

## Divestment of New Zealand PEP51153

### Highlights:

- Binding agreement executed for sale of 30% interest in New Zealand Exploration Permit for A\$100K
- Divestment allows Melbana to further concentrate its resources on its high impact Cuban and Australian assets ahead of expected significant increase in activity levels

MELBOURNE, AUSTRALIA (19 October 2018)

Melbana Energy Limited (ASX: **MAY**) ("**Melbana**" or "**the Company**") provides the following update on the divestment of its 30% interest in its non-core New Zealand Permit PEP51153 ("Permit").

As foreshadowed in the non-binding Letter of Intent signed between the parties, Melbana has executed a binding agreement for the sale of its 30% interest in the Permit to the current Operator and joint venture participant in the Permit (CX Oil Limited) for A\$100,000. The sale is subject to a number of customary conditions, including regulatory approval. One of the key conditions to the earlier signed Letter of Intent, the extension of the current permit by New Zealand Government, has been satisfied.

### **Melbana Energy's CEO, Robert Zammit, said:**

*"Following completion of the transaction Melbana will be relieved of all future permit expenditure which included upcoming field work obligations, and future rehabilitation requirements. The sale of our interest allows us to focus our human and financial resources on our core growth assets in Cuba and our high impact Beehive exploration prospect in Australia."*