ABN 43 066 447 952
Melbana Energy Limited
Mezzanine Floor, 388 George St
Sydney NSW 2000
Australia
T +61 2 8323 6600
E admin@melbana.com
www.melbana.com

ASX Announcement

SYDNEY, AUSTRALIA (28 January 2026)

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

Quarterly Activities Report - Period Ended 31 December 2025

HIGHLIGHTS

Cuba

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

- Alameda-2 was shut-in ahead of the planned Amistad-11 drilling; Crude inventory was more than 36,600 barrels at period end.
- Amistad-2 was drilled to a TD of 2,000 m.MD. Testing indicated that whilst the reservoir was very productive but no oil was recovered.
- Low-cost 2D seismic data acquired.

Australia

AC/P70 (Melbana 100%)

- Prospective Gas Resource[1] increased 3.7% to 2,857 Bcf (unrisked gross best estimate); and Prospective Oil Resource increased 81% to 78 MMbbl (unrisked gross best estimate).

Corporate

- $4.38 million cash available at the end of the quarter.

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

Alameda-2 Production

During the period, a total of 3,101 barrels of crude was produced and delivered to storage, bringing the closing crude inventory to 36,687 barrels. Alameda-2 was shut-in on 2 November, with the aim of drilling a twin (Amistad-11) immediately adjacent to avoid the formation damage issues, which had demonstrably impacted Alameda-2 production performance.

[1] See ASX announcements 10 October 2025

Drilling Amistad-2

Amistad-2 was spud on 18 September 2025 and was originally planned to take about three weeks to drill to a total depth (TD) of 1,125 metres measured depth (m.MD). Drilling results showed that the upper portion of the target structure had been eroded and replaced with sediment and that this had happened prior to the most recent phase of structuring.

The top of limestone was therefore encountered in the low-side (foot-wall) of the structure, approximately 600 m.MD deep to prognosis, so the decision was made to continue drilling past the original TD. Given the good hole conditions and whilst still in the reservoir formation, it was decided to stop drilling at 2,000 m.MD, incurring only about one week of additional drilling time.

The well was drilled at a lower mud weight than Amistad-1 and with the proprietary reservoir drilling fluid, designed using the learnings of the previous wells drilled in Block 9, which performed very well and allowed the removal of barite from the drilling fluid in the lower portion of the well. The lower mud weight also assisted with the well drilling at a higher rate of penetration than expected.

An extensive logging program was conducted and provided positive indications of extensive porosity and oil saturation within the 8-1/2" hole. Subsequent preliminary petrophysical analysis interpreted a total 169 m.MD, or 146 metres of true vertical depth (TVD), net reservoir based on a conventional cut-off of 9% porosity.

The reservoir in Amistad-2 is comprised of three primary sections: the upper-most section is highly porous and correlated to the Unit 1A observed in Alameda-2; the second unit is separated from shallower Unit 1A by a tight limestone interval and appears to be consistent with the Unit 1B Lower interval previously observed by Alameda-2; and, the third appears to be a repeat section of Unit 1B, but in a rotated and steeply dipping position. Ongoing analysis aims to confirm the stratigraphic sequence encountered by Alameda-2.

An acid-soak was spotted across the entire reservoir interval before being circulated out without incident. Tubing and a pump were then run (Figure 1) in hole and Amistad-2 was opened for testing on 31 October 2025 (Cuba time). Initial flow confirmed a highly permeable reservoir averaging 550 bbl/d with minimal pressure drawdown in the first 24 hours. The pump rate continued to be increased, with a final average rate of 1,220 bbl/d of water with minimal pressure drawdown. Cumulative water produced during testing was approximately 1,840 bbl, around twice the total combined wellbore and volume of drilling, acid and completion brine/water lost during operations.

Pressure data from the well indicates that the reservoirs at the Amistad-2 location are not in communication with those at the Alameda-2 location.

Figure 1 – Drilling of Amistad-2

Figure 2 – Testing of Amistad-2 on pump

Amistad-11

Given the results of Amistad-2, it was decided to drill Amistad-11 instead of Amistad-3 as part of the 2025 drilling program. Amistad-11 is a planned twin well to Alameda-2, which had originally produced at a stabilised 1,2352 BOPD prior to being damaged whilst shut-in post the original completion.

The Amistad-11 well plan is to drill up-dip of Alameda-2, kicking off at a shallower depth to achieve the desired separation at optimum reservoir depth then to drill on to a total depth of 1,000 m.MD in the lower section of Unit 1B (see Figure 3). The well is planned to have an open hole completion, but with the capability of running a slotted production liner, if required.

The reservoir drilling fluid Melbana has developed in response to its experience managing this formation previously will once again be used, given the good drilling rate of penetration and high productivity completion observed at Amistad-2. Drainage interference from the selected well position and trajectory is also estimated to be minimal, given the small volume produced to date relative to likely total recoverable volume estimated from prior testing and location outside the communication area of Alameda-2.

[2] See ASX announcement dated 28 August 2023

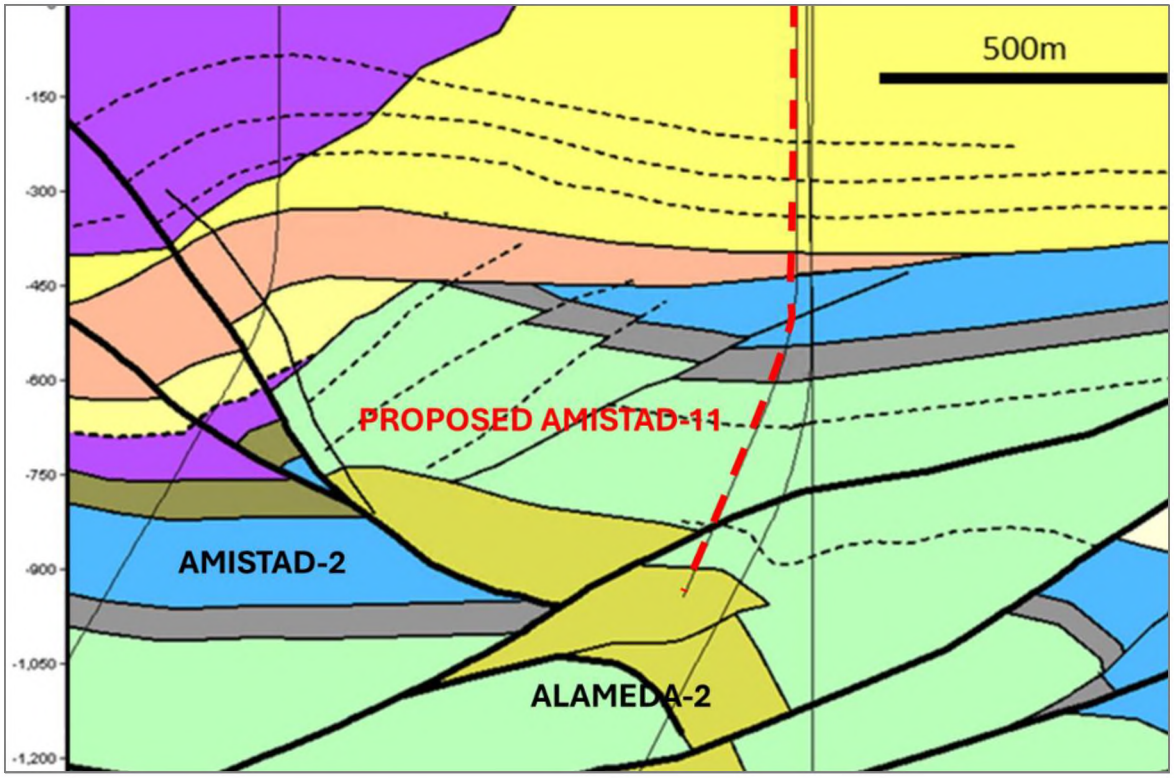

Figure 3 – Trajectory and target of Amistad-11

Partner approval and all permits to drill Amistad-11 were acquired and the rig mobilised to location completed on 22 November 2025. The Amistad-11 well spud was awaiting receipt of outstanding payment amounts due from Sonangol. Sonangol advised they would not be able to remit further monies in the 2025 calendar year and requested the drilling of Amistad-11 be deferred till 2026.

As such, the Company issued instructions to demobilise the contractor personnel and equipment and issued a Notice of Default to Sonangol, pursuant to the Joint Operating Agreement that governs the parties' relationship in Block 9 for non-payment of cash calls. Failure to cure the default in the sixty days provided may result in the defaulting party being required to assign its interest in Block 9 to the non-defaulting party.

2D Seismic Data Acquisition

During the period, Melbana acquired 18 km of low-cost 2D seismic data using a highly mobile hydraulic weight-drop system and associated geophone receivers. The Company conducted the acquisition of these data, primarily along existing roads to tie existing and proposed well locations and aid in the identification of potential shallow drilling hazards. Preliminary processing indicates good data quality and the potential for the acquired data to supplement, and potentially replace, the vintage seismic data which has been utilised to date for shallow well targeting.

Given the success of the low-cost 2D survey, plans are being advanced to conduct a small-scale 3D seismic survey along the Alameda-2 anticline trend to tie the existing wells and support future shallow well development planning.

Figure 4 – "Thumper" weight-drop system in action

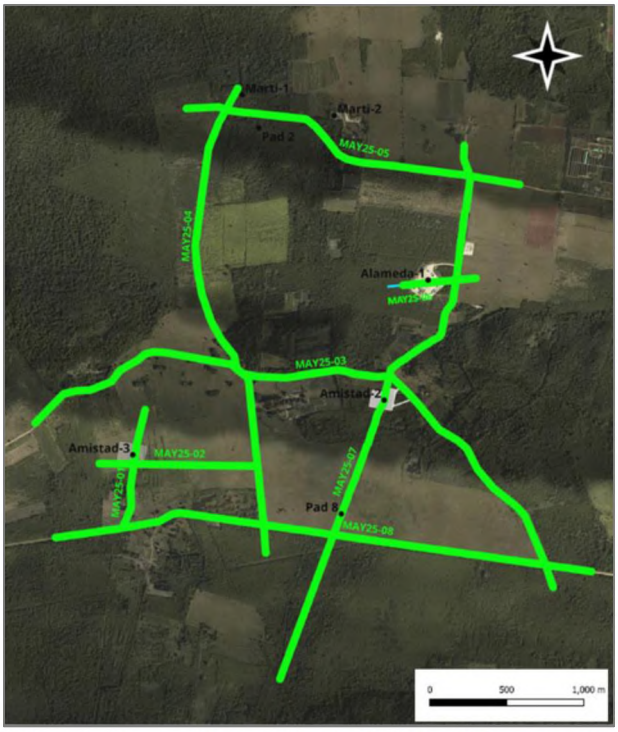

Figure 5 – Completed 2025 2D seismic acquisition program

AUSTRALIA: AC/P70 (Melbana 100%)

During the period, Melbana updated the Prospective Resource* estimates relating to the undeveloped Vesta Deep (Plover) gas and Hadrosaurus (Jurassic) prospects located within AC/P70, offshore northwestern Australia.

Advanced geophysical studies resulted in a 3.7% increase in Prospective Gas Resource3 to 2,857 Bcf (unrisked gross best estimate) and an 81% increase in Prospective Oil Resource to 78 MMbbl (unrisked gross best estimate) and maturation of the Hadrosaurus lead to Prospect status. Estimates were made using probabilistic methods with arithmetic aggregation of totals.

The permit, currently in its Primary Term, was awarded to Melbana in 20224. It contains multiple prospects and leads hosted within play fairways known to be prospective for gas and oil and is close to infrastructure that provides a clear path to commercialisation.

* **Prospective Resources Cautionary Statement** - The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) related to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Future exploration, appraisal and evaluation are required to determine the existence of a significant quantity of potentially moveable hydrocarbons. All Prospective Resource volumes presented have been calculated in accordance with Guidelines issued by the Society of Petroleum Engineers in the Petroleum Resource Management System (2018) using probabilistic methods, except totals which are arithmetic.

[3] See ASX announcements 10 October 2025
[4] See ASX announcement dated 16 February 2022

The permit 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 dry 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 reservoir, but the field has not been developed. Significant and relatively high probability of geologic success prospective resources are interpreted within un-tested compartments up-dip of the discovery wells.

During 2024, in fulfilment of its work commitments, 500km2 of the publicly available Pantheon 3D seismic survey data was reprocessed. Interpretation of the reprocessed data indicated a larger than previously interpreted closure at Swan in the deeper Jurassic and Plover sections. The permit also holds the potential for large, un-tested, Triassic and Permian structural closures.

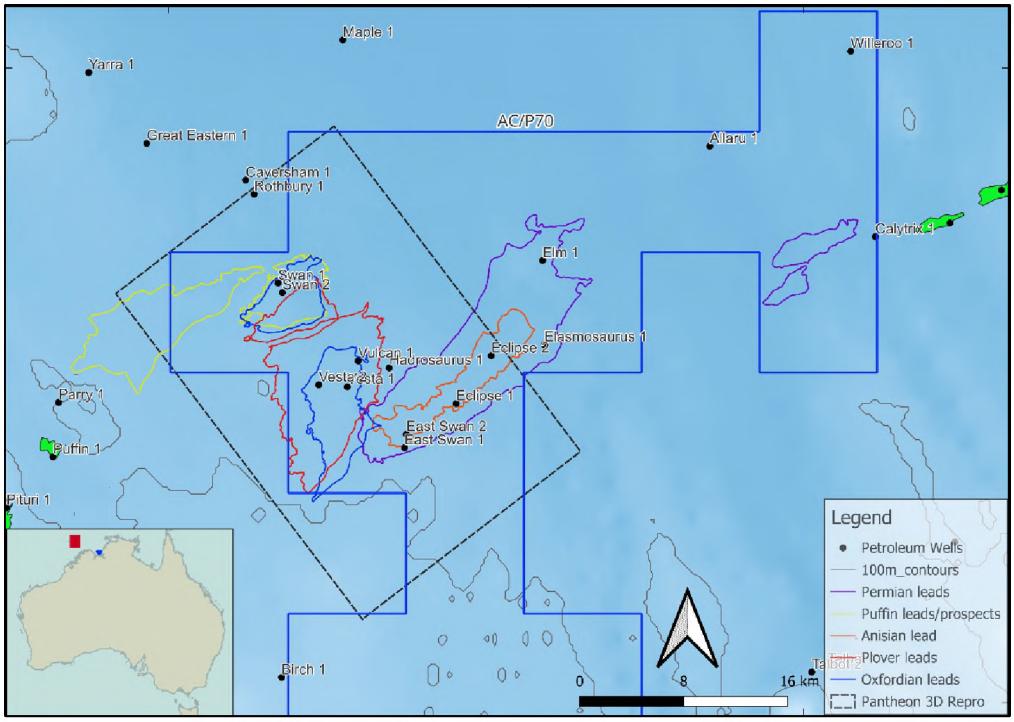

Figure 6 - AC/P70 permit prospect and lead location

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 one exploration well.

HEALTH AND SAFETY

No lost time incidents occurred during the reporting period.

CORPORATE

During the quarter the Company lodged a prospectus with ASIC in connection with the offer of options to eligible participants under the Company's previously announced placement[5].

Payments to related parties and their associates, totalling $138,000 as outlined in Section 6 of the accompanying Appendix 5B, related to payment of directors' fees.

The Company had total cash on hand of $4.38 million as of 31 December 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 +61 2 8323 6600

Ends -

[5] See ASX announcement dated 18 December 2025

APPENDIX B – TENEMENTS

INTERESTS HELD AT THE END OF THE QUARTER

TYPE	LOCATION	TITLEHOLDERS	INTEREST
PSC Block 9	Cuba	Melbana Energy Block 9 Pty Ltd	30%
PSC Santa Cruz	Cuba	Melbana Energy Limited	100%[6]
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.[7]
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			

[6] Award subject to receiving all regulatory approvals, some of which are outstanding
[7] 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 December 2025

	Consolidated statement of cash flows	Current quarter $A'000	Year to date (6 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
	Payments for		
	(a) exploration & evaluation	-	-
1.2	(b) development	-	-
	(c) production	-	-
	(d) staff costs*	(342)	(771)
	(e) administration and corporate costs	(618)	(1,253)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	21	35
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**	(939)	(1,989)

**Some staff costs are reallocated in exploration & evaluation*

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	(8,397)	(14,207)
	(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)	-	9,174
2.6	**Net cash from/(used in) investing activities**	(8,397)	(5,033)

	Consolidated statement of cash flows	Current quarter $A'000	Year to date (6 months) $A'000
3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	375	7,000
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	-	(464)
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**	375	6,536

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	13,442	18,498
4.2	Net cash from/(used in) operating activities (item 1.9 above)	(939)	(1,989)
4.3	Net cash from/(used in) investing activities (item 2.6 above)	(8,397)	(5,033)
4.4	Net cash from/(used in) financing activities (item 3.10 above)	375	6,536
4.5	Effect of movement in exchange rates on cash held	(106)	(195)
4.6	**Cash and cash equivalents at end of period**	4,375	17,817

	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 $A'000	Previous quarter $A'000
5.1	Bank balances	4,375	13,442
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)**	4,375	13,442

	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	138
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 $A'000	Amount drawn at quarter end $A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other - Outstanding Cash Calls from JV Partner	19,160	-
7.4	**Total financing facilities**	19,160	-
7.5	**Unused financing facilities available at quarter end**		19,160

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

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from/(used in) operating activities (Item 1.9)	(939)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1 (d))	(8,397)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(9,336)
8.4	Cash and cash equivalents at quarter end (item 4.6)	4,375
8.5	Unused finance facilities available at quarter end (item 7.5)	19,160
8.6	Total available funding (item 8.4 + item 8.5)	23,535
8.7	**Estimated quarters of funding available (Item 8.6 divided by Item 8.3)**	**2.52**

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

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:	

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

Compliance statement

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

Date: 28 January 2026

Authorised by: The Board of Melbana Energy Limited

Notes

1. 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.
2. 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.
3. 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.
4. 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".
5. 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.