



## **SUBMISSION MADE TO REGULATORY AUTHORITY AND MINISTRY OF OIL AND HYDROCARBONS IN RELATION TO THE NKEMBE PSC**

### **SUMMARY**

- **As requested by the Director General of Hydrocarbons (DGH), Pura Vida has submitted a reconciliation of work programs and financial obligations for the Nkembe Production Sharing Contract (Nkembe PSC)**
- **Pursuant to legal advice, Pura Vida presented the reconciliations based on the Nkembe PSC commencing upon the issue of the Presidential Decree on 4 December 2014**
- **Pura Vida has requested the DGH respond to its letter within 15 days and will engage further with the DGH to progress the Nkembe block**
- **The Company expects to update the market in the coming weeks in relation to further technical work completed by Havoc Partners LLP (Havoc) and Add Energy Group (Add Energy)**

As announced on 26 February 2018, Pura Vida Energy NL (**Pura Vida** or **Company**) (ASX: PVD) advises that it has submitted a reconciliation of expenditure and activities, as requested by members of the DGH, providing information in relation to the status of the Company's financial and work commitments under the Nkembe PSC.

In calculating the financial commitments and determining the remaining work commitments, Pura Vida has relied upon independent legal advice from a CEMAC Registered Legal Practitioner to support its view that the Nkembe PSC commenced on 4 December 2014 when the Presidential Decree was obtained, as opposed to the earlier date on which the PSC was signed. Based on this start date, and under the current terms of the Nkembe PSC, the first phase of exploration, having a term of 5 years, expires on 4 December 2019.

Importantly, from both a financial perspective as well as time to complete activities outlined in the Nkembe PSC, the effect of the legal advice is that the Company is up to date in relation to its financial commitments and has sufficient time to complete further work on the Nkembe block.

As noted in the 26 February 2018 announcement, and at the request of the DGH, the Company is also writing to the DGH to outline a future work program and expenditure with a view to reaching agreement on proposed changes to the terms of the Nkembe PSC. It is anticipated that such changes will improve the prospects of securing funding and farming-out an interest in the Nkembe block.

Pending a formal response from the DGH, the uncertainty around the Nkembe block remains. Accordingly, the Company's securities will remain suspended as previously advised.

#### **CONTACT**

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