

METGASCO

Entitlement Offer

Seeking to raise approximately \$4.58M through a 1 for 3 Fully Underwritten, Non-Renounceable Entitlement Offer.

**L14 – Cervantes Oil
Exploration project**

**PERTH
BASIN**

**COOPER
EROMANGA
BASIN**

**ATP2021 – Three Vali gas
discoveries in CY20 & CY21
PRL211 – Odin-1 gas
discovery in CY21
Potential significant gas
production hub emerging
to assist east coast gas
shortage**

Corporate Presentation
6 July 2021

Metgasco's gas exploration success allows line of sight to profitable business in H1CY22

Company overview

- ASX listed energy exploration company (ASX code: MEL)
- Experienced team focused on creating shareholder value.
- An exploration focus in the prolific onshore Australian Cooper/Eromanga and Perth basins.
- 100% success rate in discovering gas in first four wells drilled in ATP2021 and PRL211 licences. CY21 successful drilling program anticipated to build reserves in production hub.
- Anticipated FID to commercialise Vali Q3 CY21 and gas production of gross 12mmscf/d targeted in H1 CY22. Odin gas discovery highly likely to be developed via Vali facilities.
- Currently planning the drilling of high impact oil exploration well Cervantes-1 onshore in Perth Basin.

Financial information

Share price (29 June 2021)	A\$0.029
Number of shares	549.6m
Bonus Options (4c expiring 31/12/2021)	182.5m
Employee Performance Rights	10.4m

Market capitalisation	A\$15.94m
Cash ¹	A\$0.55m
BYE Shares ²	A\$0.18m
Debt	A\$ nil

¹ As at 30 June 2021

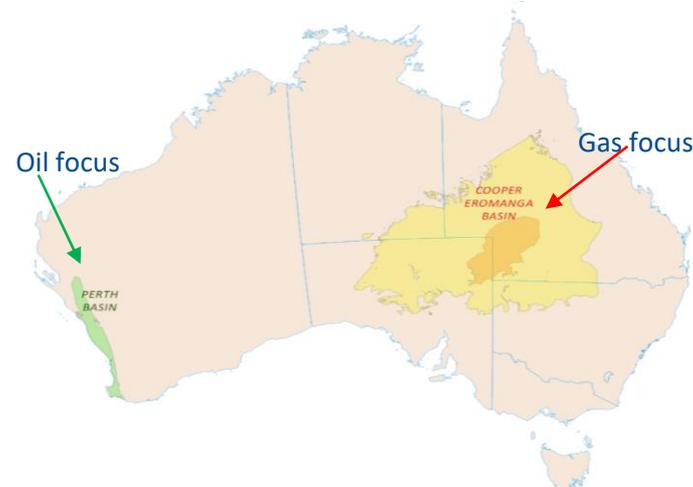
² As at 29 June 2021

Substantial shareholders & Board

Melbana Energy Limited	20.00%
Keybridge Capital Limited & Aurora Funds	14.77%
Board and Senior Management	2.59%
Top 20	50.15%
Total shareholders	1,973

Source: Link Market Services (29 June 2021)

Quality exploration portfolio in Cooper and Perth basins



Metgasco's Strategy is to deliver shareholder returns from current and new E&P assets/investments and be the partner of choice

Achievements over the past 36 months

Significant achievements have been made in the last 36 months in 3 key focus areas

Cooper Eromanga

- ✓ In CY2019 ATP2021 successfully farmed-out to Vintage Energy and Bridgeport.
- ✓ MEL free carried on Vali-1 exploration well retaining 25% interest in ATP2021
- ✓ 1st JV well Vali-1 spud in Dec19 and discovered gas in Permian sands
- ✓ Vali-1 ST1 successfully stimulated and tested at stabilised rate = 4.3 mmscf/d at 942 psi FWHP in Q3 CY2020.
- ✓ In Dec CY2020 Independent reserve assessment determines gas in Vali field 2P Gross 33.2PJ and Net 8.3PJ
- ✓ Vali-2 drilled in Apr21- 150 m net gas pay . Gas sample from the Toolachee
- ✓ Vali-3 drilled successfully in Jun 21
- ✓ PRL211- Odin-1 well drilled in May21 172.5 m gas pay in Toolachee,Epsilon and Patchawarra formations. Gas samples recovered from Toolachee and Epsilon.

Perth Basin

- ✓ September 2019: signed Perth Basin exploration farm-in deal with RCMA in the Western Flank of the Perth Basin. Deal terms allow up to two exploration wells to be drilled.
- ✓ September 2019: large oil prospect Cervantes identified by Metgasco & Prospective resources announced.
- ✓ 15 Nov 2019: Vintage Energy farms-in to the Cervantes prospect, paying 50% of well costs for 30% interest. Right for 2nd well farm-in L14 at same terms.
- ✓ CY2020 appoint highly experienced drilling consultancy Aztech appointed .
- ✓ Government regulatory approvals now expected by end Q3 CY21
- ✓ Well planning significantly advanced including purchase of long lead items.
- ✓ Cervantes well timing dependent on securing suitable drilling rig. Discussions underway on two suitable rigs active in WA.

Corporate

- ✓ Following Dec CY2020 AGM approval 20 million shares in Byron Energy(ASX "BYE") In Specie-Distribution completed to MEL eligible shareholders.
- ✓ Metgasco continue to assess value adding corporate and asset opportunities in the Cooper and Perth Basins.

- A fully underwritten non-renounceable pro rata Entitlement Offer with an opportunity to acquire 1 New Share for every 3 Existing Shares held as at the Record Date at an offer price of **\$0.025** per New Share (Offer Price) to raise up to approximately **\$4.58 million**. Attaching options on a 1 for 3 basis with a strike price of **\$0.031** expiring 31 December 2022
- Issue price:
 - representing a discount of 7.4% on the closing price of Metgasco on 1 July 2021
 - representing a discount of 13.5% on the 30-day VWAP of Metgasco to 1 July 2021

Appraisal, Well Completion, Well Testing, Geophysics and Commercialisation activities in relation to the Company's Cooper Basin portfolio	\$2.36M
Pipeline and Service Infrastructure in relation to commercialisation of the Company's Cooper Basin portfolio, subject to Joint Venture FID	\$0.62M
Pre-drill preparation, Civil works and Rig contracting at Cervantes	\$0.83M
New business appraisal and evaluation, and for general working capital	\$0.55M
Legal, Underwriting and Capital Raising costs of the offer (best estimate) ^{1,2}	\$0.22M
Total	\$4.58M

¹ Lead Manager Underwriting fees pursuant to the offer are three (3) percent (\$137,412). Pursuant to the Underwriting Agreement and Lead Manager Mandate, a further three (3) percent fee will be paid to the Lead Manager (up to a maximum of \$137,412, assuming 100% shortfall) on shortfall shares placed in relation to any shortfall under the Entitlement offer. Legal fees of \$15,000 have been estimated in relation to the Entitlement offer and related Underwriting documentation.

² Application of funds raised pursuant to the Entitlement offer are **best estimates only** and may necessarily vary subject to operation developments.

Share Capital Structure

Current ordinary shares on issue	549,649,424
Entitlement Offer (1 New Share for every 3 Existing Shares)	183,216,475
Total ordinary shares on issue post Entitlement Offer	732,865,899
Entitlement Offer Options (expiry 31 December 2022)	61,072,158
Underwriter Options (expiry 31 December 2022)	6,000,000
Bonus Options (expiring 31 December 2021)	182,476,936
Employee Performance Rights	10,418,411

Entitlement Offer Indicative Timeline*

Announcement of Entitlement Offer	Tuesday 6 July 2021
Record Date for Entitlement Offer	Friday 9 July 2021
Entitlement Offer opens and dispatch of offer booklet	Wednesday 14 July 2021
Entitlement Offer closes	Wednesday 28 July 2021
Results announced	Monday 2 August 2021
Quotation of Entitlement Offer shares sought	Wednesday 4 August 2021

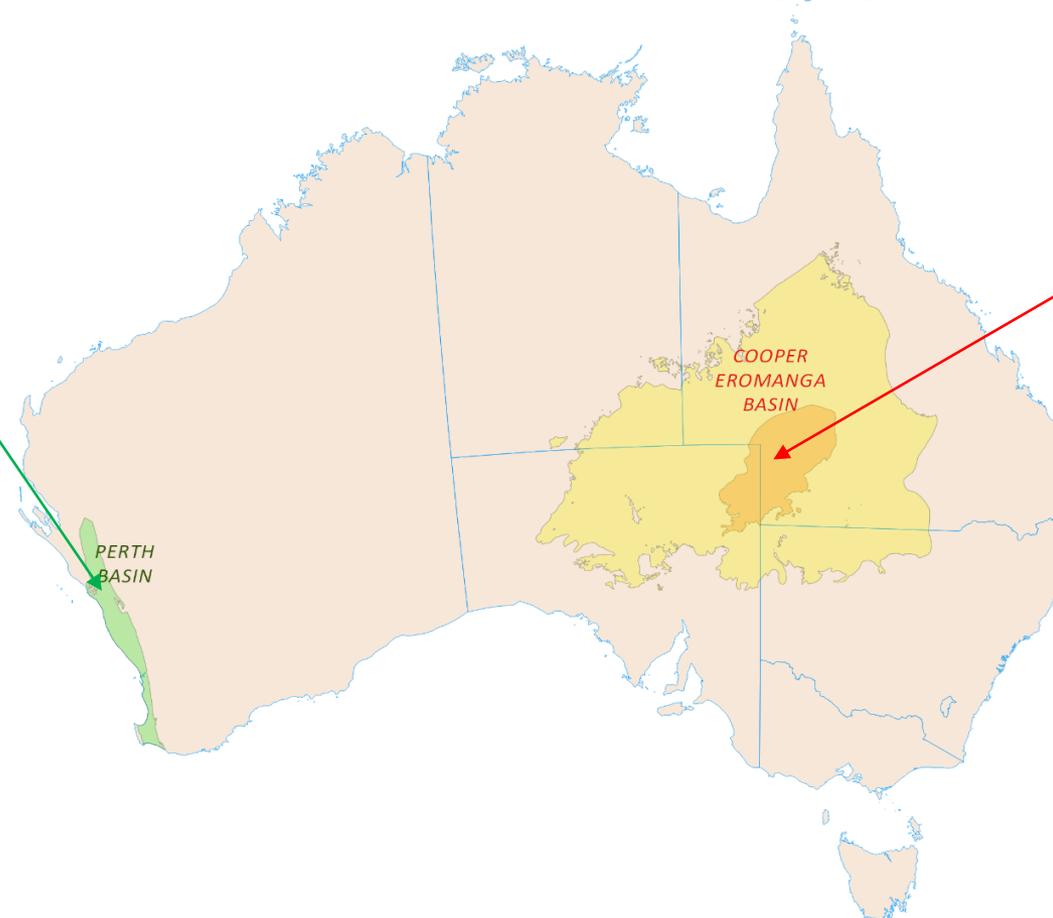
*All dates are indicative and subject to change at the discretion of the issuer.

Quality Onshore Australia Exploration Asset Portfolio

- East Coast Gas - Cooper/Eromanga Basin – Vali gas discovery, stimulated and tested. ERCE certification of net 8.3PJ** gas reserves. Reserve upgrade likely following CY21 drilling.
- West Coast Oil - Perth Basin - Cervantes shallow oil prospect - Hovea Oil field lookalike.

Perth Basin

L14 -15mmbo*
2P Cervantes oil prospect located between the Hovea, Jingemia and Cliff Head oil fields .



Cooper/Eromanga Basin- “String of Pearls”

ATP2021 – In Q3 CY2020 Vali-1 ST1 stimulated and tested at 4.3MMscfd. CY21-Vali-2 and Vali-3 gas discoveries.
PRL211
CY21 gas discovery
ATP2020
Farm-out process underway

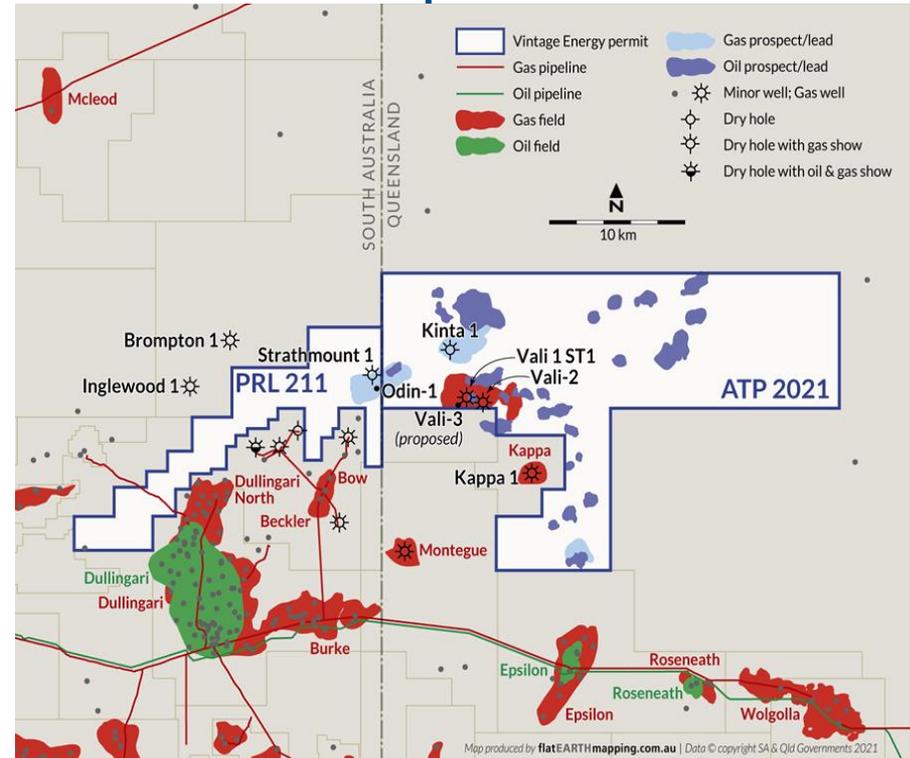
*Ref slide 15/19 resource notes

** Ref slide 10/19 reserves

ATP2021- Vali Hub Reserveshow big is the upside?

Vali-2 delivered greater net gas pay than Vali-1 ST1 and is cased for future production. Vali-3 gas pay in-line with pre-drill expectations . Reserve increase anticipated.

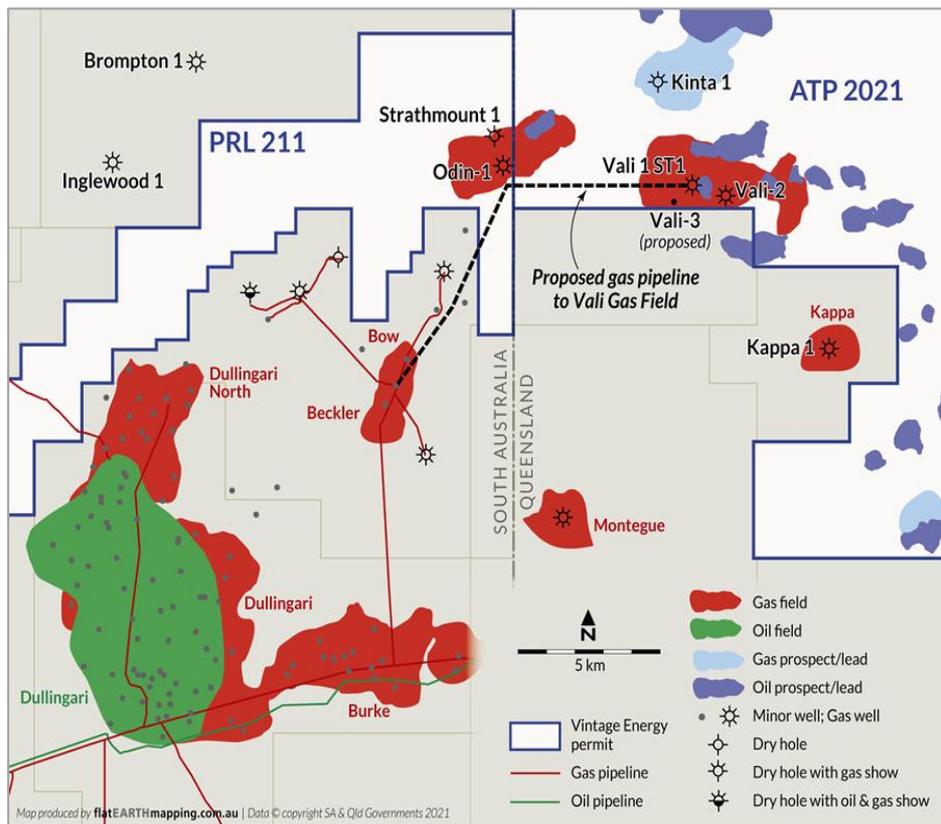
- Vali-2 drilled to appraise Patchawarra gas discovery and assess potential for gas in a Toolachee formation four-way dip closure(not tested in Vali-1)
- 150 metres of net gas pay in Vali-2 interpreted primarily in Toolachee and Patchawarra formations
- Vali-2 Toolachee gas sample recovered to surface
- Toolachee in Vali-2 six metres up-dip of Vali-1 ST1
- Vali-3 wireline logging confirmed net gas pay in Patchawarra in line with pre-drill expectations
- Vali-2 similar to Vali-1 ST1 stacked gas pay in Toolachee and Patchawarra formations
- Vali 2 and Vali-3 Cased for future perforation, fracture stimulation and production



Gross ATP 2021 Vali Gas Field Patchawarra Formation (1 December 2020)			
	1P	2P	3P
Reserves (Bscf)	12.3	30.3	78.9
Reserves (PJ)	13.4	33.2	86.6
Net ATP 2021 Vali Gas Field Patchawarra Formation (1 December 2020)			
	1P	2P	3P
Reserves (Bscf)	3.1	7.6	19.7
Reserves (PJ)	3.4	8.3	21.6

String of Pearls-Building a sizeable gas production hub

Potential nine well Vali development - field life approx 20 years - 12mmscf/day average rate



By assessing the resource upside ahead of first gas there is the potential to optimise the value of the ATP2021 and PRL211 assets, with the following benefits expected to be realised:

- Appropriately sized flowline – by better defining field volumes via further successful drilling.
- Vali-1 ST1 test proved gas rate of circa 5 MMscf/day
- Targeting plateau field gas flow-rate of 12 MMscf/day
- The success of Vali-2 & 3 + Odin-1 should deliver reserve & resource upside building the size of the gas production hub. This could add significant value to the Vali Field as Odin-1 could be tied into the Vali pipeline infrastructure
- Preferred pipeline connection point at Santos operated Beckler field.
- Gas marketing advantages – the Joint Venture will be in a stronger position to market larger volumes of gas, with the potential for improved terms and pricing.
- Exposure to rising gas prices – gas prices are increasing, with forecasters and market commentators expecting this trend to continue.

The success to date on the CY21 drilling program is likely to increase the size of the prize. Anticipate JV FID approval Q3 CY2021* of new gas production hub development - First Gas anticipated H1 CY2022*.

Cooper Basin PRL211- Strategic Odin Farm-in

- **Odin-1 cased for production with gas shows in Toolachee, Epsilon and Patchawarra formations.**

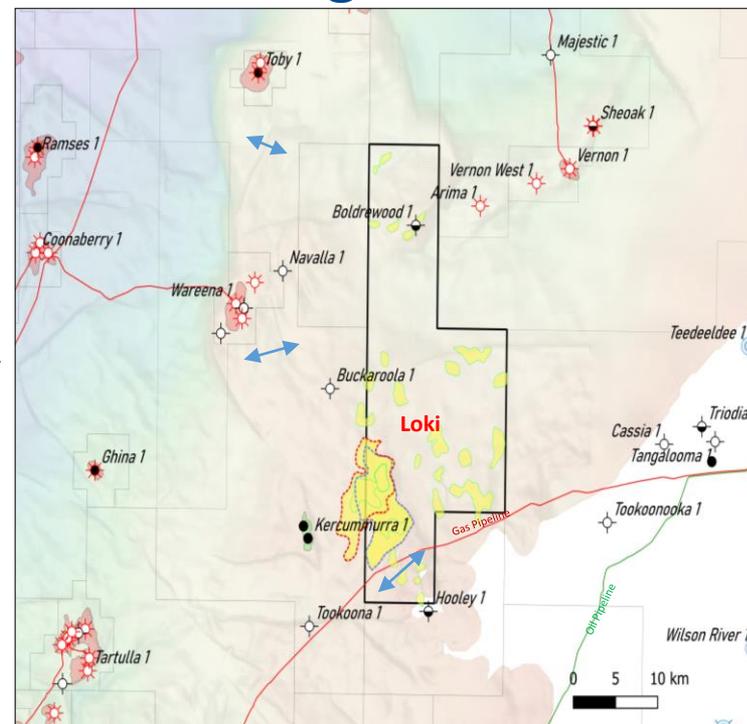


- Metgasco (21.25%), Vintage(operator with 42.5%) Bridgeport(21.25%) free carry Beach Energy(15%) for Odin-1 drilling
- Odin-1 cased early June as a gas discovery for future production
- Wireline logging estimated 172.5m of net gas pay primarily in primary target Toolachee and Patchawarra formations, with gas pay also discovered in Epsilon formation
- Gas samples recovered from the Toolachee and Epsilon formations
- Future potential production from the Odin field could be tied-in to the Vali production network
- Presence of gas in Odin-1 a clear indication that hydrocarbons are still discoverable in areas previously worked over by other companies
- Upside stratigraphic potential
- Prospective resources anticipated to be converted to contingent resource following independent reserve study
- Odin-1 well results indicate potential resource upgrade closer to high estimate

Odin Prospect Prospective Resources ¹	1U Low Estimate	2U Best Estimate	3U High Estimate
Toolachee Bcf	1.2	4.1	13.5
Patchawarra Bcf	2.4	8.5	29.1
Total Gross Recoverable Gas (Raw) Bcf	3.6	12.6	42.6
Net To Metgasco (Raw) Bcf	0.8	2.8	9.5

• Farm-out process underway . Companies reviewing data room

- 2015 bid won by MEL
- ATP granted May 2018
- Located in SW QLD Cooper Eromanga Basin
- In close proximity to areas of hydrocarbon source and existing oil & gas fields
- 535 km², 100% interest. Farmout process underway
- Underexplored region. MEL reprocessed 2D seismic
- Gas pipeline traverses permit & oil refinery only 100km away
- Primary gas target: Toolachee sands
- Primary Oil targets: Jurassic-Cretaceous sands
- Key prospect Loki . Shallow well - 1750 m. Low cost well
- Metgasco planning to drill well carried by farminee in CY22



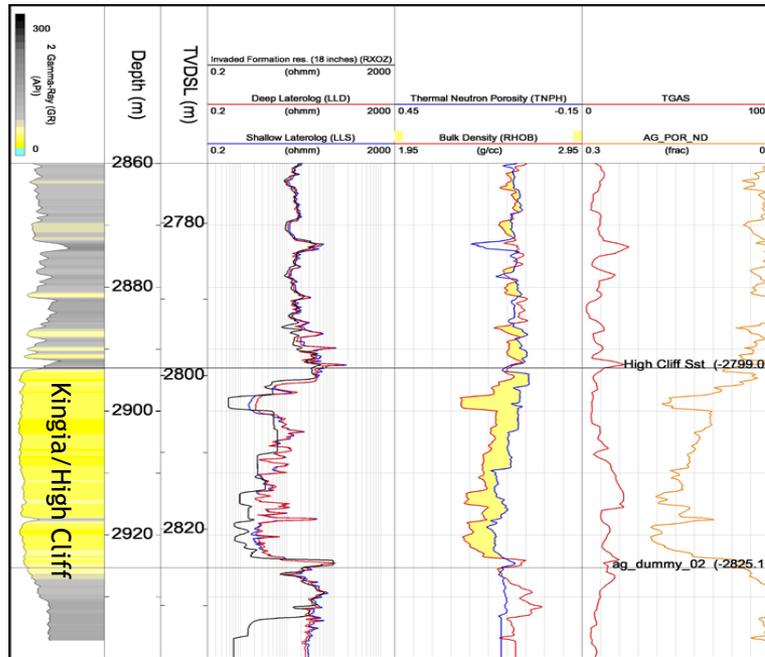
Loki Prospective resources* – ASX release 31 March CY2021

Permian GAS	Loki Prospect – Toolachee Sands			
	Low(P90)	Best (P50)	High(P10)	COS(%)
OGIP(Raw) Bcf	4.5	22.1	68	16
Recoverable Gas (Raw) Bcf	2.6	13.1	40.7	

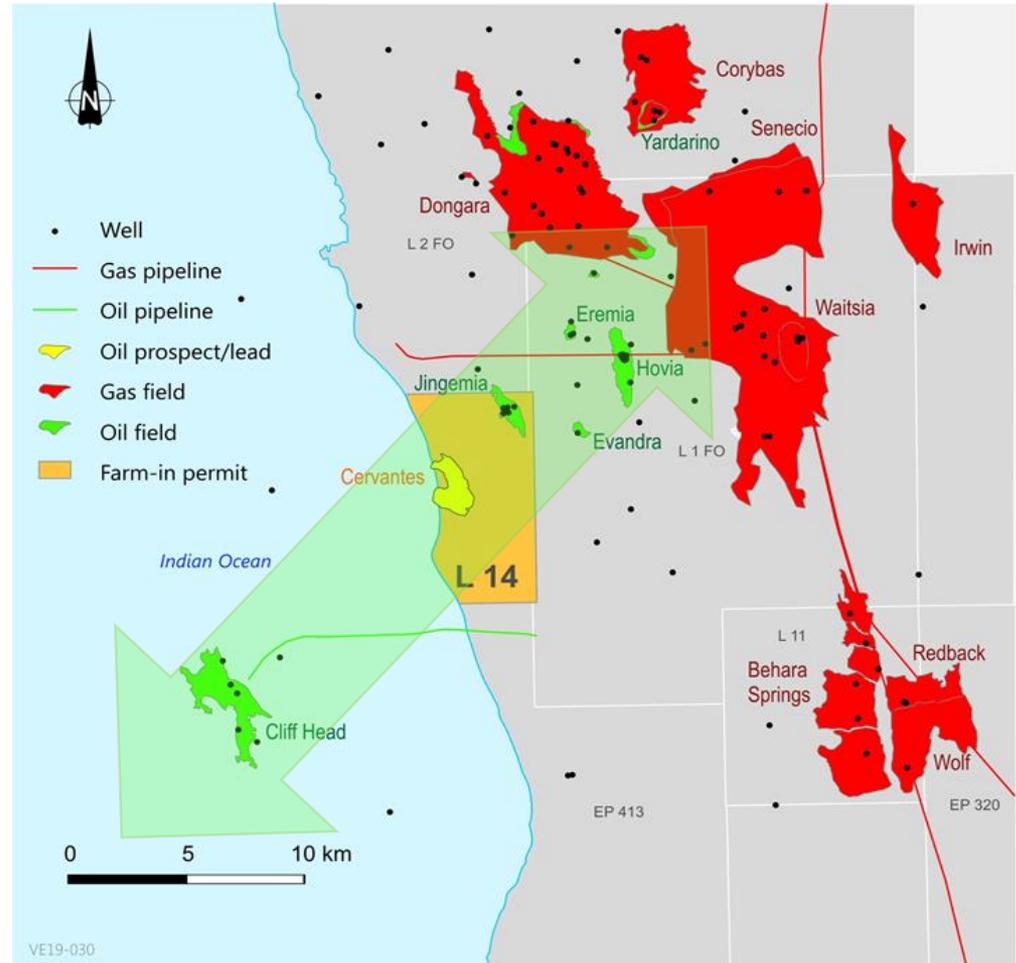
Eromanga OIL	Loki Prospect – Hutton and Wyandra Sands			
	Low (P90)	Best (P50)	High (P10)	COS(%)
OOIP MMbbl	7.5	26.7	57.8	Wyandra 15
Recoverable Oil MMbbl	1.8	6.4	14.8	Hutton 13

Perth Basin – Cervantes – L14- Hunting for Oil in Kingia

Jingemia 1 well section



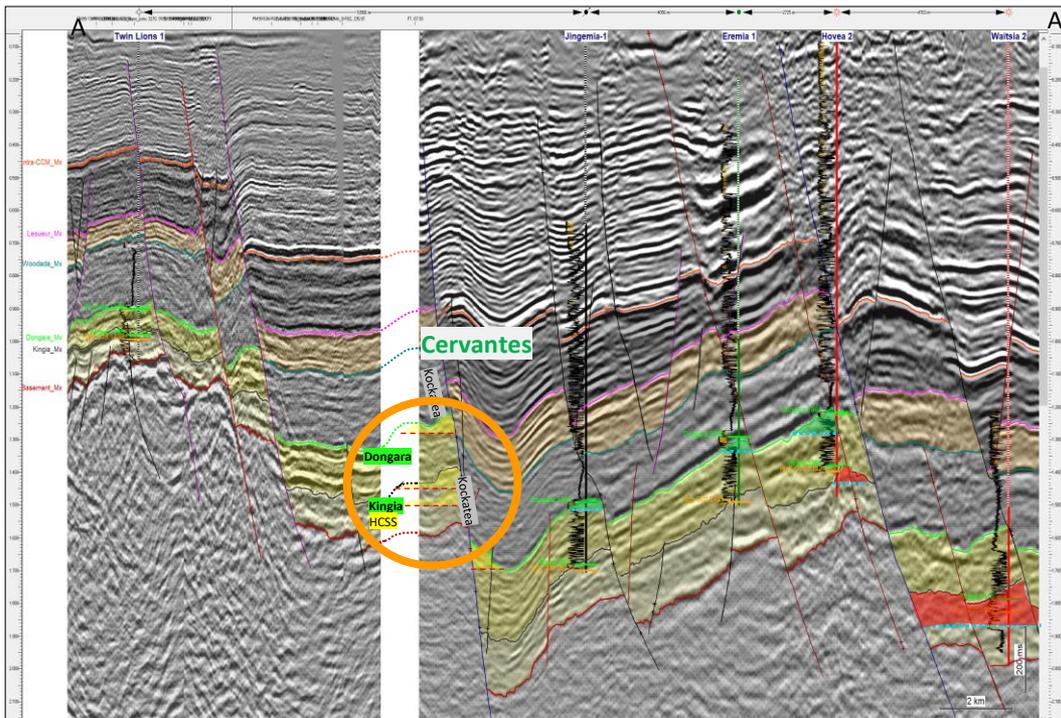
- Jingemia-1 intersected a 26m water bearing good porosity sand of Kingia/High Cliff Sand(outside of structural closure) reducing the risk of sand presence in Cervantes.
- Cervantes structure significantly shallower than Jingemia.
- Cervantes structure located in the gap between the oil discovery trend of the Hovea, Jingemia and Cliff Head Oil fields
- Permian sandstone reservoir targets prolific producers in the Perth Basin
- Total oil produced from nearby fields in excess of 27 MMbbl of oil



Cervantes well COS of 28% with high chance of development due to proximity(3Km) to Jingemia production facility.

Perth Basin – Cervantes – L14

Potentially one of the largest undrilled oil opportunities in the Perth Basin (Gross P50 OOIP 35mmbo), with geological similarities to nearby discoveries



Exploration Key Data	
Country	Australia
Basin	Perth Basin
Licence	L14 Western Flank Cervantes
Prospect Targets	Cervantes-1 + right to second exp farm-in
Farm-in Promote	Farm in for 30% for funding 50% of 1 st well-2 nd well option on same terms.
Cervantes Owners	MEL 30%(well op),RCMA 40%,VEN 30%
Target Information	TD: ~2500-2700 Md Primary Targets: Kingia/HCSS/Dongara
Gross Prospective Resource-see table	P50: OOIP 35mmbo and Recoverable 15.6 mmbo, (arithmetic sum of Permian Zones)
Estimated spud date	Subject to rig availability & government regulatory approvals.
Proximity to Infrastructure	3km to Jingemia Plant – oil processing deal already in place

- Locally prolific Kingia Sandstone at shallowest depth in onshore Perth Basin and potential oil bearing.
- An independent report by RISC (refer Metgasco announcement 4 October 2019) calculated the Mid/P50 prospective resources on the Cervantes prospect of gross 17.4 mmbo representing a 14% increase on the P50 estimate of Metgasco.
- The regional cross section illustrates the tilted fault blocks of the hydrocarbon bearing Perth Basin
- Cervantes-1 similar structural features with successful wells due east

Prospective Resources

Prospect	Reservoir	OOIP mmbls			Recoverable mmbls		
		Low (P90)	Best (P50)	High (P10)	Low (P90)	Best (P50)	High (P10)
Cervantes	Dongara SS	7.7	14.9	28.5	3.7	7.4	14.6
	Kingia SS	5.5	17.8	54.0	2.2	7.1	22.3
	HCSS	0.3	2.2	13.8	0.1	0.8	5.0
L14 100%		13.6	34.9	96.3	6.0	15.3	41.9
Metgasco 30%		4.1	10.5	28.9	1.8	4.6	12.6

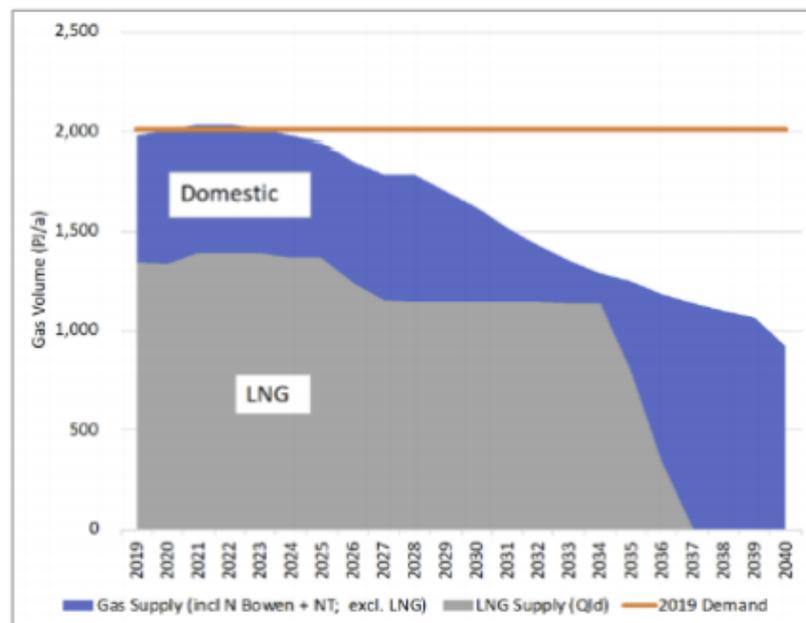
*Prospective Resources Announced 10 September 2019.

East Coast - New gas discoveries required to meet forecast demand

Perth Basin or Cooper Oil discovery a company game changer as oil prices at 3yr high

- Federal Govt has identified gas companies and the delivery of gas to market as an essential service.
- Forecast demand underpinned by LNG, expected to be steady over the long-term.
- Significant investment, needed to meet forecast demand, required for:
 - Development of 2P undeveloped.
 - Development of 'anticipated developments.
 - Development of new discoveries.
 - Exploration and appraisal.
- Domestic gas prices are independent of the volatility of global oil prices.
- Recent ACCC papers indicate contract gas pricing in the \$9-10/GJ range.

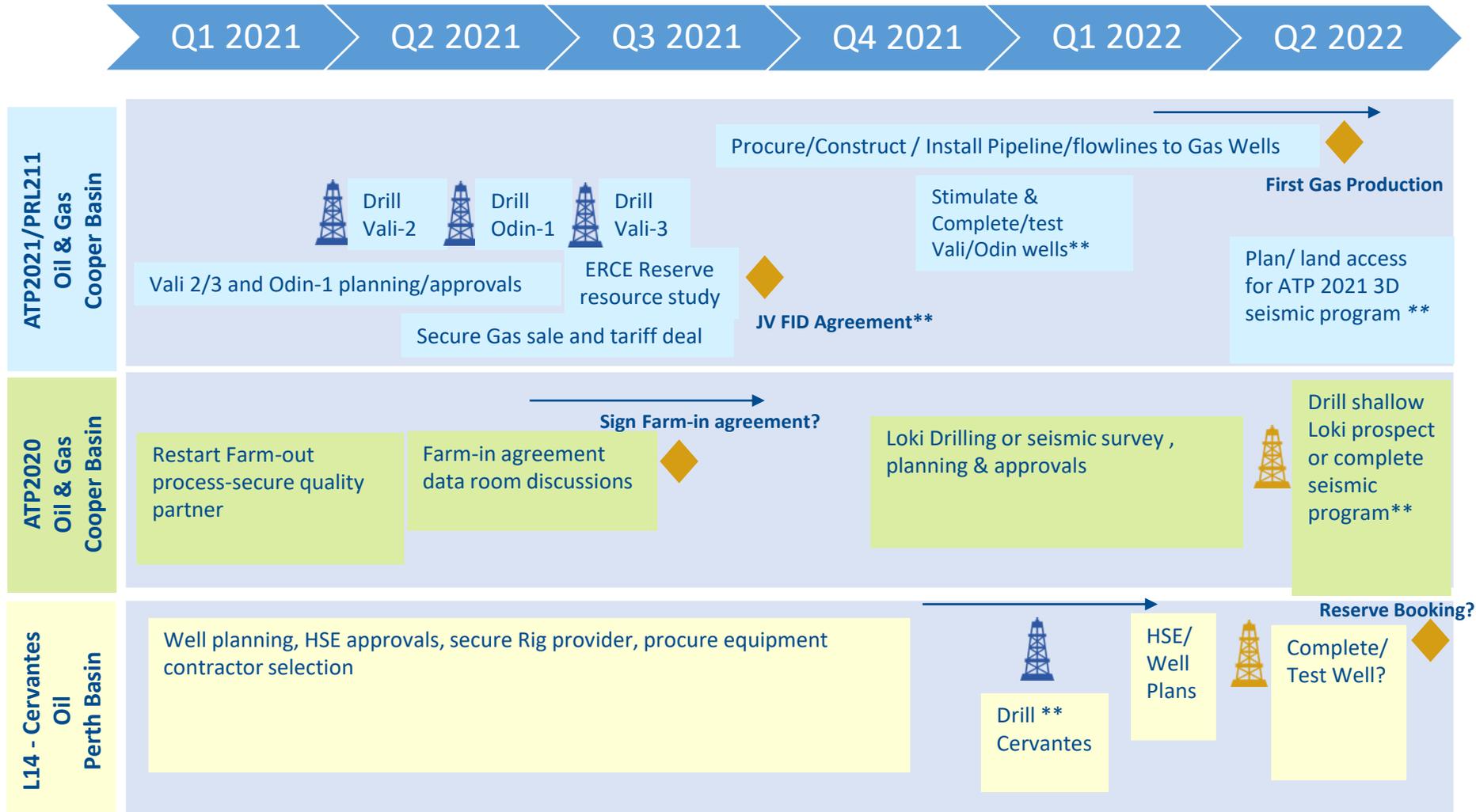
Forecast east coast gas supply vs 2019 demand



Source: EnergyQuest, March 2020

AEMO states in its March 2020 Gas Statement of opportunities that: "Actual operational constraints, particularly within the Victorian DTS, may lead to transportation limitations throughout the system, creating potential supply gaps during peak winter days from 2024".

2021/2022 Indicative Key Activity Timeline



Past/future committed milestone



Milestone dependent on discovery/ JV approval / new partner and/or funding.

Conclusions - Upcoming investment highlights

Near term operational, corporate and macro news flows will provide a number of share price catalysts

Independent Reserve Assessment Increase

ATP-2021 /PRL211

CY2021 well results on Vali-2 /Vali-3 and Odin-1 being reviewed by independent reserve auditor to assess upside gas reserve potential and estimate gas production rate to optimise flowline size & route.

Milestones to achieve FID on Vali Prod Hub

ATP-2021/PRL211

Secure gas sales agreement. Agree funding options on pipeline. Agree processing tariff with Santos. JV approve FID .

Farm-out of ATP-2020

Complete ATP2020 farm-out process . Farm-out up-to 75% of the ATP2020 licence. Leading to drilling Loki or seismic in CY2022.

Secure Cervantes-1 Drilling Rig

Perth Basin L14

Sign drilling contract in 2nd Half CY2021. Finalise drilling plans and regulatory approvals targeting spudding well in late Q4 CY2021 or Q1 CY2022 subject to rig availability & govt approvals

1st Gas Production

Vali Production Hub

Install and commission gas pipeline and associated infrastructure to target 1st gas sales in H1 CY2022.

Plan seismic program and/ or drill drilling targets in ATP2021 /PRL211

Review potential to drill additional gas and shallow oil prospects in ATP2021/PRL211 and select new drilling targets by Q2 CY2022. Review need for further 3D seismic.

- This presentation is being provided for the sole purpose of providing the recipients with background information about Metgasco Ltd (Metgasco) which is current only at the date of this presentation. No representation, express or implied, is made as to the fairness, accuracy, completeness or correctness of information contained in this presentation, including the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects, returns or statements in relation to future matters contained in the presentation (“forward-looking statements”). Such forward-looking statements are neither promises or guarantees and involve unknown risks and uncertainties and are by their nature subject to significant uncertainties and contingencies and are based on a number of estimates and assumptions that are subject to change (and in many cases are outside the control of Metgasco, its Directors and Officers) which may cause the actual results or performance of Metgasco to be materially different from any future results or performance expressed or implied by such forward-looking statements.
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- This presentation should be read in conjunction with other publicly available material. Further information including historical results and a description of the activities of Metgasco is available on our website, www.metgasco.com.au.
- Cautionary statement prospective resources: the estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons. The prospective resource volumes quoted in this presentation for the Cervantes Prospect reference Metgasco ASX release of 10 September 2019 . The prospective resource volumes for the Odin exploration prospect reference Metgasco ASX release 22 November 2019. The reserves for Vali quoted in this presentation were independently certified by ERCE Equipoise Pte Ltd(ERCE) and were detailed in Metgasco ASX release 14 December 2021. The prospective resource volumes for the Loki prospect in ATP2020 reference release 31 March 2021.The reserves and resources have been classified and estimated in accordance with the Petroleum Resource Management System (PRMS). Metgasco has required material new data with the drilling of Vali-2, Vali-3 and Odin-1 ,however this data has not been fully interpreted and analysed at the date of this presentation. When this data has been incorporated into a resource revision a further announcement will be made.Resource estimates are net of shrinkage.
- Competent Person Statement: The reported Perth Basin prospective resource estimates are based on information compiled or reviewed by Dr. R. Willink who holds a PhD and a BSc (Hons) in Geology and is a member of AAPG and PESA. Dr. Willink is a Non-Executive director of Metgasco and is currently an Advisor on Exploration of the privately-owned Timor Resources and has worked in the petroleum industry as a practicing geologist for over 40 years. Dr. Willink has consented to the inclusion in this report of matters based on his information in the form and context in which it appears.
- Competent Person Statement : The reported Vali Gas field contingent reserve estimates are based on information compiled or reviewed by Adam Becis , Principal Reservoir Engineer with ERCE. ERCE is an independent consultancy specialising in petroleum reservoir evaluation. Except for the provision of professional services on a fee basis, ERCE has no commercial arrangement with any other person or company involved in the interests that are the subject of this contingent resource evaluation.

Potential investors should be aware that there are risks associated with investing in Metgasco. Certain risks are beyond the control of Metgasco and its Directors and Management and may have a material impact on Metgasco's future operating and financial performance, and/or the financial position of Metgasco, its prospects and/or the value of the Shares. Some of the key risks associated with an investment in Metgasco are described as follows.

Development risk

Oil & gas development is a high risk undertaking and successful development cannot be guaranteed. The Company's financial performance will substantially depend on the accuracy of its sub-surface analysis, the production flow rates achieved and from cost estimates for its exploration well, project development costs and production facilities activities, working capital requirements and the duration of its works program. Due to individual prospect geological risk there can be no assurance that the Company's exploration activities, projects, tenements or databases that the Company holds or may acquire in future, will result in profitable outcomes for the Company. In the event that the Company's exploration and development proves to be unsuccessful, this could lead to a diminution in value of its projects, a reduction in the cash reserves of the Company and the possible relinquishment of one or more of its tenements.

COVID-19 risk

The Company has observed that in response to COVID 19, governments globally have imposed restrictions on the movement of citizens and limited non essential services and activities. Governments around the world have also recommended or enforced restrictions on both domestic and international travel in order to slow the spread of COVID 19. Given the ongoing uncertainty surrounding COVID 19 restrictions, it is not currently possible to assess the full impact of COVID 19 on the Company's business. However, a prolonged financial reduction may impact on the commodity price and the availability of labour or other costs associated with the Company's business. These effects may be felt both domestically and internationally, for an unspecified duration. A number of aspects of the Company's business may also be directly or indirectly impacted by government, regulatory or health authority actions, work stoppages, lockdowns, quarantines and interstate travel restrictions associated with COVID 19.

Operational risk

Operations may be affected by various factors, including exploration well dry holes and failure to achieve field development timetables, and associated lower production rates than predicted. Rig mechanical failure or equipment breakdown, adverse weather conditions, industrial and environmental accidents, industrial disputes, and unexpected shortages or increases in the costs of consumables, spare parts, plant, and equipment. Losses resulting from any of these risks could have a material adverse effect on the Company's financial resources or could result in a total loss of the assets affected, and accordingly, may affect the market price of the Shares.

Oil and gas prices risk

Estimating hydrocarbon reserves and resources is subject to significant uncertainties associated with technical data and the interpretation of that data, future commodity prices, and development and operating costs. There can be no guarantee that Vintage will successfully produce the volume of hydrocarbons that it estimates as reserves or that hydrocarbon resources will be successfully converted to reserves. Estimates may alter significantly or become more uncertain when new information becomes available due to for example, additional drilling or production tests over the life of field. As estimates change, development and production plans may also vary. Downward revision of reserves and resources estimates may adversely affect Vintage's operational or financial performance.

Financing risks

The Company may need to raise additional funds in the future. There is no assurance that the Company will be able to secure additional funding, whether debt, equity or otherwise, on acceptable terms, or at all. Any additional equity financing will dilute shareholdings.

Economic risks

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities. If activities cannot be funded, there is a risk that tenements may have to be surrendered or not renewed. Furthermore, share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as general economic outlook, interest rates and inflation rates, currency fluctuations, changes in investor sentiment toward particular market sectors, the demand for, and supply of capital, terrorism or other hostilities; and government fiscal, monetary and regulatory policies. None of Metgasco Ltd, its Directors or officers warrant the future performance of the Company or any return on an investment in the Company.

Environmental risks

The operations and proposed activities of the Company are subject to State and Commonwealth laws and regulations concerning the environment. As with most exploration and development projects, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws, in order to minimise damage to the environment and risk of liability. Nevertheless, there are certain risks inherent to Metgasco's activities which could subject the Company to potential liability.

Title risk

Interests in tenements in Australia are governed by Commonwealth and State legislation and are evidenced by the granting of licences or leases. Each licence or lease is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could lose title to or its interest in tenements if licence conditions are not met or if insufficient funds are available to meet expenditure commitments as and when they arise. Further, exploration tenements are subject to periodic renewal. There is no guarantee that current or future tenements will be renewed or approved. Renewal of the term of a granted tenement is at the discretion of the relevant government authority. Renewal conditions may include increased expenditure or work commitments or compulsory relinquishment of the areas comprising the Company's projects. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company.

Reliance on key personnel

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its Directors and its key personnel. The loss of the services of certain personnel could adversely affect the Company and its activities.

Trading liquidity risk

The Company is a small company in terms of market capitalisation, and it may not be covered by a broad base of research analysts. As a consequence, there may be relatively few buyers and sellers of securities on the ASX at any given time and the market price may be highly volatile, particularly in times of share market turbulence or negative investor sentiment. This may present difficulties for Shareholders seeking to liquidate their holdings.

International offer restrictions

This document does not constitute an offer of new ordinary shares (New Share) of the Company in any jurisdiction in which it would be unlawful. In particular, the document may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

Hong Kong

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The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "FMC Act"). The New Shares are not being offered to the public in New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the FMC Act and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.

Other than in the Entitlement Offer, the New Shares may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act

International offer restrictions (continued)

Singapore

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This document has been provided to you on the basis that you are an existing holder of the Company's shares, (an 'institutional investor' (as defined in the SFA)) or (a 'relevant person' (as defined in section 275(2) of the SFA)). In the event you are not such a shareholder, institutional investor or relevant person, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to the resale restrictions in Singapore and comply accordingly.

Switzerland

The New Shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange or any other stock exchange or regulated trading facility in Switzerland. Neither this document or any accompanying document relating to the New Shares constitutes a prospectus or similar notice as such terms are understood under Article 652a, Article 752 or Article 1156 of the Swiss Code of Obligations or a listing prospectus within the meaning of Article 27 et seqq of the SIX Listing Rules or (has been or will be filed with or approved by any Swiss regulatory authority). In particular, this document will not be filed with, and the offer of New Shares will not be supervised by, the Swiss Financial Market Supervisory Authority (FINMA). Neither this document nor any accompanying document relating to the New Shares may be publicly distributed or otherwise made publicly available in Switzerland. The New Shares will only be offered to regulated financial intermediaries such as banks, securities dealers, insurance institutions and fund management companies as well as institutional investors with professional treasury operations. This document is personal to the recipient and not for general circulation in Switzerland.

International offer restrictions (continued)

United Kingdom

Neither this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000 as amended (" " has been published or is intended to be published in relation to the New Shares This document is issued on a confidential basis to 'qualified investors'(as defined in section 86 7 of the FSMA) in the United Kingdom The New Shares are not authorised to be offered or sold in the United Kingdom by means of this document, or any accompanying document, except in circumstances which do not require the publication of a prospectus pursuant to section 86 1 of the FSMA This document should not be distributed, published or reproduced, whether in whole or in part, nor may the recipients of this document disclose the contents to any other person in the United Kingdom

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United States

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