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WELL TARGETS CONFIRMED AND HAVOC PROVIDES UPDATED RESOURCE ESTIMATES FOR LOBA AND LOBA DEEP

HIGHLIGHTS

- **Havoc Partners LLP (Havoc) confirm a mean unrisked contingent resource of 15.7mmbo at Loba (Batanga) and a mean unrisked prospective resource of 11.7mmbo at Loba Deep (Anguille)**
- **Reservoir engineering work completed by Odin Reservoir Consultants suggests natural flow to surface from oil bearing sands in Loba-1 is possible and that extensive localised wellbore formation damage was responsible for the poor result in the original well drilled in 1976**
- **Ongoing work is being undertaken to verify resource numbers for other targets within the Nkembe block**
- **Add Energy advances well planning work for the initial well that will test the Loba and Loba Deep targets**
- **Pura Vida and Havoc travelled to Libreville, Gabon in mid-December 2017 to commence negotiations with the regulatory authorities to amend the work program and schedule of the Nkembe PSC**

Pura Vida Energy NL (**Pura Vida** or **Company**) (ASX: PVD) is pleased to provide an update on the work completed by Havoc and Add Energy in relation to the Loba (Batanga) and Loba Deep (Anguille) targets.

Work undertaken by Havoc

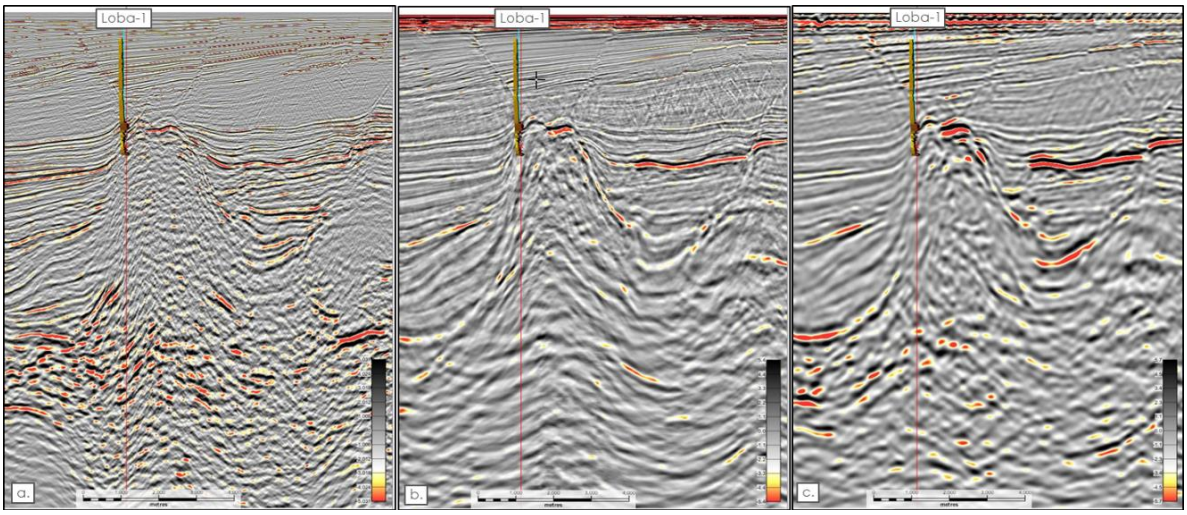
Since signing the Technical Services Agreement in October last year, Havoc has re-initiated the reprocessing of the Mandaros 3D survey with DownUnder Geosolutions, re-evaluated the Loba discovery and deeper exploration potential and completed a reservoir engineering study.

Results

The re-processing of the Mandaros 3D is ongoing, however interim products show a marked improvement in data quality, particularly in the structurally complex areas associated with salt diapirism. The application of pre-stack depth migration utilising RTM-TTi technology has allowed for better definition of the salt bodies and enhanced imaging of sub-salt and pre-salt sequences (Figure 1.).

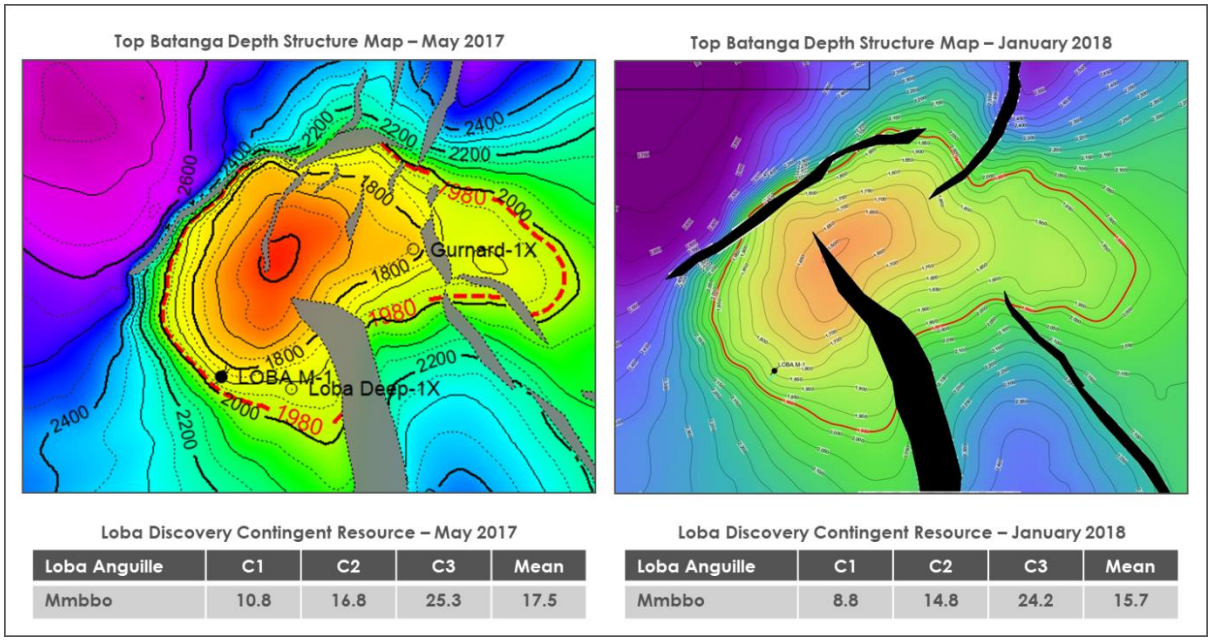
The actual volume of salt in the system appears to be substantially less than originally interpreted, which has positive implications for both trap integrity and reservoir continuity. Importantly, further improvements are expected when the final products are delivered in the coming weeks.

Figure 1. Comparison of the a) legacy Mandaros 3D survey with the most recent b) Kirchhoff and c) RTM-TTi products.



The re-evaluation of the Loba prospect is complete with updated unrisked, contingent and prospective resource numbers provided below. The reduction in the contingent resource at the Batanga level (Refer ASX release dated 31 May 2017) is primarily due to a decrease in the interpreted Gross Rock Volume (GRV). The enhanced seismic data quality has improved the definition of the Batanga reservoir, allowing for more precise mapping. The mean contingent resource has reduced from 17.5mmbo to 15.7mmbo.

Figure 2. Comparison of the a) 31 May 2017 and b) 29 January 2018 Contingent Resource estimates derived from the interpretation of iterative seismic volumes produced during re-processing sequence.



Loba Discovery Contingent Resource – May 2017

Loba Anguille	C1	C2	C3	Mean
Mmbbo	10.8	16.8	25.3	17.5

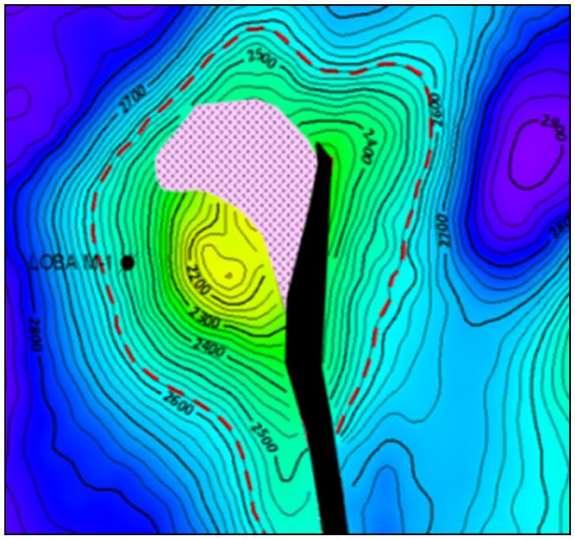
Loba Discovery Contingent Resource – January 2018

Loba Anguille	C1	C2	C3	Mean
Mmbbo	8.8	14.8	24.2	15.7

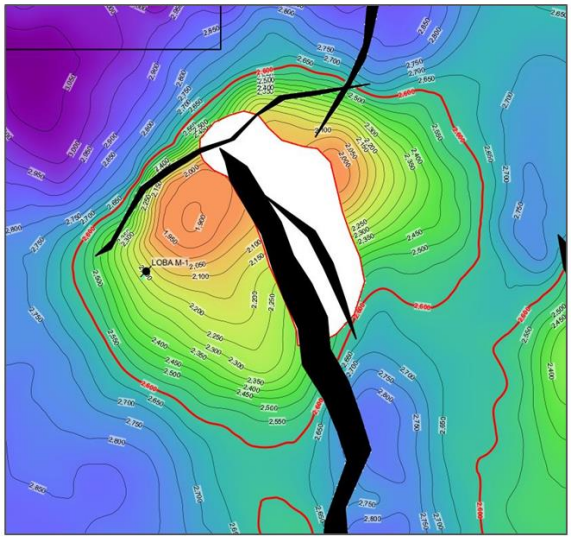
Similarly, at the deeper Anguille level (refer ASX release dated 13 September 2016), improved imaging on the flanks of the structure has produced a higher confidence interpretation but consequently a reduced GRV. This reduction in GRV has been partly offset by a corresponding increase in Net to Gross (N:G), however prospective resources are lower than previously reported, with the mean value reducing from 14mmbo to 11.7mmbo.

Figure 3. Comparison of the a) 13 September 2016 and b) 29 January 2018 Prospective Resource estimates derived from the interpretation of iterative seismic volumes produced during re-processing sequence.

Top Anguille Depth Structure Map – September 2016



Top Anguille Depth Structure Map – January 2018



Loba Deep Prospective Resource – September 2016

Loba Anguille	Low	Best	High	Mean
Mmbbo	3.3	12.2	28.8	14.0

Loba Deep Prospective Resource – January 2018

Loba Anguille	Low	Best	High	Mean
Mmbbo	3.0	9.8	23.3	11.7

Reservoir engineering

Odin Reservoir Consultants have reviewed data from the original Loba discovery well which was drilled in 1976. The well was drilled by Total who despite encountering a gross oil column in excess of 140m and recovering 25bbls of 27°API oil during reverse circulation of the well, considered the discovery to be non-commercial due to failure of the DST. The Odin review however, suggests that natural flow of oil to the surface from oil bearing sands at the Batanga level was possible but the extended drilling, logging and coring period (up to 10 days) resulted in extensive localised wellbore formation damage, ultimately impeding the flow to surface.

The Odin study concludes that an appraisal well on the Loba discovery could be induced to flow with minimal post drill-out stimulation, as long as good drilling and perforation practices, appropriate mud selection, and refined test programmes are developed and utilised. The results of the review are in-line with previous studies undertaken by Schlumberger and Fen-Taye.

Next Steps

Havoc's work is being used by Add Energy to optimise the well and testing designs are being developed for the Loba and Loba deep targets. Particular attention is being given to the recommendations from the reservoir engineering study in order to maximise the potential of Loba to flow as anticipated.

Re-processing of the Mandaros 3D seismic volume is ongoing and should be complete in the next few weeks.

Further interpretation on the final 3D seismic volume will refine the proposed well location and this final iteration of the processing sequence will enable Havoc to map sub-salt sequences with a degree of confidence for the first time which may result in additional prospectivity at the Loba location. A review of the prospectivity of the broader Loba area will also be undertaken.

Discussions with the Gabon Government and regulatory authorities regarding amendment to the terms of the PSC to enable Pura Vida to attract the necessary funding and facilitate the proposed work programme are ongoing with further meetings planned in February 2018.

Add Energy is currently preparing a rig contracting strategy for review by the Pura Vida Board.

Chairman, Simon Eley, said:

"We are delighted by dramatic improvements in our 3D seismic data arising from the reprocessing work undertaken by Havoc and DUG Geosolutions. Completion of the Loba resource work by Havoc, based on these newly reprocessed 3D seismic data, confirms the Company's view that Loba is a viable target which should be tested.

Pura Vida is also encouraged by the reservoir engineering work completed by Odin and looks forward to receiving the updated resource statements for the deeper targets as well as the wider contract area in the near term.

The Company is delighted with the quality of the work product being delivered by Havoc and Add Energy and is pleased with overall progress of the project."

Key Risks for the Nkembe PSC

Farm-out – Securing funding for the drilling program through a farm-out deal or sale of the asset is the critical next step in realising the value of the Nkembe block. Pura Vida is in discussions with potential partners to fund the proposed drilling program, including appraisal and testing of the Loba Oil Field. As the Operator and holder of a 100% interest in the block, the Company believes it is well placed to achieve a farm-out or sell down.

Production Sharing Contract (PSC) – The first phase of the Nkembe PSC ends in January 2018 and the PSC expires in January 2020 assuming the start date is January 2013 (which the Company does not accept; the Company believes title to the Nkembe PSC was perfected in December 2014). Pura Vida has submitted proposed amendments to the PSC to the regulatory authorities that takes into account previous work completed on the Nkembe (namely seismic), reducing the drilling commitment to one (1) firm well and one (1) contingent well and amalgamating the first and second phases of the PSC. Pura Vida also has the option of applying for an extension to the PSC if required, subject to government approval, at a cost of US$100,000 per month. At a recent meeting the with regulatory authorities, Pura Vida was encouraged by the willingness to engage with it to effect changes to the PSC that are not only more appropriate for the Nkembe PSC but also improves prospects of securing required funding.

Work commitments – Pura Vida's ability to perform the work commitments in the current exploration phase of the Nkembe block, which includes acquisition of new 3D seismic data and a well, remains dependent on securing a farm-in partner and the finalisation of an extension, or an agreement with the Government to vary those commitments.

Development funding – In the success case, Pura Vida will need additional funding to proceed with any development of the Loba Oil Field or other discovery. Pura Vida would look to industry partners for funding and/or consider debt or equity funding alternatives.

Geological risk – Exploration risk is evaluated by interpretation of geological and geophysical data and the accuracy of those interpretations can be influenced by a number of factors. A key risk in the commercialisation of the Loba Oil Field is establishing a commercial flow rate by carrying out a production test of that reservoir.

Oil price – Economic factors, and oil price will have an impact on the viability of the project. The price of oil fell sharply in late 2014 and a sustained period of relatively low oil prices has been experienced since then. The oil price has recovered somewhat from the low prices recently however the oil price still remains volatile.

General risks – There are number of other risks commonly associated with the business of oil exploration, development and production. By its nature, oil exploration contains elements of significant risk with no certainty of the discovery and commercialisation of hydrocarbons. A broad range of factors may impact results such as operational and environmental risks, failure to obtain consents, necessary approvals for the conduct of operations, regulatory or sovereign risk and political instability.

Resource estimates cautionary statement

The estimated quantities of prospective resources relate to undiscovered accumulations and contingent resources relate to discovered accumulations. These estimates have an associated risk of discovery or appraisal (as the case may be), as well as a risk of development. Further exploration, appraisal and/or evaluation is required to determine the existence of a commercial quantity of moveable hydrocarbons.

Contingent resource estimates in this market release are prepared as at 29 January 2018. The resource estimates have been prepared using the Society of Petroleum Engineers' Petroleum Resources Management System (SPE-PRMS) to define resource classification, methodology and volumes see www.spe.org. All reported volumes have been prepared using probabilistic methods expressed in millions of barrels of recoverable oil (mmbo), gross 100% equity basis.

Gas to liquid conversion factor of 6 has been used in the resource estimates to deal with volumes of associated gas. Analysis of Loba crude oil indicates that it is very similar to nearby neighbouring fields which have low amounts of associated gas and therefore Loba is expected to have small amounts of this gas. As gas can be either flared or produced through the nearby existing infra-structure, there is no impediment to production but that any economic gain from the gas is regarded as negligible and for clarity purposes reported volumes in this release do not include any volumes from associated gas.

Pura Vida is not aware of any new information or data that materially affects the assumptions and technical parameters underpinning the estimates of the contingent and prospective resources presented.

Persons compiling information about hydrocarbons

The resource estimates contained in this presentation have been prepared by Mr Mark Sofield BSc. Geology (Hons) a Geologist who has over 20 years of experience in petroleum geology, geophysics, prospect generation and evaluations, prospect and project level resource and risk estimations and is a member of the American Association of Petroleum Geologists. Mr Sofield is a partner of Havoc Partners LLP and has consented to inclusion of the resource estimates in the form and context in which they are included. Mr Sofield meets the requirements of qualified petroleum reserve and resource evaluator as defined in Chapter 19 of the ASX Listing Rules and consents to the inclusion of this information in this document.

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