

## ASX / MEDIA RELEASE

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### Rig Mobilisation to Cervantes-1

- Civil works and drill pad preparation complete
- Ensign 970 rig being mobilised to Cervantes-1 location
- Drilling anticipated to begin on or around the 25 March
- High Impact Cervantes-1 targets 15.3 million barrels of oil(mmbbls) of P50 Prospective Resource (Metgasco net 4.6 mmbbls)

**Metgasco Ltd (ASX:MEL) ("Metgasco") (the Project Manager)** is pleased to confirm that the Ensign 970 drilling rig has been released by the previous Perth Basin operator and is moving to the Cervantes-1 location. The Ensign 970 rig is a 1500HP rig which has safely and successfully drilled wells in the Perth Basin for other operators. It is anticipated that the Cervantes 1 well will spud on or around the 25 March

The Cervantes oil prospect is on trend with the Cliff Head, Jingemina and Hovea oil fields (see Figure 1 below). The structure is a high side fault trap similar to other fields in the basin. The well will target Permian sandstone reservoir targets which have been prolific producers in the Perth Basin. The Cervantes-1 well is designed as a moderately deviated well to be drilled to a depth of circa 2600m MDRT intersecting the Dongara, Kingia and High Cliff Permian reservoirs.

As announced by Metgasco on 10 September 2019, Cervantes is assessed to contain Gross recoverable Prospective Resources (P50) of 15.3 million barrels of oil. (4.6 million barrels net to Metgasco)

The Cervantes-1 well is to be drilled by the L14 Cervantes Joint Venture (CJV) comprising Metgasco (30%), Vintage Energy Ltd ("Vintage") (30%) and RCMA Australia Pty Ltd ("RCMA"), (40%). Metgasco is earning its stake in any Cervantes discovery in the targeted Permian reservoirs through funding 50% of the cost of Cervantes-1 (with Vintage to fund the remaining 50% to earn its stake).

Metgasco's Perth based management team are seconded as Project Managers to L14 operator of record RCMA, with drilling management services supplied by Aztech Well Construction Pty Ltd.

Metgasco is fully funded to meet its share of expected costs for the Cervantes-1 well through the recent successful placement.

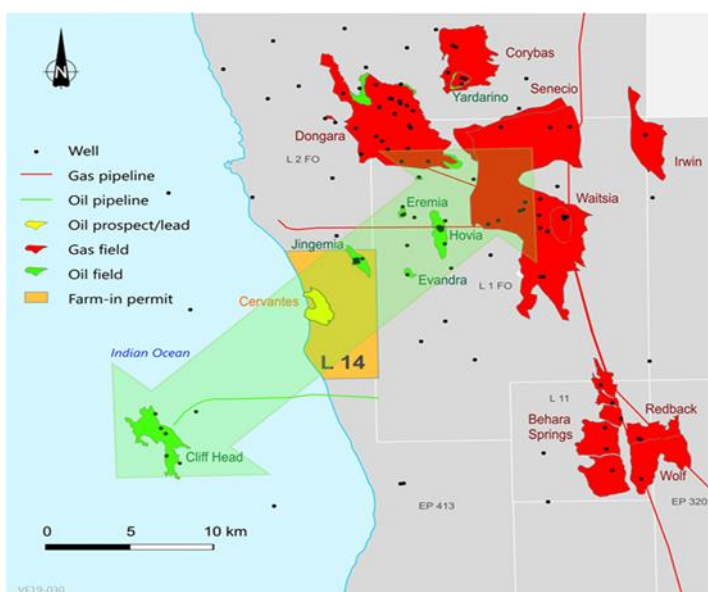


Figure: 1 Cervantes prospect location

The site and access road civils works was recently completed in preparation for the arrival of the Ensign 970 drilling rig at Cervantes-1. (See Figure 2 below)



Figure: 2 Cervantes-1 Drilling Pad

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

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