

Quarterly Report

For the period ended 31 December 2018

NKEMBE BLOCK, OFFSHORE GABON (PURA VIDA 100%¹ AND OPERATOR)

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**).

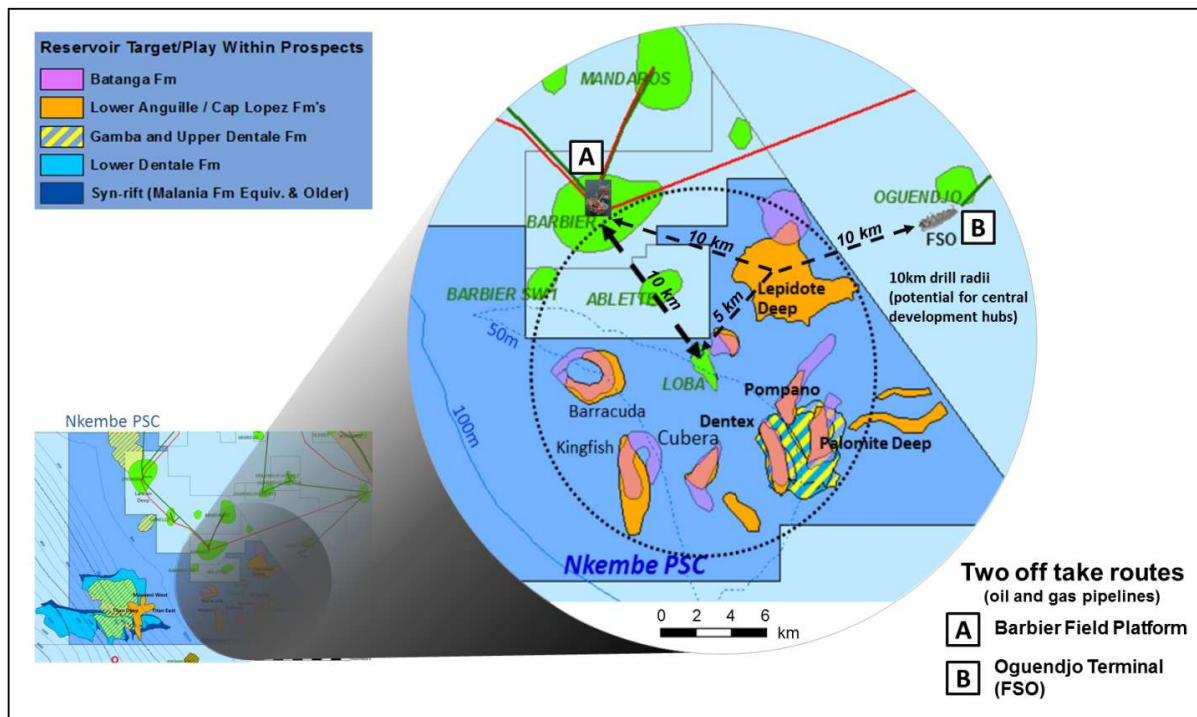


Figure 1 – Shallow water area of the Nkembe block and prospects

During the quarter Pura Vida Energy NL (**Pura Vida** or **Company**) maintained its claim of force majeure on the Nkembe Production Sharing Contract (**PSC**), suspending all obligations. In accordance with Pura Vida's legal advice, Pura Vida has asserted that the PSC start date is the date of the issue of the Presidential Decree (4 December 2014) and that, based on this start date, no funds contributions are outstanding as at the date of the force majeure. 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 PSC, including the right to seek recovery of the signing bonus.

In the circumstances Pura Vida does not intend to commit any further resources to the Nkembe Project unless and until Pura Vida reaches a resolution with the Directorate General for Hydrocarbons, that enables Pura Vida to obtain third party funding to conduct further exploration under the PSC.

¹ PVD'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 Nkembe PSC

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 2).

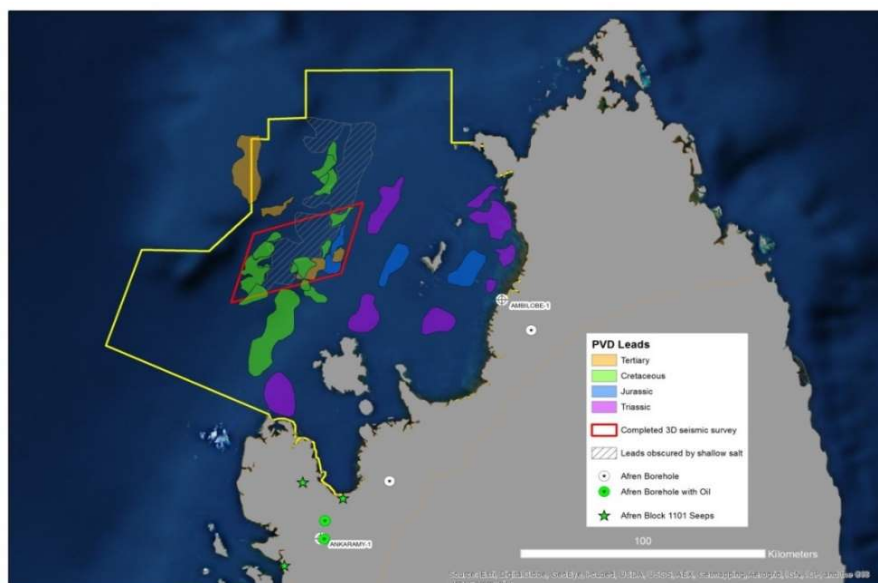


Figure 2 – The Ambilobe block (yellow boundary) showing area of 3D seismic survey (red boundary)²

The recent independent Ambilobe block evaluation report highlighted the potential, interpreted from the 3D seismic data acquired during 2015/16, for significant prospectivity within the block and recommended that Pura Vida undertake a systematic phased work program to further process and interpret the 3D seismic data for the purposes of improving the definition of and then ranking three previously identified leads. In addition, under the production sharing contract, the Company's subsidiary that holds the block is required to relinquish a portion of the Ambilobe block.

The Company has completed an independent review of a relinquishment proposal of a portion of the block resulting in a proposal for Pura Vida to retain a continuous area which amounts to 11,480 km².

During the quarter a representative of the Company's subsidiary attended a Management Committee Meeting in country with the Madagascan government (OMNIS) and presented the final relinquishment proposal to OMNIS however a formal response from OMNIS regarding the proposal and the subsequent 2nd special two (2) year extension of the PSC has not yet been received due to the general elections held in Madagascar during the quarter.

CORPORATE & FINANCIAL

The Company is currently assessing a number of opportunities in Australia and overseas in order to create value for shareholders. The board will update the market in this regard as required.

During the quarter the Company announced an on-market share buy-back of up to 26,138,633 shares in the Company. The board believes that the buy-back is in the interests of all shareholders as the Company's shares are currently trading below their intrinsic value and it is considered sound capital management. As of 31st December, the Company has purchased 4,927,070 shares for a total of \$110,489.

² Subject to relinquishment and extension of term for a further 2 years as per the terms of the Ambilobe PSC

Pura Vida purchased 102,387,595 ordinary shares and acquired an option on 10,611,411 shares for 14.7% of the total voting power in Jacka Resources Limited (ASX: **JKA**), becoming the largest shareholder of JKA.

Pura Vida notes Jacka's September quarterly in relation to a potential material oil and gas transaction and awaits further market updates.

Pura Vida's closing cash at the end of the quarter was AU\$7.58 million with the Company holding an additional \$381,000 in listed ASX securities based on the market price as at 31 December 2018.

PETROLEUM TENEMENTS HELD AS AT 31 DECEMBER 2018

	% Interest	Tenement	Location
Held at end of the quarter	100% ³	Nkembe Block	Offshore Gabon
	100% ⁴	Ambilobe Block	Offshore Madagascar
Acquired during the quarter	-	-	-
Disposed of during the quarter	-	-	-

CORPORATE DIRECTORY

Directors

Bevan Tarratt	Chairman
Nathan Lude	Executive Director
David Sanders	Non-Executive Director
Bruce Lane	Non-Executive Director

Company Secretary

John Kay

Registered Office and Principal Place of Business

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 Facsimile: +61 8 9226 2099
 Web: www.puravidaenergy.com.au

Share Registry

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 PERTH, WA 6000
 Telephone: 1300 850 505 (within Australia)
 +61 3 9415 4000 (outside Australia)

³ PVD'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 Nkembe PSC

⁴ Subject to relinquishment as per the terms of the Ambilobe PSC

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 DECEMBER 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(101)	(396)
(b) development	-	-
(c) production	-	-
(d) staff costs	(115)	(206)
(e) administration and corporate costs	(155)	(361)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	10	38
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	(361)	(925)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	(486)
(d) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 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	-	(486)

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 – Share buy-back	(110)	(110)
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	8,012	8,977
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(361)	(925)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(486)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(110)	(110)
4.5	Effect of movement in exchange rates on cash held ⁽¹⁾	36	121
4.6	Cash and cash equivalents at end of period	7,577	7,577

(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	1,866	8,001
5.2 Call deposits	5,711	11
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)	7,577	8,012

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 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

**Current quarter
\$A'000**

146

-

Payments of Directors fees and salaries \$113,557.

Payments made on normal commercial terms and conditions to associated parties during the quarter for:

- Legal services to Bennett + co \$ 12,068 (exc GST)
- Office and Administrative costs to Battler Corporate Pty Ltd \$ 20,581 (exc GST)

7. Payments to related entities of the entity and their associates

- 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

**Current quarter
\$A'000**

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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	70
9.2	Development	-
9.3	Production	-
9.4	Staff costs	79
9.5	Administration and corporate costs	164
9.6	Project review	-
9.7	Total estimated cash outflows	313

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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: 30 January 2019

Print name: John Kay

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.