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ASX ANNOUNCEMENT

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Drill Rig Mobilised for Amistad-2

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

Highlights

- **Rig mobilising to drill Amistad-2 production well.**
- **Projected spud date mid-September with results expected mid-October.**
- **Permitting and civil works completed for Amistad-3 production well.**
- **Permitting advanced for further 2026 production wells.**
- **More than 30,000 barrels of oil in inventory.**

Melbana Energy's Executive Chairman, Andrew Purcell, commented: *"It's been an impatient few months for everyone invested in the success of our Cuban operations. The delays to our work program, which have not been within our control, are now behind us and field activity is recommencing. We expect this campaign to be significantly quicker than previous programs with drilling to start next month and results expected shortly thereafter. As shareholders are aware, we have today announced a very well supported $7m Placement. We deemed it prudent to add to our financial resources given the cost of the delay to ensure we are adequately provisioned for the forward work program.*

"Oil inventory continues to build given the steady production from the Alameda-2 well. Economics improve as volume increases. We therefore want to see what additional production Amistad-2 can deliver before exporting our first cargo, but we will do so this year regardless so that we can incorporate any lessons learned into our field development plan and start generating revenue."

Amistad-2 Production Well

All equipment and materials are now in country, all drilling permits have been received and site preparations are complete for the commencement of drilling of Amistad-2. Instructions have also been given to the drilling contractor to mobilise to the Amistad-2 well location, which is expected to commence this weekend, Cuba time.

Drilling of the Amistad-2 production well is projected to commence in mid-September 2025 and is projected to take about three weeks to reach total depth (**TD**). The well would then be completed open-hole and tested through the production tubing. If successful, Amistad-2 would then be tied into a dedicated on-site production facility for long-term production.

Several logistical challenges have been encountered in recent months in Cuba, in part due to hurricane damage impacting port operations, but these are now largely resolved and the scheduling impact absorbed into the new schedule. The widely reported power outages in Cuba are also impacting local communities and industry. As a result, Melbana's preferred drilling rig was once again redirected to drill a gas well to provide fuel for additional electricity generation, thereby resulting in a delay to the scheduled spud date for Amistad-2.

The Company investigated using another (larger) rig that was hot stacked (having just completed another drilling program), but after extensive investigation it was determined that the advantages conferred from minimising the operational delay did not outweigh the risk of using a new rig – particularly given the importance of a successful and on time and budget result for the drilling of the first dedicated production well. The Company is in discussions with several regional drilling contractors interested in mobilising smaller, fit for purpose, drilling rigs to Cuba to support its planned 2026 field development program, but these cannot be committed to until a final investment decision has been taken on the 2026 field development plan. These smaller rigs would drill the planned Unit 1B production wells more quickly, therefore more cheaply, as well as be easier to move from location to location. They would also be entirely at the Company's disposal and under its control, eliminating the possibility of any future unscheduled interruption to the work program.

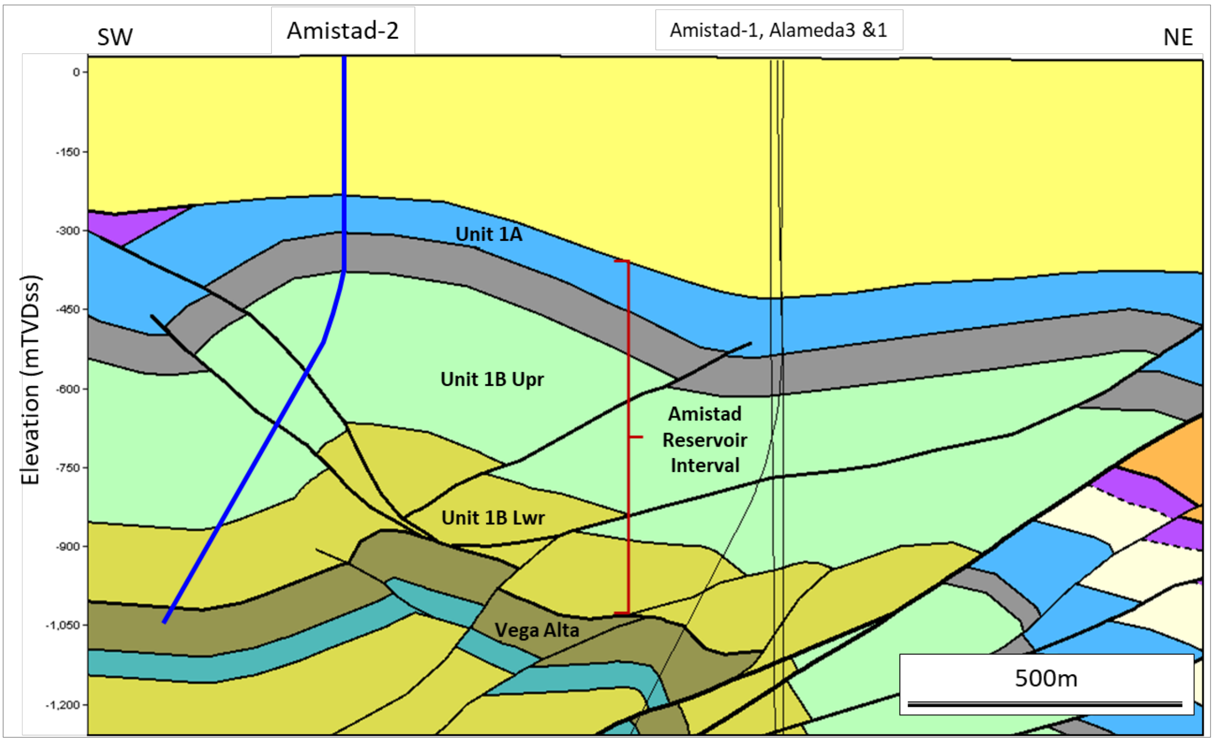

Figure 1 - Amistad-2 well trajectory oriented to intercept fractures near the crestal axis of a localised anticline and to penetrate all of Unit 1B.

Amistad-2 is planned to be drilled to a total depth of 1125 metres measured depth (**MD**). The Unit 1A formation will be logged, but not tested, *en route*. A 650-metre MD section of the Unit 1B formation will be drilled to intersect a series of natural fracture systems interpreted from seismic (see Figure 1). The geological target is approximately 850 metres southwest of, and 200 metres up-dip to, Alameda-2 in a location near the crestal-axis of a localised anticline, which is interpreted to have significant fracturing of the carbonate reservoir.

Preparations for Amistad-3

Preparations for the contingent Amistad-3 production well are advanced with permit to drill received and all civil works now complete (see Figure 2).

Figure 2 - Completed Pad 4 (Amistad-3)

TD for Amistad-3 is planned at 1625 metres MD, with the well-path expected to intercept approximately 1000 metres of the productive Unit 1B formation. Amistad-3 targets the same geological architecture as Amistad-2, also starting near the crest of a localised anticline with significant interpreted fracturing (see Figure 3).

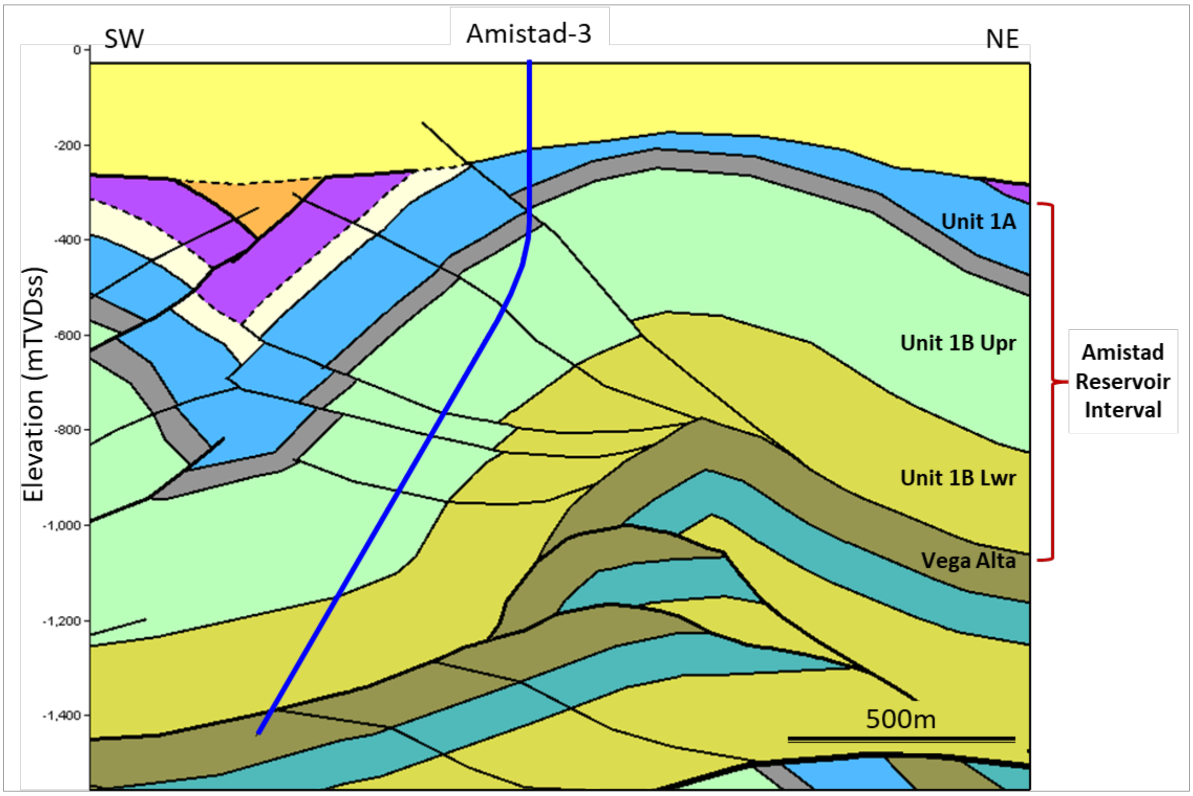

Figure 3 - Amistad-3 has an even longer intercept of the reservoir.

In addition to targeting a significant oil column, Amistad-3 will reach TD in a local syncline between the Amistad and Maximo Gomez structures, which is up-dip of the Unit 1B lowest known oil in Alameda-2. The well may therefore de-risk the large adjacent Maximo Gomez structure.

Oil Production, marketing and funding

Alameda-2 has continued producing oil from the Unit 1B formation since mid-April. It is believed that all the heavy completion brine lost to the formation during the workover has now been returned. The well continues to produce in a stable manner, which is expected and planned to be maintained. Production is being maintained at a low rate to gather data about reservoir performance over the long run and to ensure no interference with Amistad-2.

More than 30,000 barrels of oil are now in storage. Additional production from Amistad-2 would accelerate the rate of build in crude inventory, allowing for bigger cargoes more frequently.

The Company decided against conducting its first trial export of crude oil from Cuba earlier this year due to port issues. The impact of conflicts in other parts of the world on shipping rates also made the shipment of a relatively small cargo potentially uneconomic, which outweighed the advantages of testing the Company's operational and transactional plans for exporting oil and receiving payment. These conditions have now largely normalised and work has resumed towards an initial trial export before the end of the year when there is a sufficient volume of oil in storage to fill a larger vessel, which is expected to deliver improved unit economics.

Proceeds from oil sales will be entirely applied towards the cost of approved Block 9 works.

Post-Amistad-3 Drilling

Permitting is advanced for the drilling of additional shallow production wells in 2026 (see Figure 4).

Figure 4 - Permitting locations of next two drilling pads.

Each drill pad is initially permitted for at least two wells targeting interpreted favourable geological settings for Unit 1B in the upper Amistad structure. A dedicated production test of the shallower Unit 1A is also under consideration, given its shallower depth, favourable appraisal results and similar quality oil.

Using the existing 2D seismic, a further 15 drill pad locations have been identified, also to be permitted with at least two wells per pad, based on the current geologic interpretation and multi-disciplinary development planning activities. Prioritisation of these additional locations is underway and rolling permitting will continue in sequence as necessary to ensure a continuous runway of available drilling sites to support the pace of the field development program.

Cuba Energy Summit

Melbana and its joint operation partner in Block 9, Sonangol, are Co-Hosts of Cuba Energy Summit 2025 from 13 to 15 October in Madrid (see https://www.energycircle.org/event/cuba-energy-summit). Melbana will deliver keynote and technical presentations at the Summit, the principal objective of which is to highlight to international investors and industry participants opportunities in the upstream oil and gas and renewable energy sector in Cuba.

For and on Behalf of the Board of Directors:

Mr Andrew Purcell
Executive Chairman

Ends -

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