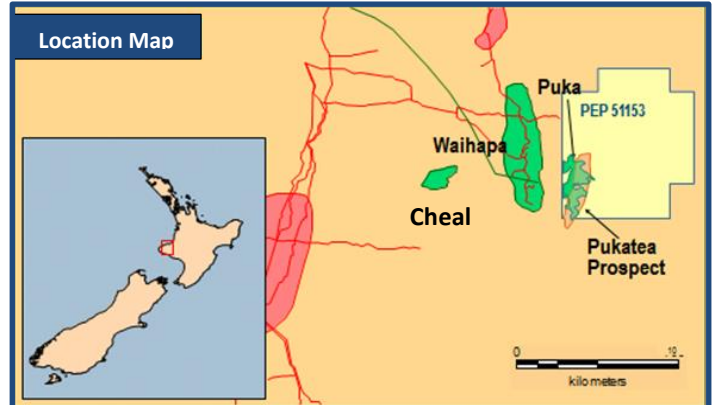


Onshore NZ permit with discovered resource

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.

TAG operates the nearby Cheal production complex, less than 10km from the Pukatea prospect location



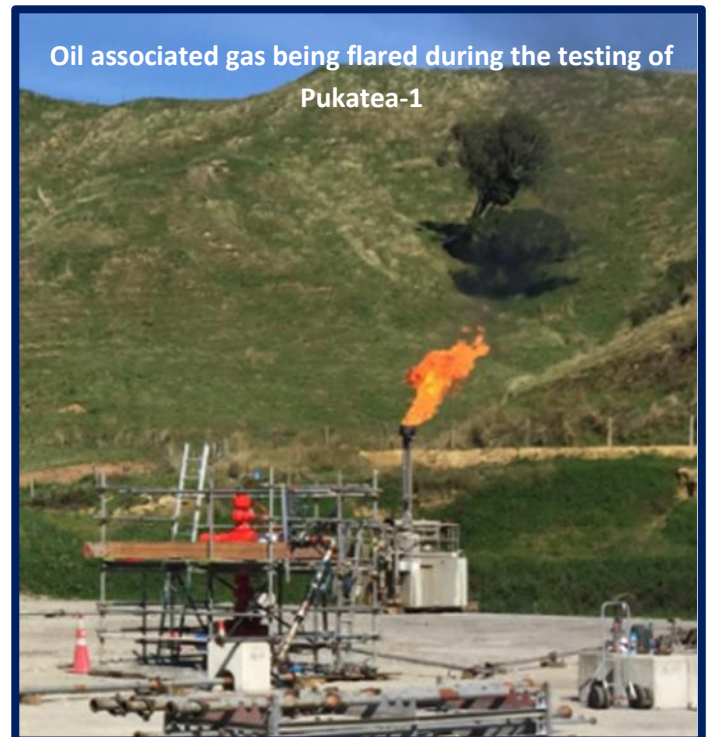
Oil successfully flowed during Pukatea production test

Puka Oil Field

PEP51153 contains the suspended Puka oil field. 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. Recently, the Pukatea-1 well primarily targeting a deeper objective successfully intersected the Mt Messenger formation.

Two oil producing wells in shallow Puka field currently suspended

A successful production test of the Pukatea-1 oil zone found in the Mt. Messenger formation has flowed oil at an initial rate of 600bbls/day on a 28/64” choke. The well flowed naturally without the aid of artificial lift. Testing of the zone at various flow rates is continuing using a variety of choke sizes.



The oil produced was combined with other oil produced in the area and sold to the market at Brent oil pricing.

An independent expert values TAG’s 2P reserves in nearby fields at ~A\$20/barrel (on an NPV10 basis)[#].

Puka Contingent Resource (pre February 2018 Mt Messenger Result) *

100% MMboe*	1C	2C	3C
Puka	0.3	0.6	1.8



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See TAG media release of 20 June 2017