



ASX Code: PVD

03 July 2018

MARKET UPDATE – NKEMBE GABON

SUMMARY

- **Following the most recent correspondence from the Director General of Hydrocarbons (DGH) of Gabon, Pura Vida has sought legal advice following which Pura Vida Energy has reiterated its position to the DGH that the DGH has no basis to terminate the Nkembe Production Sharing Contract (PSC) and that there are no outstanding obligations to the Gabonese State pursuant to the PSC**
- **Following no response to the two submissions made to the DGH in March and April 2018, Pura Vida Energy maintains its claim of force majeure from 1 April 2018 on the Nkembe PSC, suspending all obligations**
- **Pura Vida Energy's ability to attract the necessary funding to advance the Nkembe block has been frustrated by the impasse with the DGH and Pura Vida Energy has reserved all of its rights in relation to the Nkembe PSC, including the right to seek recovery of the US\$9,000,000 signing bonus paid in January 2013.**

Pura Vida Energy NL (**Pura Vida** or **Company**) (ASX: PVD) has obtained legal advice in relation to the most recent correspondence received from the DGH as announced on 8 May 2018 following which Pura Vida Energy has reiterated its position to the DGH that the DGH has no basis to terminate the Nkembe PSC, nor is there any outstanding financial obligations to the Gabonese State pursuant to the Nkembe PSC.

In addition to the force majeure claim relating to the late issue of the Presidential Decree, Pura Vida also maintains its claim of force majeure from 1 April 2018 on the Nkembe PSC, suspending all obligations. The Company is still yet to receive any response to the two submissions made to the DGH in March and April 2018.

Pura Vida has committed substantial investment over a number of years in Gabon, including a US\$9,000,000 signing bonus paid in January 2013 and accordingly has reserved all its rights in relation to the Nkembe PSC including the right to seek recovery of the signing bonus. The Company continues to work with its advisers to seek a resolution in relation to its investment in Gabon.

In the light of the impasse with the DGH, Pura Vida has not been able to reach a resolution with Havoc in relation to Havoc's asserted right to a working interest in the Nkembe PSC, which right is not accepted by Pura Vida. The Company continues to keep Havoc informed as to any developments with the DGH that could provide a basis for working together going forward.

In these circumstances, the Company's securities will remain suspended until 31 August 2018 or such earlier date on which the Company has clarified its path forward in relation to its investment in Gabon.

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