

## ASX / MEDIA RELEASE

ASX Code: MEL

25 March 2022

## Cervantes-1 Operations Update

- Ensign 970 rig equipment mobilisation and rig-up close to completion
- Well spud anticipated within the next 24 hrs
- High Impact Cervantes-1 Well 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 provide an operations update in relation to the company's high-impact Cervantes-1 oil well.

The Ensign 970 rig has been successfully mobilised to the Cervantes-1 drill pad location. The rig and associated equipment have been assembled and are undergoing final pre-spud checks. It is anticipated that the Cervantes-1 well will commence drilling the 17 ½" hole within the next 24 hours.

The Cervantes oil prospect is on trend with the Cliff Head, Jingemina and Hovea oil fields. The structure is a high side fault trap similar to other fields in the basin (see figure 1 below). 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 previously 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 being drilled by the L14 Cervantes Joint Venture (CJV) comprising Metgasco (30% and project manager), Vintage Energy Ltd ("Vintage") (30%) and RCMA Australia Pty Ltd ("RCMA"), (40% and operator). Metgasco is earning its stake in any Cervantes discovery in the targeted Permian reservoirs through funding 50% of the costs of Cervantes-1 (with Vintage funding the remaining 50% to earn its stake) and is acting as project manager and technical advisor to the joint venture.

Figure: 1 Cross section indicating Cervantes fault trap

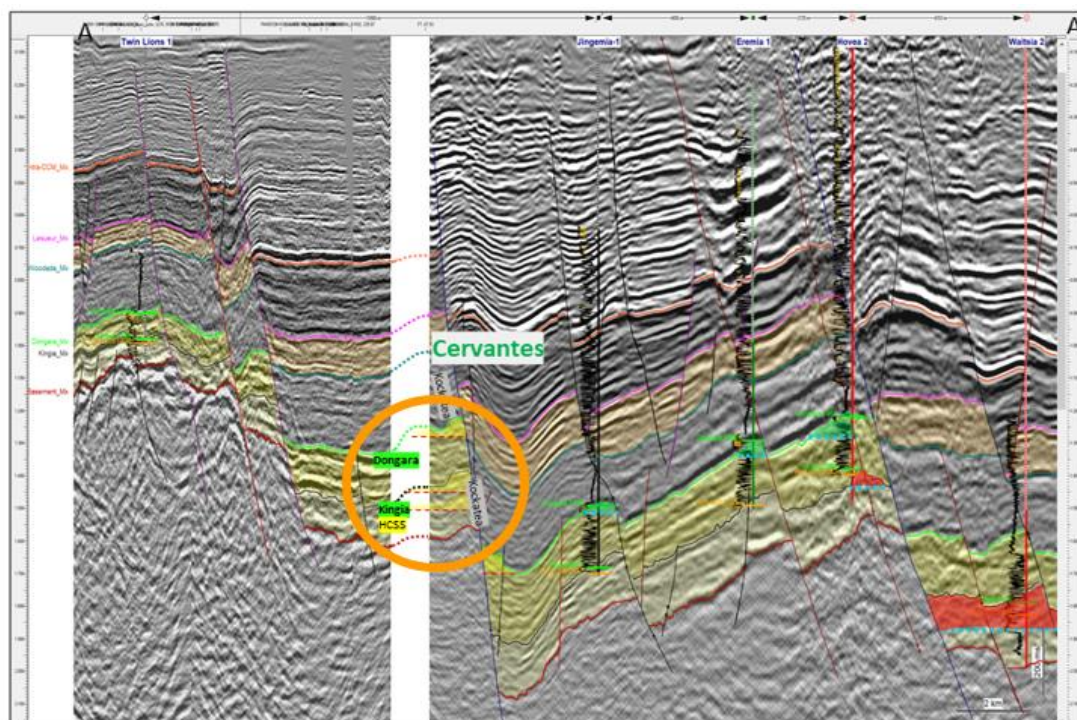


Figure: 2 Ensign 970 Drilling Rig on Cervantes-1 Drilling Pad



**Ken Aitken, Metgasco Managing Director, commented:**

*"I am pleased to report that the mobilisation and rig-up of the Ensign 970 drilling rig is nearing completion and the spud of the planned Cervantes-1 exploration oil well is anticipated imminently and on schedule. The Ensign 970 has a proven track record in safely and efficiently drilling exploration wells for other operators over the last 18 months in the Perth Basin. Cervantes-1, with a P50 of 15mmbbls gross prospective recoverable resource is one of the largest remaining oil prospects in the onshore Perth Basin."*

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

**For further information contact:**

Philip Amery  
Chair  
+ 61 402 091 180  
[philip.amery@metgasco.com.au](mailto:philip.amery@metgasco.com.au)

Ken Aitken  
Managing Director  
+61 8 6245 0062  
[ken.aitken@metgasco.com.au](mailto:ken.aitken@metgasco.com.au)

**Metgasco Ltd** ACN 088 196 383  
Level 2, 30 Richardson Street, West Perth, WA 6005  
Tel: +61 8 6245 0060  
[info@metgasco.com.au](mailto:info@metgasco.com.au)  
[www.metgasco.com.au](http://www.metgasco.com.au)