

Expiry of Unlisted Options – 31 August 2018

MELBOURNE, AUSTRALIA (10 August 2018)

Melbana Energy Limited (ASX: **MAY** or 'the Company') wishes to notify holders of the upcoming expiry date of Unlisted Options exercisable at \$0.02 (2 cents) per share.

The Unlisted options will expire on 31 August 2018 and the due date for payment of the exercise price is 5.00pm (AEST) on 31 August 2018. If payment is not received by 5.00pm (AEDST) on 31 August 2018, the Unlisted Options will lapse and all rights under the Unlisted Options will cease.

The Company has placed an option exercise form on the front page of the Company website (and is also attached) and all exercise forms and cheques can be sent to the Company's registered office.

How to Lodge the Notice of Exercise of Options

The completed notice with the accompanying payment by cheque must be mailed or delivered to the address set out below.

Mailing Address

Melbana Energy Limited
Level 15, 500 Collins Street
MELBOURNE VIC 3000
AUSTRALIA

Please ensure you send your Notice of Exercise of Options Form and payment allowing enough time for mail delivery, so Melbana Energy Limited receives them no later than the option expiry date of 31 August 2018. Please ensure sufficient cleared funds are held in your account, as your cheque will be banked as soon as it is received. Melbana Energy Limited reserves the right not to process any forms and cheques received after the expiry date.

If you require information on how to complete this form please contact Melbana Energy Limited on +61 3 8625 6000 (within Australia), between 8:30am and 5:00pm (AEST) Monday to Friday or alternatively email admin@melbana.com.

If you are unsure as to whether or not to participate in the Exercise of Options, please contact your accountant, stockbroker, solicitor or other professional adviser.

NAME AND ADDRESS OF OPTIONHOLDER

Conversion Ratio: 1 for 1

Exercise Price: A\$0.02

Expiry Date: 5:00pm (AEST) on 31 August 2018
SRN/HIN

NOTICE OF EXERCISE OF OPTIONS

As an Optionholder you are entitled to acquire one (1) New Ordinary Share for every one (1) Option that you exercise at an Exercise Price of A\$0.02 per Option. This is an important document and requires your immediate attention. If you do not understand it or you are in doubt as how to deal with it, you should contact your accountant, stockbroker, solicitor or other professional adviser.

IMPORTANT: The Options shall be exercisable at any time before the Expiry Date (**Exercise Period**) by the delivery to the registered office of the Company of a notice in writing (**Notice**) stating the intention of the Option Holder to exercise all or a specified number of Options held by you accompanied by an Option certificate and a cheque made payable to the Company for the subscription monies for the Shares. The Notice and cheque must be received by the Company during the Exercise Period. An exercise of only some Options shall not affect the rights of the Option Holder to the balance of the Options held by the Option Holder.

PLEASE COMPLETE BELOW (using block letters) – refer overleaf for details and further instructions on how to complete this form.

I/We being the registered holders, hereby exercise my/our option to apply for the following number of ordinary shares in Melbana Energy Limited in accordance with the Terms and Conditions of my/our Melbana Energy Limited's Options.

I/We request that you allot such shares to me/us and I/We undertake to be bound by the Constitution, and I/We authorise you to place my/our name on the Register of Members. If this application is signed by an Attorney, the Attorney hereby declares that no notice of revocation has been received.

PAYMENT DETAILS

A NUMBER OF OPTIONS EXERCISED
 (being not more than your Options held)

 at **A\$0.02** per
 Option Exercised **\$A**

B TOTAL PAYMENT REQUIRED
 (Multiply the number in section A by A\$0.02)

C PLEASE INSERT YOUR CHEQUE/BANK DRAFT OR MONEY ORDER DETAILS

I/We enclose my/our cheque for the amount specified below. Cheques must be drawn on an **Australian branch** of a financial institution in **Australian currency** and made payable to "**Melbana Energy Limited**" and crossed "Not Negotiable".

Cheque Number

BSB

Account Number

D YOUR CONTACT DETAILS

Telephone Number

Telephone Number – after hours

Contact Name (PRINT)

HOW TO COMPLETE THE NOTICE OF EXERCISE OF OPTIONS

Please complete all relevant sections of this form USING BLOCK LETTERS. These instructions are cross referenced to each section of the notice.

A. Application for Shares under the Notice of Exercise of Options

You may exercise either part of, or all of, your Options holding. Please write in Box A the number of Options that you wish to exercise.

If you do not indicate the number of Options you wish to Exercise, the Company will exercise as many Options as your accompanying cheque will pay for. The number of Options exercised, however, will not exceed the number of Options that you hold.

B. Total Payment Required for Options Exercise

Please enter in Box B the total amount of the cheque required for the payment of the Options you wish to exercise at the Exercise Price of A\$0.02 per Option.

C. Payment Details

Please enter your cheque details in Section C.

Cheques must be drawn on an Australian branch of a financial institution in Australian currency and made payable to **“Melbana Energy Limited”** and crossed **“Not Negotiable”**. Please ensure sufficient cleared funds are held in your account, as your cheque will be banked as soon as it is received.

D. Contact Details

Please enter your contact telephone number so we can contact you regarding your notice, if necessary.

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Mailing Address

Melbana Energy Limited
Level 15,500 Collins Street
MELBOURNE VIC 3000

or

Hand Delivery

Melbana Energy Limited
Level 15,500 Collins Street
MELBOURNE VIC 3000

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