



ASX / MEDIA RELEASE

ASX Code: MEL

20 July 2020

Successful completion of Share Placement Share Purchase Plan to be launched

- Metgasco has completed a Share Placement of \$1.375 million
- Placement was heavily oversubscribed
- A Share Purchase Plan targeting \$1m (with the capacity to accept oversubscriptions to a total of \$2m*) to be launched
- Funds will be used to stimulate/test and, on success, complete and commercialise the Vali discovery, advance Metgasco's portfolio in the Cooper and Perth basins, and for general working capital purposes

Metgasco Ltd (ASX:MEL) (**Metgasco** or **the Company**) is pleased to advise that it has received commitments to raise \$1.375 million through a share placement (Placement) of 55 million new shares to institutional and sophisticated investors at an issue price of \$0.025 per share.

The Company will also undertake a Share Purchase Plan (SPP) up to \$2 million*, with an issue price of \$0.025 per share, in line with the Placement.

Funds from the Placement and SPP will be used to progress the Vali-1 ST1 discovery well including stimulation, well testing, completion and, assuming a JV decision on commerciality, connection in order to meet the estimated production milestone of Q1 2021. The company will retain ample financial capacity to advance its significant Perth Basin Cervantes prospect and potentially undertake further corporate and capital management initiatives in the interests of shareholders.

The Company wishes to thank both new investors and existing shareholders for their interest and support. Blue Ocean Equities acted as Lead Manager to the offer.

Placement

The Placement consists of 55,000,000 fully paid new ordinary shares to be issued at \$0.025 per share to raise \$1.375 million (before issue costs). Each new share issued under the Placement will also receive an attaching option on a 1 for 3 basis with a strike price of \$0.05, expiring 30 September 2021, with issuance of options subject to shareholder approval.

The Placement price of \$0.025 per share represents a discount of 24.2% on the closing price of Metgasco on 15 July 2020 and a discount of 24.4% on the 30-day VWAP to 15 July 2020.

SPP

The Company will also offer existing shareholders the opportunity to participate in a Share Purchase Plan ("SPP"), targeting a minimum of \$1 million, and up to \$2 million*, at the same issue price of \$0.025 per share. In line with the Placement, each new share issued under the SPP will likewise receive an attaching option on a 1 for 3 basis with a strike price of \$0.05, expiring 30 September 2021, with issuance of options also subject to shareholder approval.

In order to participate shareholders must have been recorded on the register at 5.00 pm (AEST) on 17 July 2020. Eligible shareholders will be entitled to apply for shares for a minimum investment of \$2,500 and maximum investment of \$30,000, with no transaction or brokerage costs.

Share Placement and SPP Indicative Timeline**

Record Date of SPP	17 Jul
Metgasco announces completion of placement and intention to launch SPP	20 Jul
Dispatch of SPP booklet to eligible shareholders	24 Jul
Opening date of SPP	27 Jul
Placement settlement	27 Jul
Placement allotment and lodgement of appendix 3B	28 Jul
Closing date of SPP	19 Aug
Issue of SPP shares	26 Aug
SPP share commence trading on the ASX	27 Aug

**The Board retains the absolute discretion to accept oversubscriptions above this target range, if deemed to be in the best interests of the Company.*

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

This ASX announcement was approved and authorised for release by the Board.

Contact and further information:

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

ENDS

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