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QUARTERLY ACTIVITIES REPORT

PERIOD ENDED 30 SEPTEMBER 2019

The September Quarter was transformative for Metgasco as the company secured a basin entry exploration farm-in option for up-to two shallow wells in the L14 production licence near successful producing oil fields in the onshore Perth Basin. The first exploration prospect Cervantes, planned for drilling in Q32020, is one of the largest undrilled onshore oil prospects in the Perth Basin. Metgasco also completed two successful farm-out deals on Cooper/Eromanga Licence ATP2021 delivering a free carry of the highly prospective Vali-1 gas prospect which is planned to start drilling in December 2019.

SUMMARY

Key activities during the quarter ended 30 September 2019 ("**Quarter"**) comprised:

- On 2 July Metgasco Ltd (ASX: MEL) ("**Metgasco"** or the "**Company"**) executed a Farm-out agreement including a Joint Operating Agreement (**JOA**) with Vintage Energy Ltd (ASX:VEN) ("**Vintage"**) over ATP2021 in the Cooper Basin;

- On 5 July Byron Energy's Limited (ASX:BYE) ("**Byron"**) SM74 D14 BP1 exploration well was drilled to a total depth of 14,933 Measured Depth, having logged wet sands in the primary objectives and failing to identify commercial quantities of hydrocarbons it was decided to plug and abandon the well. On 18 July Metgasco finalised cost exposure to the SM74 drilling program by reaching a commercial agreement with Byron;

- On 15 July Metgasco received an unsolicited, conditional takeover offer from Melbana Energy Limited (ASX:MAY) ("**Melbana"**). Melbana issued a bidder's statement on 10 September;

- On 29 August Metgasco executed a binding Farm-out agreement with Bridgeport (Cooper Basin) Pty Ltd ("**Bridgeport"**) for a further 25% of ATP2021, retaining a 25% non-operated interest;

- On 9 September the Company executed a binding Farm-In agreement with Jade Energy Holdings' subsidiary RCMA Australia Pty Ltd ("**Jade**") in respect of the L14 production licence ("**L14**") located in the northern onshore Perth Basin, South West of the producing Jingemia oil field;

- On 18 September the Company disposed of 8 million Byron shares, realising approximately $2.72 million. Funds raised were applied to discharge the residual SM74 $1.75 million debt and to general working capital purposes;

- Prospective resources attributed to ATP2021 Vali were significantly increased by Vintage following sub-surface work and a letter of intent for a rig to drill Vali-1 was signed.

Material developments since 30 September 2019 are as follows:

- It was resolved by the Board of the Company to undertake a capital return via an in-specie distribution of 30 million Byron shares to its shareholders, subject to shareholder approval and an ATO private ruling. A resolution will be sent to shareholders for a General Meeting to be held mid-December 2019;
- Date of 2019 Annual General Meeting set for 10:00 am on Thursday 28 November 2019;
- An independent report by RISC Pty Ltd.(**"RISC"**) increased prospective resources on the Cervantes prospect, calculating Mid/P50 of gross 17.4mmbo. RISC calculated the premium value of Metgasco's interest in L14 to be $4.4m - $5.8m based on farm-in promotion factors.
- Metgasco's Target's Statement in connection with the Melbana take-over offer was released to the market on 8 October and mailed to shareholders on 9 October, with the Board of Metgasco unanimously recommending shareholders reject the Melbana offer. A Supplementary Target's Statement was issued by Metgasco on 24 October recommending shareholders to reject the Melbana offer
- Melbana issued a Supplementary Bidder's Statement on 16 October 2019.

The Quarter's activities (and material developments since 30 September 2019) are outlined below:

Perth Basin L14 Exploration Farm-in Agreement

A binding farm-in agreement with RCMA Australia was executed on 8 September 2019. The agreement provides for an option to farm-in, by drilling up to two exploration wells, in the L14 production licence ("L14"), located in the northern onshore Perth Basin, in the area immediately South West of the producing Jingemia oil field.

Via this agreement, Metgasco secured an option (exercisable by 15 Nov 2019) to drill one 2600-2900m exploration well (Cervantes prospect Figure 1 below) in the Western Flank of the L14 license area in Q3 CY 2020. With a commitment to drill, Metgasco will earn a 60% equity interest in any discovery from the well by paying 100% of the well costs, with Metgasco having the right to select the prospect to be drilled.

Metgasco has significant in-house technical experience and history with respect to the L14 licence area and has carefully reviewed the exploration prospectivity of the Western Flank. Metgasco has been seconded by RCMA as exploration manager for the project.

A summary of the Cervantes prospect is shown below, and Figures 1 and 2 below provide further details:

- The Cervantes structure is situated in the Western Flank area of L14 to the south west of the Jingemia field (discovered in 2002) which has produced 4.6 mmbo.
- The Cervantes prospect as mapped is a tilted fault block (Proven Trap) with the primary target, the Kingia SS currently mapped as juxtaposed across the bounding fault to the primary Perth Basin oil source, the Kockatea Shale.
- An observed rollover at the Cattamarra Coal Measures has been identified overlying analogue Perth Basin discoveries eg: Hovea Oil and Gas Field, Waitsia Gas Field, Beharra-2 Gas discovery, and North Yardanogo-1 oil discovery.
- The Cervantes location is within the SW-NE Dongara Sandstone depositional trend that includes Prolific nearby oil fields such as Cliff Head, Jingemia and Hovea.
- The Cervantes prospect has been assessed to feature high quality Kingia/High Cliff sands (excellent gas producer at Waitsia) at the shallowest depths in the North Perth Basin.

- The structure includes Kockatea Shale Oil which is the source charge of the Kingia formation.
- A vertical or moderately deviated well can intersect multiple geological targets.
- The facility for rapid conversion of prospective resources to producing reserves exists via a 3rd party oil processing and operations agreement with L14 operator Jade, who 100% owns, and operates, the Jingemia oil processing and export facility.
- The Cervantes prospect is located 3km from the Jingemia oil processing plant with circa 5,000 bopd of spare ullage. The farm-in agreement allows Metgasco and Western Flank partners first rights to the spare ullage capacity
- The farm-in agreement allows for any oil discovery from the commitment well to be quickly commercialised via a negotiated crude oil processing and purchasing arrangement.

On 10 September 2019 Metgasco announced prospective resources for the Cervantes and Western Brush prospects as shown in table 1 below. (refer MEL announcement 10/09/19)

Table 1: Metgasco Prospective Resource Estimates for Cervantes and Western Brush:

Prospect	Reservoir	OOIP mmbls			Recoverable mmbls		
		Low (P90)	Best (P50)	High (P10)	Low (P90)	Best (P50)	High (P10)
Cervantes	Dongara SS	7.7	14.9	28.5	3.7	7.4	14.6
	Kingia SS	5.5	17.8	54.0	2.2	7.1	22.3
	HCSS	0.3	2.2	13.8	0.1	0.8	5.0
Western Brush	Cattamarra	0.3	1.5	6.0	0.04	0.2	1.0
L14 100%		13.9	36.4	102.3	6.0	15.6	42.9
Metgasco 60%		8.3	21.8	61.4	3.6	9.3	25.8

These prospective resource estimates are probabilistic in nature and are recoverable raw oil attributable to 100% interest (unless indicated) in L14 as of 10 September 2019. The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates are un-risked and have both an associated risk of discovery and a risk of development. Metgasco is not aware of any new data or information that materially affects the estimate above and that all material assumptions and technical parameters continue to apply and have not materially changed. Further exploration appraisal and evaluation is required to determine the existence of potentially significant moveable hydrocarbons.

Metgasco also has secured the right to drill an optional second exploration prospect by December 2020 within uncommitted areas of the L14 licence on like for like farm-in terms subject to the first well having been committed on a firm basis for drilling in 2020. This option is exercisable between April and December 1, 2020. Further work is underway to high-grade other prospects in L14 for drilling in 2020

Metgasco and Jade have the right to secure additional farm-in partners in relation to the project for up to a 30% interest. The introduction of another farminee would reduce both the commitment cost and equity interest of Metgasco proportionately. A data room was opened in the 2nd half of September and multiple quality companies are currently reviewing the opportunity providing confidence that a farm-in partner will be secured in Q4 2019.

***Figure 1:** Cervantes location in L14 / Licence Perth Basin Situation Map*

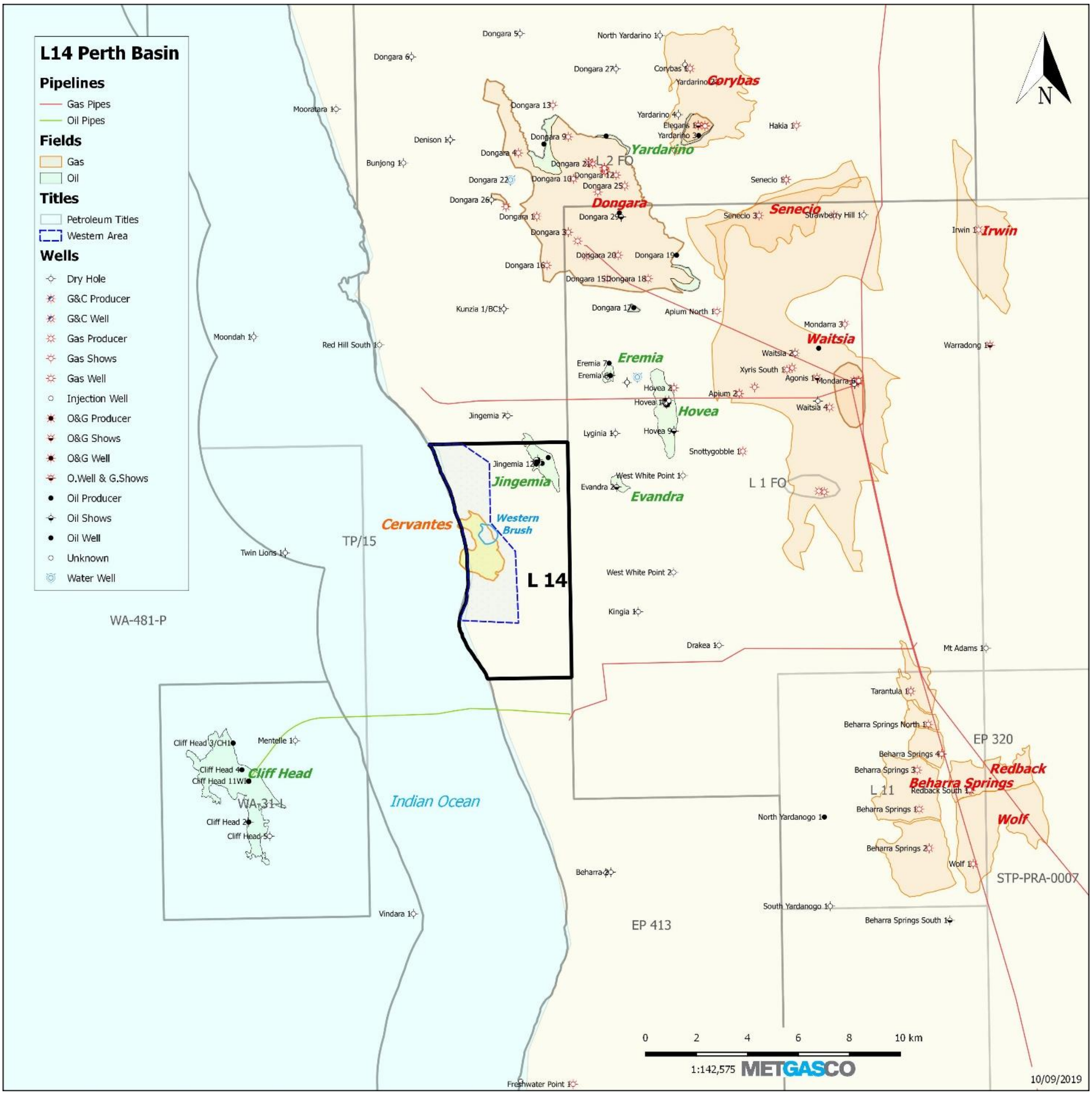
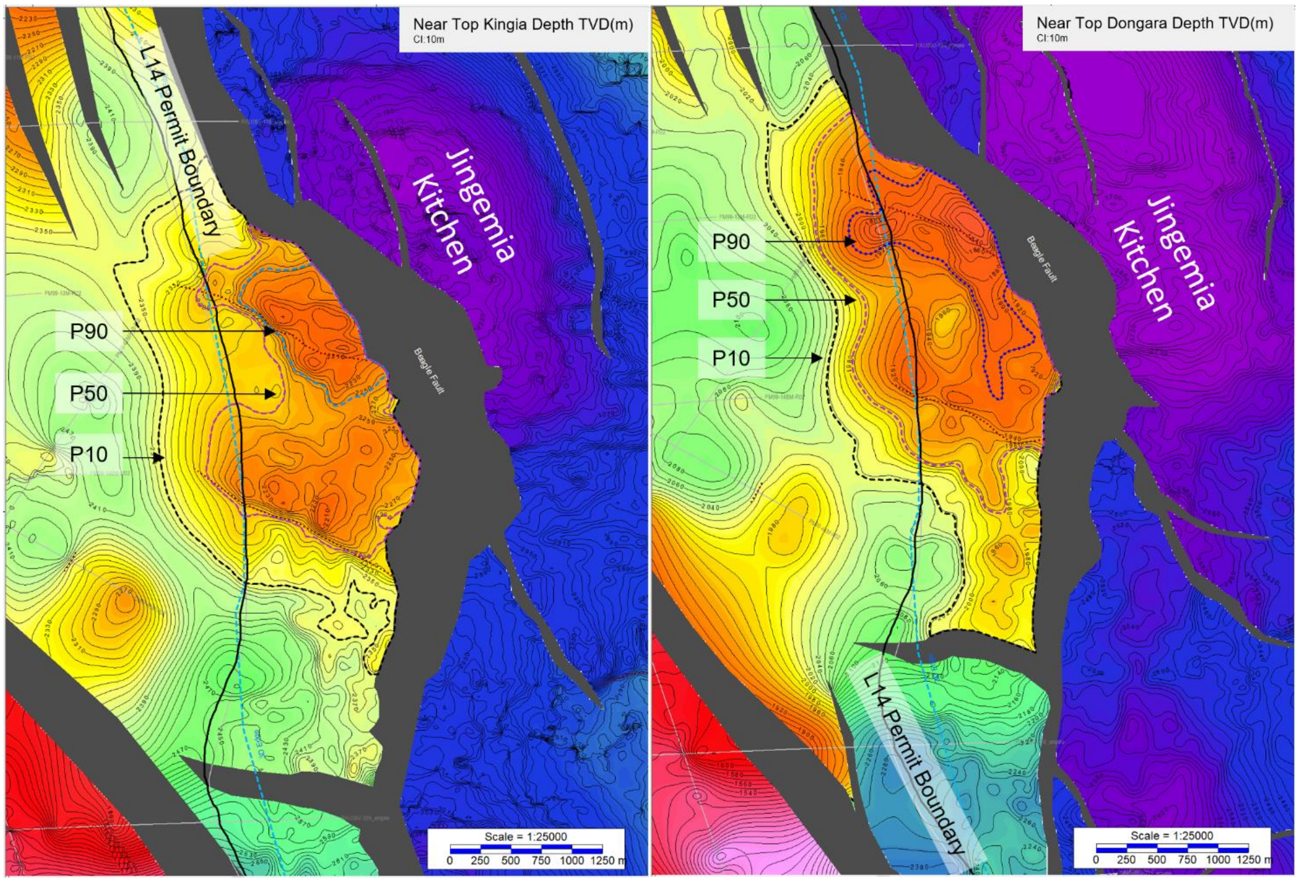


__Figure 2:__ Cervantes top structure map for the Kingia and Dongara Formations



Metgasco engaged RISC Pty Ltd **("RISC")** to provide an independent report on the value of Metgasco's interest in the L14 production licence, based on the value of the farm-in promotion factors. Metgasco provided RISC with relevant sub-surface information and RISC provided the prospective resource estimates on the basis of auditing existing interpretations and making necessary adjustments based on their technical opinion.

RISC's summary of prospective resources for Cervantes is shown below in Table 2. The mid case prospective resource estimate (Table 2) is 17.4 MMbbls or 10.4 MMbbls net to Metgasco.

These updated resource estimates represent a 14% improvement in Metgasco's resource estimates announced on 10 September 2019. (refer ASX announcement 4/10/19)

__Table 2:__ Prospective resource estimates for the Cervantes prospect (100%)

Reservoir	POS	Low MMbbls	Mid MMbbls	High MMbbls
Dongara	14%	5.4	12.1	23.2
Kingia	20%	1.2	3.4	9.1
HCSS	20%	0.5	1.9	5.9
Arithmetic total		7.1	17.4	38.3

These prospective resource estimates are probabilistic in nature and are recoverable raw oil attributable to 100% interest in Cervantes as of 4 October 2019. The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. *The prospective resource estimates in the above table have an associated risk of discovery and a risk of development.* Metgasco is not aware of any new data or information that materially affects the estimate above and that all material assumptions and technical parameters continue to apply and have not materially changed. *Further exploration, appraisal and evaluation will be required to determine the existence of potentially moveable hydrocarbons*.

RISC has assessed the value of Metgasco's farm-in agreement on L14 by valuing on the basis of farm-in promotion factors. RISC has calculated the premium value of Metgasco's interest in L14 to be $4.4m - $5.8m and the nominal value to be $11m -$14.5m. The nominal value of the farm-in opportunity is when Metgasco has taken up its right to drill the Cervantes well on 15 November 2019. The premium value represents the future amount Metgasco will fund in the event the company exercises the right to drill both exploration wells in return for the acquisition of the interest in the farm-in opportunity. Metgasco considers RISC's independent report confirms the significant prospectivity of the Cervantes oil prospect.

Cooper /Eromanga Basin Exploration Blocks

ATP2021 Farm-Out Agreement – Vintage Energy Ltd

The Farm-Out Agreement, including a Joint Operating Agreement, was executed in July 2019. It provides for Vintage to earn a 50% interest (and operatorship) in Metgasco's Cooper-Eromanga Basin licence ATP2021. The Farm-Out Agreement terms provide for Vintage to:

- Fund 65% of the first exploration well drilled, up to a maximum gross cost of $5.3 million (with Vintage's share being up to $3.445 million);
- Reimburse of 65% of past licence exploration costs ($527,800) or carry Metgasco for the first $527,800 of exploration costs; and
- Fund up to $70,000 of 2D/3D seismic re-processing currently scheduled to better identify expected shallow oil targets on the block (see ASX announcement "Technical Activities update" 25 February 2019).

The Farm-Out Agreement is binding, and the transfer of the 50% interest in ATP2021 is conditional on ministerial approval and license registration, which is anticipated imminently.

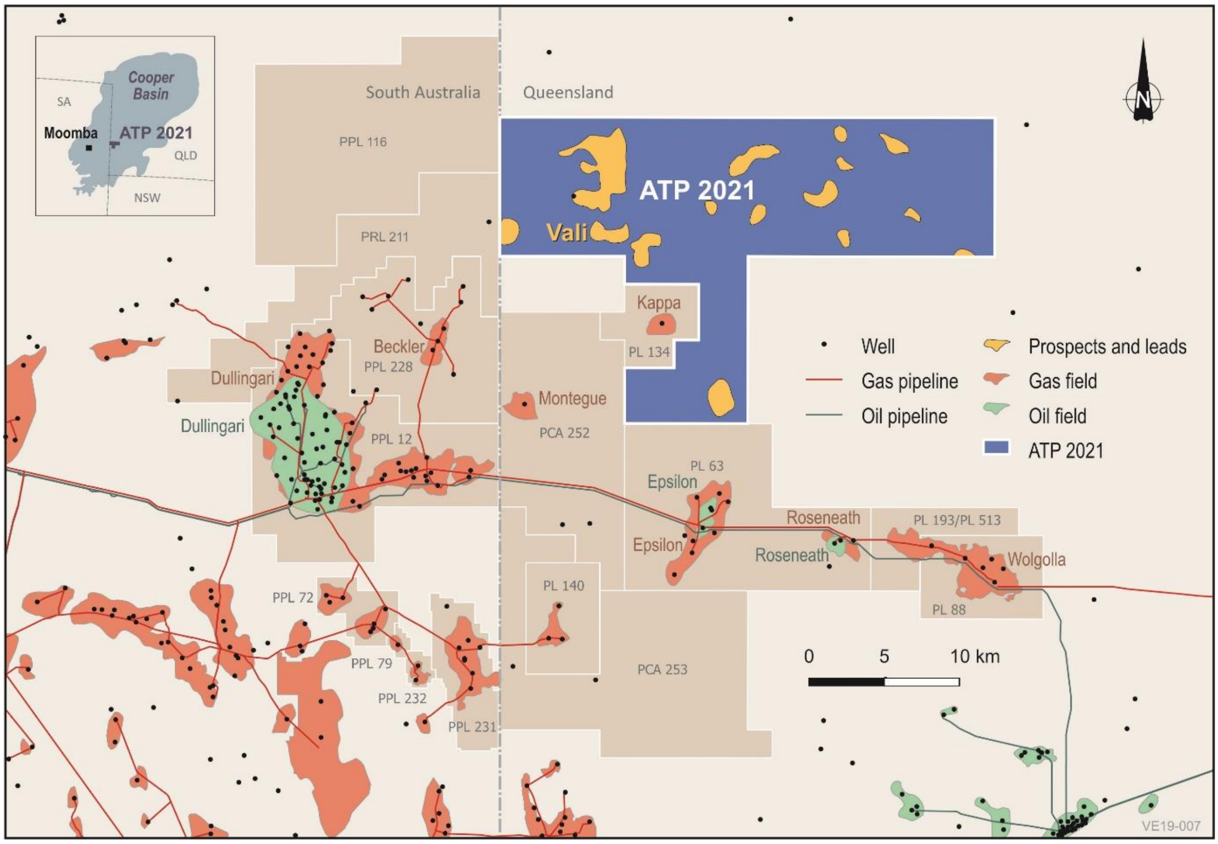
Vintage and Metgasco are finalising the licence budget for FY19/20 and well planning is progressing on the Vali exploration prospect with a plan to drill in late Q4 of CY 2019.

The joint venture partnership entered into with Vintage provides the following key benefits to Metgasco shareholders:

- Vintage's team is well regarded by the Metgasco Board and has significant Cooper Basin technical and operational experience;
- The signing of the Farm-Out Agreement secures additional project funding to deliver drilling of one exploration well in late Q4 2019; and
- Metgasco and Vintage have agreed to consider other potential areas of mutual interest.

ATP2021 (Figure 3 below) is a 370km^2 permit located on the Queensland side of the Cooper-Eromanga Basin and is highly prospective with drill ready prospects identified by 3D seismic. Within 20km of the permit boundary are oil and gas fields with associated pipelines and facilities that have produced over 600BCF of gas and 11MMbbl of oil.

Figure 3 *Location of ATP2021 and surrounding oil and gas fields and pipelines*



APT2021 Further 25% Farm-out Agreement – Bridgeport (Cooper Basin) Pty Ltd.

On 29 August 2019, the Company executed a binding Farm-out agreement with Bridgeport ("the farminee"), a highly experienced Cooper/Eromanga focussed JV party, in respect of its Cooper/Eromanga Basin asset ATP2021.

Metgasco will be free carried through the first exploration well (Vali-1) on ATP2021 planned for late Q4 CY 2019 and will retain a 25% non-operated interest.

The agreement provides for the farminee to earn a 25% non-operated interest in Metgasco's Cooper/Eromanga Basin licence ATP2021. The Farm-out agreement terms provide for the farminee to:

- Fund 32.5% of the first exploration well drilled, up to a maximum joint venture gross cost of $5.3 million (with the farminee's share being up to $1.72 million);
- Fund 32.5% of Metgasco's share of future exploration costs in relation to ATP2021 up to a maximum cap of $812,000 gross ($263,900 net)

The contribution from the farminee in respect to the well and exploration costs are anticipated by end Q1 CY 2020. The Farm-out agreement is binding, and subject to certain standard formal conditions including ministerial approval and license registration, with Metgasco and the farminee expecting final licence transfer documentation by October 2019.

This farm-out agreement with Bridgeport and the previously executed agreement with Vintage provides the following key benefits to Metgasco shareholders:

- Metgasco costs are 100% free carried for the drilling of the Vali-1 exploration well planned for Q4 CY 2019;
- The interest and quality of the JV parties have increased Metgasco's expectation that the

prospects and leads identified in ATP2021 are highly prospective for both gas and oil;

- The farminee has agreed to provide Metgasco access to their regional technical data analysis for review by the ATP2021 JV as part of their contribution to the joint operations.

ATP2021 Vali Prospect Planning Status and Prospective resources

ATP 2021 is a 370km^2 permit located on the Queensland side of the Cooper/Eromanga Basins. Within 20 kilometres of the permit boundary are oil and gas fields, with associated pipelines and facilities, that have produced over 600 Bcf of gas and 11 MMbbl of oil. The permit is partially covered by 2D and 3D seismic, with three main Permian gas prospects and several Jurassic oil prospects and leads already identified. Best endeavours will be made to drill the first well, Vali-1, in 2019. The target sections will be the Permian gas reservoirs that have historically been the main producing zones in the Cooper/Eromanga Basins.

A Letter of Intent with Schlumberger was signed for the use of the SLR-185 rig to drill Vali-1. Landowner agreements are now in place across the entire area of ATP 2021 and Vintage, as operator, is working with all stakeholders on progressing the project to a safe and successful completion. The Vali structure is a robust anticlinal closure located in the southern part of the permit. The Vali prospect is prospective for gas in Permian aged reservoirs, specifically the Patchawarra Formation. The Toolachee Formation is a secondary objective. These reservoirs are proven as producing reservoirs on the southern flank of the Nappamerri Tough. The Vali structure is identified on the 2016 Snowball 3D seismic survey and is approximately three kilometres from Kinta-1, a well drilled in 2004 that intersected gas charged sands in the Patchawarra and Toolachee formations.

As released on 1 October 2019, operator Vintage Energy's sub-surface work on Vali has significantly increased the prospective resources attributed to the prospect. Vintage estimate the chance of geological success to be 34% for both the Patchawarra and the Toolachee formations in the Vali-1 prospect and estimate the chance of a commercial discovery to be high given nearby infrastructure and market accessibility.

Vintage's sub-surface team has completed an in-depth analysis of sub-surface information and calculated gross (100%) recoverable prospective resources (Patchawarra and Toolachee) of 38.1 Bcf. Vintage's work indicates a 100% increase in prospective resources compared to Metgasco's prospective resource estimates from November 2018.

Table 3: *Comparison of Metgasco and Vintage Prospective Resources for Vali*

Vali -1 Prospect	Metgasco 2U/ Best Estimate (100%) – Nov 2018	Vintage 2U/ Best Estimate (100%)- Sept 2019	Vintage 2U Best Estimate (25 % net MEL)- Sept 2019
Patchawarra and Toolachee Formations	**19 Bcf***	**38.1 Bcf****	**9.5 Bcf**

*Refer Metgasco ASX announcement on 26 Nov 2018 **Refer Vintage ASX announcement on 1 Oct 2019

The estimate quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. These prospective resources are estimated as of 27 September 2019 and were first disclosed in the Metgasco announcement of 22nd November 2018 and Vintage ASX announcement dated 1 October 2019. Further exploration, appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons. The resources have been classified and estimated in accordance with the Petroleum Resource Management System (PRMS). The prospective resources have been estimated based on the interpretation of 3D seismic integrated with offset well data. Probabilistic methods have been used to estimate the prospective resource in individual reservoirs and the reservoirs have been summed arithmetically. Metgasco is not aware of any new data or information that materially affects the estimate above and that all material assumptions and technical parameters continue to apply and have not materially changed. It is expected that the prospect will be drilled in late 2019 and that no further material exploration activities, including studies, further data acquisition and evaluation work are to be undertaken prior to that activity. Resource estimates are net of shrinkage.

ATP2020

The seismic re-processing work was completed early in the Quarter and the seismic quality has improved the definition of the Loki lead. Additional work to support hydrocarbon migration pathways into the structure was completed. During the Quarter farm-out discussions in relation to ATP2020 continued with potential farminees.

Metgasco's ATP2020 licence allows near term exploration commitments to be deferred to future years.

A decision will be made in the first half of 2020 on whether to continue holding the licence based on further technical work on the licence and success on securing a farminee.

PRL237

The JV has agreed to defer any exploration activities to the 2nd half of FY 2021

Byron Energy Limited: SM74, Shareholding and Proposed In-Specie distribution

SM74 Well

In July 2018, Metgasco farmed-in for a 30% working interest in Byron operated SM74 block (24.37% net revenue interest) via funding 40% of the dry hole cost of the Initial Test Well (SM74 D-14) to casing point. Byron would pay the remaining 60%. Both companies would then bear their respective working interest costs after the SM74 D-14 was drilled to total depth.

SM74 D14 well successfully kicked off on 15 May 2019 and was drilled to a depth of 14,933 feet measured depth ("MD")/ 13,591 feet true vertical depth ("TVD"). Because the first two primary objectives were wet and due to difficult hole conditions, it was decided not to drill deeper. Using real-time gamma and resistivity logging tools, the well bore was deemed uncommercial and was plugged and abandoned.

Byron faced significant challenges during the drilling of the SM74 deep prospect resulting in stuck drill pipe in the D14 original wellbore (D14 OH) which required the drilling of the D14 BP1 bypass wellbore. The concerted efforts of Byron's staff, external advisors, vendors and providers allowed the bypass well to be safely and efficiently drilled to a depth sufficient to test the prospect. The well was managed by Stokes & Spiehler, Byron's primary consulting drilling engineers utilising the White Fleet Drilling Rig WFD350 with primary downhole and mud services provided by Halliburton.

In July 2019 the well was in the process of being plugged and abandoned when Tropical Storm Barry resulted in an evacuation of rig personnel delaying operations for several days.

On 18 July 2019 Metgasco finalised its exposure to SM74 drilling program costs, after negotiation, by reaching a commercial agreement with Byron by which:

- Metgasco paid Byron AUD $1.75 million to settle its exposure to the additional costs, on a capped basis (i.e., no liability to further cost overruns) on 30 September 2019; and
- Metgasco agreed with Byron to exercise the 10 million options it held over BYE shares in accordance with its previously advised intention.

Metgasco remains a 30% owner of the SM74 Licence having met its farm-in drilling commitment.

BYE Shareholding

Metgasco agreed with Byron in July 2019 to exercise the 10 million options it held over BYE shares and the exercise was completed, in accordance with the option terms, at a strike price of $0.25.

Following the exercise of the above options, Metgasco owned 50,333,383 BYE shares, representing 7.14% of Byron's issued capital.

Subsequently, on 18 September 2019, Metgasco disposed of 8 million ordinary shares in Byron, realising approximately $2.72m. These funds were applied to discharge of the residual $1.75 debt to Byron, representing the agreed capped exposure to well costs, and to general working capital purposes.

Metgasco retains to date 42,333,383 BYE securities, representing 6% of Byron's issued capital. The market value of these shares, based on Byron's closing price of $0.31 as at 30 October 2019, is approximately $13 million.

Metgasco notes the positive ASX announcements on 17 October 2019 and 30 September 2019 by Byron Energy on SM58 exploration success and corresponding contingent resource upgrades (refer to BYE announcements). Metgasco considers its investment in Byron equity to be value accretive and potentially providing further additional long-term business capital

In-Specie Distribution of Byron Shares to Metgasco Shareholders

Metgasco's Board has been considering options to unlock the value of the Company's BYE investment for the benefit of its shareholders as announced on 1 and 29 October 2019. Metgasco is currently reviewing relevant tax considerations to expeditiously advance the planned distribution to its shareholders of 30 million shares in Byron Energy (ASX:BYE) currently valued on a gross basis at $9.3 million. After allowing for this distribution, Metgasco will still retain cash and cash equivalents of approximately $5.1 million.

This significant return of value to shareholders, representing approximately 70% of the Company's BYE position, reflects the Board's focus on maximising shareholder returns and delivers direct participation for shareholders in Metgasco's successful investment in Byron, as well as providing shareholders with direct exposure to the substantial future upside Metgasco believes exists within Byron's Gulf of Mexico portfolio.

On the resolution being approved, at a shareholder meeting in mid-December, and the distribution proceeding, Metgasco shareholders will receive approximately one (1) BYE share for every thirteen (13) MEL shares held at the record date (to be advised).

Metgasco will, following the proposed distribution, retain a material 12,333,383 shares in Byron.

Corporate Activities:

On 15 July, Metgasco received an unsolicited, conditional takeover offer from Melbana offering 4 shares in Melbana for each share of Metgasco, with the bid initially closing on 24 October 2019.

A copy of the Bidder's Statement was dispatched to shareholders on 24 September 2019, and on 25 September 2019 Metgasco made public the unanimous view of the Board that Melbana's offer materially undervalued Metgasco's shares. The Board recommended shareholders take no action until Metgasco's Target's Statement was released. A supplementary Bidder's Statement was issued on 16 October 2019.

On 9 October 2019, Metgasco's Target's Statement was dispatched (see ASX announcement "Dispatch of Target's Statement" of 10 October 2019 for a copy of the Target's Statement). A supplementary target's statement was released (see ASX announcement "Supplementary Target Statement") and dispatched to shareholders on 24 October 2019. The Board continued to recommend shareholders take no action.

Melbana has extended the bid closing date to the 15th of November 2019.

The Metgasco Board held 11 meetings during the Quarter.

Cash position:

The Company ended the Quarter with a cash balance of A$1.2 million and with no debt. A cost obligation of A$1.75m in relation to the finalisation of the SM74 well as outlined above was settled by the end of the Quarter.

The following is a reconciliation of the Company's cash position from 1 July 2019 to 30 September 2019:

	$A'000
Cash at 30 June 2019	**1,803**
Net interest and investment income	6
Sale of investments	1,613
Exploration and evaluation expenditure	(1,795)
Overhead and administrative	(351)
Cash at 30 September 2019	**1,276**

Shareholders should note that the Company's shareholding in Byron (approx. $13.1 million as at 31 October 2019), is not included in the Company's cash position disclosure above.

The Company exercised its 10 million options over Byron shares at a cost of $2.5m funding the take up of these shares via its cash reserves and realisation of yield investments.

Metgasco's planned commitments until the end of CY 2020 are minimal in ATP2021 and in ATP2020 can be deferred if a farm-out partner is not immediately secured. Metgasco's Perth Basin drilling commitment funding (on exercising the first well option), assuming a successful farm-out will reduce capital exposure to 50% of the anticipated well cost. Our current fungible assets of $5.1 million (post the intended Byron share return) are sufficient, in the view of the Metgasco Board, to support the Company's near-term exploration activities

Shareholder base:

At 30 September 2019, Metgasco had 390,601,434 shares on issue and 2,159 shareholders. Its top 20 holders held 231,819,823 shares or 59.35% of the Company's issued capital.

Certified Resources:

The Company announced prospective resources in the Cooper/Eromanga Basin on 26 November 2018. On 1 October 2019, operator Vintage Energy increased the prospective resources attributed to Vali prospect. Prospective Resources relating to the farm-in on L14 were announced on 10 September 2019 and the prospective resources on Cervantes were announced based on RISC's independent specialist report.

Outlook - work program for next quarter:

The Company expects the Vali-1 prospect to spud in December and will support operator Vintage Energy.

The company will continue work to secure farm-inees for the Cervantes prospect and ATP2020 during the next quarter.

Metgasco will continue to recommend that Melbana's Offer, in its current form, remains wholly inadequate and materially undervalues your shareholding in Metgasco.

Metgasco’s Annual General Meeting is planned for 28 November 2019.

Metgasco will continue work to expeditiously advance the planned distribution to its shareholders of 30 million shares in Byron Energy (ASX:BYE).

Metgasco will discuss any future SM74 Licence prospectivity with Licence operator Byron and decide whether to remain as a JV partner in the Licence.

Metgasco will continue to make prudent and appropriately sized investments in energy exploration assets, where these represent a compelling risk/return proposition and are in accordance with our 2018 corporate strategy. The Metgasco team will continue to review potential value-adding corporate and asset opportunities in accordance with that strategy.

Tenement Listing				
Tenement Reference	Location	Nature of Interest	Interest at 30 June 2019	Interest at 30 September 2019
Byron Energy Limited				
SM74	USA, GoM	30% working interest and 24.37% net revenue interest	Funding 40% of well costs for 30% direct interest.	30%
Bivouac Peak Private Landowner Leases	USA, GoM	10% working interest and 7.5% net revenue interest	10% direct interest.	10% -awaiting relinquishment of private leases.
Cooper/Eromanga				
ATP2020	QLD	100% owner & Operator	100%	100%
ATP2021	QLD	100% working interest	50%*on farming out 50% to Vintage in May 2019 (*subject to govt licence transfer approval)	25%* after farming out further 25% to Bridgeport in August 2019 (*subject to govt licence transfer approval)
PRL237	SA	20% Working Interest	20%	20%
Perth Basin				
Cervantes Prospect In Western Flank area in L14 Production Licence	WA	60% interest in structural Hydrocarbons discovered	0%	Option right to 60% interest by paying 100% of well cost via exercising well option by 15th November 2019
2nd Exploration Prospect in L14 Production Licence	WA	60% interest in structural Hydrocarbons discovered	0%	Option right to 60% interest by paying 100% of well cost via exercising well option from 1st April to 31st December 2020

ENDS

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Forward Looking Statements:

This document may contain forward-looking information.

Forward-looking information is generally identifiable by the terminology used, such as "expect", "believe", "estimate", "should", "anticipate" and "potential" or other similar wording.

Forward-looking information in this document includes, but is not limited to, references to: well drilling programs and drilling plans, estimates of potentially recoverable resources, and information on future production and project startups.

By their very nature, the forward-looking statements contained in this document require Metgasco and its management to make assumptions that may not materialise or that may not be accurate. Although Metgasco believes its expectations reflected in these statements are reasonable, such statements involve risks and uncertainties, and no assurance can be given that actual results will be consistent with these forward-looking statements.