



23 June 2014

SIGNIFICANT RESOURCE UPGRADE AND NEW PLAY IN NKEMBE BLOCK, OFFSHORE GABON

HIGHLIGHTS

- **Significant upgrade of net mean prospective resource (unrisked) on Nkembe block to 1,344 mmbo**
- **Identification of several areas containing stacked targets providing potential for testing of multiple prospects with a single well**
- **Positive implications for ongoing Nkembe farm-out process**
- **Identification of new pre-salt carbonate play analogous to significant discoveries offshore Brazil and Angola**

Pura Vida Energy NL ("Pura Vida" or the "Company") (ASX:PVD) is pleased to announce an upgrade to its prospective resource assessment of the Nkembe PSC, offshore Gabon. Further technical work undertaken by the Company has revealed a significant new play in the pre-salt within the Syn-rift interval where carbonate Coquinas reservoirs are anticipated to be present.

The inclusion of newly identified prospects increases the total gross mean unrisked prospective resources on block to 1,680 mmbo, 1,344 mmbo net to Pura Vida. The carbonate play is analogous to similar plays that have resulted in the discovery of several billion barrels of discovered oil offshore Angola and offshore Brazil. Pura Vida's technical work has also identified several areas which contain multiple stacked prospects that have the potential to be attractive drill candidates that could be tested with a single vertical well.

Commenting on the positive results of this technical work, the Company's Managing Director, Mr Damon Neaves said:

"Our recent technical work on the Nkembe block has yielded an exciting new play resulting in a significant increase in the resource potential. As our understanding of the geology of the Nkembe block has developed we have come to recognise the block has the potential to unlock value through a number of alternative pathways. At this time, industry interest in Gabon is running high with significant drilling activity ongoing and a very competitive deep-water bid round recently completed. We are therefore focused on securing funding from the industry to undertake the exploration activities required to unlock the potential value of the block."

Resource upgrade – 1,344 mmbo net mean prospective resource (un-risked)

Based on new interpretation on recent reprocessed seismic data undertaken by Pura Vida, the estimated net mean prospective resources on the Nkembe block has increased from 815 mmbo to 1,344 mmbo (see **Figure 2**).

Several areas in Nkembe block with multiple stacked targets identified

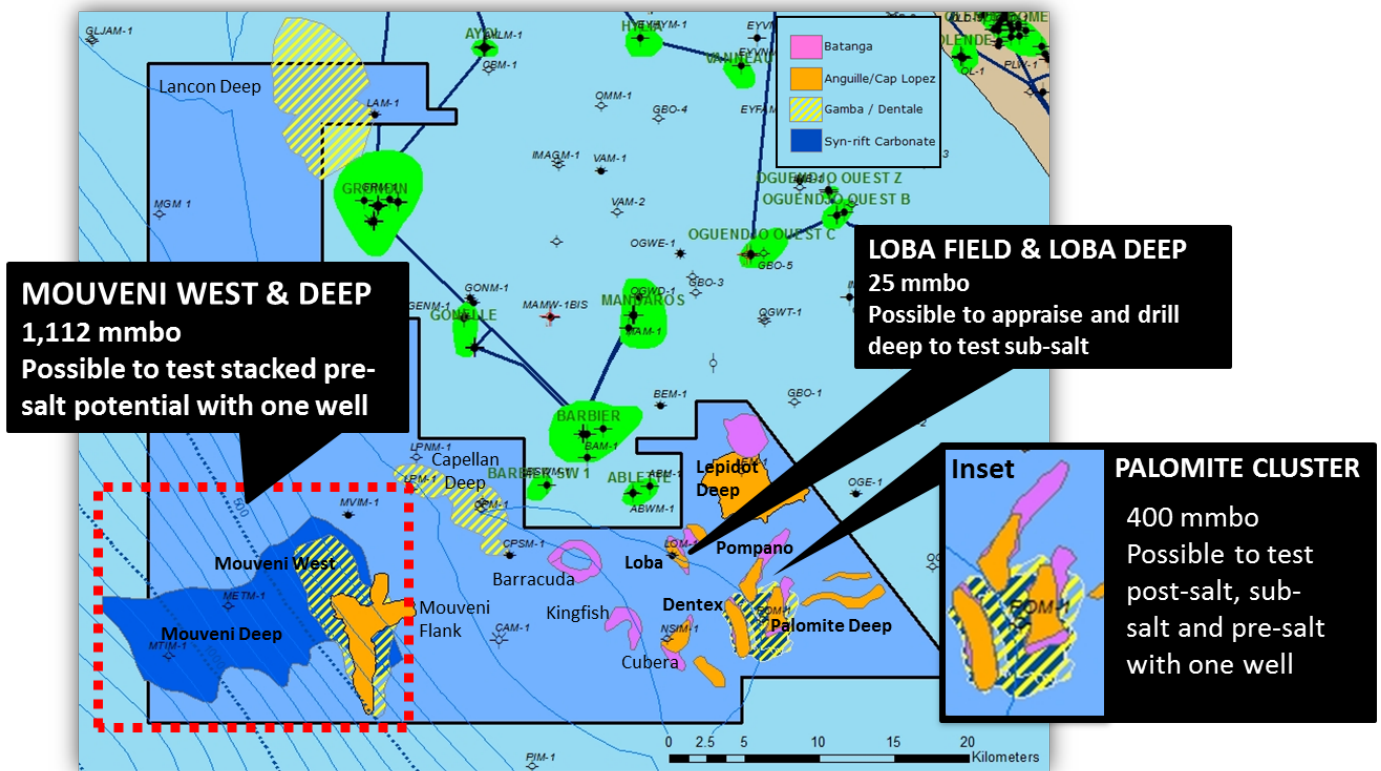
Pura Vida has identified several areas within the Nkembe block that contain multiple stacked targets. The drilling of stacked targets provides the ability to test prospects at differing stratigraphic levels through a single vertical well. Intersecting multiple prospects saves on drilling costs, increases the overall chance of making a commercial discovery, and in the event of success, allows for potential aggregation of resource potential.

The Moveni region in the south-western part of the block (see **Figure 1**) contains stacked prospects at the Gamba, Dentale and Syn-rift carbonate levels which have a net mean prospective resource un-risked potential of 286 mmbo and 603 mmbo respectively. A single well at this location has the potential to test a combined net prospective resource of 890 mmbo. Similar stacked prospects exist in the shallow water area at the Palomite cluster in the south-eastern part of the block (see **Figure 1**) where the Pompano and Dentex prospects directly overlie the larger and significant pre-salt level referred to as Palomite Deep.

Of particular interest to Pura Vida is the Pompano prospect within the Palomite cluster, where stacked targets from the Batanga, Lower Anguille and the Cap Lopez lie directly above the Palomite Deep pre-salt play where the Gamba, Dentale and the Syn-rift carbonates are stacked. The combined net mean prospective resource, un-risked, potential of Pompano and Palomite Deep is 320 mmbo.

The Loba Oil Field also overlies the Loba Deep sub-salt target which provides an opportunity for a combination of a lower risk appraisal well for a production test of the post-salt Loba discovery with a test of the Loba Deep sub-salt exploration target.

Figure 1 – Map showing regions on Nkembe block with multiple stacked targets



All estimates are gross mean prospective resources

Figure 2 – Nkembe Prospective Resource Estimates

Nkembe Permit		Gross prospective resources (mmb, un-risked) ^{1,2}				Gross prospective resources risked (mmb) ^{1,2}		Net prospective resources (mmb) ^{1,2}
Prospect Name	Target	Low	Best	High	Mean	POS	Mean risked	Un-risked mean
Loba Discovery	Batanga/P. Clairette	6	10	14	10	50%	5	8
Loba East	Batanga/P. Clairette	6	10	15	10	30%	3	8
Loba Deep	L. Anguille	7	11	16	11	20%	2	9
Loba Aggregated					31		10	25
Cubera	Batanga	6	14	26	15	26%	4	12
	L. Anguille/Azile	6	10	15	10	18%	2	8
Cubera Aggregated					25		6	25
Lepidote Deep	L. Azile/Cap Lopez	25	60	114	65	18%	12	52
Pompano	Batanga/P. Clairette	3	5	10	6	26%	2	5
	L. Anguille	7	15	26	16	18%	3	13
	Cap Lopez	21	43	74	46	10%	5	37
Pompano Aggregated					68		9	54
Dentex	Batanga/P. Clairette	9	18	34	20	20%	4	16
	L. Anguille	14	26	43	27	10%	3	22
Dentex Aggregated					47		7	38
Mouveni West	Gamba	23	50	91	54	20%	11	43
	Dentale	65	245	627	304	15%	46	243
Mouveni West (Deep)	Synrift Carbonates	152	608	1,506	754	10%	75	603
Mouveni West Aggregated					1,112		132	890
Palomite Deep	Gamba	20	34	51	36	20%	7	29
	Dentale	52	160	353	185	15%	28	148
	Synrift Carbonates	58	105	172	111	10%	11	89
Palomite Deep Aggregated					332		46	266
Total³		480	1,424	3,187	1,680		221	1,344

Note 1 Resource estimates are based on probabilistic estimation method as at 23 June 2014.

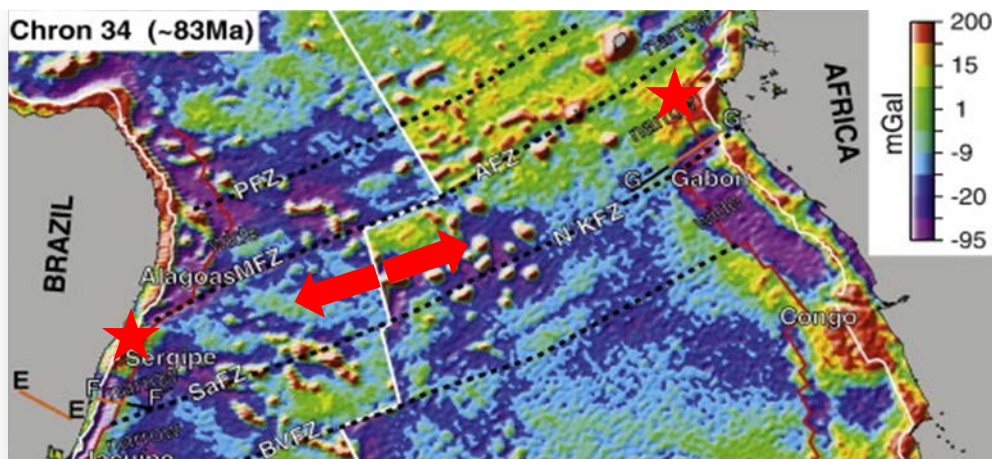
Note 2 POS refers to probability of geologic success.

Note 3 Arithmetic summation of probabilistic estimates.

Syn-Rift Carbonate Play

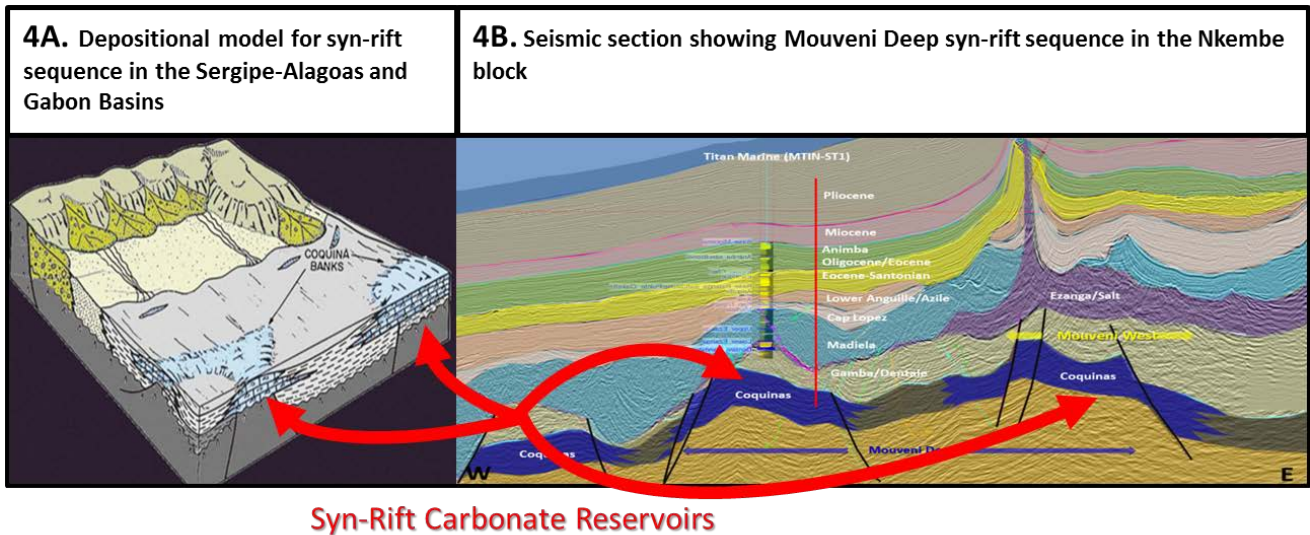
Pura Vida has identified the potential of a large scale syn-rift carbonate play in the Nkembe block analogous to the Sergipe Alagoas Basins on the conjugate margin offshore Brazil (see **Figure 3**).

Figure 3 – Conjugate Margin to Gabon is the Sergipe-Alagoas Basin Brazil



Syn-rift carbonate reservoirs are proven in the Sergipe Alagoas Basins. Outcrops of these carbonates onshore have been studied in great detail and are one of the most productive reservoirs in the pre-salt play in Brazil. The carbonates preferentially develop over basement highs which resulted from the earlier phase of rifting (see depositional model in **Figure 4A**). Seismic data indicates the development of the same syn-rift carbonate reservoirs over basement highs in the Nkembe block (see seismic section in **Figure 4B**).

Figures 4A & 4B – Depositional model for syn-rift carbonates



The syn-rift carbonate play has now been encountered in West Africa in Angola where oil was found in good quality thickly developed reservoirs in the Orca discovery, the largest discovery in the Kwanza basin to date estimated at 400-700+ mmbo.

The identification of syn-rift carbonate play the Nkembe block has resulted in a significant upgrade to the overall resource potential in the block.

Persons compiling information about hydrocarbons: *The resource estimates in this announcement 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*

Resource estimates 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.

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.

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, Gabon and Madagascar with significant resource potential and a fully funded high-impact drilling program.

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