

ASX & Media Release

Share Options Granted to Melbana Employees

MELBOURNE, AUSTRALIA (28th March, 2017)

The Directors of Melbana Energy Limited (“Melbana” or the “Company”) (ASX: **MAY**) are pleased to advise the grant of Share Options to employees in accordance with the Melbana Long Term Incentive Plan.

The major terms and conditions of the Options are as follows:-

- Total number of Options Granted 9,250,000
- Option Exercise Price 3.2 cents
- Vesting 50% on 27 March 2018 and 50% on 27 March 2019
- Vesting Condition Options are subject to employees being in continuous service with the Company up to the date of vesting.
- Expiry Date 27 September 2020

The Board of Directors has also agreed the Managing Director & Chief Executive Officer Mr Peter Stickland be granted 3.0 million share options on the same terms and conditions as the Share Options granted to Melbana employees. The grant of share options to Mr Stickland is **subject to approval by shareholders** at the next General Meeting of the Company.

On behalf of the Board of Directors



Colin Naylor
Chief Financial Officer & Company Secretary