

Zapato-1 Exploration well on track to spud end of May

Highlights

- Relocation of rig and establishment of camp on schedule
- All inventory items and materials required for drilling of well on hand, to be supplemented with contingent items and supplies over the next several weeks
- The Zapato prospect to be tested by Zapato-1 is estimated to have a Prospective Resource of 95 million barrels of oil (Best Estimate)¹

Melbana Energy's Executive Chairman, Andrew Purcell, commented: *"It's been a busy couple of weeks here in Cuba preparing for the commencement of drilling Zapato-1, the second well in our two well campaign. Everyone here is looking forward to starting this second well and we are pleased with the degree of open communication between our management team, their contractors and suppliers and our partner Sonangol EP with the common aim of building on the experience gained whilst drilling Alameda-1. I will stay in Cuba until drilling commences and I look forward to providing a more detail on our forward work program in Cuba following the completion of Zapato-1 once drilling is well underway. For now, the focus is rightly on ensuring that this next exploration well is given the best chance of success by closely supervising the preparations and performing detailed reviews of the drilling plan."*



Image 1: Rig installation works underway at Zapato-1 drill site

¹ **Prospective Resources Cautionary Statement** - The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) related to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Future exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons. All quoted volumes have been taken from Independent Expert McDaniel & Associates Competent Persons Report, released to ASX on 7 August 2018, as adjusted by Melbana for area relinquishment. Melbana is not aware of any new information or data that materially affects the information included in that announcement and that all the material assumptions and technical parameters underpinning the estimates in the announcement continue to apply and have not materially changed.

SYDNEY, AUSTRALIA (13 MAY 2022)

Melbana Energy Limited (ASX: MAY) (**Melbana**) is pleased to provide this update on its preparations for drilling the Zapato-1 exploration well in its Block 9 contract area onshore Cuba (Melbana's working interest 30%).

The drill pad and access roads to support the Zapato-1 exploration well are complete, as are ancillary infrastructure such as pits and water wells.

The drill rig and most of its related equipment are now on site and preparations are being made for mast erection.

Erection of the camp for site personnel is advanced with key personnel already staying on site. Full camp services are expected to be available as early as this weekend.

Commencement of drilling operations are on schedule to commence during the last week of May 2022.

Zapato Prospect

The objective of the Zapato-1 exploration well is to locate the source of the historic Motembo oil field – Cuba's oldest oil field that reportedly contained a very light oil (50 – 64.5° API) present at surface.

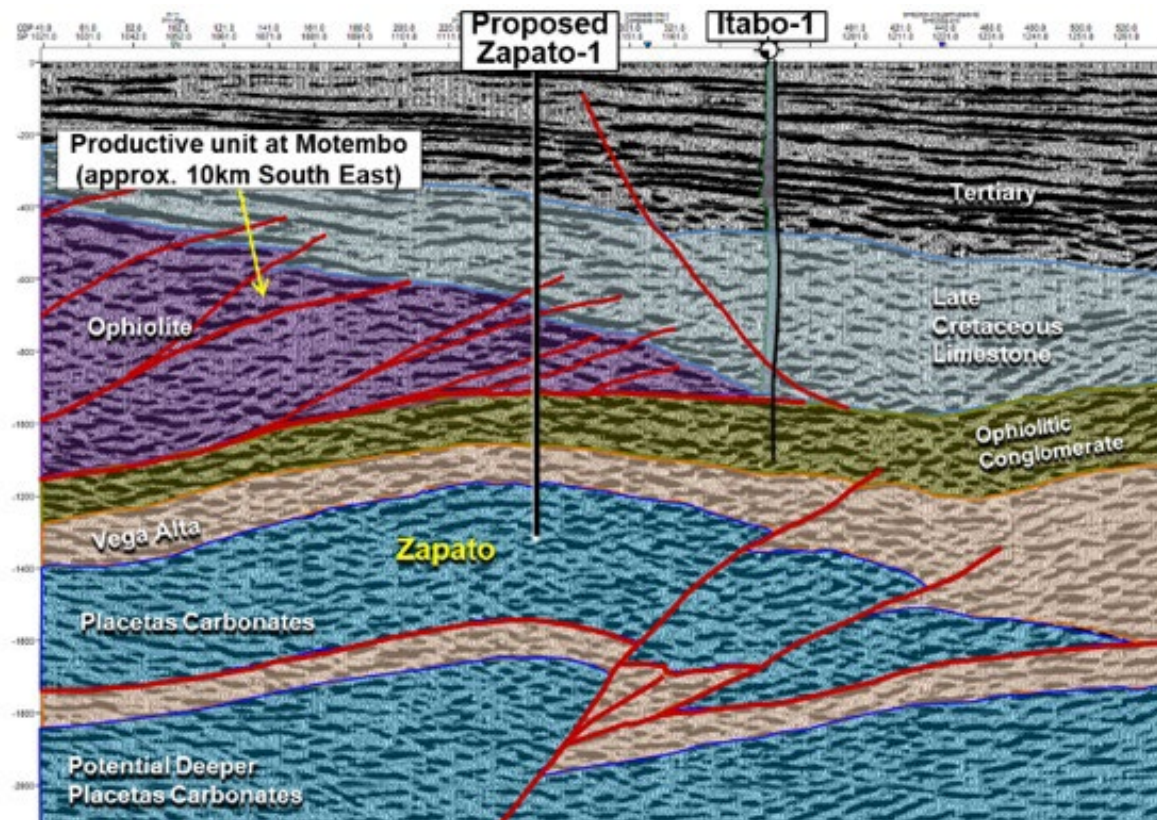


Figure 1 - Location of the Zapato prospect being targeted by Melbana's second exploration well

The structure Melbana is targeting with Zapato-1 was identified by studying well and seismic data along with the results of a gravity and magnetic study Melbana commissioned over the Zapato prospect. These data indicated a strong gravity and magnetic alignment with a structural interpretation made by Melbana's technical team derived from seismic and surface data.

Melbana's assessment is that the large Zapato structure (with nearly 1,000 metres of vertical relief) may be the primary structure, and thus the source of oil, for the shallow Motembo oil field discovered in the late 19th century. There are no previous wells that have drilled deep enough to intercept the Zapato structure.

Objective	Chance of Success	Prospective Resource ¹ (Best Estimate) (million barrels)			
		Low	Best	High	Mean
Zapato	23%	38	95	214	114

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