

GASFIELDS LIMITED

18 June 2019

ACQUISITION OF WALYERING ROYALTY UPDATE

Gasfields Limited (ASX: GFS) (**Gasfields** or **Company**) is pleased to provide an update in relation to its proposed acquisition from ASX listed Greenpower Energy Limited (ASX:GPP) (**Greenpower**) of a 1.5% wellhead royalty over 50% of any production from EP447, being the proportionate share of the Tenement held by GCC Methane Pty Ltd (a wholly owned subsidiary of ASX listed Strike Energy Limited (ASX:STX), via its ownership of United Energy Limited)) (**GCC Methane**) (**Transaction**).

As announced on 28 March 2019, the parties entered into a binding Deed of Assignment of Royalty to effect the Transaction (**DAR**). On 23 April 2019, the Company announced that the parties agreed to amend the DAR with respect to payment of consideration. Since that announcement that Company confirms that it has paid \$125,000 to Greenpower as part payment of the outstanding consideration for the Transaction.

The parties have now mutually agreed to further amend the payment of the Transaction consideration as follows:

- (a) the outstanding Tranche 1 cash consideration element has been amended whereby Gasfields must pay Greenpower \$125,000 by 3 July 2019 (**Tranche 1**);
- (b) the Tranche 2 cash consideration element has been amended where provided Gasfields does not choose to withdraw from the Transaction it must pay Greenpower \$125,000.00 by 31 October 2019 (**Tranche 2**); and
- (c) The Tranche 3 cash consideration element has been amended whereby Gasfields must pay Greenpower \$125,000 by 30 November 2019 (**Tranche 3**),

(Collectively, the **Variations**).

Title, ownership and risk in the Wellhead Royalty will pass to the Company upon the Company completing payment of Tranche 2 (**Ownership**).

As previously announced, upon completion of the Seismic Survey or 120 days from execution of the DAR, whichever is earlier, the Company will have the option to make the Tranche 2 payment or withdraw from the Royalty Acquisition, subsequently relinquishing any Ownership in the wellhead royalty (**Withdrawal**). In the event that the Company proceeds with the Withdrawal, the Tranche 1 payment and any other payments made to GPP will not be refundable.

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As per the Company's announcement on 28 March 2019, the Company intends to call on its existing loan facility to satisfy the Tranche 1 consideration.

The Company remains focussed on building its exposure to natural gas globally and within Australia, and the Company will keep the market informed as the Transaction progresses. For further details of the Transaction please see the Company's announcements dated 28 March 2019 and 23 April 2019.

**By order of the Board
Gasfields Limited**

About Gasfields Limited

Gasfields Limited is an Australian-based energy and gas resources exploration and development company, working to develop gas exploration and production projects. The Company is currently focused on its Tulainyo Gas Project in the Sacramento Basin California. The Company's goal is to create exceptional value for shareholders through expanding and developing its energy and gas interests both in Australia and internationally.