



ASX Code: PVD

26 February 2018

CONTINUED VOLUNTARY SUSPENSION OF SECURITIES – MARKET UPDATE

DISCUSSIONS WITH REGULATORY AUTHORITY IN LIBREVILLE, GABON REGARDING THE NKEMBE PSC

SUMMARY

- Pura Vida met with the Director General of Hydrocarbons (DGH) to discuss the Nkembe Production Sharing Contract (Nkembe PSC) following a request from the DGH
- Main issue discussed related to the effective commencement of the Nkembe PSC and, therefore, expiry date of the first phase of exploration
- DGH acknowledges that Pura Vida has completed some but not all its contractual obligations for the first phase of exploration under the PSC
- At the request of the DGH, Pura Vida has agreed to submit a reconciliation of work completed and expenditure incurred within fifteen days
- Pura Vida maintains its focus on enabling Havoc Partners LLP (Havoc) and Add Energy Group (Add Energy) to complete the services under their respective agreements.

Pursuant to Listing Rule 17.2, Pura Vida Energy NL (**Pura Vida** or **Company**) (ASX: PVD) requests that its securities remain in a voluntary suspension pending the release of an announcement regarding the outcome of the ongoing discussions on the status of the Company's PSC over the Nkembe Block, offshore Gabon.

Further to the Company's announcement on 12 February 2018 Pura Vida Energy NL advises that it met with members from the DGH in Libreville, Gabon to discuss the Nkembe PSC, following a request from the DGH.

The main point of discussion concerned the commencement date of the Nkembe PSC and, consequently, the expiry of the first exploration phase, completion of work required and payments due under the Nkembe PSC. In short, the DGH asserted that the Nkembe PSC commenced on signature of the production sharing contract with the Minister of Hydrocarbons, Minister for Economy, the DGH and Pura Vida on 11 January 2013, resulting in the expiration of the first phase of exploration on 11 January 2018.

Pura Vida's position, supported by independent legal advice from a CEMAC Registered Legal Practitioner, is that the Nkembe PSC commenced on the issue of the Presidential Decree approving the terms of the Nkembe PSC on 4 December 2014 meaning the first phase expires on 4 December 2019.

The DGH has requested that the Company provide a detailed overview of work completed and expenditure to date within fifteen days. In addition, the DGH has invited Pura Vida to propose a future work program and expenditure with a view to reaching agreement on proposed changes to the terms of the Nkembe PSC. In recent letters to the DGH, Pura Vida, with the assistance of Havoc Partners and Add Energy pursuant to their respective technical agreements, has outlined proposed changes and noted the issues with the current time-frames of the Nkembe PSC. It is anticipated that these proposed changes to the work program and expenditures under the Nkembe PSC will reflect those that will, subject to government approvals, enable completion of work under the technical services agreements with Add Energy and Havoc announced on 18 October 2017 and, thereafter develop future work programs.

Based on the recent in-country discussions Pura Vida is confident that the Gabon government is supportive of the Company continuing to work on the Nkembe block and that the current uncertainty around the commencement date of the PSC will be satisfactorily resolved.

Pura Vida expects to submit the information requested by the DGH within the fifteen-day timeframe and remains committed to reaching agreement with the DGH on proposed changes to the terms of the Nkembe PSC in order to allow the completion of the work under the technical services agreements with Havoc and Add Energy. The Company will update the market once it receives a response from the DGH and/or Minister for Hydrocarbons.

The voluntary suspension is requested until the earlier of the release of an announcement regarding the matter or prior to the commencement of trading on Monday, 26 March 2018.

Pura Vida is not aware of any reason why the voluntary suspension should not be granted.

Please do not hesitate to contact me if you have any queries concerning the above.

Yours Sincerely

Kevin Hart

Company Secretary

CONTACT

Simon Eley, Chairman

w: +61 8 9226 2011

e: info@puravidaenergy.com.au