

Quarterly Report

For the period ended 30 June 2015



HIGHLIGHTS

- ▶ Closing cash of \$15 million *
- ▶ MZ-1 high impact well now drilling
- ▶ MZ-1 is being drilled in a unique location to test the Ouanoukrim prospect, a series of four independently risked stacked targets (and a fifth target if the well is deepened)
- ▶ MZ-1 will test total gross mean prospective resources of over 1.4 billion barrels (328 mbo net to Pura Vida), with a high case of over 3.0 billion barrels (*refer ASX announcement of 17 December 2014*)
- ▶ Completion of 3D seismic survey in the Ambilobe block, offshore Madagascar

* Includes \$7.7 million held in joint operating account for Madagascar 3D seismic program

EXPLORATION

MAZAGAN PERMIT, OFFSHORE MOROCCO

(PURA VIDA 23%, SUBSIDIARY OF FREEPORT-MCMORAN OIL & GAS LLC OPERATOR)

The Mazagan permit covers an area of 8,717 km² and is located off the Atlantic coast of Morocco, in water depths of 1,370-3,000 metres. The Mazagan permit contains significant potential, including Miocene, Cretaceous and Jurassic targets.

The MZ-1 well commenced drilling in June towards a proposed total depth of 5,600 metres (6,150 metres if a decision is made to deepen the well). The well has been drilled to a depth of 3,400 metres and current operations include setting casing above the first of the Cretaceous targets, before drilling ahead to intersect two Cretaceous targets at which time an announcement of the preliminary results for the Cretaceous interval will be released. Thereafter drilling operations will continue toward the deep Jurassic targets.

The 2015 drilling campaign is being undertaken by the Atwood Achiever Deepwater Drillship (refer Figure 2) which is contracted under a rig sharing arrangement amongst several operators.

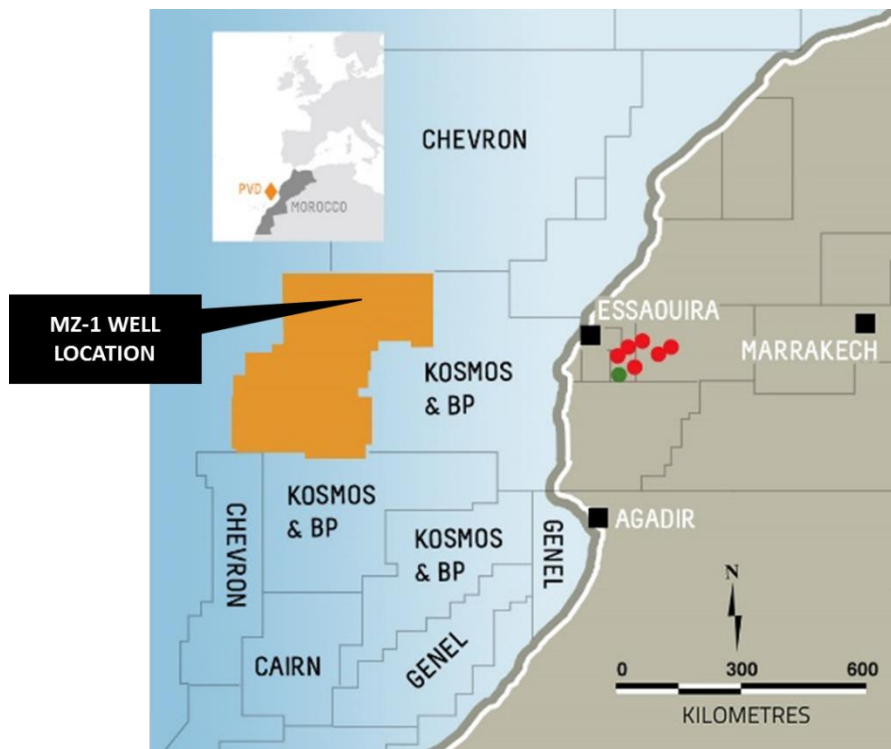


Figure 1 - Location of MZ-1 well



Figure 2 -The Atwood Achiever Deepwater Drillship

The MZ-1 well is testing the Ouanoukrim prospect which comprises a series of independently risked stacked targets that are defined on 3D seismic (refer Figure 3). MZ-1 is located in water depths of 2,176 metres and will be drilled to 5,600 metres Total Vertical Depth Subsea with potential to deepen to 6,150 metres. The total gross un-risked mean prospective resource potential to be targeted by the MZ-1 well is over 1.4 billion barrels, with a high case of over 3.0 billion barrels (*reference: ASX announcement 17 December 2014. Refer to cautionary statement in relation to prospective resources at the end of this Report*).

MZ-1 will test four separate independently risked stacked objectives and a fifth objective if the well is deepened. MZ-1 provides the opportunity to test the full prospective stratigraphy of the basin including large traps in the Cretaceous and Jurassic. In drilling through the Jurassic targets, the well will also sample the source rocks as they are interbedded with the Jurassic fans.

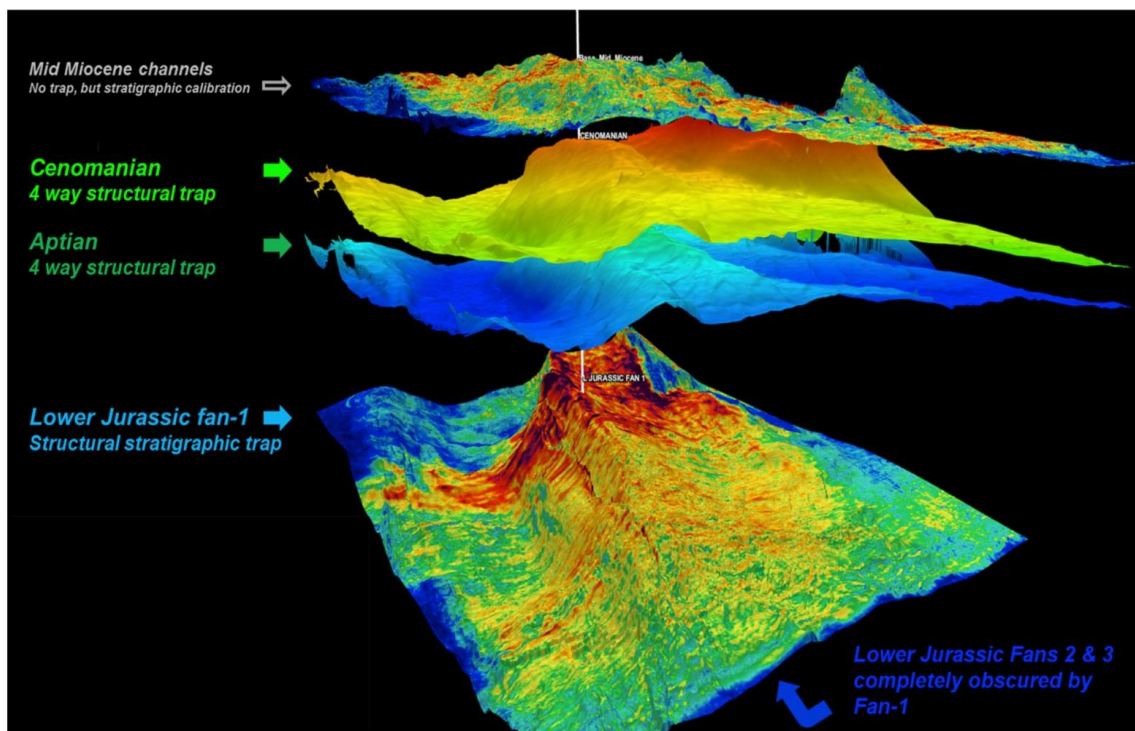


Figure 3 - 3D view showing MZ-1 well path intersecting multiple stacked targets

NKEMBE BLOCK, OFFSHORE GABON

(PURA VIDA 100%* AND OPERATOR)

* Pura Vida's interest is subject to the right of the State of Gabon to participate in any development for up to a 20% interest under the Production Sharing Contract

The Nkembe block covers an area of 1,210 km² in water depths of 50-1,100 metres approximately 30 km off the coast of Gabon in the prolific oil prone Gabon Basin. The block is adjacent to producing oil fields and infrastructure, including several fields operated by Total, the largest producer in Gabon.

Pura Vida is undertaking a farmout process to secure an industry partner to fund future exploration on the Nkembe block, including drilling. The farmout process is ongoing with a number of potential partners. The fall in oil price in late 2014 has had an effect on the industry and investment in exploration activity which has impacted farmout activity across the industry as a whole. Industry investment in Gabon remains buoyant with activity across the full spectrum including seismic acquisition as well as exploration, appraisal and development drilling during the quarter and continuing throughout this year.

The Company completed reprocessing existing 3D data earlier this year with positive results. The new interpretations have been made available to potential partners and farmout discussions are ongoing.

Pura Vida was awarded the Nkembe block in early 2013 and since then there have been a number of important pre-salt discoveries in Gabon. The first was in August 2013 with a discovery by Total with the Diaman-1 well to the south of the Nkembe block which encountered a 50-55 metre gas/condensate column in pre-salt reservoir. Following Total's success, there was a string of pre-salt discoveries in Gabon in 2014, including the Nyonie Deep discovery drilled by Eni (estimated at 500 mboe), the Leopard discovery drilled by Shell (approximately 200 metres net gas pay), and the Igongo discovery (90 metres net oil and gas pay) drilled by Tullow. Appraisal wells are now being planned for all of these recent discoveries. These discoveries prove the pre-salt potential in Gabon is a significant play. Due to the proximity of these discoveries to the Nkembe block, it is now established that the pre-salt fairway extends through the Nkembe block substantially de-risking the pre-salt prospects within the block.

The Sputnik East well drilled by a joint venture between Perenco, Tullow and ExxonMobil to the south of the Nkembe block also encountered non-commercial hydrocarbon pay within thick pre-salt sandstone reservoirs, some 300 metres net sand, significantly exceeding Pura Vida's pre-drill expectations. Sputnik

East proves a working petroleum system immediately to the south of the Nkembe block and along trend from the large Mouveni West prospect. Whilst not commercial, the Sputnik East well provides further encouragement for the potential of the Nkembe block.

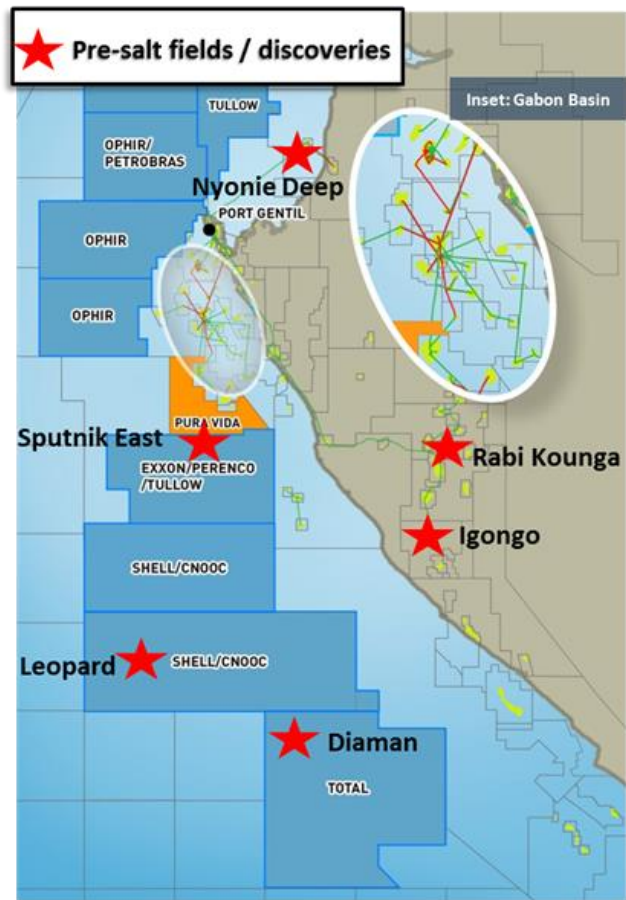


Figure 4- Pre-salt fields/discoveries around the Nkembe block

AMBILOBE BLOCK, OFFSHORE MADAGASCAR

(PURA VIDA 50%, STERLING ENERGY (UK) LIMITED OPERATOR)

The Ambilobe block is located in the Ambilobe Basin, offshore north-west Madagascar covering an area of 17,650 km².

During the quarter, Pura Vida announced the completion of a 3D seismic survey for the Ambilobe block, offshore Madagascar (refer Figure 5). The survey was completed on time and on budget. The survey covered an area of approximately 1,175 km² over a high-graded portion of the Ambilobe block. The acquisition was undertaken by Sterling Energy plc as Operator, using seismic contractor CGG Services SA, on behalf of the Ambilobe joint venture partners.

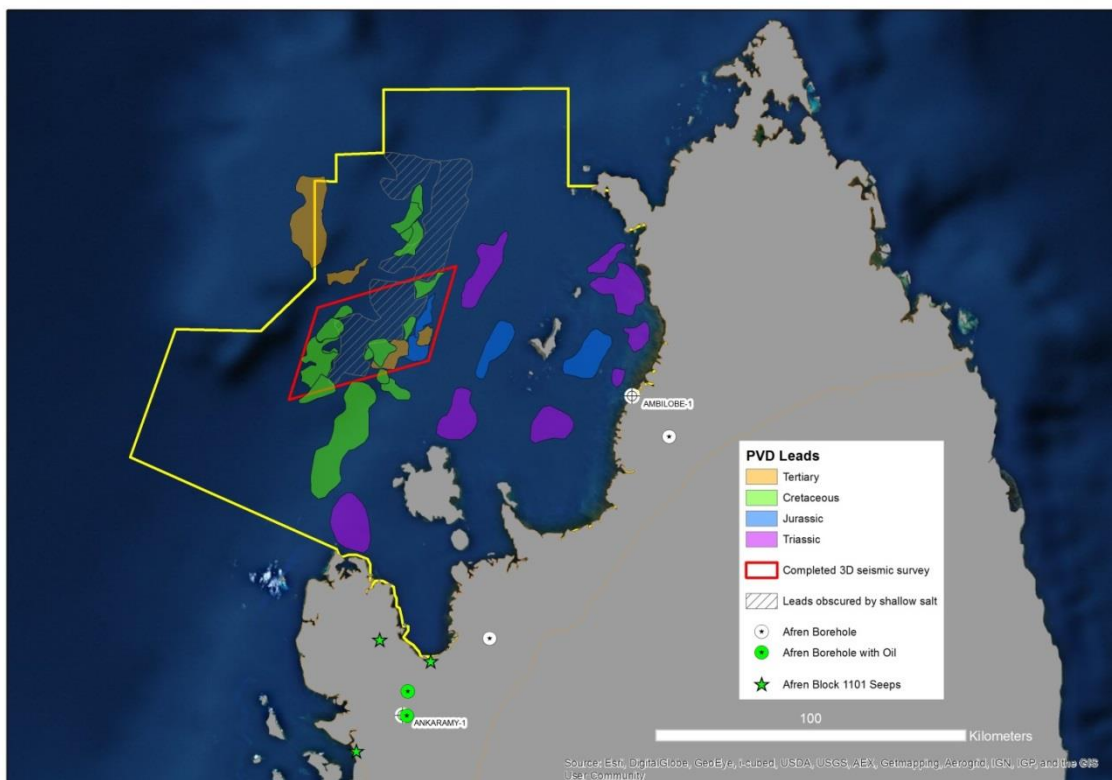


Figure 5 – Approximate location of completed 3D seismic survey area

Processing of the newly acquired 3D data has commenced. Intermediary products will be available during the second half of 2015, allowing early interpretation, with the final processed data available in Q1 2016.

There has been limited exploration in the Ambilobe Basin, where the offshore area remains undrilled. There are several onshore heavy oil discoveries in the Morondava Basin, southern Madagascar that are currently being developed. Pura Vida made the strategic entry into the block based on compelling regional geology and 2D seismic data where oil seeps prove a working petroleum system and where effective source rocks, reservoirs and seals in combination with salt in the basin form large structural trends that provide the potential for a significant hydrocarbon province. These fundamental elements have been correlated from the onshore part of the basin, where a recent coring program undertaken by Afren in late 2014 revealed Cretaceous and Jurassic oil bearing reservoirs to the offshore and into the structural fairway that is the site of the 3D program. Mapping of existing data has already highlighted multiple leads within each of the extensive play fairways and therefore there is significant running room in the event that a discovery is made.

CORPORATE & FINANCIAL

As at 30 June 2015, the Company had a net cash position of \$15 million*.

* Includes \$7.7 million held in joint operating account for Madagascan 3D seismic program

ISSUED CAPITAL AS AT 30 JUNE 2015

| Security | Number |
|-----------------------------|-------------|
| Ordinary Shares | 150,684,051 |
| Unlisted Partly Paid Shares | 10,928,550 |
| Unlisted Performance Rights | 1,731,204 |
| Unlisted Options | 11,007,693 |

PETROLEUM TENEMENTS HELD AS AT 30 JUNE 2015

| | % Interest | Tenement | Location |
|-----------------------------|------------|----------------|---------------------|
| Held at end of quarter | 23% | Mazagan Permit | Offshore Morocco |
| | 100%* | Nkembe Block | Offshore Gabon |
| | 50% | Ambilobe Block | Offshore Madagascar |
| Acquired during the quarter | - | - | - |
| Disposed during the quarter | - | - | - |

* Pura Vida's interest is subject to the right of the State of Gabon to participate in any development for up to a 20% interest under the Production Sharing Contract

INTERESTS IN FARM-IN OR FARM-OUT AGREEMENTS AS AT 30 JUNE 2015

| | Farm-in / Farm-out | % Change in Interest | Project |
|-----------------------------|--------------------|----------------------|---------|
| Held at end of quarter | - | - | - |
| Acquired during the quarter | - | - | - |
| Disposed during the quarter | - | - | - |

CORPORATE DIRECTORY

Directors

| | |
|-----------------|------------------------|
| Jeff Dowling | Non-Executive Chairman |
| Damon Neaves | Managing Director |
| Richard Malcolm | Non-Executive Director |

Company Secretary

Dennae Lont

Share Registry

Computershare
Level 11, 172 St Georges Terrace
PERTH WA 6000
Telephone: 1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)

Registered Office and Principal Place of Business

Level 3, 89 St Georges Terrace
PERTH WA 6000
Telephone: +61 8 9226 2011
Facsimile: +61 8 9226 2099
Web: www.puravidaenergy.com.au

Disclaimers

* Prospective Resource Estimates Cautionary Statement

The estimated quantities of petroleum that may potentially be recoverable 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.

Prospective Resources

Prospective resource estimates presented in this report are prepared as at 7 October 2014 (*reference: ASX announcement 17 December 2014*). The resource estimates have been prepared using the internationally recognised Petroleum Resources Management System to define resource classification and volumes. The resource estimates are in accordance with the standard definitions set out by the Society of Petroleum Engineers, further information on which is available at www.spe.org. The estimates are unrisks and have not been adjusted for both an associated chance of discovery and a chance of development. The 100% basis and net to Pura Vida prospective resource estimates includes Government share of production.

Pura Vida is not aware of any new information or data that materially affects the assumptions and technical parameters underpinning the estimates of the prospective resources and the relevant market announcements referenced continue to apply and have not materially changed.

Persons compiling information about hydrocarbons

The resource estimates contained in this report for the Mazagan permit, Morocco have been prepared by Mr Andrew Morrison BSc. Geology (Hons) a Geologist who has over 30 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 Society of Petroleum Engineers. Mr Morrison is a full time employee of the Company and has consented to inclusion of the resource estimates in this presentation in the form and context in which they are included.

Appendix 5B

Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of entity

PURA VIDA ENERGY NL

ABN

11 150 624 169

Quarter ended ("current quarter")

30 June 2015

Consolidated statement of cash flows

| Cash flows related to operating activities | Current quarter \$A'000 | Year to date (12 months) \$A'000 |
|---|----------------------------|--|
| 1.1 Receipts from product sales and related debtors | 15 | 30 |
| 1.2 Payments for (a) exploration & evaluation | (4,998) | (9,422) |
| (b) development | - | - |
| (c) production | - | - |
| (d) administration | (915) | (4,543) |
| 1.3 Dividends received | - | - |
| 1.4 Interest and other items of a similar nature received | 10 | 86 |
| 1.5 Interest and other costs of finance paid | - | - |
| 1.6 Income taxes paid | - | - |
| 1.7 Other (provide details if material) | - | - |
| Net Operating Cash Flows | (5,888) | (13,849) |
| Cash flows related to investing activities | | |
| 1.8 Payment for purchases of: | | |
| (a) prospects | - | - |
| (b) equity investments | - | - |
| (c) other fixed assets | - | (20) |
| 1.9 Proceeds from sale of: | | |
| (a) prospects (Mazagan) | - | - |
| (b) equity investments | - | - |
| (c) other fixed assets | - | - |
| 1.10 Loans to other entities | - | - |
| 1.11 Loans repaid by other entities | - | - |
| 1.12 Other (provide details if material) | - | - |
| Net investing cash flows | - | (20) |
| 1.13 Total operating and investing cash flows (carried forward) | (5,888) | (13,689) |

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

| | | | |
|------|---|---------|----------|
| 1.13 | Total operating and investing cash flows (brought forward) | (5,888) | (13,869) |
| | Cash flows related to financing activities | | |
| 1.14 | Proceeds from issues of shares, options, etc. | 694 | 6,271 |
| 1.15 | Proceeds from sale of forfeited shares | - | - |
| 1.16 | Proceeds from borrowings | - | - |
| 1.17 | Repayment of borrowings | - | - |
| 1.18 | Dividends paid | - | - |
| 1.19 | Other (costs associated with issue of shares and other financing costs) | - | (260) |
| | Net financing cash flows | 694 | 6,011 |
| | Net increase (decrease) in cash held | (5,194) | (7,858) |
| 1.20 | Cash at beginning of quarter/year to date | 20,305 | 20,462 |
| 1.21 | Exchange rate adjustments to item 1.20 | (65) | 2,442 |
| 1.22 | Cash at end of quarter¹ | 15,046 | 15,046 |

Note 1 – Includes \$7.7 million held in joint operating account for Madagascar 3D seismic program

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

| | | Current quarter \$A'000 |
|------|--|----------------------------|
| 1.23 | Aggregate amount of payments to the parties included in item 1.2 | 160 |
| 1.24 | Aggregate amount of loans to the parties included in item 1.10 | - |
| 1.25 | Explanation necessary for an understanding of the transactions | |
| | Payments of Directors fees and salaries \$160,144. | |

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

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| |
|--|

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

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| |
|--|

Financing facilities available

Add notes as necessary for an understanding of the position.

| | | Amount available \$A'000 | Amount used \$A'000 |
|-----|-----------------------------|-----------------------------|------------------------|
| 3.1 | Loan facilities | - | - |
| 3.2 | Credit standby arrangements | - | - |

+ See chapter 19 for defined terms.

Estimated cash outflows for next quarter

| | | \$A'000 |
|--------------|----------------------------|--------------|
| 4.1 | Exploration and evaluation | 6,608 |
| 4.2 | Development | - |
| 4.3 | Production | - |
| 4.4 | Administration | 1,043 |
| Total | | 7,651 |

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

| | Current quarter \$A'000 | Previous quarter \$A'000 |
|--|----------------------------|-----------------------------|
| 5.1 Cash on hand and at bank | 6,158 | 6,670 |
| 5.2 Deposits at call | 1,171 | 1,679 |
| 5.3 Bank overdraft | - | - |
| 5.4 Other ² | 7,717 | 11,956 |
| Total: cash at end of quarter (item 1.22) | 15,046 | 20,305 |

Note 2 - Money held in joint operating account for Madagascar 3D seismic program

Changes in interests in mining tenements

| | Tenement reference | Nature of interest (note (2)) | Interest at beginning of quarter | Interest at end of quarter |
|-----|-----------------------|---|--|----------------------------------|
| 6.1 | | Interests in mining tenements relinquished, reduced or lapsed | - | - |
| 6.2 | | Interests in mining tenements acquired or increased | - | - |

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.


| | Total number | Number quoted | Issue price per security (see note 3) (cents) | Amount paid up per security (see note 3) (cents) |
|--|----------------|---------------|---|--|
| 7.1 Preference +securities <i>(description)</i> | - | - | - | - |
| 7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions | - | - | - | - |
| 7.3 +Ordinary securities | 150,684,051 | 150,684,051 | - | - |
| 7.4 Changes during quarter (a) Increases through issues | 2,300,000 | 2,300,000 | \$0.20 | \$0.20 (conversion of partly paid shares) \$0.00 (conversion of performance rights following vesting) \$0.35 (conversion of options) |
| | 127,168 | 127,168 | \$0.00 | |
| | 600,000 | 600,000 | \$0.35 | |
| (b) Decreases through returns of capital, buy-backs | - | - | - | - |
| 7.5 +Convertible securities | | | | |
| <i>Unquoted partly Paid Securities</i> | 10,928,550 | - | - | - |
| 7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted | - 2,300,000 | - - | - - | - - |
| 7.7 Options <i>(description and conversion factor)</i> | | | <u>Exercise price</u> | <u>Expiry date</u> |
| | 300,000 | - | \$0.70 | 3 June 2016 |
| | 2,000,193 | - | \$0.60 | 20 June 2016 |
| | 3,750,000 | - | \$0.40 | 6 September 2016 |
| | 775,000 | - | \$1.03 | 2 October 2016 |
| | 32,500 | - | \$1.08 | 4 November 2016 |
| | 250,000 | - | \$0.82 | 16 December 2016 |
| | 1,500,000 | - | \$0.91 | 13 January 2017 |
| | 2,400,000 | - | \$0.35 | 20 August 2017 |
| 7.8 Issued during quarter | - | - | - | - |
| 7.9 Exercised during quarter | 600,000 | - | \$0.35 | 20 August 2017 |
| 7.10 Expired during quarter | - | - | - | - |
| 7.11 Debentures <i>(totals only)</i> | - | - | | |
| 7.12 Unsecured notes <i>(totals only)</i> | - | - | | |

+ See chapter 19 for defined terms.

| | | | |
|------|---------------------------|-----------|---|
| 7.13 | Performance Rights | 1,731,204 | - |
|------|---------------------------|-----------|---|

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:  Date: 14/07/15
(Company Secretary)

Print name: Denna Lont

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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