

Alameda-1: Significant oil pay defined in Marti structure

Highlights

- Approximately 62 mMD / 52 mTVD of net pay in aggregate across a logged gross reservoir interval of approximately 286 mMD / 240 mTVD in the Marti structure, the deepest objective in Alameda-1
- Aggregate and updated interpreted net pay intervals across the three independent structures encountered whilst drilling the Alameda-1 exploration well now total approximately 300 mMD / 278 mTVD from gross reservoir intervals totalling approximately 2,155 mMD / 2,022 mTVD
- Logging data now being incorporated with other geological data to prepare an updated resource estimate
- The volume of oil in place from the first (Amistad) structure has been independently estimated to contain 2.5 billion barrels of oil in place with a combined Prospective Resource of 119 million barrels of oil (100% share, mean estimate)*

Melbana Energy's Executive Chairman, Andrew Purcell, commented: *"The Alameda-1 exploration well has confirmed the presence of oil across significant intervals in three structures (with potential for upside, given the two larger structures - Alameda and Marti – were intersected a long way down dip from their crests). In any case, the logging of these three intervals has allowed us to estimate a substantial net hydrocarbon pay of 278 mTVD in aggregate.*

This is an extremely good result and easily exceeds our predrill expectations.

We are now integrating this information and will include the results from the sampling and testing programme into an updated resource assessment which will be provided to the independent reserves certifier. We look forward to releasing the results of their assessment of the total oil in place for the three structures encountered by the Alameda-1 exploration well in due course."

* 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. All quoted volumes have been taken from Independent Expert McDaniel & Associates Competent Persons Report dated 8 March 2022. Melbana is not aware of any new information or data that materially affects the information included in that announcement and that all the material assumptions and technical parameters underpinning the estimates in the announcement continue to apply and have not materially changed.

SYDNEY, AUSTRALIA (7 APRIL 2022)

Melbana Energy Limited (ASX: MAY) (**Melbana**) is pleased to provide this update on its drilling operations in its Block 9 contract area, onshore Cuba (Melbana's working interest 30%).

Analysis of the logs acquired in the Marti structure encountered by the Alameda-1 exploration well is complete. Results indicate that this structure contains a net pay of about 62 mTVD across a gross logged reservoir interval of about 240 mTVD. This does not include an additional (the bottom) 16 mMD of this reservoir interval (where the strongest hydrocarbon influxes were encountered) which could not be logged due to the physical configuration of the logging tools, but likely contains additional net pay.

The Alameda-1 exploration well confirmed the presence of oil in three independent structures, as demonstrated by continual influxes of oil and associated gas while drilling in the presence of high to very high formation pressures. These structures have been redesignated as Amistad, Alameda and Marti (formerly, respectively, the "Upper Sheet", "N" and "I" structures from the predrill prognosis) following reinterpretation using data obtained from the Alameda-1 exploration well (see Figure 1 on page 3).

The table below summarises the pay zones estimated from logging each of the three structures encountered by the Alameda-1 exploration well:

| Structure | Gross | | Net | |
|--------------|--------------|--------------|------------|------------|
| | mMD | mTVD | mMD | mTVD |
| Amistad | 1,187 | 1,181 | 138 | 137 |
| Alameda | 682 | 601 | 100 | 88 |
| Marti | 286 | 240 | 62 | 52 |
| Total | 2,155 | 2,022 | 300 | 278 |

The pay estimates across all structures have been now standardised for constant porosity cut off, resulting in an upgrade of the gross and net pay intervals previously quoted for the Amistad structure. These were initially reported using more conservative cut offs given the limited sample points that existed at that time. The presence of extensive natural fractures demonstrated by subsequent logging runs across the deeper intervals now supports the use of a more optimistic porosity cut-off for net pay calculations.

For and on Behalf of the Board of Directors: For further information please contact

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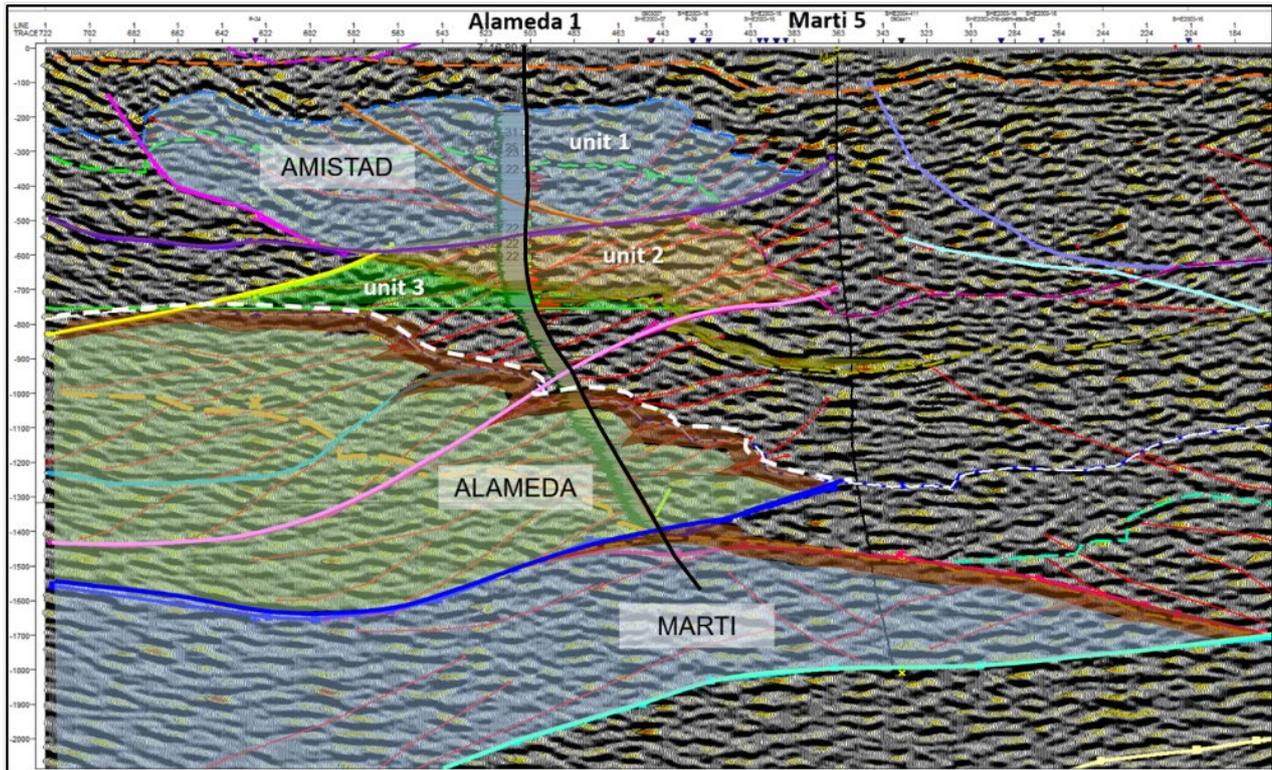


Figure 1 - Update interpretation of the subsurface at Alameda-1

GLOSSARY

| TERM | DEFINITION |
|-------|-------------------------------------|
| mmBBL | Millions of standard barrels of oil |
| mMD | Metres, measured depth |
| mTVD | Metres, true vertical depth |
| OIIP | Oil originally in place |
| WIP | Work in progress |