

Cuba, Block 9 – Mobilisation Commenced

SYDNEY, AUSTRALIA (25 May 2023)

Melbana Energy Limited (ASX: MAY) (**Melbana**) is pleased to advise that mobilisation for the Alameda-2 appraisal well drill program has commenced at its Block 9 PSC area, onshore Cuba (Melbana 30% participating interest and operator).

The drilling rig and spread was released from its previous operation last Sunday and is in the process of being stacked up and delivered to Melbana's Alameda site, as is the casing and other inventory. The onsite camp facilities should be operational within the next week. Construction of the cellar has been completed in preparation for the installation of the conductor pipe (refer Figure 2 and Figure 3).

Work carried out by Melbana's on-ground management team over the previous two months has facilitated the efficient transportation of equipment, and the Company has procured the full cohort of equipment, inventory and materials required to commence drilling in a timely fashion now that rig mobilisation has commenced.

Alameda-2 has a planned total depth of 1,960mMD (1,840mTVD). The objective of the appraisal program is to allow oil to flow from the three productive units encountered previously in the shallowest of the three oil bearing reservoirs (designated Amistad, see Figure 4). The volumes of the Amistad structure have been independently estimated as 1.9 billion barrels of Oil in Place and 88 million barrels of Prospective Resource (unrisked gross best estimate)¹.

Melbana Energy's Executive Chairman, Andrew Purcell, commented: *"The formal commencement of mobilisation is a great development. We are excited to get started. Operations on the ground are progressing well and the Melbana team is working in lockstep with the various contractors to establish sound foundations for the appraisal well program. Our CFO and I will be on-site in Cuba for the month of June to oversee the commencement of drilling, leading up to the expected recovery of first oil samples. Now that activities are accelerating on site, the Company looks forward to providing a steady flow of updates into spud and throughout the first phase of this year's appraisal drilling program."*

¹ **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 dated 8 March 2022, 4 July 2022 and 28 July 2022. Melbana is not aware of any new information or data that materially affects the information included in those Reports and that all the material assumptions and technical parameters underpinning the estimates in the Reports continue to apply and have not materially changed.



Figure 1 – Service unit being transported to site



Figure 2 - Construction of the cellar prior to the installation of the conductor



Figure 3 – Completed cellar to provide structural foundation for the drill program

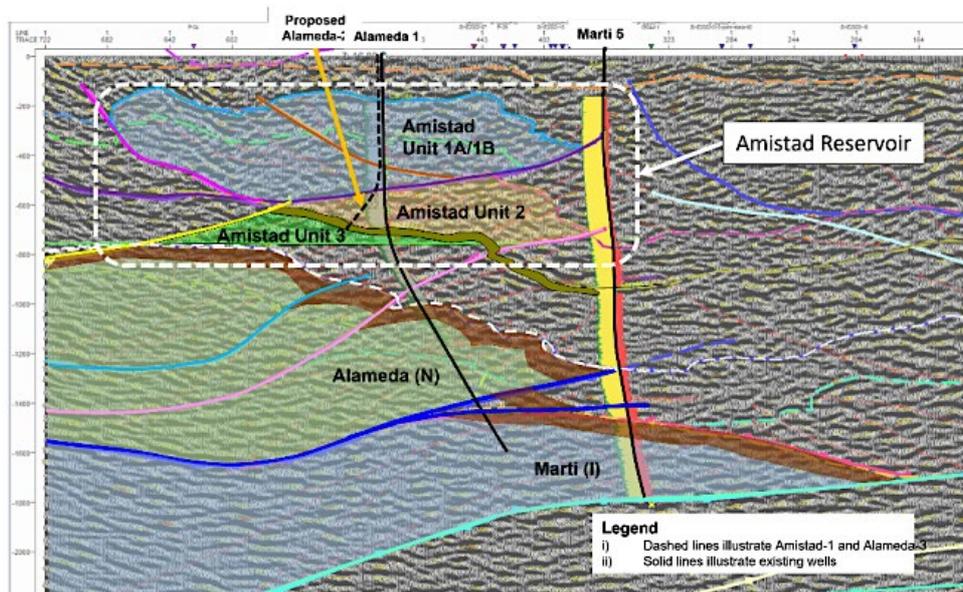


Figure 4 - Alameda-2 is designed to test the three units of the Amistad formation

For and on Behalf of the Board of Directors:

Mr Andrew Purcell
Executive Chairman

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