

Report for quarter ended 30 September 2013

HIGHLIGHTS

Gabon

- ▶ Inspection of cores from Loba M 1 discovery well reveals good quality sandstone reservoirs with abundant oil staining.
- ▶ French Oil Major, Total, announces first deep water pre-salt discovery in Gabon proving a major play that extends into Nkembe block.

Morocco

- ▶ Well planning activities underway for the Toubkal-1 well, offshore Morocco.
- ▶ Kosmos announces a significant farmin deal with Oil Major, BP, covering the three blocks adjacent to Pura Vida's Mazagan permit.



Figure 1 : Satellite map of NW Africa showing Pura Vida's regional interests

OPERATIONS

NKEMBE BLOCK, OFFSHORE GABON

During the quarter, Pura Vida Energy NL (Pura Vida or the Company) (ASX:PVD) announced that inspection of the cores from the Loba M 1 discovery well had confirmed the presence of good quality sandstone reservoirs with abundant oil staining consistent with log properties previously reported by Pura Vida. The core analysis confirms the presence of a significant oil column in the Loba M 1 well and validates the estimated mean recoverable contingent resources of 20 mmbo (P50).

In August, French Oil Major, Total, announced a discovery in its Diaman-1B exploration well. The well was the first deep water well targeting the pre-salt in Gabon and encountered a 55 metre net hydrocarbon column. This pre-salt play extends into the Nkembe block where analogous prospects have been identified. A further 7 pre-salt wells are planned by other operators in Gabon in the near term.

The Company is progressing with the tender for the proposed 550km² multi-azimuth 3D seismic survey. The new survey will focus on the salt related plays in the block. These plays are being actively targeted by the industry in Gabon.

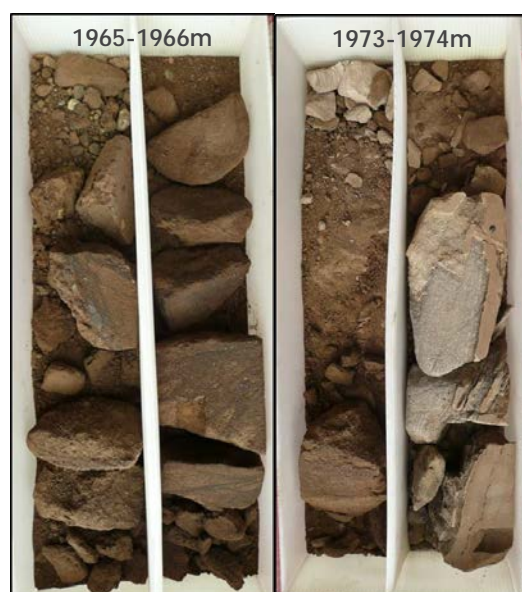


Figure 2 : Oil stained drilling cores from Loba M 1 well

Pura Vida is undertaking a farmout process to secure an industry partner to fund forward activities on the Nkembe block. The process is ongoing.

MAZAGAN PERMIT, OFFSHORE MOROCCO

The Company is awaiting final approvals to complete the farmout to a subsidiary of Freeport McMoran Oil & Gas LLC (FM O&G). Once received, completion under the terms of the farmout agreement will occur, including the receipt of US\$15 million by Pura Vida.

In the meantime, well planning activities are underway for the Toubkal well to be drilled next year. Entry into the drilling phase in Mazagan is an important milestone for the Company which will see the significant resource potential of the Mazagan permit tested.

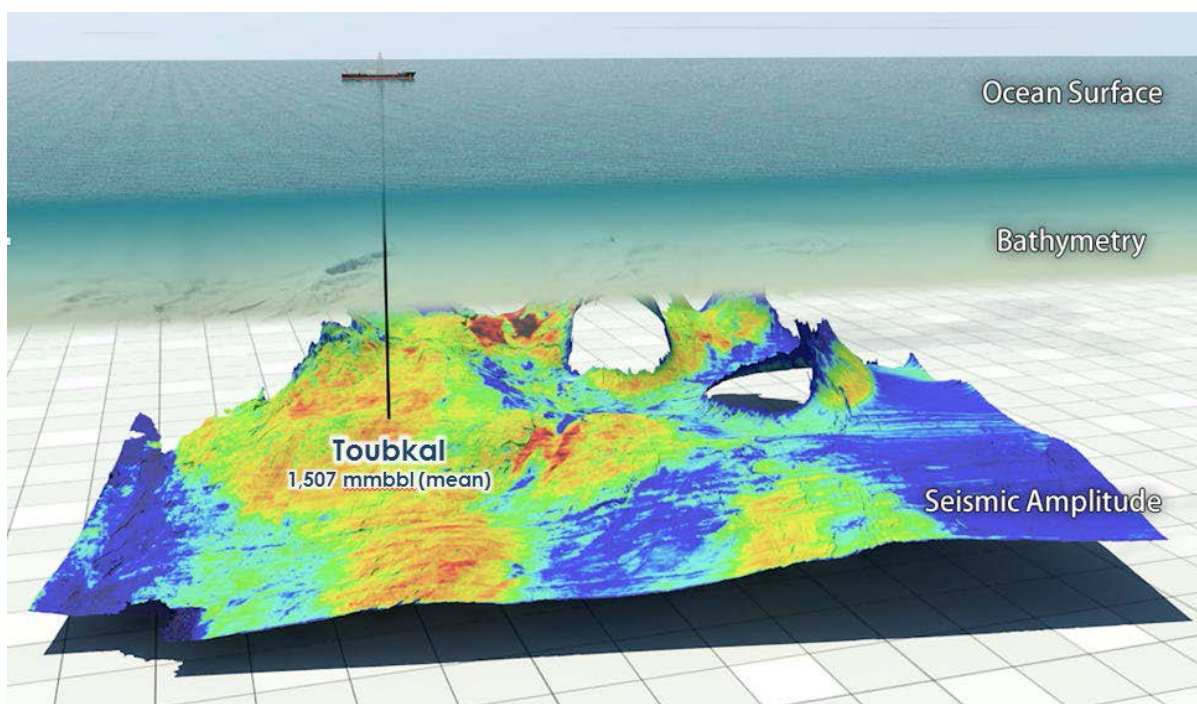


Figure 3 : Schematic showing a drill ship on location over the Toubkal prospect

In October, Cairn Energy spudded the first well in the drilling campaign by the industry offshore Morocco. Cairn's FD-1 exploration well in the Foug Draa permit (south of Mazagan) will test a Cretaceous turbidite play.

BP also farmed into three blocks adjoining the Mazagan permit continuing the spate of deals in Morocco.

CORPORATE & FINANCIAL

FUNDING

During the quarter, Pura Vida completed a placement raising \$7 million. Hartleys and RBS Morgans were Joint Lead Managers in respect of the placement. The placement received very strong interest from institutional investors as well as new and existing sophisticated investors and was several times overbid.

Funds raised pursuant to the placement will be applied primarily towards work associated with progressing Pura Vida's Nkembe block toward completion of a farmout, preparation for new 3D and for general working capital.

CASH

At the end of September 2013, the Company had closing net cash of \$7.1 million.

ISSUED CAPITAL AS AT 30 SEPTEMBER 2013

Security	Number
Ordinary Shares	104,753,514
Unlisted Partly Paid Shares	21,878,550
Unlisted Performance Rights	353,474
Unlisted Options	13,050,193

Competent Person's Statement: The prospective resource estimates for the Nkembe block have been generated internally by Pura Vida in compliance with the SPE Petroleum Resource Management System (PRMS), under the supervision of David Ormerod, Technical Director, a qualified Petroleum Geologist with over 25 years' experience in the oil exploration industry. Mr Ormerod is a member of the Petroleum Exploration Society of Australia, Society of Exploration Geophysicists and of the American Association of Petroleum Geologists, and has consented to the inclusion of the technical assessment in this announcement.

Disclaimer: The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) have an associated risk of development. Further appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons. This document may include forward looking statements. Forward looking statements include, are not necessarily limited to, statements concerning Pura Vida planned operation program and other statements that are not historic facts. When used in this document, the words such as "could", "plan", "estimate", "expect", "intends", "may", "potential", "should" and similar expressions are forward looking statements. Although Pura Vida believes its expectations reflected in these are reasonable, such statements involve risks and uncertainties, and no assurance can be given that actual results will be consistent with these forward looking statements.

About Pura Vida Energy: Pura Vida is an Australian-based African oil explorer building a portfolio of high quality assets. Pura Vida currently has operations offshore Morocco and offshore Gabon with significant resource potential and a fully funded high-impact drilling program.

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CONTACT

Damon Neaves, Managing Director

T: +61 8 9226 2011

E: info@puravidaenergy.com.au

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 September 2013

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (3 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(1,189)	(1,189)
(b) development	-	-
(c) production	-	-
(d) administration	(1,326)	(1,326)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	1	1
1.5 Interest and other costs of finance paid	(223)	(223)
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	9	9
Net Operating Cash Flows	(2,728)	(2,728)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(32)	(32)
1.9 Proceeds from sale of: (a) prospects	-	-
(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	(32)	(32)
1.13 Total operating and investing cash flows (carried forward)	(2,760)	(2,760)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(2,760)	(2,760)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	7098	7098
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	930	930
1.17	Repayment of borrowings	(930)	(930)
1.18	Dividends paid	-	-
1.19	Other (costs associated with issue of shares and other financing costs)	(544)	(544)
	Net financing cash flows	6,554	6,554
	Net increase (decrease) in cash held	3,794	3,794
1.20	Cash at beginning of quarter/year to date	3,408	3,408
1.21	Exchange rate adjustments to item 1.20	(17)	(17)
1.22	Cash at end of quarter	7,185	7,185

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	247
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 \$240,350.
 Payments made to Hemisphere Corporate Services Pty Ltd for the provision of administrative related services of \$6,791. Bevan Tarratt is a Director of Pura Vida Energy NL and shareholder of Hemisphere Corporate Services Pty Ltd.

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

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

+ See chapter 19 for defined terms.

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	4,000	4,000
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	1,350
4.2 Development	-
4.3 Production	-
4.4 Administration	900
Total	2,250

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	6,816	3,259
5.2 Deposits at call	369	149
5.3 Bank overdraft	-	-
5.4 Other (Bank Guarantee)	-	-
Total: cash at end of quarter (item 1.22)	7,185	3,408

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			

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

6.2 Interests in mining tenements acquired or increased

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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	104,753,514	92,733,514	-	-
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	(a) 12,150,000 75,000	12,150,000 75,000	\$0.58 \$0.20	\$0.58 \$0.20 (conversion of partly paid shares)
7.5 +Convertible securities <i>Unquoted partly Paid Securities</i>	- 21,878,550	- -	- -	- -
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	(b) 75,000	-	-	-
7.7 Options <i>(description and conversion factor)</i>	6,250,000 3,000,000 1,500,000	- - -	Exercise price 40 cents 35 cents 25 cents	Expiry date 6 September 2016 20 August 2017 3 December 2014
7.8 Issued during quarter	2,000,193 300,000	- -	60 cents 70 cents	20 June 2016 3 June 2016
7.9 Exercised during quarter	-	-	-	-
7.10 Expired during quarter	-	-	-	-

+ See chapter 19 for defined terms.

7.11	Debentures <i>(totals only)</i>	-	-
7.12	Unsecured notes <i>(totals only)</i>	-	-
7.13	Performance Rights	353,474	-

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: *(lodged electronically)*
(Company secretary)

Date: 31 October 2013

Print name: Nicholas Ong

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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+ See chapter 19 for defined terms.