

Drilling at Alameda-1 Completed

Highlights

- **Drilling of the Alameda-1 well stopped at 3,916 metres measured depth (mMD) / 3,694 metres true vertical depth (mTVD) (pre-drill target total depth was 3,740 mTVD)**
- **Continuous excellent oil shows while drilling over a gross interval of almost 300 mMD / 245 mTVD in this objective alone, accompanied by the highest pressures encountered to date in this well**
- **A further significant influx of oil and gas into the well bore and increased pressure made calling total depth the prudent course of action, despite not having reached the bottom of the potential reservoir section**
- **Drilling operations are now preparing to undertake electric logging which, depending on results, is currently expected to be followed by flow testing**

Melbana Energy's Executive Chairman, Andrew Purcell, commented: *"We've reached the end of the drilling phase of the Alameda-1 well – a challenging but rewarding journey, to be sure. Yesterday we were prepared to keep drilling ahead beyond the target depth given we were still in the reservoir, if it could be done safely given the rapid build up in pressure, but when this looked like encroaching on our safety margins the decision to call total depth was made for us. In any case, 300 metres of highly energised interval (the most highly energised of the entire well) with excellent oil indications intersected in this objective gives us a total of three significant intervals in this first well."*

"Whilst we are all very excited about the potential scale of what we've encountered so far, the current section needs to be confirmed by wireline logging to determine the net pay, followed by flow testing to determine the potential productivity of this and the other intervals encountered to date to better understand Block 9's full potential."

SYDNEY, AUSTRALIA (17 MARCH 2022)

Melbana Energy Limited (ASX: MAY) (**Melbana**) is pleased to report that it has called total depth on its Alameda-1 exploration well being drilled in the Block 9 contract area, onshore Cuba (Melbana's working interest 30%).

The Alameda-1 exploration well has been a great success, having revealed three independent and highly energised potential oil reservoirs, independent assessment of the first¹ (and, possibly, smallest) of which has already revealed the potentially globally significant scope of what we've encountered.

¹ See ASX announcement dated 14 March 2022

Drilling of the Alameda-1 well has also given our project management team valuable experience in drilling the types of formations we've encountered, the capabilities of the drilling rig and its spread as well as operating in Cuba. These experiences position us well for future operations.

Observations from drilling the Marti (previously I) section

Drilling of the current (Marti) section commenced late last month after setting the 7" liner at 3,624 mMD. Strong oil shows with free oil and gas were encountered at surface within the drilling mud system almost immediately and these shows continued until 3,769 mMD when a higher pressure zone was encountered, resulting in an influx of hydrocarbons into the wellbore presenting as strong oil shows on the shakers. Drilling operations were then paused whilst the mud weight was further increased to maintain well control, before drilling ahead recommenced earlier this week.

Late Tuesday night eastern Australian time the well had reached approximately 3,900 mMD, with continuous oil shows remaining present. Contingency plans were enacted to continue drilling past the target total depth of Alameda-1 for as long as it appeared we were still in the potential reservoir and subject to considerations regarding hole conditions, rig capability and safety. Before these plans could be put into effect, however, at 3,916 mMD another stronger influx of hydrocarbons into the wellbore made it necessary to shut in the well whilst a higher mud weight was built up. After consulting with our partners and the regulators, it was agreed that calling total depth on the Alameda-1 well was the necessary and prudent course of action to take to maintain agreed safety margins to preserve the interval thus far encountered.

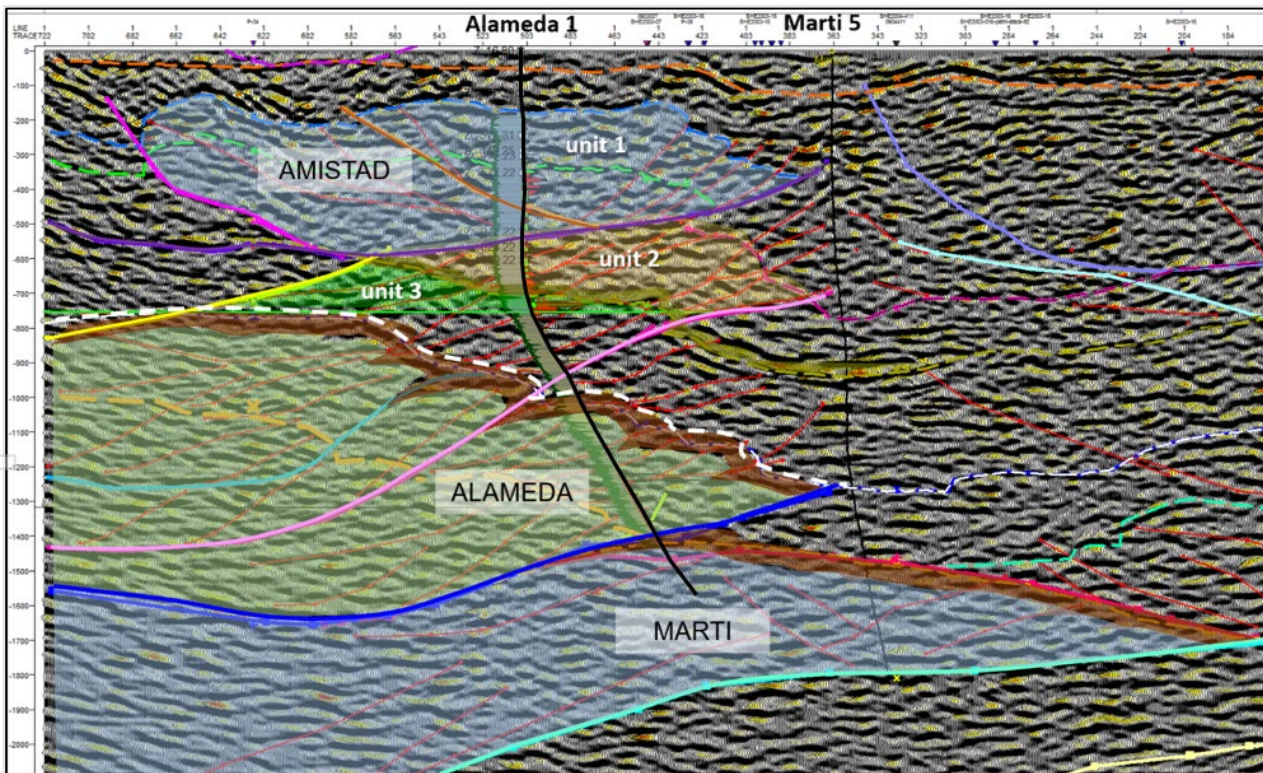


Figure 1 – Updated interpretation of the subsurface at Alameda-1

Forward Plan

The drilling rig is currently circulating and building mud weight density to enable a safe well control environment to undertake wireline logging of the section just encountered. Once the logging suite is completed the current intention is to prepare and run a slotted liner to secure this newly drilled

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section in preparation for basic flow testing operations. These are expected to take one to two weeks, following the completion of logging of the current section.

Following the completion of flow testing at Alameda-1 the rig will be transferred to the Zapato well pad to commence drilling the Zapato-1 well.

For and on Behalf of the Board of Directors: For further information please contact

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