



ASX / MEDIA RELEASE

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Definitive Vali Gas Sales Agreement executed with AGL

- **ATP 2021 Joint Venture signs final Gas Sales Agreement (GSA) with AGL Wholesale Gas Limited**
- **Total volume estimated at between 9 PJ and 16 PJ (gross)**
- **Pricing agreed at a mix of fixed and variable market rates**
- **GSA terms consistent with the initial Gas Sales Heads of Agreement announced 6th December 2021**
- **Deal includes a pre-payment by AGL of \$15 million to the Joint Venture, funding Vali Field work to first gas**

ATP 2021 (Metgasco 25%, Vintage 50% and operator and Bridgeport (Cooper Basin) Pty Ltd 25%)

Metgasco Ltd (ASX: MEL, "Metgasco") is pleased to announce execution of a definitive gas sales agreement between the ATP 2021 Joint Venture parties ("JV") and AGL Wholesale Gas Limited ("AGL") for the sale of all gas produced from the Vali Field from field start-up (expected mid-CY2022) through to the end of CY2026.

The terms of the GSA reflect the Heads of Agreement ("HOA") between the JV and AGL announced 6 December 2021, following a competitive process. Commencement of the GSA is subject to fulfilment of conditions precedent.

Production from the Vali gas field, discovered in CY2020, is expected to commence following completion of the field's three wells and connection to the nearby Moomba gas gathering network.

Gas produced during the production appraisal is to be sold to AGL on a mix of firm and variable pricing at market rates. Under the terms of the GSA, the joint venture will receive pre-payments totalling \$15 million in three equal tranches from AGL on achievement of milestones as the project moves to first gas. These funds are to be applied specifically to funding the work program to take Vali to first gas. Metgasco Ltd is fully funded for capital expenditure at Vali through to first cash flow.

The first pre-payment is to be made on signing of the GSA and satisfaction of its conditions precedent which include execution of upstream transportation and processing agreements.

Metgasco Managing Director, Ken Aitken said, *"The execution of the GSA with AGL is a significant milestone for Metgasco and underpins our transition to becoming a gas producer in Mid CY2022. Commercialisation of Vali represents the culmination of a long process of value creation by Metgasco, from initial application for ATP2021, technical appraisal, farm-out and, with our partners, a highly successful exploration drilling program."*

"The GSA to sell up to 16 PJ of gas to AGL will deliver significant cash flow to the Joint Venture over the term of the contract and provide the Joint Venture with an upfront payment for funding capital works required to achieve first gas. These are great outcomes for Metgasco and all the participants in the agreement. Metgasco acknowledge the excellent commercial work done by Vintage's team and advisors on finalising this transaction."

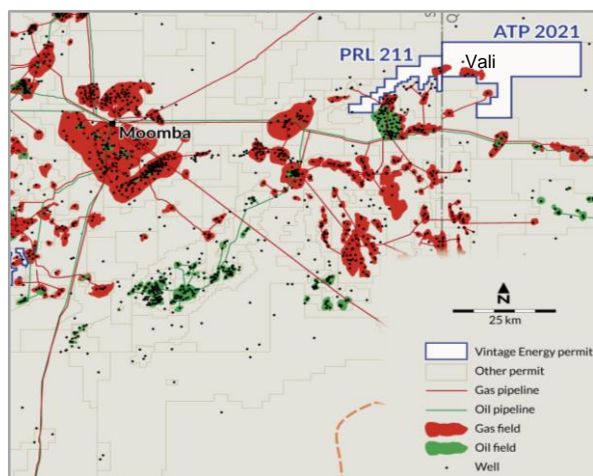
With strengthening gas prices in the domestic and international markets Metgasco's growing gas production hub in the Cooper Basin will be a highly valuable asset for Metgasco and its shareholders for decades. Importantly, field reserves definition and near term development still await for our nearby PRL211 asset, with the ATP2021 and PRL211 gas production hub well positioned to sell greater volumes of gas in the future and be part of the solution to provide new gas supply to the constrained east coast gas market."

Vali has been independently certified to hold gross 2P reserves of 101.0 PJ (25.2 PJ net to Metgasco, as announced 1 November 2021). The company expects early production performance will improve understanding of the field's potential and assist in determination of optimal future appraisal and development plans. Flow testing of the discovery well Vali-1ST1 and logging of the appraisal wells Vali-2 and Vali-3 identified the field to have multiple gas bearing zones.

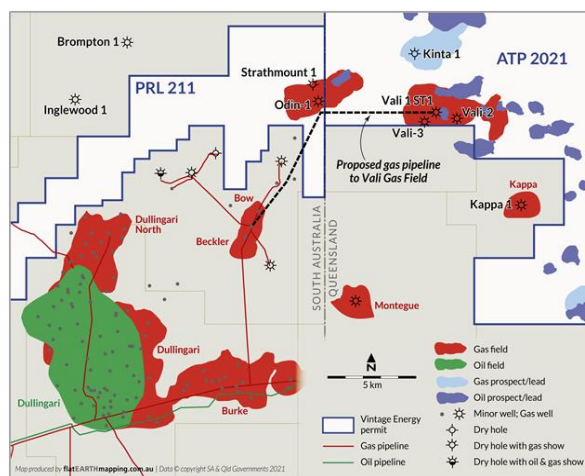
Operations update

Capital works for the commencement of production from Vali are advancing consistent with the timeline for first gas around mid-year 2022. Site works at Vali have commenced in preparation for the conduct of operations later this month.

Location of ATP 2021 and Vali gas field Cooper Basin, Queensland Australia



ATP 2021 and Vali Gas field and adjacent gas gathering infrastructure



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