

ASX ANNOUNCEMENT

18 June 2026

Cuban Operational Update

Melbana Energy Limited (ASX: MAY) (**Melbana** or **Company**) provides this operational update regarding Block 9 Production Sharing Contract (**PSC**) onshore Cuba, in which it holds a 30%¹ interest via a wholly owned subsidiary that is also the operator.

On 11 June 2026, the U.S. Department of State designated Cuba's state-owned oil and gas company Union Cuba-Petroleo (**CUPET**) as a Specially Designated National (**SDN**)², pursuant to the U.S. President's Executive Order 14404 (**Executive Order**) of 1 May 2026³. An SDN generally prohibits a U.S. entity from transacting with it and the possibility of secondary sanctions on parties from other jurisdictions. Neither Melbana nor any of its subsidiaries has been designated as an SDN under the Executive Order or under any other applicable U.S. sanctions programme administered by the U.S. Department of the Treasury's Office of Foreign Assets Control (**OFAC**).

CUPET is the Company's contractual counterparty to the PSC, with the Company being responsible for funding the safe and timely execution of the agreed work program, as varied from time to time, in satisfaction of its obligations under the PSC. The PSC is in the exploration stage, and no revenue has been generated.

Operations under the PSC ceased in late 2025 due to the non-payment of cash calls by its joint operations partner^{1,4}. As a result, all the Company's expatriate personnel and contractors were instructed late last year to leave Cuba. As Operator, the Company has continued to discharge its obligations for site safety and security by engaging Cuban contractors to provide these services. Following CUPET's SDN designation, the Company has immediately suspended its direct participation in financial, technical or administrative support of the PSC whilst it undertakes a more detailed review of these developments and has informed CUPET of this.

The Company has been and continues to seek external advice on the implications of the Executive Order for its Cuban operations. This includes ongoing discussions with legal counsel and other subject matter experts, including sanctions and regulatory advisers, on the scope and effect of CUPET's SDN designation on the PSC and the potential consequences for the Company's business, operations and contractual position. The review includes consideration of the applicable OFAC sanctions framework as it relates to the Company as a non-U.S. operator, any potential secondary sanctions exposure.

Those discussions and meetings are continuing. As at the date of this announcement, the Company has not reached any conclusions or determined any definitive course of action. The Company wishes to emphasise that the applicable sanctions framework is highly technical in nature and that the legal and regulatory consequences of the Executive Order are not straightforward. The Company expects to receive further guidance from its advisers following the next scheduled meetings with its advisers and will update

¹ See ASX announcement dated 20 April 2026 regarding the transfer to Melbana of Sonangol's 70% interest, subject to the receipt of Cuban regulatory approvals

² <https://www.state.gov/releases/office-of-the-spokesperson/2026/06/sanctioning-cubas-state-owned-oil-and-gas-company-union-cuba-petroleo/>

³ <https://www.whitehouse.gov/presidential-actions/2026/05/imposing-sanctions-on-those-responsible-for-repression-in-cuba-and-for-threats-to-united-states-national-security-and-foreign-policy/>

⁴ See ASX announcement dated 5 December 2025

the market in accordance with its continuous disclosure obligations if and when there is information capable of disclosure.

The Company continues to receive external advice on the steps it should take to address the implications of the Executive Order for its operations in Cuba. The Company has also requested advice on whether any available avenues exist to seek the necessary clarification from OFAC or the U.S. State Department to resume its operations in Cuba.

The Company's portfolio of exploration licences in Australia is unaffected by this Executive Order.

**For and on Behalf of the Board of
Directors:**

Mr Andrew Purcell
Executive Chairman

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