

ASX / MEDIA RELEASE

ASX Code: MEL

16 December 2020

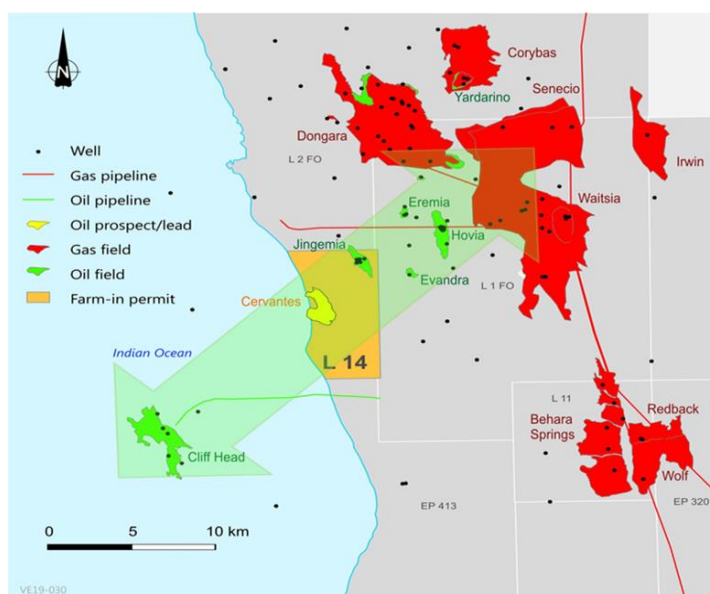
Drilling Rig Secured for Cervantes

- Letter of Intent signed with Refine Energy Limited for Refine Rig-2 to drill the Cervantes Prospect
- Civils contract has been signed and long lead equipment ordered
- Cervantes is on track for anticipated spud in late Q1 CY21, subject to regulatory approvals

Metgasco Ltd (ASX:MEL) ("**Metgasco**") is pleased to provide an update on behalf of Cervantes Joint Venture (CJV) partners Metgasco, Vintage Energy Ltd (ASX: VEN, "Vintage") and RCMA Australia Pty Ltd ("RCMA"). The CJV has signed a letter of intent (LOI) with Refine Energy Pty Ltd ("Refine") to use Refine Rig-2 for the drilling of the Cervantes exploration prospect, planned for late Q1 CY21.

In Q3 CY20, a request for expression of interest was distributed to a number of drilling companies allowing suitable rigs to be shortlisted on both a technical and commercial basis. Suitable rigs which originated in the Eastern states had the disincentive of requiring large mobilisation and demobilisation costs and were also unavailable during the planned drilling window.

On 22 October 2020, RCMA entered into a two-well farm-out agreement and tolling agreement with Refine Energy. Under the arrangement, Refine will drill two wells in Q1 CY21 in the L14 Licence area utilising their 100% owned drilling rig (Rig-2) which is stored at RCMA's Jingemina site. The rig is currently undergoing required upgrades and associated inspection which is anticipated to be complete in January 2021.



Cervantes prospect location

Under the terms of the LOI with Refine, the Mob/Demob is minimal due to the rig proximity to Cervantes, thereby reducing the overall estimated drilling cost.

The Cervantes prospect will be drilled immediately following the two Refine L14 wells allowing for optimal rig and crew efficiency. A full rig contract agreement is anticipated to be signed with Refine Energy in January 2021.

As Operator, Metgasco has also recently secured an experienced Perth Basin civil contractor for access track and well pad activities and ordering long lead well consumables.

Ken Aitken, Metgasco Chief Executive Officer, commented:

"Signing the LOI with Refine Energy for Rig-2 is very good news as it secures the drilling of Cervantes in our preferred time slot with a cost-effective rig which, currently situated only 3km away from our drilling location.

The rig and crew will have the experience of drilling two similar wells prior to Cervantes which is also considered an advantage. I very much look forward to working with the Refine team on the Cervantes project."

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

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