Associates Competent Persons Report, released to ASX on 7 August 2018, as adjusted by Melbana for area relinquishment. Melbana is not aware of any new information or data that materially affects the information included in that announcement and that all the material assumptions and technical parameters underpinning the estimates in the announcement continue to apply and have not materially changed.



Figure 3 - Sunrise at the drilling camp

**For and on Behalf of the Board of Directors:**

Mr Andrew Purcell  
Executive Chairman

Ends -

**For further information please contact**

Mr Theo Renard  
Company Secretary  
+61 2 83 23 66 00