



ASX / MEDIA RELEASE

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Two Wells Online as Vali-3 Commences Gas Production

- **Vali-3 has commenced production**
- **Two Vali wells online providing sales gas to AGL**
- **Vali-1 gas production performance in line with expectations.**
- **Vali-2 surface commissioning complete and work planned to start production**

ATP 2021 Joint Venture (Metgasco 25%, Vintage Energy Ltd 50% and operator and Bridgeport (Cooper Basin) Pty Ltd 25%). Metgasco Ltd (ASX: MEL, "Metgasco") provides the following update on operations at the recently commissioned Vali gas field.

Background

Gas supply from the field commenced when Vali-1 came online 21 February 2023. Gas produced from Vali is being supplied to eastern Australia through the gas sales agreement with AGL Energy as announced on 23 March 2022.

Consistent with previous announcements, the initial phase of production from Vali is directed towards field appraisal, with the data acquired to inform preparation of a full field development plan. The appraisal process will be reflected in variable production as individual zones and formations are assessed, understood, and optimised.

At Vali-1 production is being sourced from the Patchawarra Formation only. Initial production from Vali-2 and Vali-3 is being sourced from the Toolachee Formation and will appraise the production performance of this formation in a crestal location on structure (Vali-2) and towards the outer limit of the structural closure (Vali-3). Production from the Patchawarra Formation at Vali-2 and Vali-3 will be addressed at a later stage, as part of the appraisal through production strategy.

Vali-3

Vali-3 commenced production at 8:15 am 27 March 2023 and has maintained stable production. Gas is now being supplied to AGL from both Vali-1 and Vali-3.

Production start-up from Vali-3 took longer than anticipated, as water had accumulated in the wellbore during the 237 day period from well completion requiring clean-up operations, which, in turn, required sourcing of equipment to unload the well so gas production could be established.

Some water production from both formations has always been forecast from Vali, particularly from the Toolachee formation. Water produced is being managed through the separation facilities and evaporation ponds designed for that purpose.

The commencement of production from Vali-3 is an important milestone for Metgasco and the Vali-Odin gas hub, which is expected to supply gas to eastern Australia over many years.

Vali-1

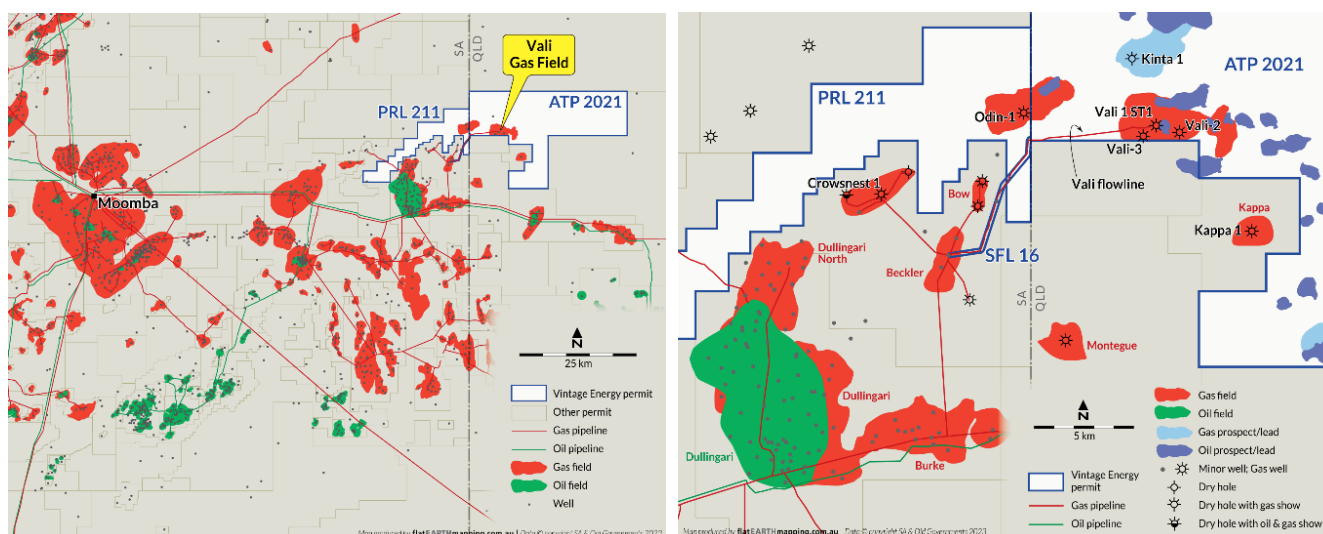
Vali-1 has completed one month of production, performing consistently and strongly, with flow rates aligned with expectations and test results.

Gas production has met pre-production forecasts, averaging a raw gas stream rate of 3.9 MMscfd during the first 30 days online. Water production has declined consistent with expectations as the well continues to clean up fluid pumped during fracture stimulation.

Vali-1 and the Vali facility recorded a 99% availability in the first 30 days of operation. Total system availability inclusive of non-operated downstream infrastructure recorded a 95% total system availability.

Vali-2

With production now established from Vali-3, the focus of operations has now shifted to Vali-2 which was commissioned on 8 March 2023. The program at Vali-2 has been affected by the time taken to bring Vali-3 online, as equipment in use at Vali-3 has been required to remove fluid in Vali-2 identified as residual fracture stimulation fluid. This equipment is now being relocated to Vali-2 so this fluid can be removed and the well brought online.



Location of Vali and Odin gas fields

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

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