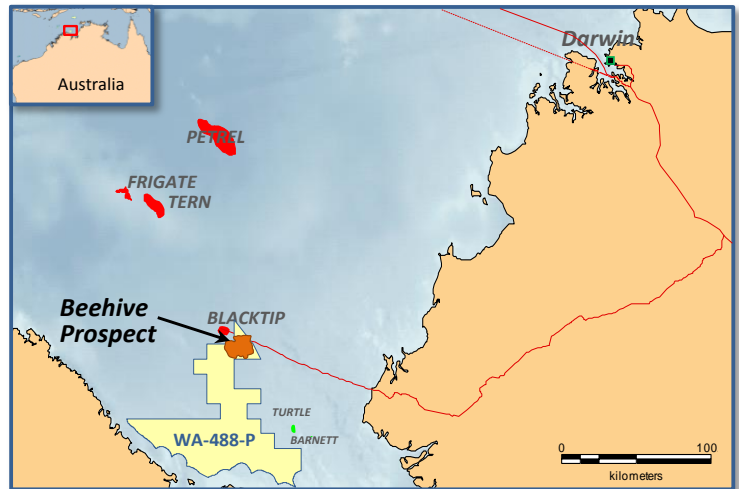


Summary

Beehive – potentially giant oil prospect in 40m water depth

WA-488-P is located in the Petrel Sub-basin between the producing Blacktip gas field and the undeveloped Turtle and Barnett oil discoveries and has an area of 4,074 km².

Melbana has identified the potentially giant Beehive prospect, located in 40m water depth and defined by a tight grid of high quality 2D seismic data, as one of the largest hydrocarbon prospects remaining in Australia.



French major Total and Santos are fully funding a 3D seismic survey with an option to acquire an 80% interest by fully funding the Beehive-1 well

Prospective Resources – Recoverable

| Beehive Prospect* | COS | Low | Best | Mean | High |
|---------------------------------|-----|-----|------|------|-------|
| Carboniferous objective (MMboe) | 16% | 97 | 558 | 940 | 2,033 |

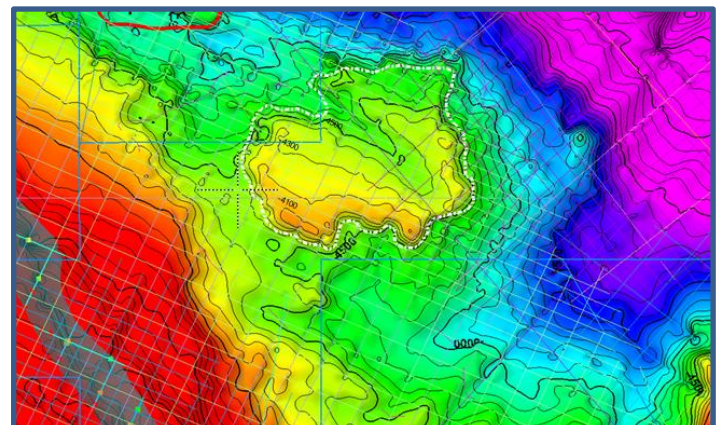
Beehive is a 180km² isolated carbonate build up of Carboniferous age with 400m of mapped vertical relief and a crest at 4,100m.

Prospective Resource of up to 2 billion barrels of oil

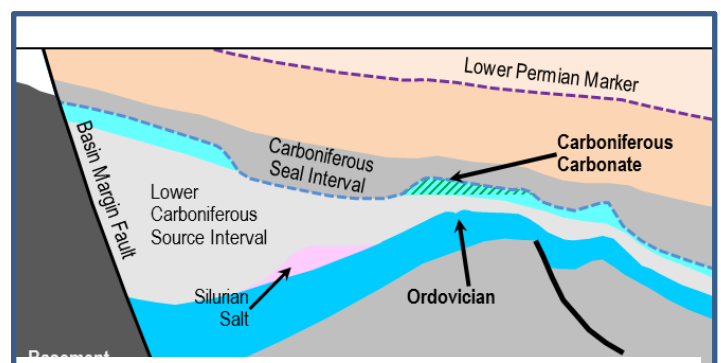
The Carboniferous carbonate objective has been penetrated previously in the area only attached shelf/basin margin settings.

400m vertical relief

Beehive is analogous to the giant Tengiz field in the Caspian basin, which is also a Carboniferous isolated carbonate build up. The carbonate reservoir is also interpreted to be the same age as the 2011 Ungani-1 oil discovery in the Canning basin, which tested at 1,600 bopd demonstrating a high quality reservoir. Beehive is a much larger build up than Ungani and has excellent access to the Lower Carboniferous source rock in adjacent depocentres. This play setting is undrilled in the Petrel Basin.

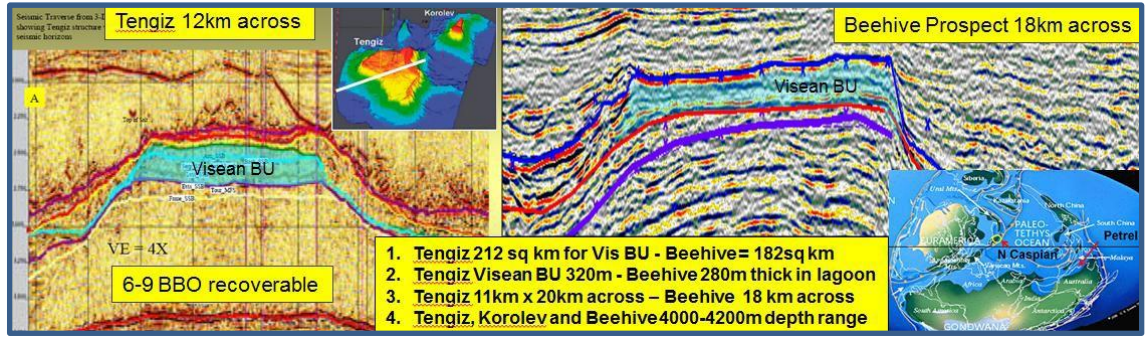


Beehive Prospect: Top Carboniferous objective



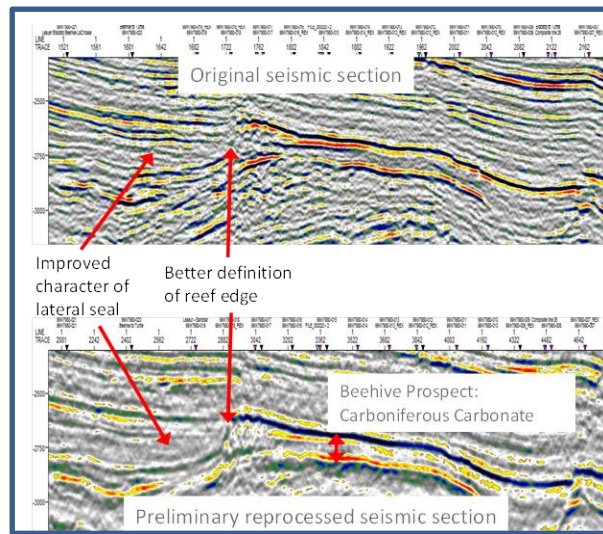
*The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons. COS – Geological Chance of Success. MMboe – Conversion factor 6000scf/boe.

Tengiz analog



Melbana has recently undertaken a reprocessing and inversion study of selected seismic lines across the Beehive Prospect with very encouraging results. The seismic inversion results combined with the results of the reprocessing have enhanced the understanding of the Beehive reservoir and seal units.

Recent reprocessing and inversion has enhanced assessment of Beehive



While Melbana has a 100% interest in the WA-488-P permit, French major Total and Australia’s Santos have agreed to fully fund a 3D seismic survey over the Beehive prospect in return for an option to acquire an 80% participating interest in the permit by fully funding the Beehive-1 exploration well.

Permit Work Obligations

| Permit Year | End Date | Minimum Work Requirements | Estimated Expenditure (indicative only) |
|-------------|-------------|---|--|
| 2 | 21 Mar 2018 | Geological and Geophysical Studies Survey Data Proprietary Processing 150km 2D Broadband Reprocessing and Seismic Inversion 330km 2D Broadband Seismic Reprocessing, Seismic Stratigraphic Interpretation and Analogue Field Study | A\$200,000 A\$300,000 A\$150,000 A\$250,000 |
| 3 | 21 Mar 2019 | One Exploration Well | A\$20,000,000 |
| 4 | 21 Mar 2020 | 400km ² New 3D Seismic Survey | A\$5,000,000 |
| 5 | 21 Mar 2021 | Geological and Geophysical Studies | A\$200,000 |
| 6 | 21 Mar 2022 | One Exploration Well | A\$20,000,000 |

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