

4 July 2019

PVD EARNs INTO ONSHORE POLISH OIL AND GAS PROJECTS TARGETING 1.6 TCF OF GAS AND 36 MILLION BARRELS OF OIL WITH FULLY FUNDED TESTING PROGRAM

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- Binding agreement with UK based Gemini Resources Ltd to earn a 35% interest in the Nowa Sol and Gora onshore oil & gas projects in Poland by spending A\$6.15m¹
 - ~A\$45¹ million of recent exploration activity on projects, including 3D seismic and four wells through which two unconventional resources and numerous conventional plays identified
 - Fully funded work programme to commence immediately upon finalisation of acquisition to test significant oil & gas targets identified by Netherland Sewell & Associates, Inc. in a proven basin
 - Targets to be tested are²:
 - *Gora*: **1.6 Tcf gas - 42% commercial chance of success (CoS)** -2C contingent resource
 - *Nowa Sol*: **36 MMbbls oil - 28% commercial CoS** - 2C contingent resource
 - Technical program focused on fracture stimulation and flow test of existing wells
 - **210 Bcf** of additional prospective resources identified across multiple drill-ready conventional prospects on Gora Licence, adjacent to proven producing gas fields, with an average **CoS of 28%**, estimated completed well costs attributable of US\$1.3m³
 - A\$3.7m Placement and fully underwritten Rights Entitlement Offer to fully fund work commitments
 - Two (2) industry experienced UK based directors to join Pura Vida Energy board
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Pura Vida Energy NL (**PVD** or the **Company**) has entered into a binding agreement with Gemini Resources Limited (**Gemini** or **GRL**), a private UK company to earn into the Gora and Nowa Sol projects (together the **Projects**) for a 35% interest by spending a total of A\$6.15m¹ on those concessions (**Transaction**) with work programmes designed to unlock and prove the commercial viability of two potentially large unconventional resources plays:

- **Siciny-2 (Gora)**: Targeting 2C contingent resources of 1.6 Tcf (circa 270 MMboe) of unconventional gas in an extensive Carboniferous structure scheduled for completion in

¹ Based on an exchange rate of 1AUD: 0.55GBP or 1AUD: 0.71USD

² Volume estimates are from Netherland, Sewell & Associates, Inc, report entitled "Estimates of Reserves and Future Revenue and Contingent Resources and Cash Flow to the Gemini Resources Ltd Interest and Gross (100%) Prospective Resources in Certain Oil & Gas Properties located in the Nowa Sol and Gora Concessions Permian Basin, Onshore Poland as of May 1, 2019" (**Report**). The % CoS are estimated by PVD Management.

³ GRL Management Estimate

Q3 2019; and

- **Jany-C1 (Nowa Sol):** Targeting 2C contingent resources of 36 MMbbls of oil within tight Zechstein Dolomite formation scheduled for completion in Q4 2019.

In addition, the Transaction gives PVD an option to drill several conventional prospects, at the Rotliegendes reservoir, with aggregate prospective (P50) resources of 210 Bcf. These prospects are located adjacent to the proven, producing Rawicz (100 Bcf) and Zalecze-Wiewierz (900 Bcf) gas fields and offer PVD additional upside on the Gora Concession which is de-risked due to 3D seismic coverage and surrounding well control from surrounding fields. Estimated completed well costs attributable are US\$1.3m.

Overview of Projects

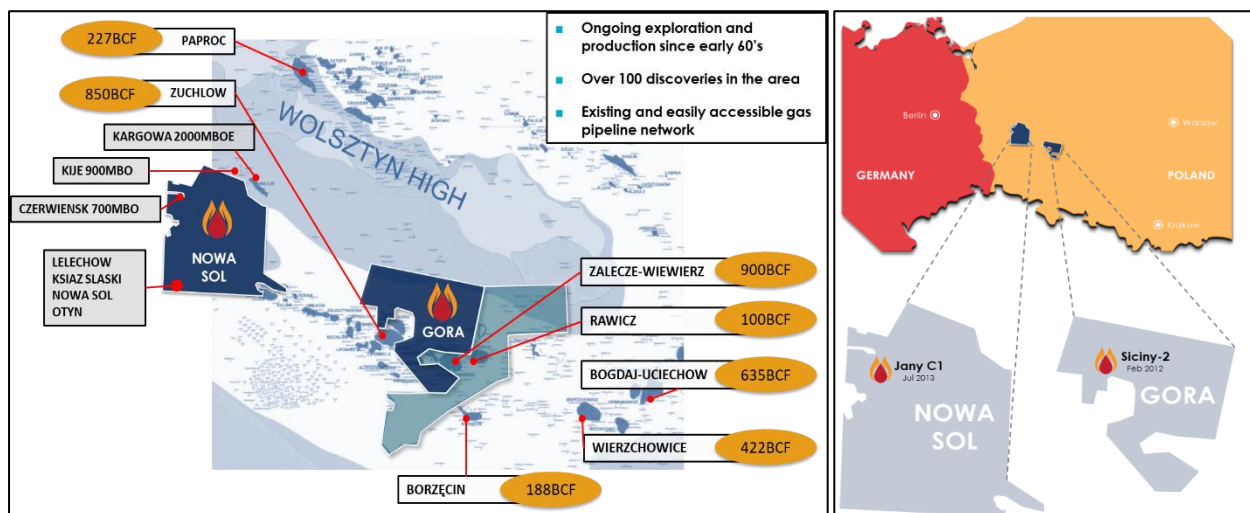


Figure 1 Poland onshore oil and gas concessions in proven production basin

The licences are located in proven basins and surrounded by numerous discoveries and existing oil & gas fields. Several recent discoveries have occurred with both conventional and unconventional resource potential which require further appraisal and flow testing to determine the level of commerciality.

▪ Gora Concession

The Gora licence (693 km²) covers a Carboniferous unconventional gas play discovered with the Siciny-2 well drilled in 2012 and a conventional Rotliegendes gas play, containing multiple exploration prospects, yet to be drilled.

An independent review of Siciny-2 by Netherland Sewell & Associates, Inc. (NSAI) estimates an unconventional 2C Contingent Resource of 1.58 Tcf of gas within the Carboniferous and Prospective Resources of 210 Bcf to the conventional Rotliegendes prospects on the Gora licence.

The NSAI review independently evaluated five of the conventional Rotliegendes prospects within the Gora concession, estimated both size and chance of exploration success for each, and

identified the key risk as trap integrity or reservoir quality. The largest prospect, Rawicz North, has a best estimate potential of 110 Bcf prospective resources with a chance of success of 24%. In total, the five prospects have an aggregate best estimate prospective resource of 210 Bcf with an average chance of success of 28%. These prospects all sit close to proven Rotliegendes accumulations, the largest of which being Zuchlow and Zalecze which have produced approximately 872 Bcf and 746 Bcf respectively.

▪ **Nowa Sol Concession**

The Nowa Sol licence (1,165 km²) contains the Jany-C1 unconventional Zechstein Dolomite oil discovery drilled in 2013 and estimated to contain 2C contingent resource of 36 million barrels of oil according to NSAI. In addition, there are conventional oil discoveries on the licence with the Czaslaw SL-1 and Lelechow SL-1 wells which have been assigned 2P reserves of 0.54 million barrels of oil in aggregate.

The Jany-C1 and Siciny-2 wells are currently suspended pending re-entry by the Operators, to fracture stimulate and flow test each well to determine the commerciality of each unconventional play.

PVD has elected not to participate directly in the proposed work programme on the conventional discoveries on the Nowa Sol licence and therefore Czaslaw SL-1 and Lelechow SL-1 are both specifically excluded from the terms of the Transaction. PVD will have an indirect interest in both wells via its investment in GRL.

Resource Potential Summary

The table below summarises the estimated reserves and resources assigned to each of the various play types and/or existing discovery wells on the Gora and Nowa Sol licences and is derived from an independent Competent Person Report compiled by NSAI on behalf of GRL.

Work Programme

The Siciny-2 work program involves the re-entry of the well and a two-stage hydraulic proppant frac within the tight Carboniferous gas bearing reservoirs. Well tests will be carried out to recover information on permeability and production potential to aid the evaluation of the commerciality of the play.

The Jany-C1 work program involves a single stager hydraulic proppant frac within the oil-bearing Zechstein Dolomites. Again, well tests will be carried out to gather data to aid in the evaluation of the play. The Rawicz North exploration well, would involve a single, vertical exploration well to approximately 1600m total depth to test the Rotliegendes reservoir.

		Contingent Resources			Prospective Resources		
		1C	2C	3C	P90	P50	P10
NOWA SOL LICENCE							
Jany-C1 well	MMbbls	9	36	86			
GORA LICENCE							
Siciny-2 well	Bcf	720	1,582	3,220			
CONVENTIONAL RESOURCES							
Rawicz North	Bcf				80	110	149
Rawicz South	Bcf				38	52	70
Other Prospects	Bcf				35	47	64
Total	Bcf				153	209	283

Source: Netherland Sewell and Associates Inc (NSAI) — refer to Schedule 4 of their Report.

Refer to the SPE/WPC/AAPG/SPEE Petroleum Resource Management System (2007) for definitions and classification of petroleum reserves and resources.

History of Licences

The Nowa Sol and Gora Concessions were part of the San Leon Energy (**SLE**) plc portfolio from 2008-09 and acquired by GRL, in 2017-18 in exchange for a future net profit interest (NPI) of 5% when SLE decided to exit Poland. Historical expenditure of circa A\$45 million covering 3D seismic and drilling programmes were committed to the licences during that period.

The Siciny-2 well was completed in February 2012 on the Gora licence and discovered gas in Permian and Carboniferous clastic strata.

In late 2012 oil shows were found in conventional Dolomite structures on the Nowa Sol licence with the Lelechow SL1 and Czaslaw SL-1 wells. Czaslaw SL-1 was tested post drilling but did not flow naturally although oil samples were recovered to surface.

The Jany-C1 well drilled on Nowa Sol in July 2013 targeted a Copper shale play, and encountered hydrocarbons within the Permian, Zechstein Dolomites.

Technical and Sub-surface Overview

Gora Concession

The contingent resources are associated with a 1,460 m thick section of tight Carboniferous sand-shale strata penetrated in the Siciny-2 well, which had consistent, good gas shows throughout, whilst drilling. The main section of interest, as identified by NSAI, is between 3,170m and 3,365m true vertical depth subsea (TVDSS). According to the NSAI evaluation, this zone has average porosity of 3.5% and average gas saturations of 71% from evaluation of petrophysical log data. Volume estimates for the tight gas Carboniferous Formation are classified as contingent resources as the commerciality of the play has not been proven. According to NSAI, after several successfully fractured wells and procurement of funding, a portion of the contingent resource may be reclassified as reserves.

The well was perforated across two intervals; however, no flow was attempted. Diagnostic Fracture Injection Tests (DFIT) were carried out to confirm the ability to hydraulically fracture the reservoir and data gathered resulted in estimated permeability, for the zone from 3,272m to 3,273m Measured Depth (MD), of 0.026 milliDarcies (mD). NSAI used a base case permeability of 0.03 mD to simulate well performance and estimate that a single, horizontal and fracc'd development well can recover 8.24 Bcf of gas per well.

The conventional Rotliegendes prospects are all conventional structural traps containing sandstone reservoirs. Reservoir is proven by the existence of numerous fields adjacent to the license and was encountered in the Siciny-2 well, where analysis of the wireline log data indicates 21m of Rotliegendes gas pay with average porosity of 16%. For the most part, these structures are defined by a mix of 3D and 2D seismic data and hydrocarbon charge is considered low risk due, again, to the close proximity of large proven accumulations. Top seal is also very low risk, as the impermeable Zechstein anhydrites sit directly above the target reservoir.

The largest prospect, Rawicz North, has a best estimate of 110 Bcf prospective resource reported by NSAI with a chance of exploration success of 24%. Other prospects are also identified, with chance of success ranging from 42% to 24% and a total prospective resource in Gora for the Rotliegendes play of 210 Bcf (best estimate, NSAI).

Nowa Sol Concession

The Contingent Resources within the Nowa Sol license are associated with discoveries within the Zechstein Dolomite in the Jany-C1 well and other wells within the license area. Over 100 wells drilled within and adjacent to the concession had oil shows within the Dolomite according to NSAI. There are some wells of note, where oil saturation appears unrelated to structure and so there is an absence of a conventional trap. Hence, there appears to be an extensive, unconventional oil play across a large area within the license. NSAI estimate that the 2C area is 48.6 square kilometres in area, however this evaluation was limited to the part of the license covered by 170 square kilometres 3D seismic data.

The Contingent Resource is classified as contingent as the economic viability of the play has yet to be established. As with the Contingent Resource on Gora, and according to NSAI, after several successfully fractured wells and procurement of funding, some portion of the contingent resource may be reclassified as reserves.

The Jany-C1 well encountered good oil shows within the tight Dolomite formation during drilling and oil was observed in core recovered from the dolomite section in the well. During a drill stem test (DST) oil did not flow oil to surface, which is likely due to a combination of a tight formation and formation damage, however oil flowed into the well bore and was recovered along with barite mud from a sample catcher. Also, petrophysical logs acquired across the dolomite demonstrate average oil saturations of 59% according to NSAI analysis. A successful stimulation of the well could prove a new

resource play on Nowa Sol. NSAI have simulated the potential well performance for this tight dolomite oil play and estimate that a single, horizontal, fracc'd development well can recover 384,000 barrels as a base case. Both the above wells are currently suspended pending re-entry and fracture stimulation programmes and flow tests to determine commerciality.

Terms of the Transaction Agreement

Completion of the Transaction (**Completion**) is conditional on the satisfaction (or waiver) of a number of conditions by no later than 23 August 2019, including but not limited to:

- technical, legal and financial due diligence on GRL, its business, operations and the Projects; and
- both PVD and GRL obtaining any necessary shareholder and regulatory approvals to proceed with the Transaction.

It is proposed that PVD will directly subscribe for shares in both GRL's wholly owned subsidiaries, Gora Energy and Liesa Energy for a 35% equity interest in both subsidiaries, and thus an indirect 35% interest in the Gora and Nowa Sol licences in consideration for funding a total work programme on the Projects of £3,380,000 (A\$6.15m⁴); as detailed below, with joint operating agreements for both interests (**JOAs**) to be agreed by 23 August 2019:

- **Gora Licence** – Free carry GRL and sole fund a two-stage proppant fracture stimulation and flow test of the Siciny-2 well up to a total gross value of £2.15 million (A\$3.9m⁵); and
- **Nowa Sol Licence** – Free carry GRL and sole fund a single stage proppant fracture stimulation and flow test on the Jany-C1 well up to total gross value of £1.23 million (A\$2.25m⁶), but specifically excluding any working interest in the Czaslaw SL-1 and Lelechow SL-1 wells.

Any agreed contingency work programme costs in excess of the above gross carried values for each of the Siciny-2 and Jany-C1 wells will be based on the respective equity interest of PVD (35%) and GRL (65%) and be will subject to the provisions set out in the JOAs.

GRL will hold PVD's 35% equity interest in both subsidiaries on trust for PVD until such time as the required spend on the Gora and Nowa Sol licences are met.

In addition to funding the work programmes above, the Company has agreed to pay to GRL on execution of the Transaction Agreement, an exclusivity fee in the amount of £250,000 in consideration for the exclusive right to the acquire an interest in the Projects (**Exclusivity Fee**). The Exclusivity Fee shall be non-refundable only in limited circumstances, such as in the case of materially adverse findings with respect to title, misrepresentation or fraud arising from PVD's due diligence enquiries. On Completion, the Exclusivity Fee will automatically convert into ordinary shares in GRL.

⁴ Based on A\$ to GBP exchange rate of 1 AUD:0.55 GBP

⁵ Based on A\$ to GBP exchange rate of 1 AUD:0.55 GBP

Entitlement Offer and Placement

In connection with the Transaction, the Company proposes to conduct the following:

- (a) a placement of 55,555,556 Shares to sophisticated investors at an issue price of A\$0.018 to raise A\$1,000,000 (before costs) (**Placement**). The Placement will be completed using the Company's existing Listing Rule 7.1 and 7.1A placement capacities; and
- (b) in conjunction with the Placement, a non-renounceable entitlements issue to offer a total of 151,783,212 Shares to shareholders on a 1:2 basis at an issue price of A\$0.018 per Share to raise A\$2,732,098 (before costs) (**Entitlement Issue**) (together the **Capital Raisings**).

CPS Capital Group Pty Ltd (**CPS**) has agreed to lead manage the Placement and fully underwrite the Entitlement Issue.

In consideration for its services, CPS will receive:

- (a) 25,000,000 shares in the Company issued at a deemed issue price of A\$0.018 per share by way of a corporate advisory fee;
- (b) 6% broker fee associated with the Capital Raisings (A\$223,926); and
- (c) 20,000,000 options exercisable at 4 cents expiring on or before 31 December 2022.

The Company will announce full details of the Placement and the offer period for the Entitlement Issue to shareholders in the coming weeks.

In addition to the above, the Company also proposes to issue, subject to shareholder and regulatory approval, up to a total of 60m performance rights to nominees of brokers and corporate advisors who assisted the Company in previous capital raisings and for facilitating the proposed Capital Raisings. These performance rights will vest subject to various conditions and performance hurdles.

A notice of meeting seeking, among other things, approval for the securities to be issued to CPS, consultants and advisors to the Transaction will be dispatched to shareholders in the coming weeks.

Indicative Capital Structure

Item	Shares	Options	Performance Rights
Currently on issue	248,010,868 ²	12,000,000 ¹	Nil
Issued pursuant to the Placement	55,555,556	Nil	Nil
Issued pursuant to the Entitlement Issue	151,783,212	Nil	Nil
Advisory Fee	25,000,000	Nil	Nil
Introduction and facilitation fee ⁴	5,000,000	Nil	Nil
Broker fee associated with Capital Raisings	Nil	20,000,000 ⁵	Nil
Fees to other PVD consultants & advisors	Nil	Nil	60,000,000 ³
TOTAL	485,349,635	32,000,000	60,000,000

Notes:

1. These options are exercisable at 6.5 cents expiring on or before 30 November 2019.
2. This figure is based on fully paid ordinary shares on issue. The Company also has a total of 5,703,550 partly paid shares on issue.
3. These performance rights will vest subject to various conditions and performance hurdles and will be subject to shareholder approval. It is proposed that the performance rights be allocated to nominees of brokers and corporate advisors who assisted the Company in previous capital raisings and for facilitating the proposed Capital Raisings.
4. These shares will be allocated amongst the incoming directors, Dr Andrew Matharu and Mr Christopher Lewis, and to Alternative Resource Capital (corporate advisor to the Company) in consideration for introducing and facilitating the Transaction. In addition to the securities listed in the table above, it is also proposed that Dr Matharu and Mr Lewis be issued (subject to shareholder approval) that number of performance rights in aggregate which equates to 5% of the undiluted issued capital of the Company on a post-Completion basis (24,267,482 performance rights in total).
5. Exercisable at \$0.04 expiring on or before 31 December 2022.

Indicative Use of Funds

The below table sets out the indicative use of funds of the Company during the 12-month period following Completion of the Transaction and the Capital Raisings:

	\$(AUD)
<u>SOURCE OF FUNDS</u>	
PVD available cash as at 1 April 2019	6,701,000
Gross proceeds from Capital Raising	3,732,098
TOTAL	10,433,098

ESTIMATED APPROXIMATE USE OF FUNDS¹	
Work Programme for Siciny-2 ¹	3,900,000
Work Programme for Jany-C1 ¹	2,250,000
Capex Sub-Total	(6,150,000)
Costs of the Capital Raisings	300,000
Working Capital	3,983,098
TOTAL	10,433,098

¹ Based on an exchange rate of 1AUD: 0.55GBP.

Please note the above is indicative only and is subject to finalisation of the Entitlements Issue disclosure document.

Board and Management Team

Dr Andrew Matharu and Mr Christopher Lewis will join the board of PVD, with effect from Completion of the Gemini Transaction. Dr Andrew Matharu will join the board as Executive Director and Mr Christopher Lewis will join the board as Technical Director.

See Schedule 1 for a summary of the credentials of the new board members.

Full details of the proposed executive services package of Dr Matharu and Mr Lewis will be announced to the market in due course.

Subject to shareholder approval at the Company's upcoming general meeting, it is proposed that Dr Matharu and Mr Lewis will be issued that number of performance rights in aggregate equating to 5% of the undiluted issued capital of the Company, on a post-Completion basis (24,267,482 performance rights in total). The performance rights will be issued in accordance with the terms of the Company's Performance Rights Plan. The performance rights will vest under various conditions and performance hurdles.

In addition to the above, Dr Matharu and Mr Lewis will each receive 1.66m shares in the Company by way of a fee for introducing and facilitating the Transaction.

Indicative Timetable

*Note, this timetable is indicative only and may be subject to change.

Announcement and Presentation Released on ASX	Thursday, 4 July 2019
Announce completion of Placement (voluntary holding lock to restrict secondary sales until prospectus lodged)	Thursday, 4 July 2019
Post NOM to Holders	Friday, 19 July 2019
Lodge Entitlements Issue Prospectus with ASIC	Friday, 2 August 2019
Ex-Date for Entitlements Issue	Monday, 5 August 2019
Record Date for Entitlements Issue	Tuesday, 6 August 2019
Opening Date for the Entitlements Issue Offer	Thursday, 8 August 2019
General Meeting	Monday, 19 August 2019
Satisfied with Conditions Precedent/DD	Friday, 23 August 2019
Completion of Acquisition	Friday, 23 August 2019
Board Appointments	Friday, 23 August 2019
Closing Date for Entitlements Issue Offer	Friday, 23 August 2019
Entitlements Issue Underwriting Completed	Wednesday, 28 August 2019
Issue of Securities under the Rights Issue	Friday, 30 August 2019
Dispatch of holding statements	Friday, 30 August 2019

Status of Pura Vida's Existing Projects

Nkembe Block – Offshore Gabon

As noted in the Company's recent quarterly, PVD maintains its claim of force majeure on the Nkembe Production Sharing Contract (**PSC**), having suspended all of its obligations. In accordance with PVD's legal advice, PVD has asserted that the PSC start date is the date of the issue of the Presidential Decree (4 December 2014) and that, based on this start date, no funds contributions are outstanding as at the date of the force majeure.

PVD has committed substantial investment over a number of years in Gabon, including a US\$9,000,000 signing bonus paid in January 2013 and accordingly has reserved all its rights in relation to the PSC, including the right to seek recovery of the signing bonus. In the circumstances PVD does not intend to commit any further resources to the Nkembe Project unless and until PVD reaches a resolution with the Directorate General for Hydrocarbons, that enables PVD to obtain third party funding to conduct further exploration under the PSC.

Ambilobe Block – Offshore Madagascar

As noted in the Company's recent quarterly, PVD has commenced a farm-out process to seek interested parties to earn an interest in the Ambilobe block via committing funds to advance the project. The Company continues to undertake discussions and will keep shareholders updated on any material developments. As stated in the previous quarter, PVD has presented the Madagascan government (**OMNIS**) with the final relinquishment proposal as required by the PSC and the company is in discussions with OMNIS regarding the 2nd special two (2) year extension of the PSC.

-Ends-

CONTACT

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Schedule 1

Executive Director Appointments

Dr Andrew Matharu

Andrew Matharu is an oil & gas sector professional with over 24 years' experience and commenced his career as a Petroleum Engineer with Chevron and Kerr-McGee Oil working in the UK North Sea.

Following a move into oil & gas investment banking he has acquired extensive experience of advising small and mid-cap oil & gas companies in the area of equity capital markets following a variety of corporate finance and institutional equity roles at JP Morgan-Cazenove, Bridgewell Securities, Numis and Westhouse Securities. His most recent role was in corporate and business development with the Africa-focussed AIM-listed explorer, Tower Resources plc, where he was involved in several corporate and asset M&A transactions and capital raisings.

Andrew holds a BEng(Hons) degree in Chemical Engineering from the University of Sheffield, a PhD in Chemical Engineering from the University of Cambridge and is a Chartered Engineer.

Mr Christopher Lewis

Christopher Lewis is a geophysicist with over 25 years oil & gas experience. Has held senior technical and executive positions for the last 15 years, has managed E&P operations in Europe and Africa, and was the CEO and founder of a Romanian focussed E&P company from 2005 to 2009. Chris was VP Exploration for Centric Energy in 2010, during which time the company was awarded a highly prospective license onshore Kenya, secured an attractive farm-out to Tullow Oil and eventually sold the company to Africa Oil Corp. Chris has also been involved in other successful ventures including Lion Petroleum which was reversed into a TSX listed entity and Blackstar Exploration, sold to Impact Oil and Gas.

Chris also has very broad operational experience with exploration and development projects, planning and executing seismic acquisition programs, planning and delivering well workovers and drilling of new wells. As a geophysicist has expertise in 2D/3D seismic interpretation, velocity modelling and depth conversion, quantitative seismic interpretation, exploration workflows from basin scale evaluations to prospect generation, appraisal and development planning, volumetric estimations, risking, reserves estimation and A&D evaluations.

Authored and presented a course on quantitative seismic interpretation and papers on geostatistical depth conversion and seismic inversion. Experienced in new ventures initiation, evaluation and negotiation, and exploration and subsurface management.

Schedule 2 – Competent Person Statement

Contingent Resource Information:

The information in this announcement that relates to Contingent Resource information in-relation to the Gora and Nowa Sol Concessions is based on information compiled by technical employees of independent consultants, Netherland, Sewell and Associates Inc. and overseen by Mr. Lars Hubert. This information was subsequently reviewed by Mr Chris Lewis, who has consented to the inclusion of such information in this announcement in the form and context in which it appears. Mr Lewis is a consultant to the Company, with more than 25 years relevant experience in the petroleum industry and is a member of The American Association of Petroleum Geologists (AAPG), the European Association of Geoscientists and Engineers (EAGE) and the Petroleum Exploration Society of Great Britain (PESGB). The resources included in this announcement have been prepared using definitions and guidelines consistent with the 2007 Society of Petroleum Engineers (SPE)/World Petroleum Council (WPC)/ American Association of Petroleum Geologists (AAPG)/ Society of Petroleum Evaluation Engineers (SPEE) Petroleum Resources Management System (PRMS). The resources information included in this announcement are based on, and fairly represents, information and supporting documentation reviewed by Mr Lewis. Mr Lewis is qualified in accordance with the requirements of ASX Listing Rule 5.41 and consents to the inclusion of the information in this announcement of the matters based on this information in the form and context in which it appears.

Contingent Resources Reporting Notes for the Gora and Nowa Sol Concessions reported for the first time :

- (i) The contingent resources information in this document is effective as at 1st May 2019 (Listing Rule (LR) 5.25.1).
- (ii) The contingent resources information in this document has been estimated and is classified in accordance with SPE PRMS (Society of Petroleum Engineers Petroleum Resources Management System) (LR 5.25.2).
- (iii) The contingent resources information in this document is reported according to the gross 100% economic interest in each of the resources (LR 5.25.5).
- (iv) The contingent resources information in this document has been estimated and prepared using the probabilistic method (LR 5.25.6).
- (v) The contingent resources information in this document has been estimated using a 5.8:1 conversion ratio for gas to oil; 5.8:1 conversion ratio is based on an energy equivalency conversion method and does not represent value equivalency (LR 5.25.7).
- (vi) The contingent resources information in this document has been estimated on the basis that products are sold on the spot market with delivery at the sales point on the production facilities (LR 5.26.5.)

(vii) LR5.33.1:

The Contingent Resources at Gora are located within the Gora Concession located in the onshore territory of Poland. Gora Energy holds a 100% interest in the Gora Concession. Pursuant to the Transaction Agreement, PVD has the right to be assigned a 35% interest Gora Energy.

The Contingent Resources at Nowa Sol are located within the Nowa Sol Concession located in the onshore territory of Poland. Liesa Energy holds a 100% interest in the Gora Concession. Pursuant to the Transaction Agreement, PVD has the right to be assigned a 35% interest Liesa Energy.

(viii) LR5.33.2

The resource volumes associated with the Carboniferous sandstones in Gora are classified as Contingent in this evaluation. Gas was discovered in the Siciny-2 well, which intersected approximately 1,460 metres of gas bearing sands and shales on the flank of a structure. The gas column extends far below the structural spill point of the trap, and hence is interpreted to be an unconventional gas accumulation. Petrophysical log interpretation and gas shows confirm the presence of gas throughout the Carboniferous. The lowermost 200m of Carboniferous section in the well has the best reservoir quality, which is tight with an estimated average porosity of 3.5% and average gas saturations of 71%. Two DFIT (Diagnostic Fracture Injection Test) tests were run through casing in this lowermost section which resulted in successful hydraulic fracture of the rock.

The resource volumes associated with the Zechstein Dolomites in Nowa Sol are classified as Contingent in this evaluation. Oil was discovered in the Jany-C1 well, which intersected approximately 40 metres of oil-bearing dolomite and no apparent structural trap. The oil column is not structurally confined, and hence is interpreted to be an unconventional oil accumulation. Petrophysical log interpretation and oil shows confirm the presence of oil throughout the Dolomite. The reservoir quality is tight with an estimated 8% average porosity, with natural fractures identified at the top and bottom of the section from Formation MicroImager (FMI) logs. One DST (Drill Stem Test) was run through casing and this successfully proved oil flow into the well bore but not to surface.

(ix) LR5.33.3 a brief description of the analytical procedures used to estimate the Contingent Resources:

Standard geological and engineering methods generally accepted by the petroleum industry were used in the estimation of Gemini's Contingent Resources. Probabilistic methods were used to determine the Contingent Resource volumes in the Carboniferous Sandstones of the Gora Concession and the Zechstein Dolomites of the Nowa Sol Concession. The appropriate range of values for each reservoir parameter were incorporated in the volumetric calculation and recovery factor to estimate the unrisked Low Estimate (1C), Best Estimate (2C), and High Estimate (3C) of Gas Initially In Place (GIIP) and Stock Tank Oil Initially In Place (STOIIP) respectively and recoverable Contingent Resources.

These calculations were based on data and maps provided to NSAI by Gemini or publicly available data.

The key contingencies that prevent the CR s from being classified as reserves: The Contingent Resources are contingent on completing sufficient flow testing to establish commercial productivity and securing project funding.

Any further appraisal drilling and evaluation work to be undertaken to assess the potential for a commercial discovery and to progress the project: none.

(x) The land area and number of wells for which the contingent resources are calculates are as follows (LR 5.33.5):

GORA Contingent Resource	Area (acres)	Wells
1C	7,709	144
2C	10,270	192
3C	17,730	332

Nowa Sol Contingent Resource	Area (acres)	Wells
1C	6,000	47
2C	12,000	94
3C	120,000	156

Prospective Resource Information:

The information in this announcement that relates to Prospective Resource information in relation to the prospects in the Gora Concession are based on information compiled by Mr Lars Hubert, a director of Gemini Resources Limited. This information was subsequently reviewed by Mr Chris Lewis who has consented to the inclusion of such information in this announcement in the form and context in which it appears. Mr Lewis is a consultant to the Company, with more than 25 years relevant experience in the petroleum industry and is a member of The American Association of Petroleum Geologists (AAPG), the European Association of Geoscientists and Engineers (EAGE) and

the Petroleum Exploration Society of Great Britain (PESGB). The resources included in this announcement have been prepared using definitions and guidelines consistent with the 2007 Society of Petroleum Engineers (SPE)/World Petroleum Council (WPC)/ American Association of Petroleum Geologists (AAPG)/ Society of Petroleum Evaluation Engineers (SPEE) Petroleum Resources Management System (PRMS). The resources information included in this announcement are based on, and fairly represents, information and supporting documentation reviewed by Mr Lewis. Mr Lewis is qualified in accordance with the requirements of ASX Listing Rule 5.41 and consents to the inclusion of the information in this announcement of the matters based on this information in the form and context in which it appears.

Prospective Resources Reporting Notes (Gora Concession Prospects reported for the first time)

(i) The prospective resources information in this document is effective as at 1st May 2019 (Listing Rule (LR) 5.25.1).

(ii) The prospective resources information in this document has been estimated and is classified in accordance with SPE PRMS (Society of Petroleum Engineers Petroleum Resources Management System) (LR 5.25.2).

(iii) The prospective resources information in this document is reported according to the gross 100% economic interest in each of the resources (LR5.25.5).

(iv) The prospective resources information in this document has been estimated and prepared using the probabilistic method (LR 5.25.6).

(v) The prospective resources information in this document has been estimated using a 5.8:1 conversion ratio for gas to oil; 5.8:1 conversion ratio is based on an energy equivalency conversion method and does not represent value equivalency (LR 5.25.7).

(vi) The prospective resources information in this document has been estimated on the basis that products are sold on the spot market with delivery at the sales point on the production facilities (LR 5.26.5.)

(vii) Prospective resources are reported on a low, best and high estimate basis (LR 5.28.1).

(viii) For prospective resources, the estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons (LR5.28.2).

(ix) In respect to the prospective resources referred to in this statement, upon completion of the transaction with Gemini, PVD will hold a 35% indirect interest in the Gora Concession (LR 5.35.1).

(x) The prospective resources have been estimated on the following basis (LR5.35.2): the best

estimate prospective resource calculation was based on a consideration of offset well information and seismic expression; a combination of volumetric assessment and field analogues have been used to estimate the prospective resources; exploration drilling will be required to assess these resources.

(xi) The chance of discovery is considered moderate as the prospective resources are near developed and undeveloped reserves and in a proven oil and gas producing province. There is a risk that exploration will not result in sufficient volumes of oil and/or gas for a commercial development (LR5.35.3).

(xii) Prospective resources are un-risked and have not been adjusted for an associated chance of discovery and a chance of development (LR5.35.4).

Definitions:

Reserves: represent that part of resources which are commercially recoverable and have been justified for development, while contingent and prospective resources are less certain because some significant commercial or technical hurdle must be overcome prior to there being confidence in the eventual production of the volumes. PVD does not yet have reported reserves.

Contingent resources: are less certain than reserves. These are resources that are potentially recoverable but not yet considered mature enough for commercial development due to technological or business hurdles. For contingent resources to move into the reserves category, the key conditions, or contingencies, that prevented commercial development must be clarified and removed. As an example, all required internal and external approvals should be in place or determined to be forthcoming, including environmental and governmental approvals. There also must be evidence of firm intention by a company's management to proceed with development within a reasonable time frame (typically 5 years, though it could be longer).

Prospective resources: are estimated volumes associated with undiscovered accumulations. These represent quantities of petroleum which are estimated, as of a given date, to be potentially recoverable from oil and gas deposits identified on the basis of indirect evidence but which have not yet been drilled. This class represents a higher risk than contingent resources since the risk of discovery is also added. For prospective resources to become classified as contingent resources, hydrocarbons must be discovered, the accumulations must be further evaluated and an estimate of quantities that would be recoverable under appropriate development projects prepared.

Forward Looking Statements

This document has been prepared by Pura Vida Energy NL (PVD). This document contains certain statements which may constitute "forward-looking statements". It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including, but not limited to: price fluctuations, actual demand, currency fluctuations, drilling and production results, reserve and resource estimates, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory developments, economic and financial market conditions in various countries and regions, political risks, project delays or advancements, approvals and cost estimates.

PVD's operations and activities are subject to regulatory and other approvals and their timing and order may also be affected by weather, availability of equipment and materials and land access arrangements. Although PVD believes that the expectations raised in this document are reasonable there can be no certainty that the events or operations described in this document will occur in the timeframe or order presented or at all.

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