



ASX / MEDIA RELEASE

ASX Code: MEL

31 January 2019

CONVERTIBLE NOTE CONVERSION

- Metgasco has today elected to convert the remaining AUD \$1m Convertible Note with Byron Energy Limited into shares, finalising its secured funding facility (loan) to Byron.
- The conversion is immediately value accretive to Metgasco shareholders and we re-iterate our confidence in the upcoming SM-74 drilling program, of which Byron is the operator.
- In accordance with Note terms, conversion will be at a 10% discount to the 30 day volume weighted average price (VWAP) of BYE securities.
- Finalising successful conclusion of our funding agreement, Metgasco owns approximately 6.7% of BYE and holds 10 million options with a strike price of 25c able to be exercised at any time up until 24 June this year.

The Board of Metgasco Ltd (ASX:MEL) (Metgasco, or, the **Company**) advises that it has, in accordance with the deed of its Convertible Note with Byron Energy Limited (ASX:BYE) (**Byron**), issued a notice of election to convert the remaining AUD\$1m of its Convertible Notes into Byron common stock.

The conversion has been undertaken as part of Metgasco Board's ongoing review of its investment assets and is considered by the Board to be a prudent use of resources. The conversion is expected to be immediately value accretive to the Company's shareholders. This step finalises the Company's Convertible Note facility with Byron and Metgasco wishes to confirm that Byron's conduct throughout the term of the Notes has been wholly satisfactory and consistent with the Agreement between the parties.

Metgasco remains fully funded within its existing cash and financial assets for all planned drilling and exploration activities over the coming year including the upcoming SM-74 well, which is expected to spud in early March this year.

Contact and further information:

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

ENDS

For further information contact:

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