

Melbana Energy

Annual General Meeting
Melbourne
22 November 2019



Company Overview

Company Data

Listed	1998
Exchange	ASX (“MAY”)
Shares on issue	~1,882 million
Market Cap (20 Nov 19)	~ \$17 million
Debt	Nil
Cash (30 Sep 19)	~ \$2.8 million

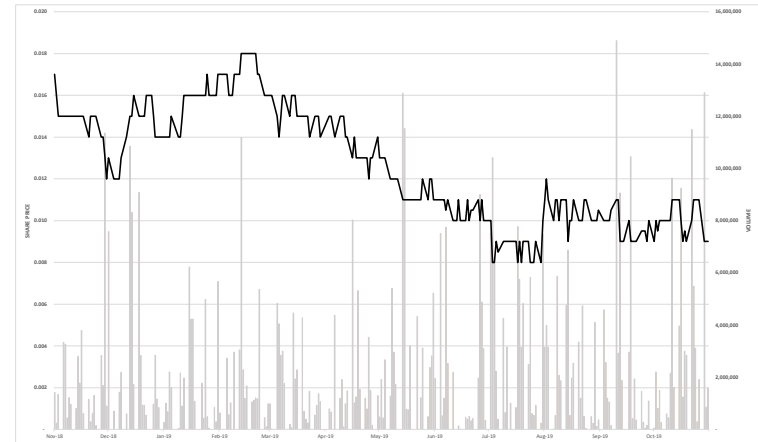
Shareholders

Cadence Capital	~ 7%
Board/Management	~ 5 %
Top 20	~ 28%

Experienced Board and Management

- Decades of international experience in Oil & Gas
- Technical, Financial and Commercial backgrounds
- Extensive fold and thrust belt experience

12 Month Share Price Performance



Board and Management

Board of Directors



Andrew Purcell
Non-Executive
Chairman



Peter Stickland
Non-Executive
Director



Michael Sandy
Non-Executive Director
(Interim CEO)

Senior Team



Errol Johnstone
Chief Geoscientist



Dean Johnstone
Senior Geoscientist



Dr. Rafael Tenreiro
Cuba Representative

Major Projects Summary

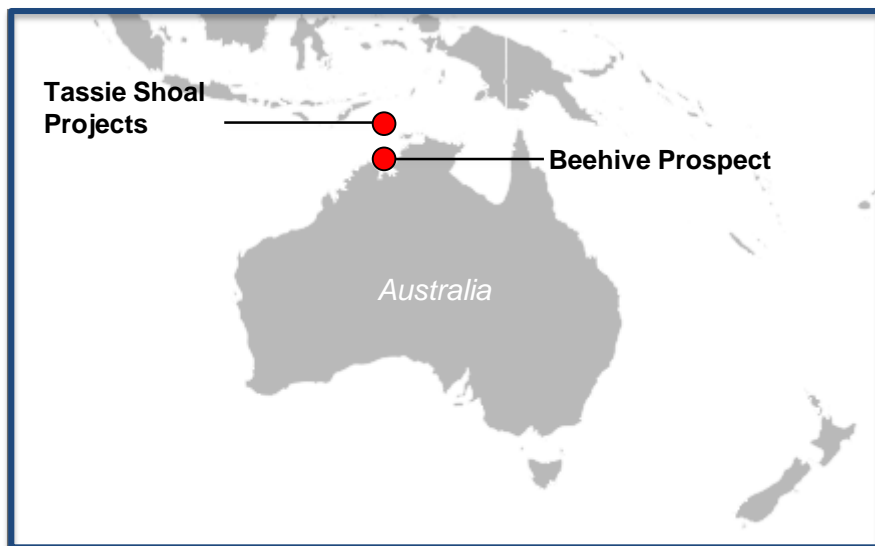


Cuba (Block 9, 100%)

- Onshore block in proven hydrocarbon system
- Potential of ~14.8 billion barrels of oil in place, recoverable Prospective Resources of 676 million barrels of oil¹

Cuba (Santa Cruz)

- Binding agreement signed Dec 2018
- Regulatory approvals expected Q1 2020



Australia (Beehive, 100%)

- The largest undrilled target in Australia
- Prospective Resource estimated as 388 million barrels of oil equivalent¹
- Total and Santos were partners in 3D Seismic Survey completed August 2018. Santos holds option to drill well and fund Melbana

Australia (Tassie Shoal Methanol/LNG Projects)

- Lowest cost development path for discovery undeveloped gas

¹Best Estimate per Independent Expert McDaniel & Associates Report

Cuba, Block 9 – Resource Assessment

McDaniel & Associates assess Prospective Resources up to 1.5 billion barrels

- Large footprint - 2,340km²
- Lightly explored
- Along trend from Varadero oil field
- 3 prospects, 16 leads identified
- Potential for large Varadero type structures
- Cuba experts McDaniel & Associates Consultants² independently assessed:
 - Best estimate prospective resource 676 million barrels of oil³



Block 9 Exploration Potential ³	Low	Best	High	Mean
	MMstb	MMstb	MMstb	MMstb
Prospective Resources	288	676	1,462	798

Prospective Resources Cautionary Statement - The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate 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.

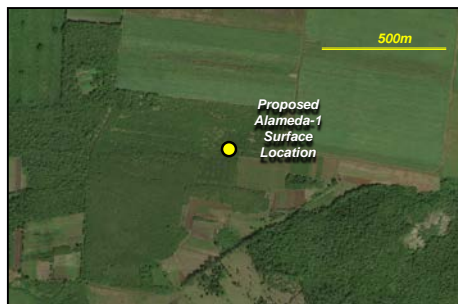
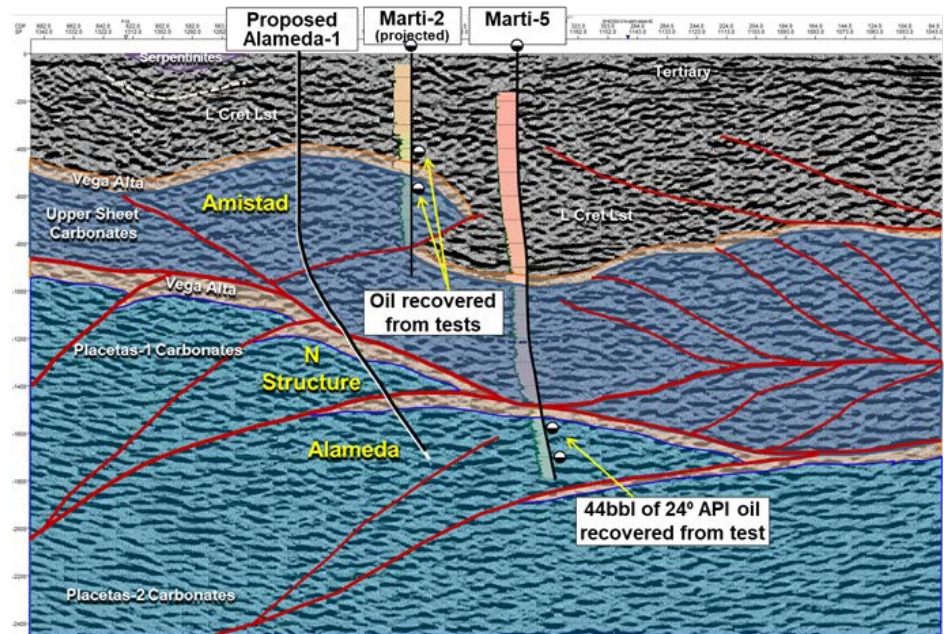
² See www.mcdan.com/experience

³ per Independent Expert McDaniel & Associates Report , as adjusted by Melbana Energy for areas relinquished

Cuba, Block 9 - Alameda Prospect

Multi-target exploration drilling close to historic oil recoveries

- Three individual target zones for Alameda, two up-dip of known oil recoveries
- Marti-5 (1988) recovered oil (24°API) with oil shows over an 850 metre gross interval
- 32% chance of success at Alameda
- Best Estimate combined exploration potential:
 - 3 billion barrels oil-in-place³
 - 141 million barrels of recoverable oil³
- Primary objective depth range from 3,000 to 3,700 metres
- Easy to access site, near existing roads, all-weather access



Alameda Recoverable Prospective Resources (100% MMStb)³

Objective	CoS*	Low	Best	High	Mean
Alameda High/(Amistad)	15%	24	60	132	71
Alameda Mid/N	23%	4	9	19	10
Alameda	32%	39	72	128	79

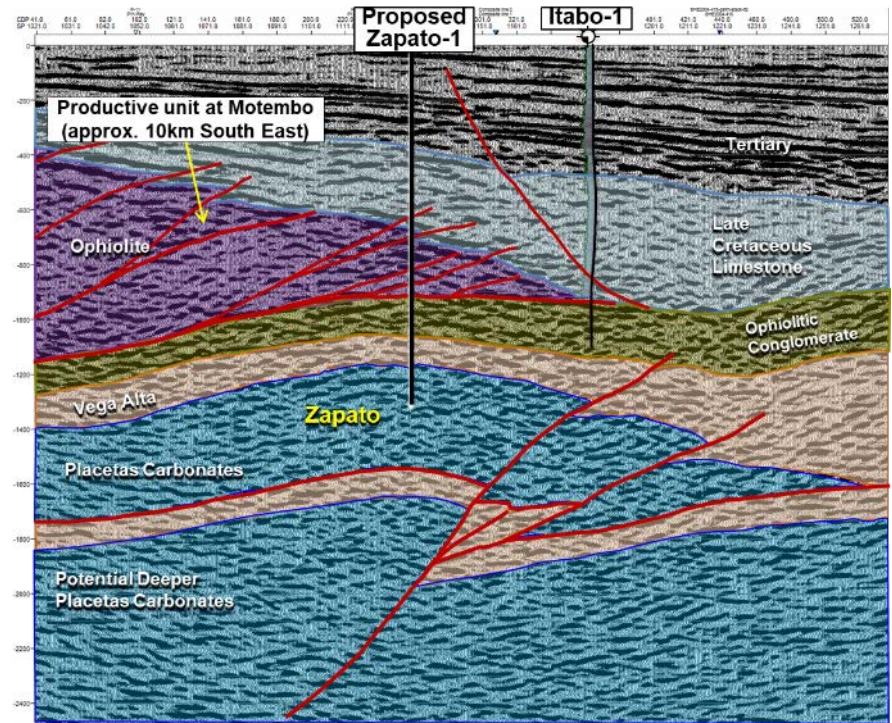
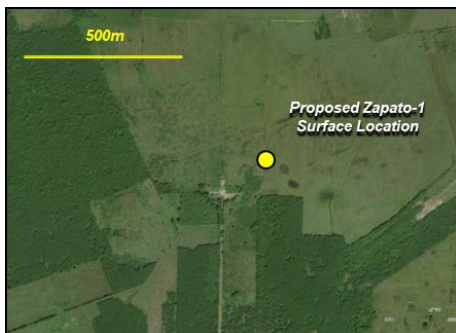
Prospective Resources Cautionary Statement - The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Future exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons. * Chance of Success

³per Independent Expert McDaniel & Associates Report

Cuba, Block 9 – Zapato Prospect

Multiple structures with 200 million barrel oil exploration potential

- Large fractured carbonate objective
- Working oil system - adjacent to shallower Motembo oil field which produced high quality light crude (50 – 64.5° API)
- Crest of structure ~2,000 metres with nearly 1,000 metres vertical relief
- Gravity and magnetic study by Cuba's specialist laboratory CEINPET indicates strong gravity and magnetic alignment with the structural interpretation derived from seismic and surface data
- Easy to access site, near existing roads, all-weather access



Zapato Recoverable Prospective Resource (100%, MMstb)³

	CoS*	Low	Best	High	Mean
Zapato	23%	38	95	214	114

Prospective Resources Cautionary Statement - The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate 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. * Chance of Success

³per Independent Expert McDaniel & Associates Report

Block 9 - Preparations for drilling

Securing people, permits, equipment and services

- Field work surveys completed for Alameda-1 and Zapato-1 well and camp sites
- Civil engineering design completed
- Preferred civil works contractor identified

Permitting

- Well defined regulatory process
- Stakeholder engagement ongoing
- Key environmental approvals obtained

Drilling Rig & Services

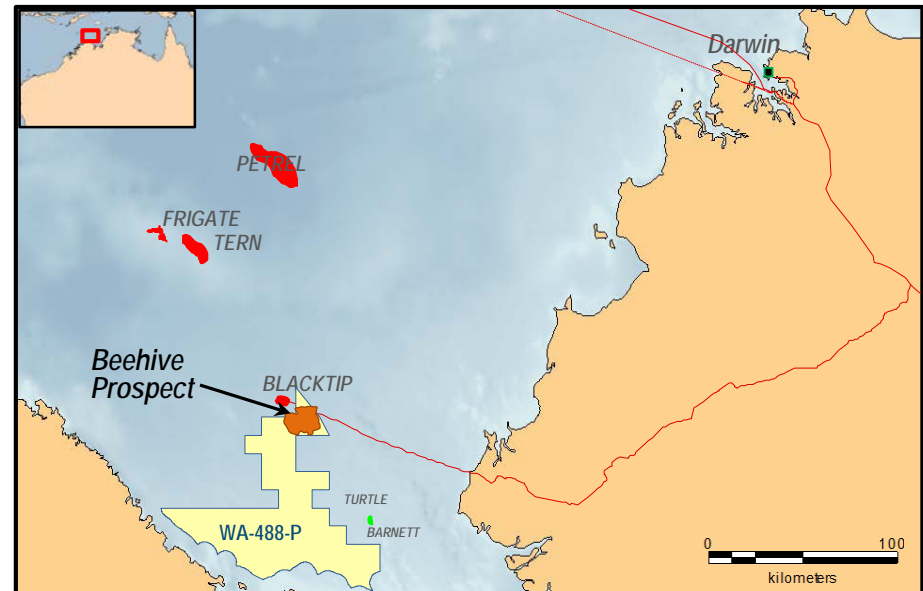
- Possible drilling rigs identified for target drilling windows
- Services tender concluded and currently being refreshed



Northern Australia: WA-488-P : Beehive Prospect

Seismic Funding/Farmin Option Agreement with Santos and Total.

- Largest undrilled oil prospect offshore Australia
- Independent Expert McDaniel & Associates Report assessed 388 MMboe best estimate
- Total and Santos fully funded and fast tracked Beehive 3D seismic survey in return for option to acquire 80% interest
- Total did not exercise their option, so Santos have until 4 December 2019 to notify their intent to exercise option to receive an 80% interest in WA-488-P in return for fully funding the first exploration well
- If Santos exercises its option, Melbana retains 20% and is fully carried through drilling of first well
- Multiple paths to development, with proximal undeveloped resources and infrastructure



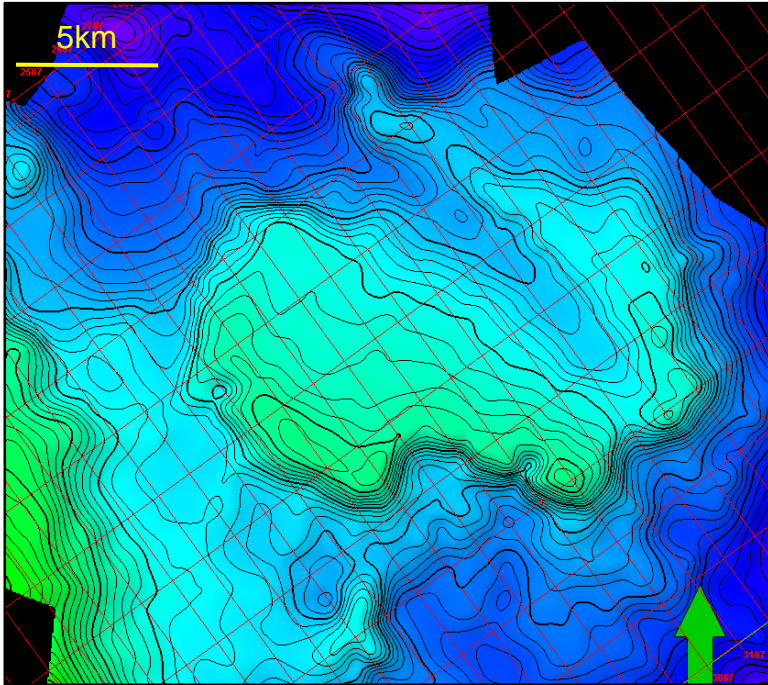
Prospective Resources (MMboe, 100%) ³					
Beehive	CoS*	Low	Best	High	Mean
Carboniferous objective	20%	91	388	1,645	704

Prospective Resources Cautionary Statement - The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate 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. * Chance of Success

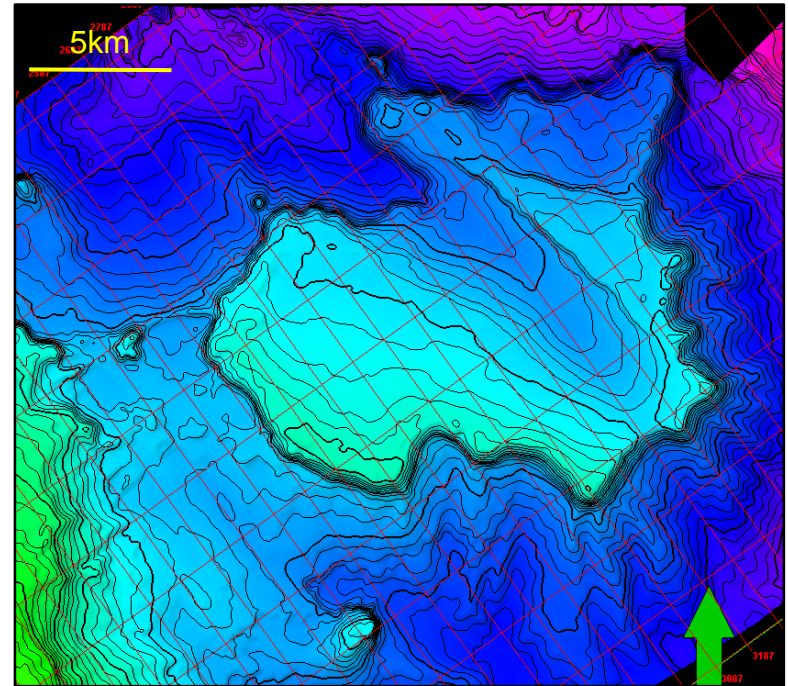
³per Independent Expert McDaniel & Associates Report

Beehive 3D seismic: Improvement in Top Reservoir Map

2017 reprocessed King Shoals 2D seismic



Beehive 3D seismic

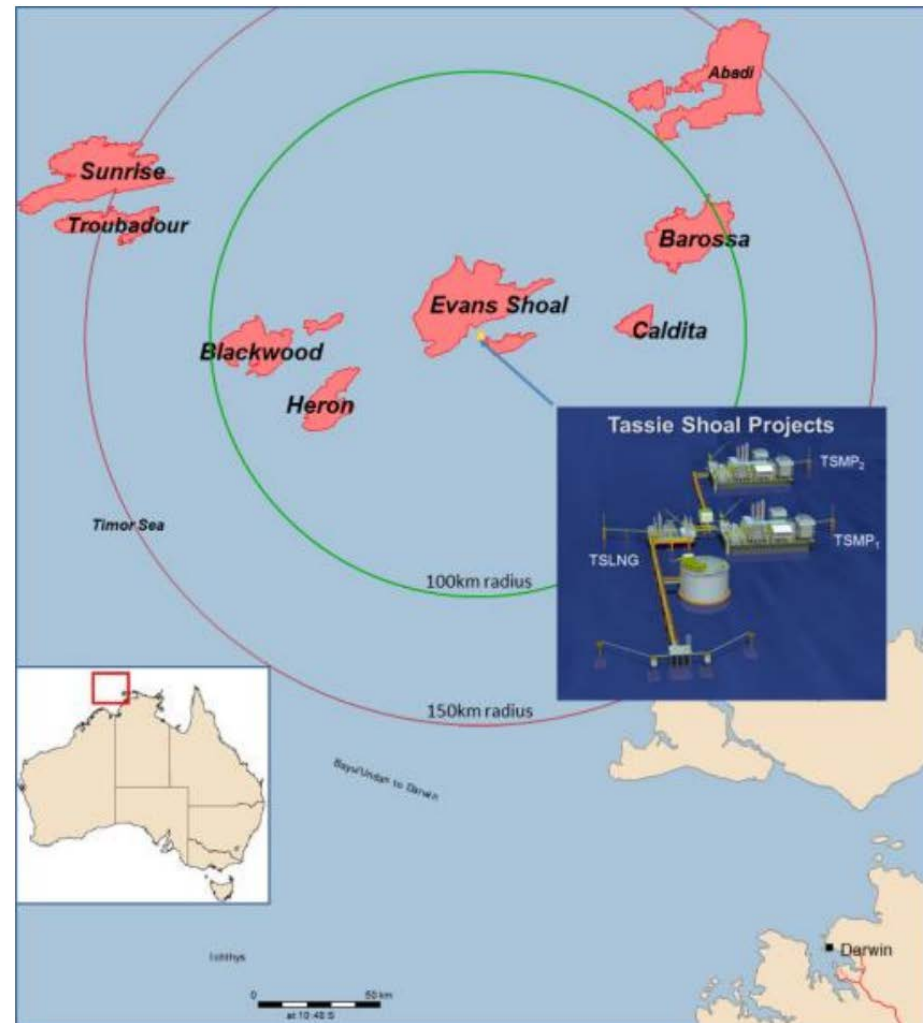


Preliminary interpretation reveals:

- Overall resolution of the Beehive isolated platform has improved with sharper edges providing more confidence in structural closure
- Data quality to the north-east significantly improved allowing better structural definition
- Carbonate platform facies distribution (rim v. lagoon v. syncline) better defined

Tassie Shoal Projects - Industry Developments

- Melbana (100%) has Federal & State Government Environmental approvals valid to 2052 to build two methanol and one LNG plant
- Evans Shoal and Barossa in race to replace declining Bayu-Undan production into Darwin LNG facilities
- Feedstock may become available as a result of development into Darwin LNG
- Evans Shoal is 28% CO₂ making it expensive to develop standalone and methanol production optimised with 30% CO₂
- Methanol is a widely traded liquid with many industrial and energy uses
- Investor support for methanol project if gas made available.
- Potential for value creation via carried interest in development and/or tolling income



Melbana offer for Metgasco

1. On 15 July 2019 Melbana Energy announced its intention to offer four of its shares for each share of Metgasco Limited (ASX:MEL)
2. Key conditions include Melbana Energy receiving acceptances for a minimum of 50.1% of Metgasco shares on issue and non-conflicted Melbana Energy shareholders approving the transaction
3. Melbana Energy has a relevant interest in 20.8% of Metgasco, due to a pre-bid agreement it has entered into with an entity associated with Andrew Purcell, a director of Melbana Energy, and acceptances received from Metgasco shareholders as of 14 November 2019
4. Metgasco is an ASX listed oil and gas company with exploration projects in Queensland and Western Australia and a substantial shareholding in Byron Energy Limited (BYE:ASX)
5. Melbana's offer for Metgasco is currently open to 7:00PM (Sydney time) on 13 December 2019 (unless further extended)

Possible near term business events for Melbana.....

- ✓ Santos decision on Beehive exploration well *(by 4 December 2019)*
- ✓ Sign binding agreement for Block 9 farmout *(target Q4 2019)*
- ✓ Sign binding agreement for Santa Cruz *(target Q1 2020)*
- ✓ Block 9 drilling of first exploration well *(target Q4 2020)*
- ✓ Drilling of Beehive-1 exploration well *(target Q4 2020)*
- ✓ Block 9 drilling of second exploration well *(target Q1 2021)*

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Forward-looking Statements and Resources

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and/or follow us on LinkedIn and Twitter*



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