

Quarterly Report

For the period ended 31 March 2018



*Pura Vida Energy NL (**Pura Vida** or **Company**) continued discussions with the Gabonese authorities during the quarter following the progress made by Add Energy Group (Add Energy) and Havoc Partners LLP (Havoc) on the Nkembe oil and gas asset in offshore Gabon. The Company submitted two documents to the Gabonese authorities as requested providing a reconciliation of work completed and expenditure to date as well as an outline of plans for the Nkembe block.*

In addition, the board continued to assess new project opportunities that will deliver value to shareholders and implemented measures to reduce overheads and administration costs in order to preserve shareholder funds.

HIGHLIGHTS

- ▶ Closing cash of AU\$9.04 million as at 31 March 2018
- ▶ Following a further trip to Libreville, the Company submitted a letter detailing work completed and compliance with financial obligations under the Nkembe Production Sharing Contract (Nkembe PSC) from the issue of the Presidential Decree on 4 December 2014 in accordance with legal advice
- ▶ The Company submitted a subsequent letter to the Gabonese authorities outlining a proposed future work program subject to securing a funding partner
- ▶ Subsequent to the end of the period, Add Energy completed the basis of well design (BOWD) for Loba and Loba Deep and Havoc agreed to extend its option to acquire an interest in the Nkembe PSC to 14 May 2018
- ▶ As of the time of this announcement, the Company is yet to receive a formal response from the Gabonese authorities

EXPLORATION

NKEMBE BLOCK, OFFSHORE GABON

(PURA VIDA 100%* AND OPERATOR)

* Pura Vida's interest is subject to the right of the State of Gabon to participate in any development for up to a 20% interest under the Production Sharing Contract

The Nkembe block covers an area of 1,210 km² in water depths of 50-1,100 metres approximately 30 km off the coast of Gabon (Figure 1).

As previously announced, Pura Vida simultaneously entered into two agreements with Add and Havoc in order to progress the Nkembe block. Other than some minor reimbursable expenses, both Havoc and Add have provided their services at no cost to Pura Vida. An overview of the terms of the agreements was provided in the 18 October 2017 announcement.

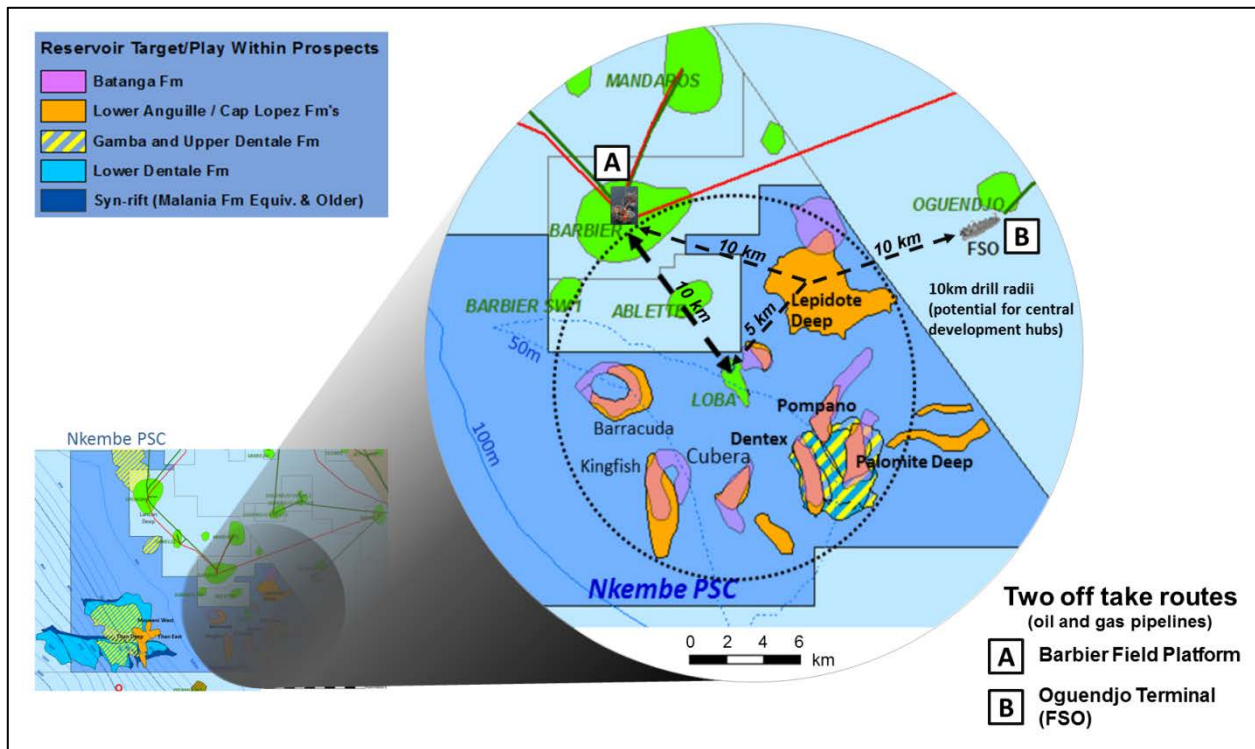


Figure 1 – Shallow water area of the Nkembe block and prospects

Havoc confirms targets

As announced on 30 January 2018, Havoc completed confirmatory work on Loba (Batanga) and Loba Deep (Anguille).

In summary, Havoc's work resulted in a reduction of the mean contingent resource from 17.5mmb to 15.7mmb mainly due to a decrease in the interpreted Gross Rock Volume (GRV). However, the enhanced seismic data quality has improved the definition of the Batanga reservoir, allowing for more precise mapping (see figure 2 below).

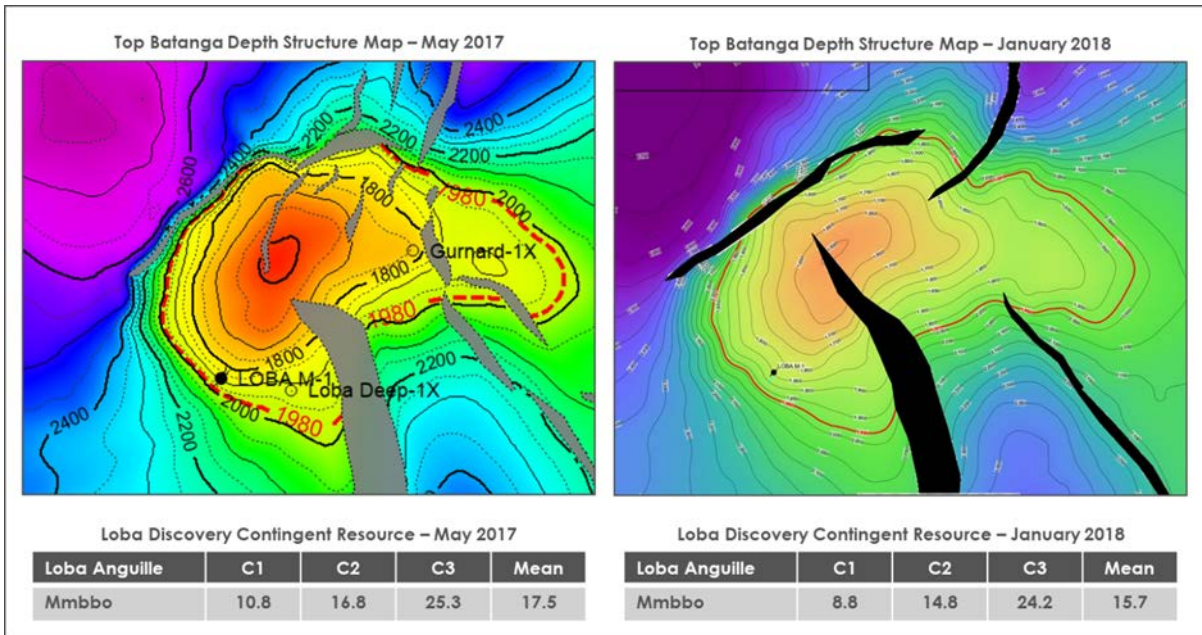


Figure 2 – Comparison of the a) 31 May 2017 and b) 29 January 2018 Contingent Resource estimates derived from the interpretation of iterative seismic volumes produced during re-processing sequence.

Similarly, improved imaging for the deeper Anguille level has increased confidence in the geological interpretation however the GRV has also reduced (see figure 3 below). The reduction in GRV has been partially offset by an increase in Net to Gross calculation. The net effect results in a reduction in the mean value from 14mmbo to 11.7mmbo.

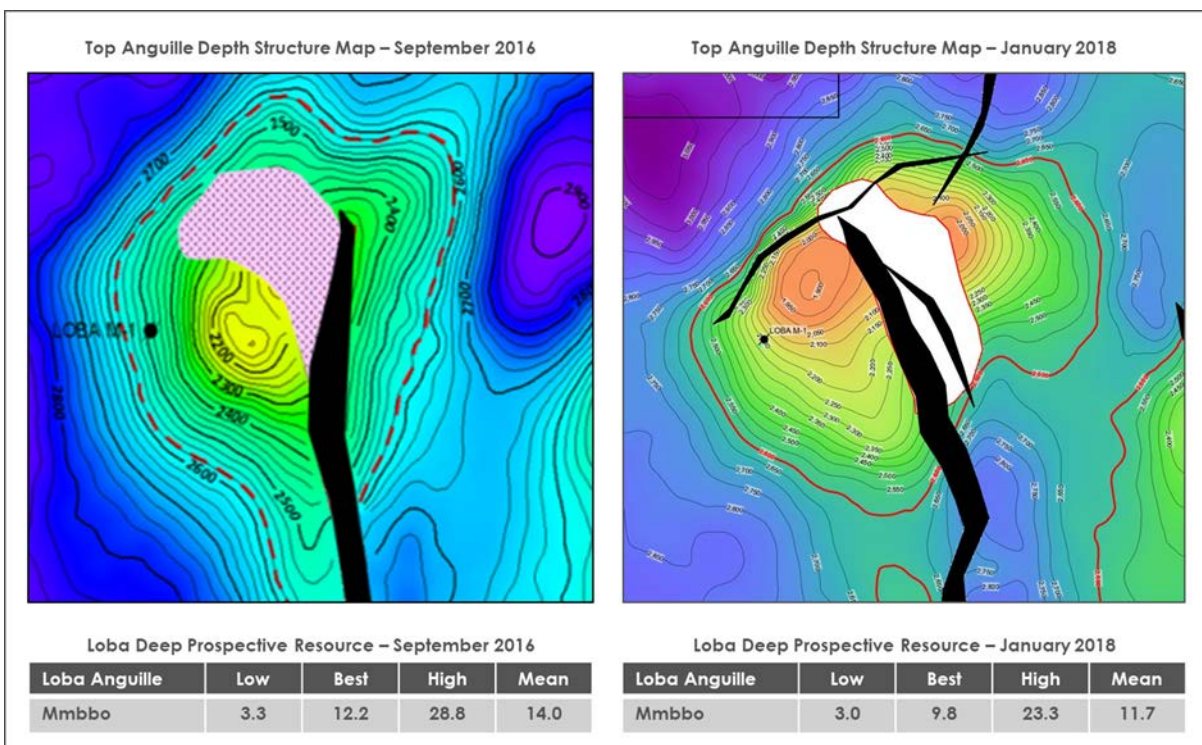


Figure 3 – comparison of the a) 13 September 2016 and b) 29 January 2018 Prospective Resource estimates derived from the interpretation of iterative seismic volumes produced during re-processing sequence.

As announced subsequent to the end of the period, due to the uncertainties regarding the outcomes of negotiations with the Gabonese authorities, the Company and Havoc agreed to extend the time by which Havoc can exercise its option to acquire an interest in the Nkembe block. This will also allow additional time for Havoc to complete the work contemplated in the agreements entered in October last year.

Add Energy BOWD

As announced on 9 April 2018, Add Energy has submitted a Basis of Well Design (BOWD) for the Loba and Loba Deep and has provided a draft for the Company to review and comment. The BOWD proposes an appraisal/development well targeting the Ewongue (Batanga) and Point Clairette formations as the primary targets and an exploration well targeting the deeper Anguille formation as a secondary target. The proposed well design includes one vertical well to initially evaluate both target formations and, subject to the outcomes of testing, a sidetrack well to get more reservoir exposure and maximize production capability. The Company is reviewing the proposal and will seek clarification from Add Energy as required.

Status of engagement with Gabonese authorities

The Company's chair met with the members of the Directors General of Hydrocarbon's (DGH) team in Libreville in February in order to progress proposed changes to the terms of the PSC. At this meeting, the head of the DGH requested the Company provide an outline of work completed to date as well as a reconciliation of financial obligations up until the end of last year. As announced during the quarter, the Company has now submitted both letters as requested and awaits a response. It is anticipated that the Company will again be invited to travel to Libreville to meet with both the Minister for Oil and Hydrocarbons and members of the DGH.

In relation to the Company's plans for Nkembe, it is encouraged by public comments made by the Minister for Oil and Hydrocarbons in late March acknowledging the need to make changes to Gabon's hydrocarbons code to improve production from mature wells and stimulate exploration and discovery activities in off-shore Gabon. The Company remains hopeful that this approach will assist in its endeavours to amend the terms of the Nkembe PSC to better reflect the work required in order to progress the block.

AMBILOBE BLOCK, OFFSHORE MADAGASCAR

(PURA VIDA 100% AND OPERATOR)

The Ambilobe block is located in the Ambilobe Basin, offshore north-west Madagascar covering an area of 17,650 km² (Figure 4).

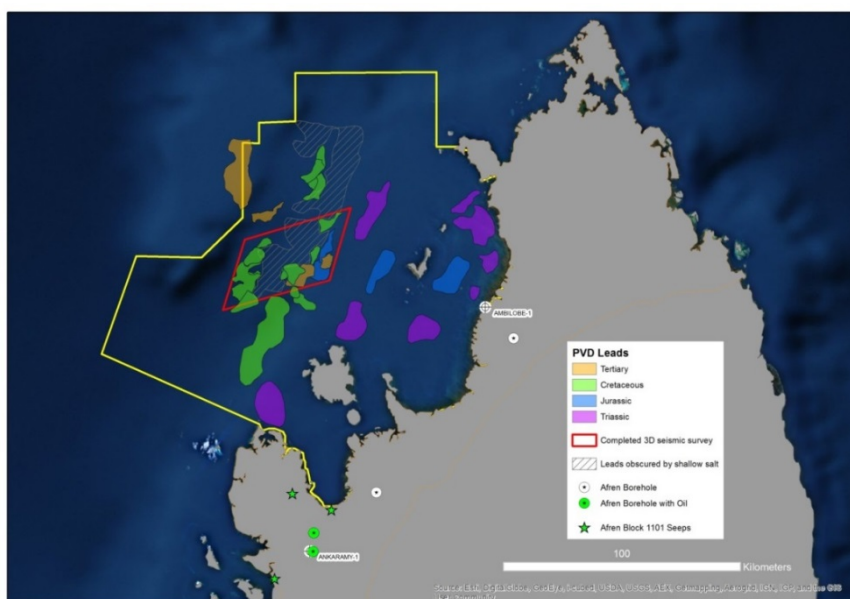


Figure 4 – The Ambilobe block (yellow boundary) showing area of 3D seismic survey (red boundary)

No work was completed on Ambilobe during the quarter other than preparations to relinquish a portion of the block as required by the terms of the production sharing contract. Once the application to relinquish has been processed, the Company expects to make the annual surface payment for the reduced area of the Ambilobe block.

Subject to completing the relinquishment exercise, the Company will re-visit with parties that have expressed an interest in Ambilobe in order to progress the technical work required to generate drill targets.

CORPORATE & FINANCIAL

Closing cash at the end of the quarter was AU\$9.04 million.

The Company has continued to assess a variety of opportunities in Australia and overseas in order to create value for shareholders. The board will update the market in this regard as required.

At the same time, the Company has implemented further measures to reduce the corporate and administrative costs in order to preserve capital.

PETROLEUM TENEMENTS HELD AS AT 30 DECEMBER 2017

	% Interest	Tenement	Location
Held at end of the quarter	100%*	Nkembe Block	Offshore Gabon
	100%	Ambilobe Block	Offshore Madagascar
Acquired during the quarter	-	-	-
Disposed of during the quarter	-	-	-

* Pura Vida's interest is subject to the right of the State of Gabon to participate in any development for up to a 20% interest under the Production Sharing Contract

CORPORATE DIRECTORY

Directors

Simon Eley Chairman
Nathan Lude Director
David Sanders Non-Executive Director

Company Secretary

Kevin Hart

Registered Office and Principal Place of Business

Level 1, 89 St Georges Terrace
PERTH WA 6000
Telephone: +61 8 9226 2011
Facsimile: +61 8 9226 2099
Web: www.puravidaenergy.com.au

Share Registry

Computershare
Level 11, 172 St Georges Terrace
PERTH WA 6000
Telephone: 1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)

Appendix 5B

Mining exploration entity and oil and gas 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, 01/05/13, 01/09/16

Name of entity

PURA VIDA ENERGY NL

ABN

11 150 624 169

Quarter ended ("current quarter")

31 MARCH 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	19	52
1.2 Payments for		
(a) exploration & evaluation	(44)	(644)
(b) development	-	-
(c) production	-	-
(d) staff costs	(120)	(320)
(e) administration and corporate costs	(226)	(615)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	20	71
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other – (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(351)	(1,456)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
2.2 Proceeds from the disposal of:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	-	-

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	-	-
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	-	-
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	-	-

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	9,238	10,511
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(351)	(1,456)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4 Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5 Effect of movement in exchange rates on cash held ⁽¹⁾	148	(20)
4.6 Cash and cash equivalents at end of period	9,035	9,035

(1) Foreign exchange movements result from the translation of cash held in foreign currencies, predominantly United States dollar denominated balances.

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	377	395
5.2 Call deposits	8,658	8,843
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	9,035	9,238

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	116
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Payments of Directors fees and salaries \$51,191.

Payments made to associate of a director during the quarter for Director Consultancy fees:

- CS Logistics Pty Ltd \$ 58,875 (exc GST)

Payments made on normal commercial terms and conditions to associate of a director during the quarter for Legal services:

- Bennett + Co \$ 6,239 (exc GST)

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

N/A

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	204
9.2 Development	-
9.3 Production	-
9.4 Staff costs	115
9.5 Administration and corporate costs	68
9.6 Project review	-
9.7 Total estimated cash outflows	387

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2 Interests in mining tenements and petroleum tenements acquired or increased				

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here:
(Director/Company secretary)

Date: 23 April 2018

Print name: Kevin Hart

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 that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, 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. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.