



ASX / MEDIA RELEASE

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OPERATIONS COMMENCE AT VALI-1

- **SLR-185 rig has been mobilised to Vali-1 with drilling operations commencing this afternoon**
- **Metgasco is free carried for the drilling of Vali-1 with a 25% interest**
- **Vali-1 Net Prospective Resource (2U Best Estimate) of 9.5 Bcf**

Metgasco Ltd (ASX:MEL) (**Metgasco** or the **Company**) notes licence operator Vintage Energy Ltd (Vintage, ASX: VEN)'s ASX release today.

Metgasco is pleased to advise that the Vali-1 well is expected to spud today. The SLR-185 rig is a 1250 HP rig capable of drilling to 3,500 metres, which satisfies the requirements of the Vali-1 well which has a targeted total depth of 3,140 metres.

As announced to the market on 22 May 2019, Metgasco has farmed out a 50% interest in ATP 2021 to Vintage who will contribute 65% of the cost of Vali-1 (up to a gross cost of \$5.3 million), paying up to \$527,800 of Metgasco's future exploration costs, and funding up to \$70,000 of 2D and 3D reprocessing.

On 29 August 2019 Metgasco farmed out a further 25% of ATP2021 to Bridgeport (Cooper Basin) Pty Ltd (a subsidiary of New Hope Corporation) who are contributing a further 32.5% of the cost of Vali-1 (up to gross cost of \$5.3 million) and will pay Metgasco's future exploration costs up to \$263,900 (net) on ATP2021. These two farm-out transactions have achieved a free carry for Metgasco on the Vali prospect.

Please refer to 10th December ASX announcement for further information on Vali-1. Metgasco will issue progress reports on the Vali-1 well as material developments occur.

AUTHORISED FOR ISSUE TO ASX BY THE BOARD OF METGASCO LTD

Contact and further information:

Metgasco welcomes shareholder communication and invites all interested shareholders to make contact at any time.

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