

Forward work program for Block 9 drilling program

Highlights

- Logging operations in the N structure almost concluded
- Drilling ahead to the Alameda (I) structure - the remaining and largest primary target of this first exploration well – to commence once logging of N structure complete
- Planning advanced for the testing of the significant oil interval encountered in the N structure (and, if warranted, the Alameda structure, too) immediately following completion of drilling at Alameda-1

Melbana Energy's Executive Chairman, Andrew Purcell, commented: *"We have an active and multi-faceted works program underway in Cuba with our first priority being to safely reach TD at Alameda-1 and, thereafter, flow testing the two zones where we have encountered excellent hydrocarbon shows. We are yet to drill through our deepest primary objective, so with a bit of luck we hope to add a third zone of interest in this the first of our two wells in Block 9."*

SYDNEY, AUSTRALIA (16 FEBRUARY 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.

Logging Operations - N Structure

An initial set of logs have been successfully conducted from 3,617mMD back to the 9-5/8" shoe at 2,577mMD. A final logging run that aims to conduct a formation pressure test over this interval (that may yield additional information that would assist with the design of testing operations and the running/cementing of casing) is currently underway and expected to conclude in the next day or so.

Drilling Ahead to the Alameda Structure

Following the completion of logging operations in the N structure, the oil interval encountered there will be isolated by running and setting a 7" liner to ~3,625mMD. External casing packers (**ECP**) will be an integral part of the 7" liner, thus allowing later testing of the N interval. Once the 7" liner shoe has been pressure tested, drilling ahead in the 6" hole towards the Alameda structure will commence.

The prognosed top of the Alameda structure could be as high as at 3,700mMD (3,500mTVD), but Alameda-1's well design affords the possibility of drilling on past this depth should the joint operation partners elect to do so.

Testing of the Oil Intervals in Alameda-1

The Alameda-1 exploration well has thus far identified two significant intervals of potential oil and gas pay, which are proposed to be tested in the following manner and sequence.

The preliminary evaluation of the first interval that occurred in the Upper Sheet indicated a potential net oil and gas of at least 48m across 11 zones within a 415m gross section¹. The second interval occurred in the N structure just drilled, indicating a potential gross reservoir interval of possibly as much as 500mMD (450mTVD)² subject to the results of the logging run currently being undertaken.

Once the Alameda-1 exploration well has reached its total depth the following actions will be taken:

1. Run logs over the interval of the Alameda structure;
2. Flow test any oil interval that may be encountered in the Alameda Structure (if applicable and if warranted); and,
3. Flow test the oil interval in the N Structure.

The testing of the oil interval in the Upper Sheet would require a new shallow appraisal well to be drilled, potentially from the Alameda-1 well pad. Planning and design work for this appraisal well is advanced in case the joint operation partners wish to drill this well immediately following the conclusion of the Zapato-1 exploration well. A decision on when to test this interval in the Upper Sheet will likely be influenced by the results of the prior flow test in the N Structure (and, we hope, possibly also the Alameda and Zapato Structures) as well as by the completion of the resource assessment of oil contained in the Upper Sheet which is well advanced.

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

Mr Andrew Purcell
Executive Chairman

Mr Theo Renard
Company Secretary
+61 2 83 23 66 00

Ends -

¹ See ASX announcement dated 19 October 2021

² See ASX announcement dated 7 February 2022