



ASX / MEDIA RELEASE
27 November 2009

KINGFISHER E1- PROGRESS REPORT # 8

Metgasco (ASX:MEL) today advises the following:

Kingfisher E1 reached a Total Depth (TD) of 2,090 metres at 0230 hours on 27 November.

Since the previous report, drilling has encountered additional gas bearing intervals with fair to good shows as follows:

2044 metres
2058 metres
2066 metres

The Raceview Formation was intersected at 2071m and the TD of the well was set at 2090m. Evidence to date is that no obvious water bearing sands have been intersected down to the base of the last gas bearing interval.

The rig is now being set up to run wireline logs which will provide further information on the nature and the significance of each show. Once completed, the hole will be cased and cemented in preparation for testing. The testing is expected to provide information on reserves and appropriate production methods.

Background

This well is located in PEL 16 approximately 2 kilometres from the town of Casino in northern New South Wales. Metgasco has a 100% interest in this well. The well is designed to appraise several zones including the Heifer Creek and Gatton sandstones; and the deeper Ripley Road Sandstone.

Metgasco estimates that the original gas in place (OGIP) potential of the entire Kingfisher structure is 82 Bcf (P50) and 831 Bcf (P10) with a contingent resource of 36.6 Bcf (P50) attributed to the upper gas sands intersected in the initial discovery well Riflebird E14.

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