

Block 9: Status of Alameda-3 and Operational Update

Highlights

- Commencement of Alameda-3 appraisal well projected for week of 11 December.
- Primary objectives are the appraisal of the deep Alameda and Marti reservoirs discovered by Alameda-1 – independently assessed at 179 million barrels of Prospective Resource (Unrisked Gross Best Estimate)¹.
- Secondary objective is to test Amistad Unit-3.
- Analysis of results of Alameda-2 appraisal well indicating potential significant increase in recoverable volumes.

Melbana Energy's Executive Chairman, Andrew Purcell, commented: "We are in the closing stages of preparations for the imminent spud of the Alameda-3 appraisal well. We are going back down to test the deeper Alameda and Marti reservoirs that gave such tantalising results in Alameda-1. We are hoping to confirm higher quality crude that can produce at good rates, thereby giving us two additional productive reservoirs to what has already been established by Alameda-2 in Unit 1B in the Amistad reservoir.

Given the time of year for spud, we will make sure that our field personnel have an Oz-style (albeit, dry) lunch to celebrate the festive season.

Finally, our technical team have been pulling out the stops to complete their review of the test results of Alameda-2. We are seeing a marked increase in key reservoir parameters which we expect will support an upgrade to the resource assessment of these intervals and expect to deliver these data and the analysis conducted thereon to the independent certifier shortly for their assessment."

* **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.

SYDNEY, AUSTRALIA (29 NOVEMBER 2023)

Melbana Energy Limited (ASX: MAY) (Melbana or Company), a 30% interest holder in and Operator of Block 9 PSC onshore Cuba, is pleased to provide this operational update.

Alameda-3 close to execution state

Preparations for the commencement of drilling of the Alameda-3 Appraisal Well (the primary objectives of which are the appraisal of the two lower geologically independent oil-bearing

¹ McDaniel & Associates, Competent Persons Report August 2022

reservoirs intercepted by Alameda-1 - designated Alameda and Marti, respectively) are nearing completion, with site preparation complete and rig and ancillary equipment establishment underway (see Figures 1, 2 and 3).



Figure 1 – Civil works completed at the Alameda-3 drill pad.



Figure 2 – Rig spread on site.



Figure 3 – Drilling equipment establishment on site.

Planned as a twin of the original Alameda-1 well, Alameda -3 will be drilled parallel to Alameda-1 from the same drilling pad with a modest offset to the surface location. The well is planned to reach total depth of 3835mMD, ~40mTVD above high pressure zone seen in Alameda-1 (see Figure 4).

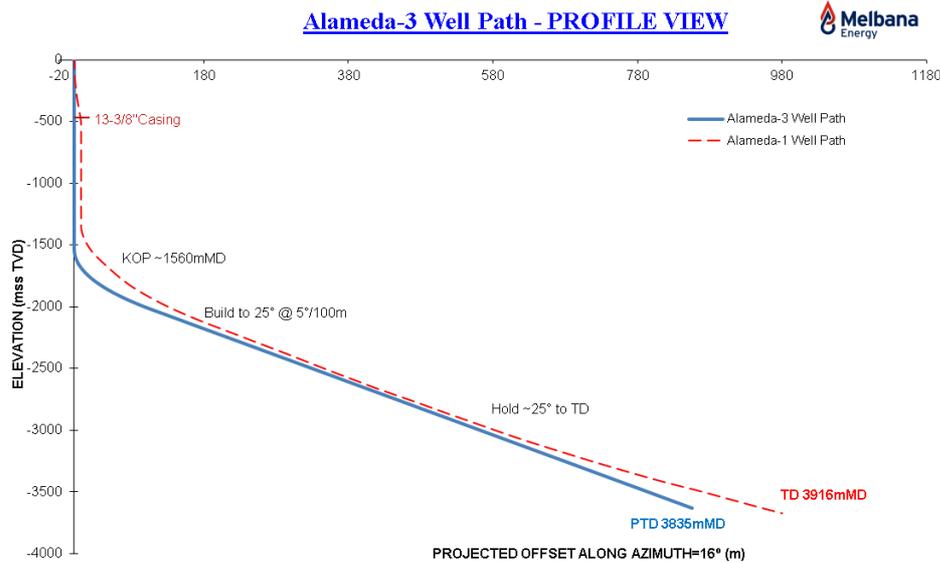


Figure 4 – Alameda-3 well path

The Alameda-3 well is planned to take 95 days to reach total depth (see updated time estimate in Figure 5), following which flow testing will commence of the Marti then Alameda reservoirs.

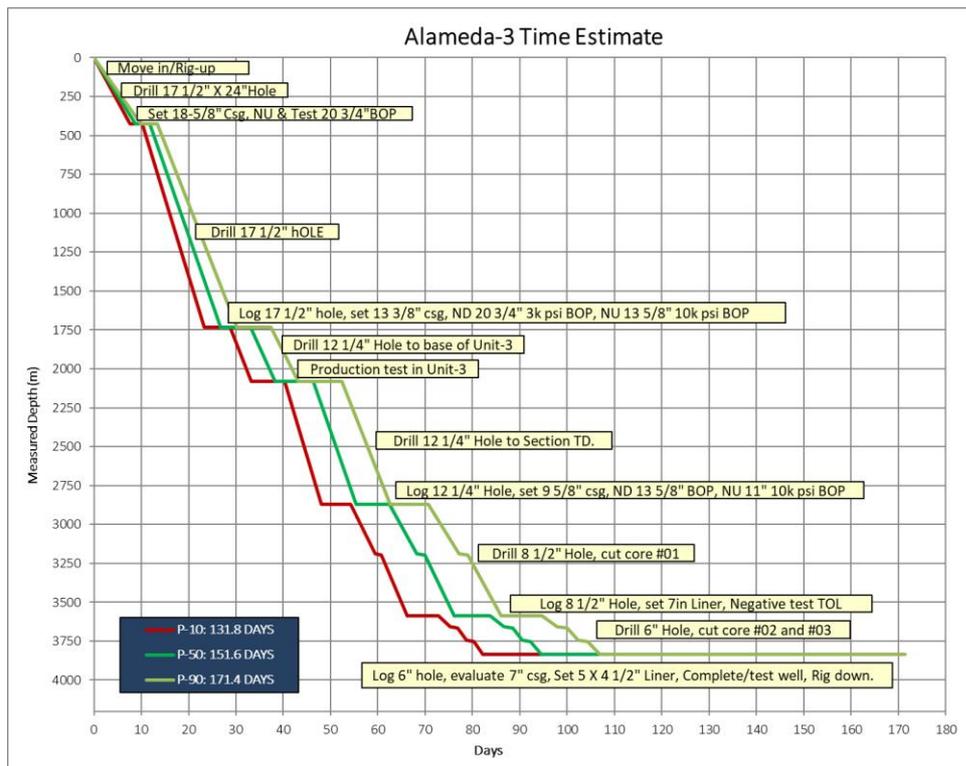


Figure 5 – Alameda-3 drilling time estimate.

The testing plan is to run an open hole drill stem test (DST) in the Amistad Unit-3 reservoir whilst drilling through the relevant part of the Upper Sheet (about thirty five days following the commencement of drilling), then a slotted liner DST in the deepest Marti reservoir before finally perforating up to three zones in the Alameda Reservoir zones for either separate or comingled flow tests, depending on well results. Whichever DST zone performs best will be completed for production (see Figure 6).

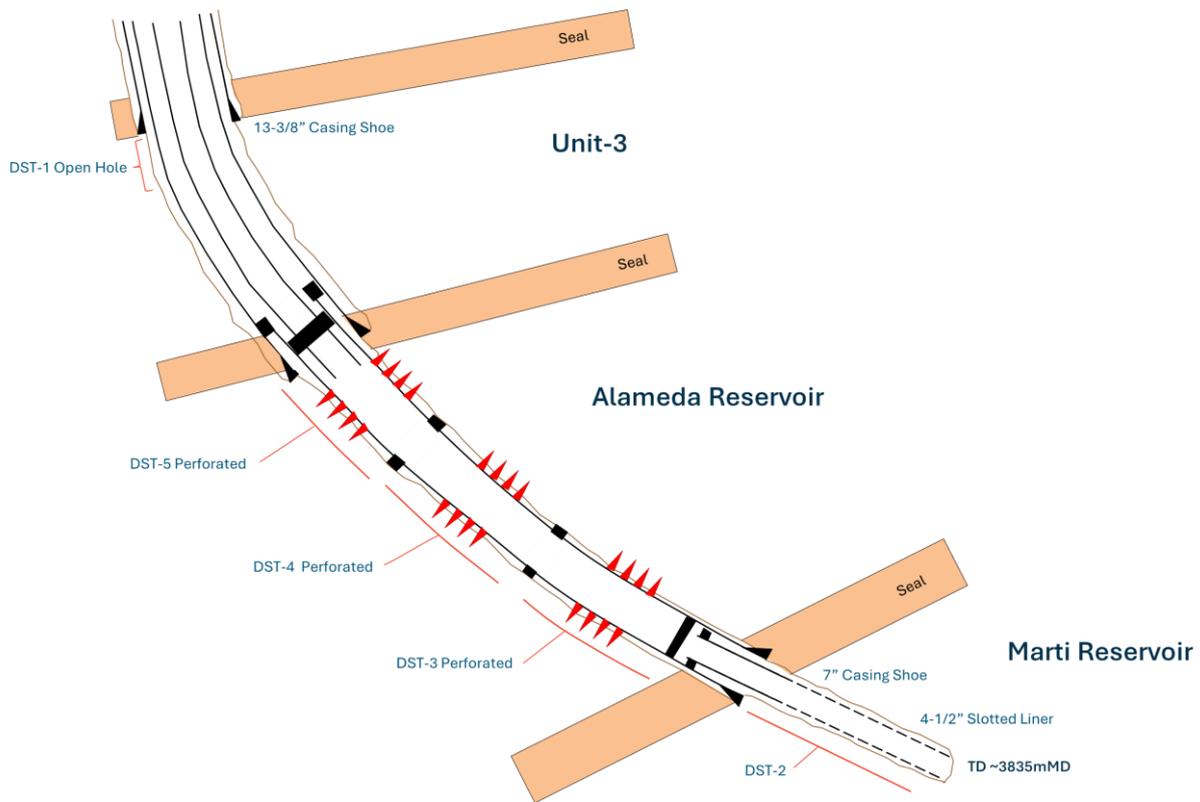


Figure 6 – Alameda-3 drill stem testing programme.

The Alameda-3 well is aiming to prove up the results of the Alameda-1 well which, although having considerable oil shows sometimes accompanied by significant formation pressure in both the Alameda and Marti intervals, was unable to conduct flow tests or collect oil samples for analysis. The Alameda-3 well has been designed to accommodate the subsurface conditions encountered by Alameda-1 and is therefore hoped to lead to an increase in the recoverable resource estimate as well as confirm the presence of a lighter, more valuable oil (see Figure 7).

Prospective Resources as at 1 August 2022 ^{1} (gross unrisked, millions of barrels)*

Objective	Low	Best	Mean	High
Amistad 1, 2 & 3	30	88	119	240
Alameda	34	109	148	297
Marti	21	70	95	197
Total	85	267	362	734

Figure 7–Certified resource estimates prior to incorporation of Alameda-2 results

Updated Upper Sheet resource estimates.

Work is concluding on updating the resource estimates for the Upper Sheet Amistad Units 1A, 1B and 3. Prior to incorporating the results from Alameda-2 the best estimate Prospective Resource for the Upper Sheet totalled 88 million barrels*.

The Company's technical team is currently incorporating the increase in net pay from 100m to 615m (after incorporating the natural fractures) with the much higher quality oil recovered (19° API, 30 cP viscosity and negligible sulphur content) leading to potentially higher recovery factors into an updated resource assessment for these units.

Given the highly encouraging DST results in the Unit 1A, 1B and Unit 3, it is also envisaged that the central field area of highest confidence might be assigned Contingent Resource category once the independent resources and reserves certifier has done their work.

ENDS.

For and on Behalf of the Board of Directors:

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