



Australian Oil Company Limited

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Announcement to ASX

13 August 2024

California Operations Update

Australian Oil Company Limited (**ASX:AOK**)(**Australian Oil** or **the Company**)(formerly Sacgasco Limited [**ASX:SGC**]) is pleased to advise that its wholly owned subsidiary, PEOCO LLC (**PEOCO**), has signed an agreement to acquire additional pipeline infrastructure in the Sacramento Basin onshore California.

The pipeline is expected to cost approximately US\$20,000 to purchase and optimise its connection, carrying natural gas production from the 100% owned Rio Vista Gas Field wells. The Seller is Pacific Gas and Electric Company and the transaction is subject to normal California State gas pipeline regulatory submissions and approvals, with an anticipated effective date of November 2024. The acquisition is expected to allow increased gas flow from current wells up to four times the current gas volumes from the Company's Rio Vista wells. Accordingly, the Company has set a goal of 50,000 mcf of Quarterly gas flows from the acquired pipeline on a gross basis.

In conjunction with increased and optimised production measures, AOK is in commercial talks to monetise the Borba gas discovery via gas sales for electricity generation.

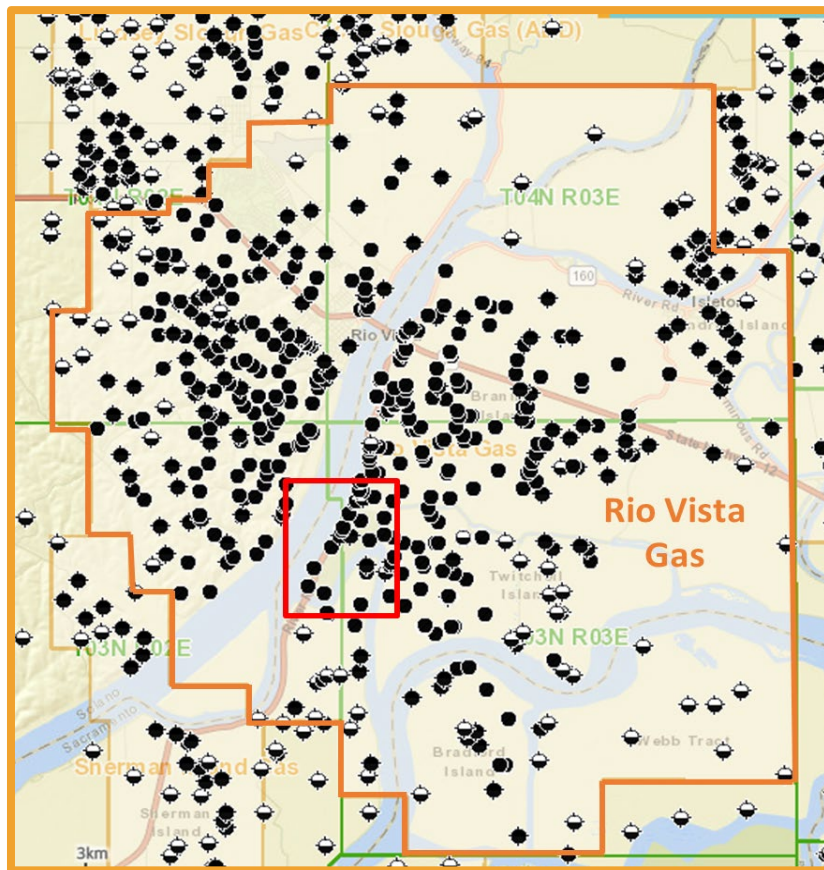
AOK has reduced some of its costs with respect to its Californian production operations and is looking at other cost reduction measures to capitalise on premium Californian gas prices. High temperatures in California have resulted in prices for natural gas averaging around 50% above US benchmark Henry Hub Natural Gas prices during July and August to date.

AOK will provide an update via its next webinar on its acquisition strategies as well as other opportunities being assessed in energy hungry jurisdictions.

This announcement has been authorised by the Board of Directors of the Company.

Contacts

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AOK wells and acquired pipeline are located in the Red Box

About Australian Oil Company Limited (ASX:AOK)

Australian Oil is an Australian-based energy company focused on under-explored, recently over-looked, world class oil and gas opportunities near under-supplied markets.

The Company is currently focussed on conventional oil and gas exploration and production in the Sacramento Basin in California, and Alberta Province in Canada. Australian Oil has a portfolio of natural gas and oil producing wells in addition to prospects and discoveries at various exploration and appraisal stages.

AOK is in the process of evaluating both the acquisition of, and sale of, oil and gas producing and exploration assets to enhance the Company's strategic needs and deliver shareholder value.

Website: www.sacgasco.com

Twitter: [@SacGasCo](https://twitter.com/SacGasCo)