



ASX Code: PVD

## ASX Announcement

3 July 2012

### **OFFSHORE MOROCCO WORK PROGRAM AHEAD OF SCHEDULE FARMOUT MANAGER APPOINTED**

#### **Highlights**

- **Pura Vida's work program on the Mazagan permit is significantly ahead of schedule and on budget**
- **Target date for the completion of the work program has advanced to September 2012 - well ahead of our commitment to December 2013**
- **Mobilisation imminent of the R/V Geoexplorer to Morocco to undertake a drop core program designed to acquire fifty sea bed samples**
- **Reprocessing of 3D seismic data nearing completion with encouraging results to date**
- **Farmout manager appointed for the Mazagan permit to secure funding for the upcoming high-impact drilling program which will test the potential of the permit**

Pura Vida Energy NL ("Pura Vida" or "the Company") (ASX: PVD) has been successful in accelerating the two year work program on its Mazagan permit, offshore Morocco, where the Company has a significant 75% operator interest. We now expect to complete the entire initial work program in September of this year.

Pura Vida Managing Director Damon Neaves commented, "Early completion of the work program is an exceptional achievement which will allow the Company to move quickly to advance farmout and drilling on this prospective permit. To this end, the Company is pleased to announce the appointment of industry-leading EZDataRoom to conduct a farmout process for Pura Vida following

the completion of the current work program of reprocessing 3D seismic data and a 50 sea bed drop sample.”

## **Mobilisation of Vessel for Drop Core Program**

The *R/V Geoexplorer* (pictured below) will shortly commence mobilization to Morocco to undertake Pura Vida’s drop core program during August. US services company, TDI-Brooks, will manage the program and is a specialist in this field. The drop core program will be overseen by Pura Vida’s technical team. The program is designed to acquire 50 sea bed samples with the objective of collecting samples which may contain hydrocarbons.

In petroleum systems natural seepage of hydrocarbons to the sea bed is common and sea bed sampling techniques, such as the drop core program being undertaken by Pura Vida, have been successful in identifying areas of active hydrocarbon generation and entrapment. In frontier areas such as Mazagan, finding such seepage significantly improves the probability of reservoir subsurface hydrocarbons.

Pura Vida has also carried out satellite sea surface oil slick analysis with the Fugro Group to assess indications of hydrocarbons on the sea surface as a means to assist location of the best sea bed sampling points.

The acquisition of these cores will assist in better defining the potential of the Mazagan permit and will assist in the farmout to a large operator. Results of the program are expected to be available following geochemical analysis of the cores in or about September.



**The R/V Geoexplorer preparing to mobilise for Pura Vida’s drop core program in Morocco**

## **Reprocessing 3D Seismic Data**

The seismic reprocessing, involving the reprocessing of 3,000km<sup>2</sup> of 3D data on the Mazagan permit, is nearing completion and results to date are encouraging. The initial results will be available in August and the project will be completed on budget in September.

The Mazagan permit has existing modern, high quality 3D seismic acquired by a previous Operator and has been independently assessed by Resource Investment Strategy Consultants (RISC) to contain total gross unrisks prospective resources of over 3 billion barrels (mean).

The reprocessing is being undertaken by DownUnder GeoSolutions (“DUG”), a leading provider of geoscience services to the global oil and gas industry, including seismic processing and depth imaging, and is being overseen by Pura Vida’s technical team. The finalisation of the 3D seismic reprocessing package will provide additional data necessary to facilitate a successful farmout deal.

Pura Vida Managing Director Damon Neaves commented “The objective of the reprocessing project is to further derisk our key drilling prospects, and will prove important in securing a farmout to fund the drilling program.”

## **Preparation for Commencement of Farmout Process**

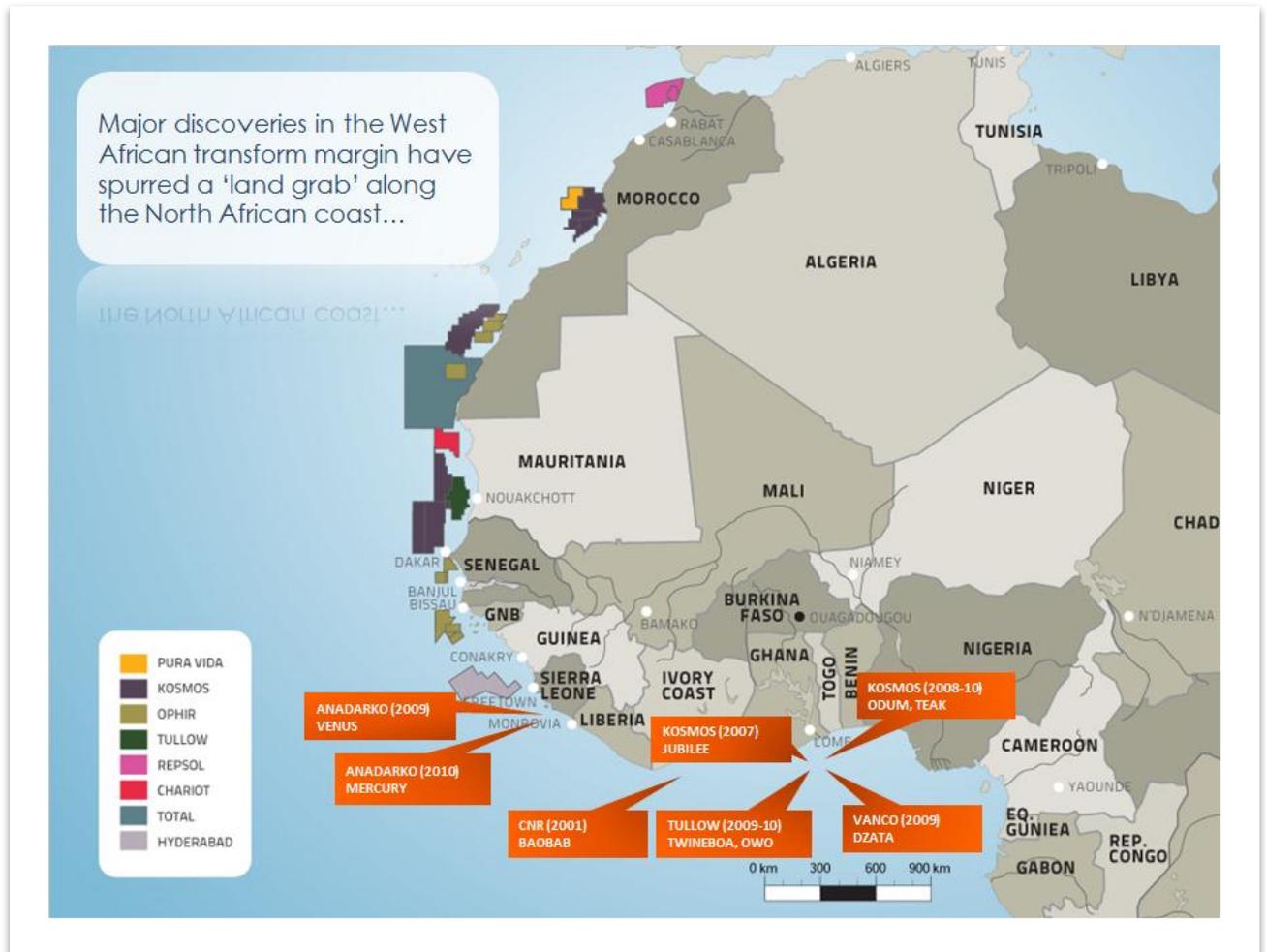
Pura Vida has appointed EZDataRoom to manage the farmout of its Mazagan permit. EZDataRoom has an exceptional track record of successful farmouts, numbering over 400 deals over the past 8 years. EZDataRoom has a high historical success rate and Pura Vida is confident EZDataRoom will secure a successful farmout for the upcoming high-impact drilling program.

The farmout process will commence in October 2012 following the completion of the current work program.

Mr Neaves said, “There has been an unprecedented level of transactional activity occurring offshore Africa recently, which suggests we are commencing this farmout process at an ideal time. The recent activity in Morocco is an extension of this broader regional trend, which has seen the industry pursue major resource discoveries in Northwest Africa (refer Figure 1 below). We believe the formal farmout process to be run by EZDataRoom will solicit strong interest from several large independents and majors.”

Securing a farmout for the drilling program, which will test the multi-billion barrel potential of the Mazagan permit, will be a transformational event for the Company which is expected to see the realisation of significant value from the excellent work that has been done to date by our technical team led by Dave Ormerod.

**Figure 1: Major Discoveries and Land Grab Offshore Northwest Africa**



## Other Recent Developments

All outstanding matters for the award of the Mazagan permit to Pura Vida have now been completed, namely the signing of the joint orders by the relevant Ministers and the publication of the same in the official gazette.

**About Pura Vida Energy:** Pura Vida is an Australian-based African oil explorer building a portfolio of high quality assets. It has a 75% interest in the Mazagan permit offshore Morocco. Independent resources estimates of the prospective oil resources in the Mazagan permit are 2.4 billion barrels (net to Pura Vida).

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### MEDIA

Thomas Murrell  
8M Media & Communications  
m: +61 417 984 996  
e: [tom@8mmmedia.com](mailto:tom@8mmmedia.com)

### INVESTORS

Damon Neaves, Managing Director  
w: +61 (8)9486 4036  
m: +61 404 043 134  
e: [dneaves@puravidaenergy.com.au](mailto:dneaves@puravidaenergy.com.au)