



State Gas Limited
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ASX RELEASE

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PRIMERO WEST-1 DRILLING REPORT

State Gas Limited (ASX: GAS) is pleased to advise that drilling activities at the Primero West-1 well at the Reid's Dome Gas Project (PL 231) reached the planned depth of 250 metres this morning at 7:40AM (AEST). Drilling ceased at 250.77 metres total depth.

With the completion of drilling activities, logging, testing and cementing will now be conducted at Primero West-1 over the coming days. State Gas will release a further update when the results of logging and testing are available.

As previously advised, following these activities, the Primero West-1 well will be plugged and abandoned on the basis that any full-field development of the Cattle Creek Formation within PL 231 will require additional drilling and a focused seismic program to optimise the locations of production wells.

Primero West-1 was located and designed to test the Cattle Creek Formation within PL 231 and is 100%-funded by State Gas Limited in accordance with the requirements of the Joint Venture Operating Agreement.

Following completion of activities at Primero West-1, Silver City Drilling Rig-25 will be mobilised to the Nyanda-4 site approximately 13.5 kilometres to the south within PL 231.

The Nyanda-4 well has a planned depth of 1,000 metres and is a jointly-funded well in accordance with the terms of the Joint Venture Operating Agreement. Under the terms of the Agreement, State Gas is only responsible to meet its 60% of the costs.

State Gas Limited is Sole Operator and 60% owner of the Reid's Dome Gas Project (PL-231).

ENDS

FOR FURTHER INFORMATION

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ABOUT STATE GAS

STATE GAS LIMITED (ASX: GAS) is a Queensland-based developer of the Reid's Dome Gas Project (PL-231), originally discovered during drilling in 1955, located in the Bowen Basin in Central Queensland. State Gas is Sole Operator and 60% owner of the Reid's Dome Gas Project which is located 30 kilometres southwest of Rolleston, approximately 50 kilometres from the Queensland Gas Pipeline.

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