

Zapato-1 Drilling Update

Highlights

- Zapato-1 now at 1,666 metres.
- Target structure estimated to begin at approximately 2,650 metres

SYDNEY, AUSTRALIA (29 June 2022)

Melbana Energy Limited (ASX: MAY) (**Melbana**) is pleased to provide this update on activities in its Block 9 contract area, onshore Cuba (Melbana's working interest 30%).

Drilling operations have continued since our last update, with the Zapato-1 exploration well now having reached a depth of 1,666 metres in 12-1/4" diameter hole.

The expected ophiolitic formation has been encountered higher than prognosis. Given the low rate of penetration, the 12-1/4" x 14" underreamer was removed from the bottom hole assembly (BHA) when the 14" diameter hole had reached 1,251 metres. Drilling was then continued with stabilized 12-1/4" BHA to the current depth and wiper trips were made to clean and condition the hole prior to the running and setting of the 11-3/4" liner within the 14" hole section to secure this open hole.

At the present time, the 11-3/4" liner has been run to 1,240 metres and, once set and cemented in place, the plan is to drill-out the shoe and continue drilling in the ophiolitic formation from 1,666m with a 10-5/8" BHA.

Melbana Energy's Executive Chairman, Andrew Purcell, commented: *"We are making steady progress towards to the objective of this well – the large Zapato structure - which we estimate could begin at about 2,650 metres and then have approximately 1,000 metres of vertical relief. We expected there was going to be a section of hard formation to get through and once again the predrill assessment of our geoscience team has been right on the money. The drilling team is doing a great job and I'm looking forward to being back in Cuba with the team in a few weeks, by which time we will hopefully have this section behind us and getting closer to testing whether the target structure is the source of the high quality oil that was found in the Motembo oil field."*

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

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