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ASX ANNOUNCEMENT

14 May 2025

Block 9 Operations Update

Melbana Energy Limited (ASX: MAY) (**Melbana**) provides this operational update regarding Block 9 PSC onshore Cuba, for which it is operator and holds a 30% interest.

Highlights

- **Oil from Alameda-2 production well continues to add to inventory; more than 15,000 barrels of oil now in storage; first shipment anticipated end of June.**
- **Alameda-2 continuously producing oil at a managed rate since mid-April.**
- **All permits, inventory and equipment received and civil works completed for Amistad-2, Block 9's first well specifically designed to maximise production.**
- **Current work programs are valuable catalysts to support ongoing, positive negotiations to secure a financing facility for extensive field development.**
- **Civil works for Amistad-3 commenced and award of drilling permit imminent.**
- **3D seismic tender concluded with several submissions received; LiDAR acquisition completed.**

Melbana Energy's Executive Chairman, Andrew Purcell, commented: *"At current production rates we'll have enough oil for our first trial shipment next month. The learnings from this exercise combined with the results from the upcoming Amistad-2 production well – our first designed to maximise production from the entire Unit 1B formation - take us an important step closer to securing a financing facility to fund our field development plan, a final investment decision on which is expected to be made before year end."*

Oil Production

Alameda-2 has been continuously producing oil from the Unit 1B formation (see Figure 4) since mid-April, as well as returning the heavy completion brine lost to the formation during the recent successful workover. Management of this cleanup process, which we estimate to take at least another month at the current rate, is focussed on maintaining consistent operating conditions so that, once it is complete, a decision can be made on necessary operational settings to optimise production rates for the long term.

Currently, oil production undergoes primary separation on site before being stored locally. This stored production is then regularly transported about 50km by road to facilities managed by the national oil company for further processing then permanent storage. The entire process requires minimal personnel, making for low operating costs.

With more than 15,000 barrels of oil now in storage, the first shipment could take place towards the end of next month. The intended buyer of the oil is currently conducting investigations into the timing and availability of either a suitable coastal tanker or pooling the cargo with scheduled upcoming exports of larger volumes of crude oil.

Figure 1 - Inspecting a sample of crude oil production from Alameda-2

Amistad-2 Production Well

Construction of Pad 9 and access roads for the drilling of Amistad-2, located approximately 850 metres to the southwest of Alameda-2 on Pad 1 (see Figure 3), are complete and all material permits required to commence drilling have been received. The well is to be a dedicated Unit 1B oil producer and its design has been significantly simplified by incorporating lessons learned from previous wells. Drilling to total depth is expected to take less than three weeks, with completion and testing to follow.

Figure 2 - Inspection of pad and position of upcoming Amistad-2 production well - April 2025

Figure 3 – Location of new pads for upcoming production wells

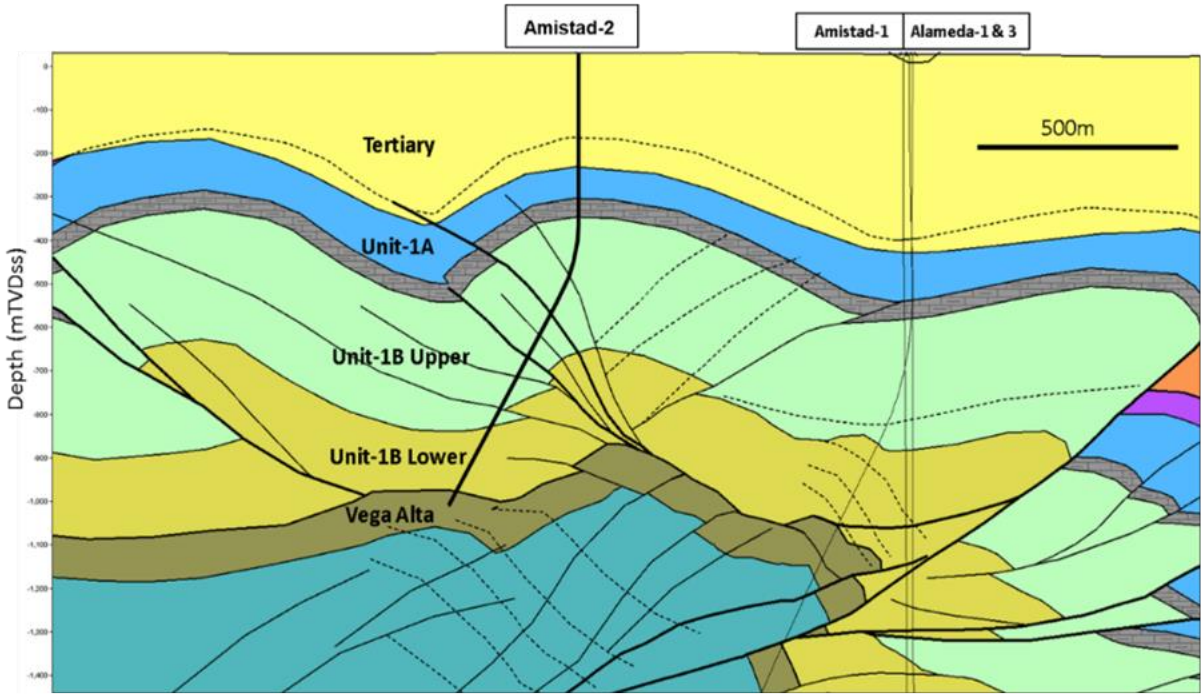

Figure 4 - Amistad-2 well trajectory oriented to intercept fractures and all of Unit 1B

A section of Unit 1A will be logged and cased, but not tested, en route to Unit 1B given the previously observed productive capacity of that unit. A 650-metre measured depth (MD) section of the productive Unit 1B will be drilled at a shallow angle of up to 30° to intersect a series of fracture systems interpreted from seismic (see Figure 4). Amistad-2 is planned to be drilled to a total depth of 1125 metres MD with the proprietary Reservoir Drilling Fluid (RDF), which has been specifically designed to avoid formation damage issues observed in prior wells, to be used for well control.

The base case drilling plan is to orient the well trajectory to maximally intercept the productive Unit 1B formation then do an open hole completion to allow it to flow naturally. Should they be required, a slotted liner and pump will be available in case wellbore instability is observed or excessive losses are encountered and a pump is required to unload the well. On completion the well will be tested, the rig released and continuous production commenced.

Preparations for Amistad-3

Preparations for the contingent Amistad-3 production well are advanced with construction of the well pad having commenced and drilling permits in the final stages of approval. All equipment and materials necessary to drill the well are in-hand. Additional production equipment and contingent materials orders are in the process of being procured.

Total depth is planned at 1625 metres MD and the orientation of the Amistad-3 production well has been similarly chosen to maximise its intercept of the Unit 1B formation (see Figure 5).

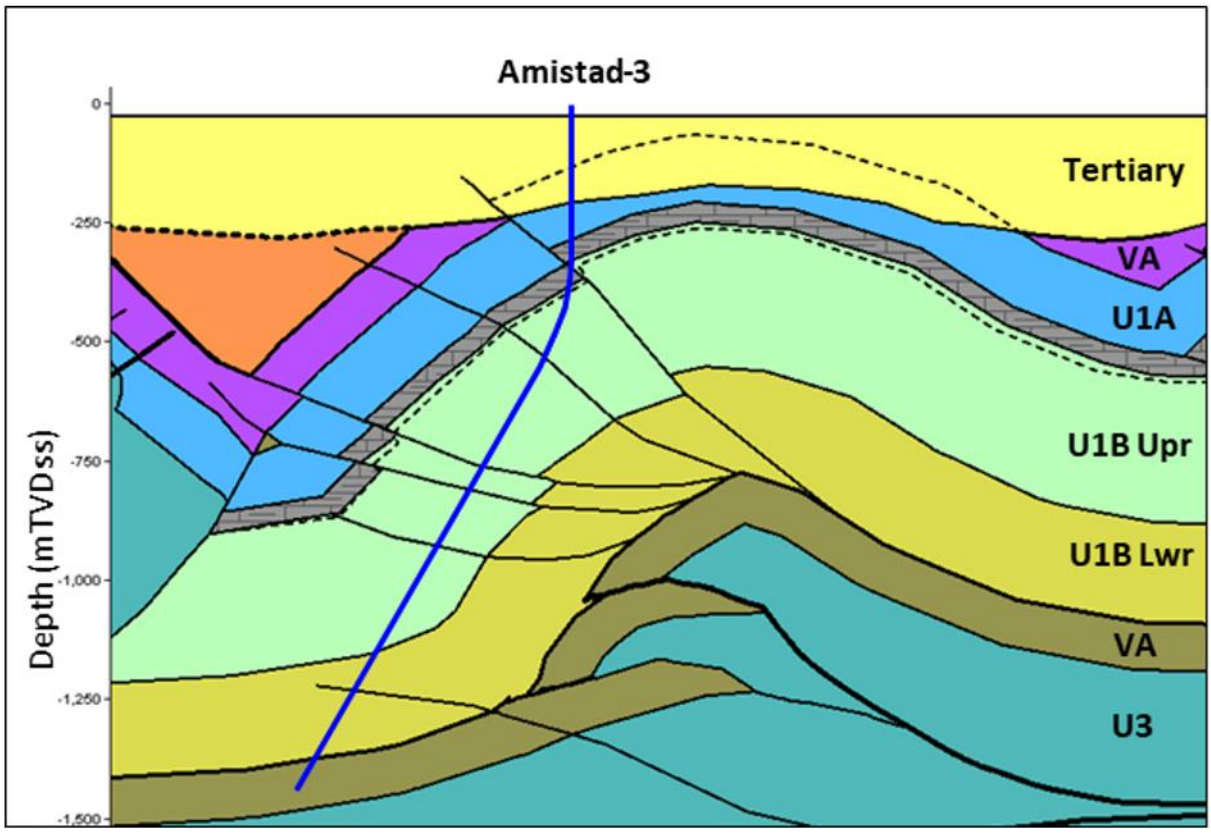

Figure 5 – Amistad-3 well trajectory similarly oriented to maximise intercept of Unit 1B

Surveys

To optimally recover the oil accumulations that have been discovered to date in Block 9, eventually a better understanding of the surface topology and the subsurface structures will be required so that production wells can be located and oriented without interfering with one another.

A 445km^2 LiDAR[1] survey was flown over a section of Block 9 to provide the surface topology data. In addition to providing extremely accurate and vital information with respect to ground elevation required for seismic acquisition planning and seismic processing, these data will also be used for planning the development of the Alameda/Amistad oil field by providing accurate topographic information for future well pad planning, facilities placement and road construction in the Block 9 area. A total of 76 swaths of data were acquired and processing is currently being finalised.

To better understand the subsurface structures it is proposed to conduct a 3D seismic survey. Seismic surveying allows subsurface structures to be mapped and their composition estimated by capturing then interpreting the reflections of shock waves artificially generated at surface specifically for this purpose. To date, well locations in Block 9 have been selected using the results of several available 2D seismic surveys previously acquired by others. The advantages of a 3D seismic survey, particularly one specifically designed to support the anticipated field development program, include gaining a better three dimensional understanding the subsurface – which is particularly important for the types of structures found in Block 9.

Proposals for the proposed 3D seismic survey have recently been received from four international companies. Following a period of evaluation, a preferred tenderer is expected to be nominated based on a combination of qualification factors including cost, technical and operational capabilities. The proposal included four potential survey designs to address the challenge to image subsurface targets ranging from 200 metres below surface to greater than 4000 metres. The survey would require the seismic waves to be generated using vibrators as well as dynamite. In addition to providing vital information required for the efficient development of the Alameda and Amistad Fields, the survey area also include the highly prospective

Figure 6 - Location of the proposed Maximo Gomez 3D seismic survey

[1] Light Detecting and Ranging – the use of lasers to create a detailed 3D map of the surface

Máximo Gómez and Grace leads which are presently poorly defined by existing 2D seismic data. The objective is to commence permitting for the survey as soon as the preferred tenderer is chosen, with acquisition anticipated to commence in Cuba's next dry season (November 2025 to April 2026).

Figure 7 - Location of the LiDAR survey conducted in 1Q 2025

Joint Venture and Regulator Meetings

In recent weeks, a series of technical meetings and field trips were held with the joint operation partners in Cuba to review results from the recent Amistad-1 workover and consider drilling plans for Amistad-2 and (the contingent) Amistad-3 wells. Improvements resulting from these meetings were incorporated into the drilling plans then presented to the regulator for their approval. The next joint venture meeting is currently planned for late June to consider preliminary results expected by that time from Amistad-2 and the proposed work plan and budget for the remainder of 2025.

For and on Behalf of the Board of Directors:

Mr Andrew Purcell
Executive Chairman

Ends -

For further information please contact

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