

## NZ: Pukatea-1 Successfully Flows Oil

### Key Points:

- Pukatea-1 Mt Messenger oil zone successfully tested
- Initial flow rate of up to 600bbls day at 28/64”choke, exceeds expectations
- Joint Venture submits official notice of discovery to NZ regulator
- Produced oil trucked locally for processing and sale

MELBOURNE, AUSTRALIA (27 March 2018)

Melbana Energy Limited (ASX: **MAY**) (“**Melbana**” or “the **Company**”) is pleased to provide the following update with respect to the drilling in New Zealand onshore permit PEP 51153.

A successful production test of the Pukatea-1 oil zone found in the Mt. Messenger formation has flowed oil at an initial rate of 600bbls day on a 28/64” choke. The well flowed naturally without the aid of artificial lift. Testing of the zone at various flow rates is continuing using a variety of choke sizes.

The oil produced has been combined with other oil produced in the area and sold to the market at Brent oil pricing.

A public statement by the Operator, TAG Oil, is attached for reference.

### Melbana’s CEO Robert Zammit commented:

*“This is a very positive test result and at the upper end of our expectations for the Mt. Messenger zone. In addition to allowing the Joint Venture to declare a discovery, this provides the Joint Venture with a basis to commence planning for the next stage of the development of the resource and the potential restart of production from the currently suspended Puka field.”*



**Figure 1: Oil associated gas being flared during the successful Pukatea-1 oil production test**



TSX: TAO

OTCQX: TAOIF

## TAG Oil's Pukatea-1 Well Flows Oil and Gas

Vancouver, B.C. - March 26, 2018 – International exploration and production company, TAG Oil Ltd. (TSX: TAO and OTCQX: TAOIF), reports that the Pukatea-1 well was completed at the Mt. Messenger formation, where 12.9 meters of oil-and-gas bearing sands were perforated. Following perforation, a flow test was completed during which the well flowed naturally at a rate of up to 600 b/d of fluids on initial well clean-up. Over a 12-hour test period using a 24/64" choke setting, the well flowed at a stabilized rate of ~276 boe/d (74% oil) without the need for artificial lift.

Toby Pierce, TAG Oil's CEO, commented, "This very encouraging flow test paves the way for



another potential TAG Oil-operated, high netback, oil field development in New Zealand. With TAG Oil's current daily net production at ~1,297 boe and with Brent Oil prices currently over \$68/b, we continue to realize solid cash flows as we optimize our Taranaki operations with a view to increase production within our core operating areas."

Pukatea-1 is located in onshore Petroleum Exploration Permit 51153 (TAG Oil 70%) in the Taranaki Basin of New Zealand. The permit also contains the shut-in Puka-2 oil well, which can also be monetized upon field development. The oil produced during the Pukatea-1 flow test has been combined with other oil produced in the area and sold to the market at Brent Oil pricing.