

Alameda-1 Drilling Update

Highlights

- **Drilling ahead resumed following successful setting of liner and confirmation of isolation of high-pressure zones**
- **Shipping delays have led to a shortage of drilling supplies requiring drilling operations to be temporarily suspended. This time will be used to conduct necessary maintenance work on the rig and allow key personnel to rotate off.**
- **Planning work commenced to redrill the shallow section (Amistad) of Alameda-1, where oil and gas pay was identified. Mapping work on this section continues.**

SYDNEY, AUSTRALIA (9 NOVEMBER 2021)

Melbana Energy Limited (ASX: MAY) (**Melbana**) provides the following update on the progress of the Alameda-1 exploration well being drilled in Block 9 PSC, onshore Cuba.

Following the successful setting of the liner and subsequent formation integrity test, drilling ahead in the new formation resumed. At 1,885 metres mud pressure was adjusted to accommodate influx of gas and the performance of the additional mud/gas separation capabilities added to the rig was very satisfactory. At 1,892 metres mud weight was further increased and a decision made to shut in the well due to the delay in the arrival of additional supplies of barite (a high density mineral added to drilling mud to increase volumes for the management of pressure in the wellbore). Logs were taken of the newly drilled section before shut in. Sufficient additional supplies of barite have been identified both in Cuba and the immediate region and efforts are underway to have it delivered to the drilling site as soon as possible. The break in operations will allow necessary maintenance work to be performed and key operational staff to be rested.

As a result of the extent of the net pay identified in the Upper Sheet (Amistad), planning work has commenced for the drilling of an additional well there to better understand and test this zone. It is expected that drilling would be conducted from the same pad and immediately following the completion of the existing two well drilling program using available in country inventory to minimise permitting, logistics and expense. Mapping of the Amistad section is progressing and preliminary findings are expected to be discussed with the joint operation partners later this month, a necessary precursor to defining the exact objectives of any additional well.

The well pad at Zapato-1 is projected to be completed by the end of the month.

Melbana Energy's Executive Chairman, Andrew Purcell, commented: *"Drilling operations have now been going for 56 days so this suspension of operations, enforced by a break in the timeliness of scheduled deliveries of drilling materials, provides a much needed opportunity to advance scheduled maintenance works and to rotate off several key personnel who have been working continuously this entire time. Nonetheless, logistics planning has been and remains a critical component of the success of this drilling program and the strain on the global shipping network is being felt in Cuba as it is in many parts of the world".*

For and on Behalf of the Board of Directors:

Mr Andrew Purcell
Executive Chairman

Ends -

For further information please contact:

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