

Drilling update at Alameda-1

Highlights

- **Current depth 2,511 mMD**
- **Forward plan is to set 9-5/8" casing string at ~2,700 mMD then swap to the 10kpsi BOP**
- **Next target is the N structure, forecast to commence at ~3,000 mMD**
- **Alameda-1 has been designed to test three separate objectives having a combined Prospective Resource (Best Estimate) of 141 million barrels of oil¹**

SYDNEY, AUSTRALIA (4 JANUARY 2022)

Melbana Energy Limited (ASX: MAY) (**Melbana**) reports that drilling operations at its Alameda-1 exploration well in its Block 9 contract area onshore Cuba have been continuous over the Christmas/New year period.

Upon reaching a depth of 2,500 mMD the drilling plan called for the installation of the 10kpsi BOP, consistent with conservative industry recommended practice. Given the stable conditions experienced down hole to that point, it was decided to review the ongoing activities as there was a risk that they could not be completed consistent with best practice for well control. With the agreement of the drilling contractor, the drilling plan was amended to drill ahead and set the 9-5/8" casing string at ~2,700 mMD before swapping to the 10kpsi BOP to continue to maintain best practice standards as we progress to well TD. A short while ago the well had reached 2,511 mMD.

The next target is the primary structure called N, which may be encountered starting at ~3,000 mMD, followed by the deepest (and largest) primary structure called Alameda, which may be encountered starting at ~3,600 mMD according to initial prognosis.

Melbana Energy's Executive Chairman, Andrew Purcell, commented: "We appreciate the commitment of our project team and contractors for maintaining continuous operations during the Christmas/New Year period. Our thanks also go to our geoscience team for the work that they have done on assessing the oil shows encountered in the upper zones which are currently being reviewed by our partners".

¹ 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, released to ASX on 7 August 2018, as adjusted by Melbana for area relinquishment. 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.



For and on Behalf of the Board of Directors:

Mr Andrew Purcell
Executive Chairman

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