

Melbana Energy (MAY) is an Australian ASX listed, independent oil and gas company with a portfolio of exploration, appraisal and development stage opportunities in Cuba, Australia and New Zealand.

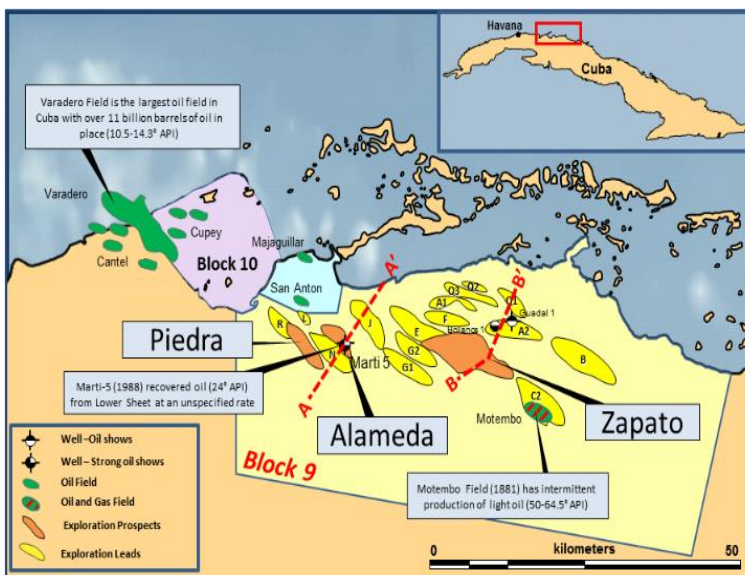
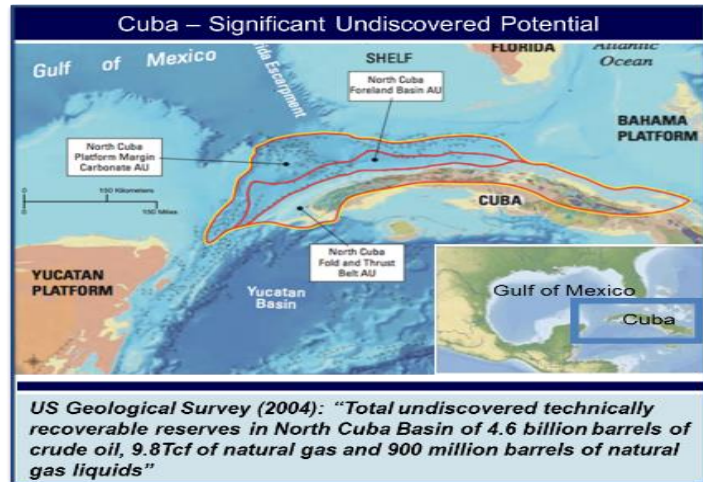
- Cuba – high impact opportunities**
 - Block 9 – Melbana 100% with ~15.7 billion barrels potential oil-in-place and early mover advantage. Multiple leads identified. Drilling being planned.
 - Santa Cruz oil field IOR - Exclusive rights to study the Santa Cruz field and negotiate an IOR
- Australia** - Beehive prospect (WA-488-P) potentially the largest undrilled oil prospect offshore Australia. Total and Santos fully funded a 3D seismic survey in 2018 with option to 100% fund Beehive-1 well for 80% interest
- Australia – Tassie Shoal Projects –** Lowest cost Methanol and LNG infrastructure projects with environmental approvals in place ready to commercialise stranded gas offshore northern Australia

Cuba – Background

- Southern Gulf of Mexico, one of the world's great under-explored petroleum mega provinces
- Due to US embargo, Cuba has been lightly explored with limited use of modern day exploration technologies
- Recent changes to encourage foreign investment, including reduced tax rates and tax holidays
- Early mover advantage as Melbana is one of the few foreign companies with a significant established footprint in Cuba

Company Data A\$	
Australian Stock Exchange Code	MAY
Shares on Issue	~1,681m
Options	~115m
Share Performance Rights	~6.7m
Market Capitalisation (5 Sep 18)	~\$29m
Cash (30 June 18)	~\$6.1m
Debt (30 June 18)	~\$3.3m
Enterprise Value	~\$26m
Shareholders	
Cadence Asset Management	7.2%
Board & Management	5.6%
Top 20 Shareholders	30%

Board of Directors	
Chief Executive Officer	Robert Zammit
Non-Executive Chairman	Andrew Purcell
Non-Executive Director	Michael Sandy
Non-Executive Director (former MD)	Peter Stickland



Cuba – Block 9 Prospectivity, (Melbana 100%)

- 100% unencumbered interest in Block 9 PSC, 2,380km² onshore Cuba awarded in September 2015 with a 25 year term
- Contains a proven hydrocarbon system, with multiple discoveries within close proximity, including the 11 billion barrel oil-in-place Varadero oilfield
- 19 individual leads identified in conventional plays
- Independent Expert McDaniel & Associates assess Block 9 prospectivity as 15.7 billion barrels of Oil-in-Place and 718 million barrels of recoverable prospective resource (best estimate)¹**
- Farm-out process active

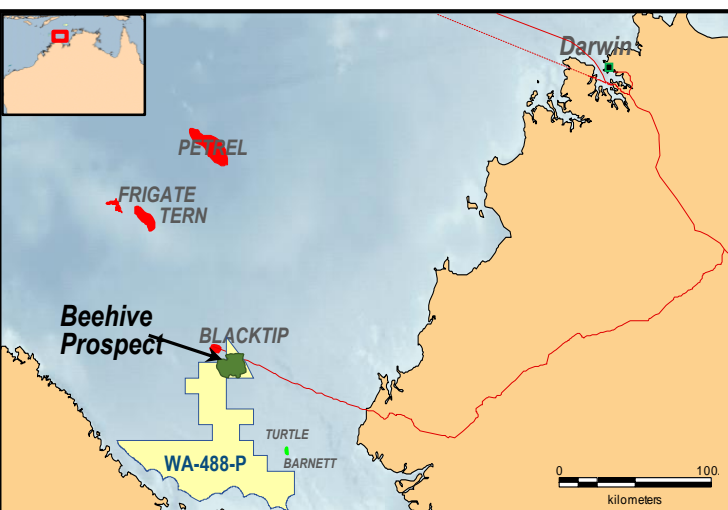
Cuba Block 9 – Investment case

- Exploration potential of over 15.7 billion barrels of oil-in-place and Prospective Resources of 718 million barrels (Best Estimate)
- Oil discovered on block
- Using best estimates, recoverable reserves of 718million BOE at US\$60 oil price, could be worth ~A\$5bn to Melbana 100% basis³

Block 9 Exploration Potential	Low	Best	High	Mean
	MMstb	MMstb	MMstb	MMstb
Oil-in-Place	8,185	15,763	30,250	17,825
Prospective Resources, ^{1,2} (recoverable)	305	718	1,553	848

Cuba - Santa Cruz Oil Field IOR

- Exclusive rights to study and negotiate an incremental oil recovery (IOR) project
- Santa Cruz 2003 Seismic Survey defined as a 20km² structure, first well in 2004 successful
- Early estimates of up to 100Million barrels of oil, with only a small portion produced from 18 wells



Australia – Beehive Prospect

- One of the largest undrilled hydrocarbon prospects in Australia
- **Independent Expert McDaniel & Associates Report estimates Prospective Resources to range from 91 (low) to 1.6 billion (high) barrels of oil equivalent with 20% Chance of Success (best estimate)**
- Shallow water, suitable for lower cost jack-up drilling rig
- Target Depth 4,000 to 4,500 meters developable by FPSO or pipeline
- Total and Santos fully funded a 3D seismic survey in 2018
- Melbana retain 20% and fully carried through first well drilled in WA-488-P if Total and/or Santos exercise farm-in option



Beehive Exploration Potential	Low	Best	High	Mean
COS – 20%	MMstb	MMstb	MMstb	MMstb
Prospective Resources ^{1,2} (recoverable, 100%)	91	388	1,645	704

Multiple potential near term catalysts may result in a significant re rating for Melbana

¹ per Independent Expert McDaniel & Associates (Canada) Report

² **Prospective Resources Cautionary Statement** - 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. Future exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

³ Calculated using Hartleys Block 9 NPV10 of A\$8.23per barrel developed reserves at US\$60 oil price, Sep '17 research report.

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