

ASX Announcement

SYDNEY, AUSTRALIA (28 April 2025)

Melbana Energy Limited (ASX: MAY) (**Melbana** or the **Company**) provides the following summary in relation to its activities during the quarter ended 31 March 2025.

Quarterly Activities Report - Period Ended 31 March 2025

HIGHLIGHTS

Cuba

Block 9 PSC (Melbana 30% participating interest and Operator)

- The Alameda-2 workover commenced in February and well cleanup flow was underway.
- Construction of the Amistad-2 access road and well pad commenced.

AC/P70 (Melbana 100% participating interest and Operator)

- A maiden Prospective Resource¹ of 2,754 Bcf and 43 MMbbl (unrisked, gross best estimate).
- A maiden Contingent Resource¹ of 276 Bcf and 34 MMbbl (2C) associated with the undeveloped Vesta and Swan oil and gas fields.

Corporate

- \$7.6 million cash available at the end of the quarter.

CUBA: Block 9 PSC (Melbana 30%, Operator)

Field development

The first phase of the field development plan commenced during the quarter with the workover and acidisation of the Alameda-2 completion within the Amistad Unit 1B reservoir. Shortly after, civil construction of Pad 9 (location shown in Figure 1) commenced in preparation of the first of the Unit 1B production wells, Amistad-2, which is planned to spud in the June quarter.

¹ See ASX announcement dated 26 February 2025.

Using existing 2D seismic control, Amistad-2 will be drilled to the south from Pad 9 targeting the highest confidence (1C) resource of 16 million barrels², in a location up-dip of Alameda-2 (Figure 1).

The near-term goal to export a first cargo remains a priority. Progress on the relevant logistical arrangements was made during the quarter and crude produced during the Alameda-2 workover cleanup flow will contribute to that first cargo (see Figure 2).

Alameda-2 Workover

The workover of Alameda-2 commenced on 17 February 2025. The program was designed to remediate interpreted near-well formation damage of the Amistad Unit-1B oil reservoir. The nature of this damage was determined by our in-house team and external experts analysing results from the original Drill Stem Test (DST) and subsequent Extended Production Testing³.

Key steps in the workover program included using a service rig to pull the completion, adding new perforation intervals in both the upper and lower Unit 1B, undertaking an acid wash and squeeze then re-running the completion. Following completion, an extended initial period of clean-up flow was undertaken to unload heavy-weight completion brine and hydrochloric acid lost to the formation during operations.

Static gradient surveys and a memory production log (MPLT) survey were run during the initial cleanup flow. The MPLT confirmed that a pump would accelerate the recovery of the heavy-weight completion brine used to control the well. A progressive cavity pump (PCP) was run and a second acid treatment conducted.

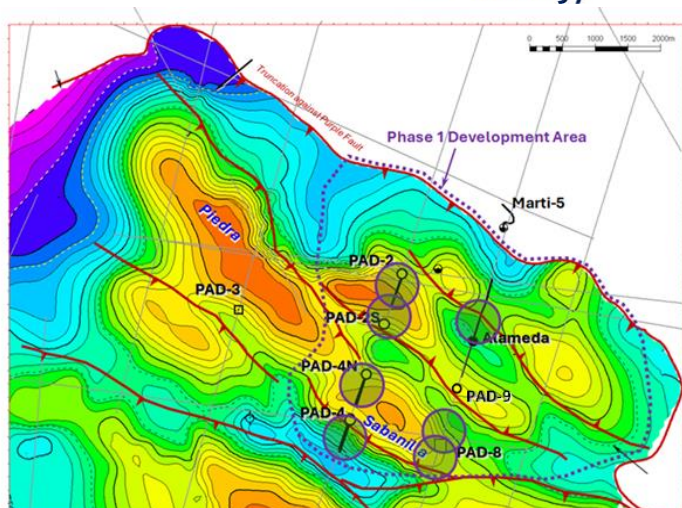


Figure 1 - Planned Unit 1B well pads in eastern part of field

² 100% share, best estimate – See ASX announcement dated 25 March 2024

³ See 2024 AGM Chairman Address and Company Presentation, ASX 19 Nov 2024



Figure 2 – Loading of Unit 1B crude oil to tanker at the Alameda-2 wellsite.

Drilling Amistad-2, Targeting Unit 1B

Preparations for the drilling of Amistad-2 are on track, civil construction commenced and was progressing ahead of schedule during the quarter. The Amistad-2 drilling program incorporates all lessons learned to date in order to maximise the well's flow potential. Key amongst these lessons are intersecting as many fracture zones as possible; a significantly simplified open-hole completion design; use of a non-damaging reservoir drilling fluid (RDF), which Melbana has developed and lab-tested specifically for this purpose; and avoiding killing the well via "bull-heading".

Amistad-2 is to be drilled from Pad 9 (Figure 3) in a southerly direction along the existing 2D seismic line and is designed to intersect the entire Unit 1B pay interval and numerous interpreted fracture sets. The surface location is approximately 800 metres from and 200 metres updip to the successful Alameda-2 well.



Figure 3 – Amistad-2 well pad (Pad-9).

Amistad-2 is scheduled to spud in the June quarter.

AUSTRALIA

AC/P70 Timor Sea (Melbana 100%)

Melbana holds 100% of the AC/P70 exploration permit offshore West Australia (see Figure 4). Maiden resource estimates were completed for the undeveloped Vesta and Swan gas and oil field discoveries and adjacent prospects.

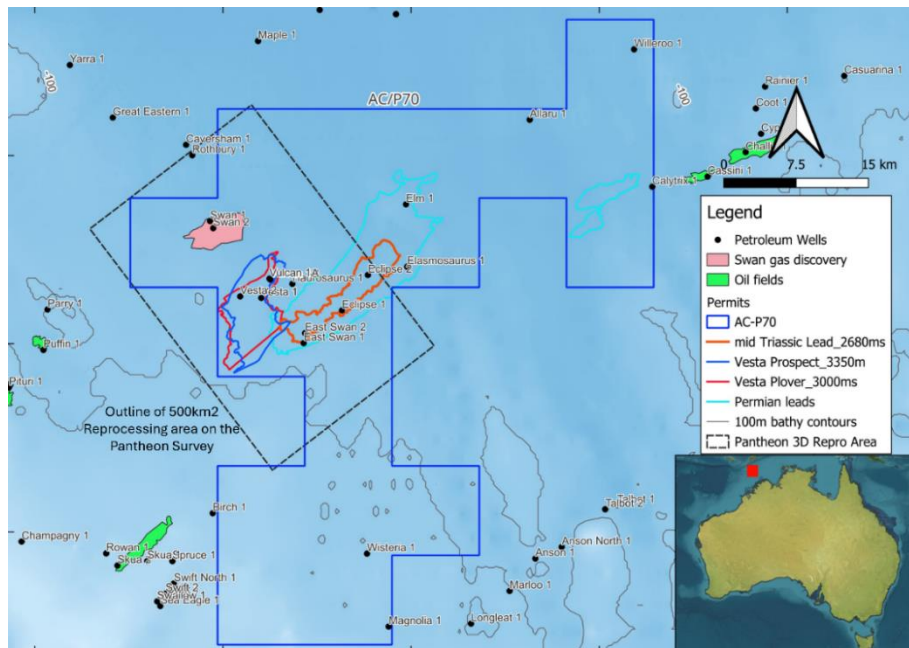


Figure 2 - Location of AC/P70 and reprocessed volume outline

The estimates were made following Melbana's proprietary reprocessing of the publicly available 3D seismic and resultant significant improvement in data quality. This improvement allowed the identification and mapping of significantly larger exploration targets within and adjacent to the working petroleum systems of the greater Swan and Vesta discoveries. Some of these areas are up-dip of the old discovery wells, further improving the chance of success. The combined unrisks gross best estimate for Prospective Resource¹ over the permit was 2,754 Bcf and 43 MMbbl.

AC/P70 contains the undeveloped Swan gas field, discovered by Arco in 1973 while exploring for oil and which was further appraised by an additional two wells by BHP in 1991. Wireline pressure data and recovered gas samples from several sands of the Cretaceous Puffin sandstone confirmed a common pressure regime and the presence of mobile gas.

The Vesta oil and gas field was discovered by ENI in 2005, also whilst exploring for oil, and was appraised by a second well. Three drill stem tests (DST) confirmed the presence of producible oil and gas from the Jurassic "Spec Di" reservoir but the field has not been developed. Significant and relatively high probability-of-geologic success (Pg) prospective resources are interpreted within untested compartments up-dip of the discovery wells.

The combined unrisks best estimate (2C) Contingent Resource¹ volume for the Swan and Vesta fields was 276 Bcf and 34 MMbbl.

The permit is adjacent to existing production and facilities offering a clear pathway to commercialisation of any significant discovery.

Melbana has engaged an advisor to assist it with farming out some of its 100% interest in the permit to a suitably qualified partner in return for an upfront cash contribution to back costs and funding the forward technical work programme, which includes an exploration well.

HEALTH AND SAFETY

No lost time incidents occurred during the reporting period.

CORPORATE

Payments to related parties and their associates, totalling \$137,000 as outlined in Section 6 of the accompanying Appendix 5B, related to payment of directors' fees.

The Company had total cash on hand of \$7.6 million as of 31 March 2025.

This announcement has been authorised for release to the ASX by the Board of MAY.

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

Mr Andrew Purcell
Executive Chairman

Mr Uno Makotsvana
CFO and Company Secretary
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Ends -

APPENDIX B – TENEMENTS



INTERESTS HELD AT THE END OF THE QUARTER

TYPE	LOCATION	TITLEHOLDERS	INTEREST
PSC Block 9	Cuba	Melbana Energy Limited	30%
PSC Santa Cruz	Cuba	Melbana Energy Limited	100% ⁴
PEL WA-544-P	Australia	MEO International Pty Limited	100%
PEL NT/P87	Australia	MEO International Pty Limited	100%
PEL WA-488-P	Australia	EOG Resources Australia Block WA-488 Pty Limited	Cash, contingent on certain elections being made with respect to the PEL, and payments, contingent on exploration success. ⁵
PEL AC/P70	Australia	Melbana Energy AC/P70 Pty Limited	100%
PEL WA-552-P	Australia	Melbana Exploration Pty Ltd	100%

INTERESTS DISPOSED OF DURING THE QUARTER

TYPE	LOCATION	TITLEHOLDERS	INTEREST
N/A			

INTERESTS ACQUIRED DURING THE QUARTER

TYPE	LOCATION	TITLEHOLDERS	INTEREST
N/A			

⁴ Award subject to receiving all regulatory approvals, some of which are outstanding

⁵ See ASX announcement dated 24 November 2021

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

MELBANA ENERGY LIMITED

ABN

43 066 447 952

Quarter ended
("current quarter")

31 March 2025

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
1.2 (c) production	-	-
(d) staff costs*	(309)	(1,245)
(e) administration and corporate costs	(499)	(1,741)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	27	186
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from/(used in) operating activities	(781)	(2,800)
<i>*Some staff costs are reallocated in exploration & evaluation</i>		
2. Cash flow from investing activities		
Payment to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
2.1 (c) property, plant and equipment	-	-
(d) exploration & evaluation	(7,127)	(32,093)
(e) investments	-	-
(f) other non-current assets	-	-
2.2 Proceeds from disposal of:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (Contributions from JV Partner)	5,737	29,619
2.6 Net cash from/(used in) investing activities	(1,390)	(2,474)

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter	Year to date (12 months)
		\$A'000	\$A'000
3. Cash flows from financing activities			
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from/(used in) financing activities	-	-

4. Net increase / (decrease) in cash and cash equivalents for the period			
4.1	Cash and cash equivalents at beginning of period	9,691	31,688
4.2	Net cash from/(used in) operating activities (item 1.9 above)	(781)	(2,800)
4.3	Net cash from/(used in) investing activities (item 2.6 above)	(1,390)	(2,474)
4.4	Net cash from/(used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	53	460
4.6	Cash and cash equivalents at end of period	7,573	26,874

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts		Current quarter	Previous quarter
		\$A'000	\$A'000
5.1	Bank balances	7,573	9,691
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	7,573	9,691

6. Payments to related parties of the entity and their associates		Current quarter
		\$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	137
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments		
Director fees, salaries & superannuation expenses.		

7. Financing facilities Note: the item 'facility' includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity		Total facility amount at quarter end	Amount drawn at quarter end
		\$A'000	\$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other - Outstanding Cash Calls from JV Partner	18,439	-
7.4	Total financing facilities	18,439	-
7.5 Unused financing facilities available at quarter end			18,439
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.			
N/A			

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8. Estimated cash available for future operating activities		\$A'000
8.1	Net cash from/(used in) operating activities (Item 1.9)	(781)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1 (d))	(7,127)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(7,908)
8.4	Cash and cash equivalents at quarter end (item 4.6)	7,573
8.5	Unused finance facilities available at quarter end (item 7.5)	18,439
8.6	Total available funding (item 8.4 + item 8.5)	26,012
8.7 Estimated quarters of funding available (Item 8.6 divided by Item 8.3)		3.29
<i>Note: If the entity has reported positive relevant outgoings (i.e. a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7</i>		
8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:		
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer:	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer:	
8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer:	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered</i>		

Compliance statement

- This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- This statement does give a true and fair view of the matters disclosed.

Date:

28 April 2025

Authorised by:

The Board of Melbana Energy Limited

Notes

- The quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
- If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, 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. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
- Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
- If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee - e.g. Audit and Risk Committee]". If it has been autopsied for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
- If this report has been authorised for release to the market by your board of directors, you can wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.