

ASX / MEDIA RELEASE

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Vali-1 ST1 Update

- Fracture stimulation on schedule, to be followed by gas flow testing
- Condor fracture stimulation spread being mobilised to site
- Site preparations completed
- Independently certified gross 2C Contingent Resource of 37.7 Bcf (9.4 Bcf Net)¹
- Stimulation program targeting 80 m of net gas pay (porosity cut-off of 6%) over a gross 312 metre interval in the Patchawarra and Tirrawarra Formations.

Metgasco Ltd (ASX: MEL) ("**Metgasco**" or "**the Company**") is pleased to advise that the fracture stimulation of Vali-1 ST1 well, which is to be followed by testing, is expected to commence on 12 July 2020. The ATP 2021 joint venture (Vintage 50% and operator, Metgasco Ltd 25% and Bridgeport (Cooper Basin) Pty Ltd 25%) awarded the Vali-1 ST1 fracture stimulation activities to Condor Energy Services Pty Ltd ("**Condor**") in June, with Condor currently mobilising its fracture stimulation equipment and personnel to site. This is expected to be completed over the coming days.

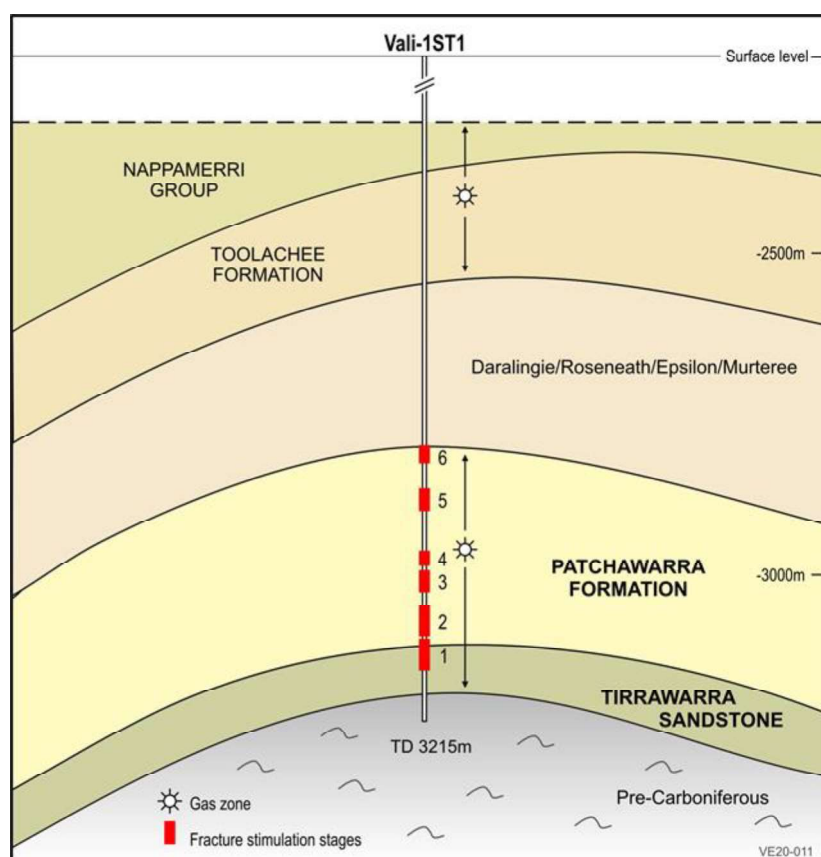


Figure 1: Cross section of Vali-1 ST1 and planned fracture stimulation stages

The Vali-1 ST1 fracture stimulation program is planned to be six stages, five in the Patchawarra section and one in the deeper Tirrawarra / Basal Patchawarra section, at depths of between 2,810

metres to 3,140 metres. The previously successful casing pressure test, cement bond logging and baseline temperature log, have all provided important information for the design of an effective fracture stimulation program.

Flow testing will record separator gas flow rates from the Patchawarra Formation and Tirrawarra Sandstone, where gas was recovered during drilling operations. The objectives of the flow testing program will be to measure total stabilised separator gas rates, down-hole reservoir pressure and individual zonal gas flow contribution. The results of the stimulation and test program will be assessed and incorporated into a commercialisation plan for the asset.

1. Refer ASX release dated 3 March 2020



Ken Aitken, Metgasco Chief Executive Officer, commented:

“The preparations for the fracture stimulation of the Vali-1 ST1 well are progressing to plan under Vintage’s diligent operatorship and we look forward to a safe and successful outcome of the work program. Establishing a commercial gas project at Vali is a key step for Metgasco to pivot from an exploration company to a profitable production business in CY21”

This ASX announcement was approved and authorised for release by the Board.

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