

Alameda-1 Drilling Update

Highlights

- Logging operations in the Marti structure completed
- Preparations underway to drill a short side-track well in order to safely conduct flow testing of the high pressure 300 mMD¹ / 245 mTVD² gross interval encountered in the Marti objective

SYDNEY, AUSTRALIA (29 MARCH 2022)

Melbana Energy Limited (ASX: MAY) (**Melbana**) reports that logging operations in the Marti structure of its Block 9 contract area, onshore Cuba (Melbana's working interest 30%), have concluded.

The Marti structure is the updated interpretation of the subsurface environment and was the lowest and largest primary predrill target (and was previously known as the "I" structure) for the Alameda-1 well, the first of two exploration wells planned for Block 9.

Logs were acquired over 276 mMD of the Marti objective, however logs were not able to be acquired over the bottom 16 mMD, where the strongest influx of hydrocarbons was encountered. The quality of the data gathered was good and analysis is now underway.

Data acquisition took longer than expected due to well control considerations during the logging program. At total depth there was some evidence of formation water returned with the oil during logging operations, even though no water had been encountered whilst drilling. There are several reasons why this may be the case, but the lowest oil indications in Alameda-1 are in any case more than 500 metres below the crest of the Marti structure on the pre-drill mapping.

Continuous excellent oil shows were encountered over the entire gross interval of almost 300 mMD / 245 mTVD whilst drilling the Marti structure. Work has now commenced on preparations for flow testing this interval. The high pressure encountered at the bottom of the Marti structure necessitated the calling of total depth on the Alameda-1 well³ at 3,916 mMD / 3,694 mTVD. It is therefore similarly considered prudent to conduct flow testing a little above this zone. As such, the interval drilled in the Marti structure will be plugged and a short side-track well drilled to about 50 mMD higher than current total depth. Flow testing of the Marti section in the side-track well is therefore currently projected to commence about mid-April.

Melbana Energy's Executive Chairman, Andrew Purcell, commented: "We're not sure if we're seeing evidence of the full extent of this hydrocarbon interval in the Marti sheet, but even if it turns out to be so we've got about 300 mTVD of gross hydrocarbon interval - the bottom of which is estimated to be some 500 mTVD from the crest of the Marti structure given we intercepted it down dip. Efforts are now turned to preparations for flow testing."

¹ Measured depth in metres

² Total vertical depth in metres

³ See ASX Announcement dated 17 March 2022

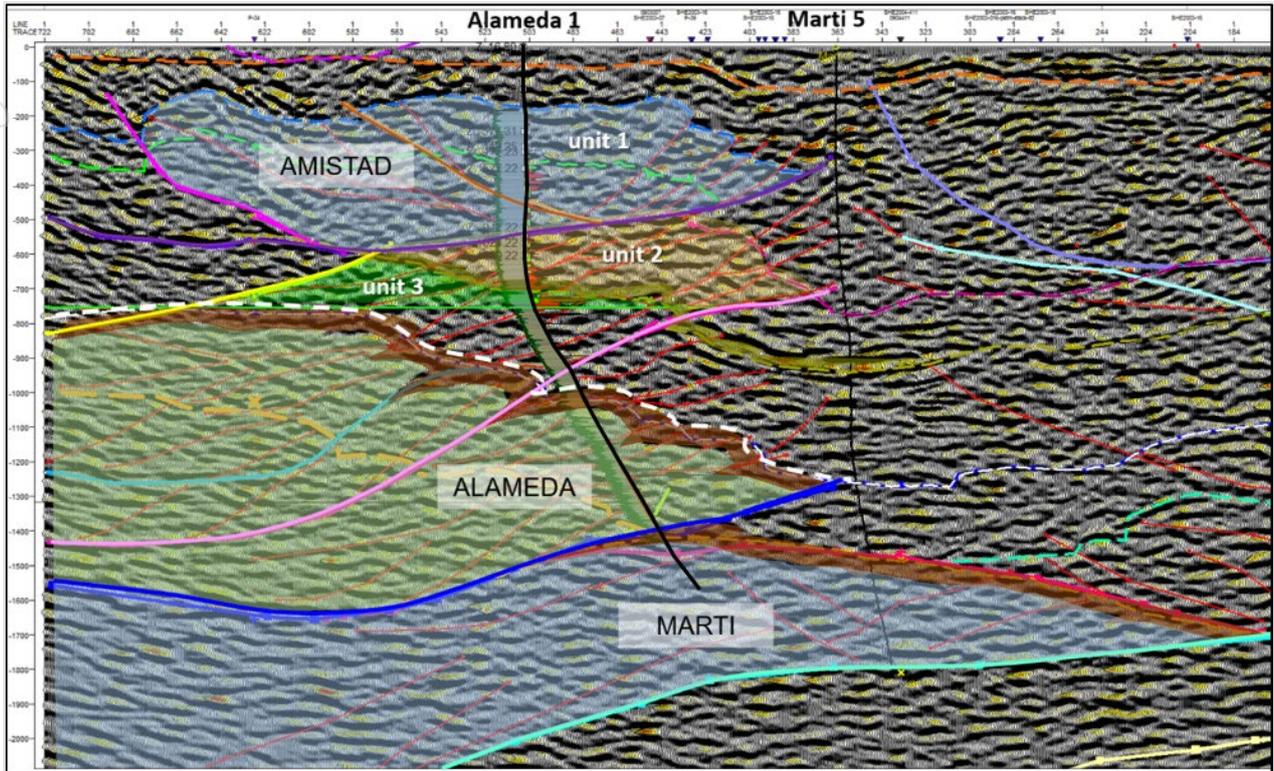


Figure 1 Updated interpretation of the subsurface at Alameda-1

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

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