



**ASX / MEDIA RELEASE  
15 February 2017**

**First Bezzecca gas from next month for Australia's Po Valley**

A new onshore northern Italy gas field, Bezzecca, is to be brought on stream next month under a project update released today by Australian listed oil & gas exploration, development and production company, Po Valley Energy Ltd (ASX: PVE), which owns Bezzecca among a suite of other gas field interests in northern Italy.

Po Valley announced today that final preparations to bring the Bezzecca-1 well into production are on schedule for March completion and first gas.

Bezzecca, development of which was financed by Po Valley in July last year, is among the assets being spun out by Po Valley into the new London-based Saffron Energy plc which is to list on the AIM market. An update on the float will be provided soon.

Po Valley will retain a majority shareholding in Saffron.

The new Bezzecca production is in addition to Po Valley's existing gas production since 2010 from the Sillaro gas field, also in northern Italy.

**Highlights of the updated Bezzecca first gas schedule include:**

- The well's sliding sleeves have been tested and are operational
- Plug on lowest level successfully removed to allow production start
- New 7km pipeline to nearby Vitalba gas processing plant successfully pressure tested
- Tie-in and instrumentation on track for mid-March completion.

The Bezzecca gas field is an approved production field located close to Milan in northern Italy. Gas from Bezzecca 1 will be processed at the Vitalba processing plant located only 7km away and is ready to be connected through the newly constructed tie-in pipeline.

The development plan includes a second production well which will be drilled in due course. Gas from Bezzecca 2 will also be processed through the Vitalba processing plant.

Post its AIM listing, Saffron Energy will hold a 90% stake in the Bezzecca gas field.

**Po Valley Chairman, Mr Michael Masterman:**

"A number of critical steps in the lead-up to Bezzecca gas field start-up were completed this week, including wireline operations to remove plugs and tear the sliding sleeve. We also successfully tested the new 7km pipeline from Bezzecca to the Vitalba gas plant. The project is on schedule to start production in March 2017 with further development-production upside already scheduled for later in the year".

**MEDIA CONTACTS:**

Kevin Skinner

Field Public Relations

+ 61 8 8234 9555 | 0414 822 631