

Drilling update at Alameda-1

Highlights

- **9-5/8" casing string successfully installed and tested. Higher pressure Blow-out Preventor (BOP) stack installed and tested**
- **Now drilling ahead, current depth 2,622mMD**
- **Next target is the "N" structure, forecast to be intersected at ~3,000mMD**

SYDNEY, AUSTRALIA (19 JANUARY 2022)

Melbana Energy Limited (ASX: MAY) (**Melbana**) is pleased to provide this update on drilling operations at its Alameda-1 exploration well in its Block 9 contract area onshore Cuba.

The 9-5/8" casing string has been set in place and successfully pressure tested, allowing for the installation of the 11" 10kpsi BOP required to safely drill to the primary target zones. Drilling ahead recommenced overnight (Australian time). A short time ago the well had been drilled to 2,622mMD.

It is prognosed that the next target, the primary structure called "N", may start at ~3,000 mMD. There has been insufficient time drilling the current section to make an accurate forecast as to when this depth may be reached, but if early indications on rate of penetration can be maintained it may occur next week. The deepest (and largest) primary structure, called Alameda, is prognosed to start at ~3,600mMD.

The revised forecast for the completion of the Alameda-1 well is the end of February. The rig will then be transferred to the next well site for the drilling of the Zapato-1 well.

Melbana's Executive Chairman, Andrew Purcell, has recently arrived in Cuba to review operations and agree the forward operations plan with the company's partner and regulators. The findings and results of this trip will be provided to the market, along with Melbana's updated resource assessment following the oil shows it encountered in the Upper Sheet, upon his return early next month.

Melbana Energy's Executive Chairman, Andrew Purcell, commented: "It's good to be back on the ground in Cuba meeting with the team in person again after such a lengthy absence due to COVID related travel complications. We're now into the 8-1/2" hole section so it's just all drilling from here in order to test the primary structures of this first well, which we look forward to occurring as soon as possible".

For and on Behalf of the Board of Directors:

Mr Andrew Purcell
Executive Chairman

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