

Debt Facility Secured and Board Changes

Metgasco Ltd (ASX:MEL) (**Metgasco** or **the Company**) advises that effective immediately Chairman Mr Philip Amery and Non-executive Director Mr Peter Lansom have resigned from their respective roles, and Mr Michael Glennon of Glennon Small Companies Limited (**Glennon Small Companies**), Metgasco's largest equity and debt holder, has joined the Metgasco Board as Interim Chairman.

The Board would like to thank Mr Lansom and Mr Amery for their service. Mr Amery has served as the Company's Chairman since joining the board in December 2015 and has been a pivotal component of Metgasco's operation, the Company wishes him all the best with his future endeavours.

The Company wishes to advise that additional debt funding arrangements have been put in place. Glennon Small Companies has provided an additional \$880,000 in debt to the Company (**New Debt**). The New Debt funding is to have the interest capitalised, with repayment only to be made as revenue is earned, creating flexibility for the Company to manage any unforeseen issues with production.

A summary of the key terms of the New Debt are as follows:

Loan Amount	\$880,000
Interest Rate	Interest to be capitalised and only paid from revenue
Maturity Date	31 December 2025
Conversion Terms	Subject to shareholder approval, the Lender may convert the debt to equity in the event of a takeover at the lower of a 50% discount to an offer price in the event of a takeover or similar event, or 50% of the closing price prior to the announcement of a takeover or similar event, or a 50% discount to the price of any capital raise done in the preceding 6 months prior to any offer.
Other	At least 20% of revenue when earned shall be applied to the loan

The Company has also entered a royalty agreement with Glennon Small Companies to pay 12.5% of revenue earned to Glennon, following repayment of the loan.

The Board considers this proposal to support funding by means other than further heavily discounted dilutive capital raisings.

Contact and further information:

Metgasco welcomes shareholder communication and invites all interested shareholders to make contact at any time.

For further information contact:

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