



12th December, 2014

ASX Market Announcements

**TWO YEAR TECHNICAL MORATORIUM CONFIRMED
FOR SERVICE CONTRACT 44, ONSHORE CEBU, PHILIPPINES**

Gas2Grid Limited is pleased to advise that its application to the Philippine Department of Energy for a two (2) year technical moratorium of Service Contract 44 ("SC 44") to establish the best completion technology and fully appraise the Malolos Oil Field has been approved by letter received this afternoon.

The technical moratorium which runs from 28 January 2015 to 28 January 2017 gives the Company ample time to determine the development of the Malolos Oil Field with the aim to eventually be granted a 25 year production licence.

Significant oil production rates at equivalent of 200 barrels per day were achieved in the Malolos-1 well during short periods of production tests in the first half of this calendar year; but the flow was inhibited by sand blocking the perforations downhole. This production engineering issue, which is quite common, can be overcome by applying different well completion methods. The Company has already identified the various procedures available in the oil industry and will now commence preparation for implementation.

The Company has been pursuing farmout of SC 44 in order to fund the field appraisal and development as the preferred form of funding. The grant of the 2 year technical moratorium provides the security of tenure for potential farmin partners to proceed further in their interests to participate. Further announcements will be made as this pursuit progresses.

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