



SPP Cover Letter

15 May 2024

PLACEMENT AND SHARE PURCHASE PLAN

Metgasco Ltd (ASX:MEL) (**Metgasco** or **the Company**) announced on 10 May that it had received firm commitments from eligible sophisticated and institutional investors to raise a total of \$1 million before costs (**Placement**) through the issue of approximately 200 million fully paid ordinary shares (**Placement Shares**) at an issue price of \$0.005 per Placement Share. A Share Purchase Plan (**SPP**) is being offered to shareholders at the same issue price as the placement (16.7% discount to the last ASX closing share price of \$0.006 prior to the Company's trading halt announced on 8 May 2024). The full terms and conditions are contained in the SPP booklet, which will be lodged with the ASX and sent to eligible shareholders (together with a personalised application form) on 15 May 2024.

Metgasco's Managing Director, Ken Aitken comments:

"It was pleasing to see strong support from current shareholders and institutional investors in the \$1 million placement. The SPP is targeting a further \$1.5 million via this SPP and I look forward to the wider support of our shareholders. The imminent drilling and subsequent well completion and tie-in of Odin-2 within three months of spud offers a compelling opportunity to deliver increased gas production via Odin's attractive gas sales agreement, to increase company revenue."

Use of Funds

Metgasco intends to use the funds raised under the Offer and the SPP to progress appraisal development of the Odin gas field (ATP2021 & PRL211) via the drilling of the Odin-2, to bring that well onto production and, subject to the results of the Odin-2 well and further work being undertaken by the Joint Venture, drill and complete the planned future Odin-3 well, plus working capital.

Placement Details

MEL proposes to raise approximately \$1 million under the Placement at a price of A\$0.005 per Placement Share (**Offer Price**), which will be a total of approximately 200 million New Shares¹. The Placement was strongly supported by existing shareholders and a number of high net worth investors, demonstrating ongoing support for Metgasco and a high degree of confidence in the potential of the projects. The offer price represents a 16.7% discount to the last ASX closing share price of \$0.006 prior to the Company's trading halt announced on 8 May 2024.

The Placement will be completed in a single tranche pursuant to the Company's placement capacity under ASX Listing Rule 7.1 and 7.1A, with 93,611,325 Placement Shares issued under ASX Listing Rule 7.1 and 106,388,675 Placement Shares issued under ASX Listing Rule 7.1A.

Blue Ocean Equities Pty Ltd acted as lead manager to the placement and will be paid customary fees for its role in the Placement, including the issue of 2 million broker options. The broker options will be issued under the Company's ASX Listing Rule 7.1 capacity and will have an exercise price of \$0.01 each and an expiry date of 3 years from the date of issue.

Share Purchase Plan Details

The Company is undertaking an SPP via the issue of fully paid ordinary shares (**SPP Shares**) at an issue price of \$0.005 per SPP Share.

Applications may be made here: <https://events.miraqle.com/mel-spp>

The SPP booklet is also available on the offer website.

¹ Metgasco, in conjunction with the lead manager and the co-manager for the Placement, reserves the right to accept over-subscriptions for Placement shares and to determine the maximum number of Placement shares that will be issued in the Placement.

The Company reserves the right to determine the aggregate amount it raises through the SPP. At this stage, the target amount sought to be raised under the SPP is \$1,500,000.

The SPP will enable existing eligible shareholders, irrespective of the size of their holding, to apply to participate in the capital raising at the same issue price as the placement, and not incur any brokerage or transaction costs.

Eligible shareholders, being those holders of shares with an address in Australia or New Zealand as at 5.00pm AWST on 9 May 2024 (Record Date), will have the opportunity to apply for up to \$30,000 worth of SPP shares in the Company. The SPP Shares will rank equally with existing ordinary shares of the Company.

Shareholders wishing to participate are encouraged to act promptly as the Board reserves the right to close the SPP early and without notice. To avoid delays in receiving the offer documentation by mail, shareholders are encouraged to register their emails and update their communication preferences online with the share registry at <https://investorcentre.linkgroup.com/Login> and to use the BPay facility to apply.

The terms and conditions of the SPP will be contained in the SPP booklet along with an offer document and application form which will be made available to eligible shareholders and lodged on the ASX on 15 May 2024.

Indicative Timetable

The indicative timetable for the Placement and SPP is set out below:

Event	Date
Record date for the SPP	Thursday, 9 May 2024 at 5pm AWST
Issue of Placement Shares	Wednesday, 15 May 2024
SPP opening date	Friday, 17 May 2024
Closing date for SPP	Friday, 7 June 2024 at 5pm AWST
Announcement of results of SPP and Issue of SPP shares	Tuesday, 11 June 2024
Commencement of trading of SPP shares	Wednesday, 12 June 2024

All dates and times are indicative only and subject to change. MEL reserves the right to amend any or all of these dates and times subject to the Corporations Act, the Listing Rules and other applicable laws. In particular, MEL reserves the right to extend the Closing Date for the SPP, to accept late Applications under the SPP (either generally or in particular cases) and to withdraw the SPP without prior notice. Any extension of the closing date of the SPP will have a consequential effect on the allotment date of the SPP Shares.

Further details in relation to the Placement and SPP are contained in the equity raising presentation which was released to the ASX on 10 May 2024.

Contact and further information:

If you have any questions, please contact the Share Registry, Link Market Services, on 1300 794 935 (callers within Australia) or +61 1300 794 935 (callers outside Australia), or consult your financial or other professional adviser.



15 May 2024

Dear fellow Metgasco shareholder (**Shareholder**),

Metgasco Ltd Share Purchase Plan (SPP)

On behalf of the board of directors of Metgasco (**Board**) I am pleased to invite you to participate in an offer of fully paid ordinary shares (**Shares**) in Metgasco Ltd ACN 088 196 383 (**Metgasco** or **Company**) under a share purchase plan (**SPP**).

The SPP is scheduled to open on 17 May 2024 and close at 5:00pm (AWST) on 7 June 2024, unless extended.

Overview of the SPP

The SPP provides you, as an 'Eligible Shareholder' (being a Shareholder registered at 5:00pm (AWST) on 9 May 2024 with a registered address in Australia or New Zealand), with an opportunity to acquire up to a total of \$30,000 worth of Shares at an issue price of \$0.005 per Share (**Issue Price**), without incurring brokerage or other transaction costs and subject to certain conditions.

The Issue Price represents:

- (a) a 16.7% discount to the volume-weighted average price of Shares traded on the ASX over the 5 trading days up to and including 9 May 2024, which was the last day of trading of Shares on the ASX prior to Metgasco's announcement of the SPP; and
- (b) a 22.8% discount to the volume weighted average price of Shares traded in the ordinary course on ASX in the 15 trading days up to and including 14 May 2024, which was the last day of trading of Shares on the ASX prior to the date of the offer under this SPP.

The Issue Price is the same as the issue price applicable to the placement to institutional and sophisticated investors, scheduled to be completed by Metgasco on 15 May 2024 (**Placement**).

Proposed use of funds

Metgasco is targeting to raise up to a total of A\$1.5 million (before costs) under the SPP, however the Board reserves the discretion to accept Applications that result in the SPP raising more or less than this amount. In determining the target size of the SPP, the Board has had regard to (a) the anticipated funding needs of the Company under various scenarios; (b) the size of the Placement; (c) the estimated level of potential Shareholder interest in the SPP; and (c) based on differing levels of take-up under the SPP, the relative size of the SPP as compared to the Placement and the Company's current capital base.

The Board has determined that undertaking the Placement and the SPP is a prudent measure to increase Odin gas production and cash flow generation in quarter one of the financial year ending in June 2025 and to manage the ongoing financial requirements of the Company. The combined Placement and SPP structure also provides both existing Shareholders and new investors the opportunity to participate in the future of the Company.

In addition to funding the costs of the SPP, it is intended that the proceeds of the SPP will be applied as described in the table below.

Proposed use of funds raised from the SPP	Estimated expenditure *
Odin-2 Drilling	\$300,000

Odin-2 Perforate, complete and connect	\$1,000,000
General working capital requirements	\$175,000
Costs of the SPP	\$25,000
Total	\$1,500,000

* The above table is illustrative only of the Board's present intention regarding the use of funds raised under the SPP. The precise activities that will be undertaken and the allocation of funds raised may change without notice depending on operational developments, market conditions and circumstances generally from time to time. There is no guarantee that the funds raised will be applied precisely in the manner set out above or in the amounts prescribed.

Participation and allocations

The SPP is non-renounceable and SPP Shares may be issued only to the 'Eligible Shareholder' to whom they are offered. If an 'Eligible Shareholder' holds shares as a 'custodian' (as that term is defined in ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547) (**ASIC Instrument**), then subject to compliance with the relevant conditions in the ASIC Instrument, the custodian may extend the offer under the SPP to the relevant beneficiaries on whose behalf it is holding Shares.

Any scale back of applications received from Eligible Shareholders will be at the absolute discretion of the Board. If applications are scaled back, excess funds will be returned to applicants without interest.

Participation in the SPP is optional. The SPP Shares will, upon issue, rank equally with all other existing Shares. The SPP is not underwritten.

Directors' intentions

In support of the Company, it is the current intention of each member of the Board to participate under the SPP.

Timing considerations for the SPP

It is proposed that the SPP will be undertaken in accordance with the below indicative timetable. However, the Board reserves the right to vary the dates and times set out below subject to the ASIC Instrument, the Corporations Act, the ASX Listing Rules and other applicable laws.

Event	Indicative Date
Record Date for SPP	9 May 2024 at 5:00pm (AWST)
SPP offer opens	17 May 2024
SPP offer closes	7 June 2024
SPP results announced	11 June 2024
Allotment of SPP Shares and application for quotation	11 June 2024

Applying to participate in the SPP

To participate in the Offer, you must either:

- make a payment directly by BPAY®. Make payment by Bpay as shown on your personalised Application Form, (you do not need to return an Application Form under this option),
- or by electronic funds transfer (**EFT**) for Unitholders outside of Australia.

in accordance with the instructions contained in this Booklet and your Application Form, by no later than the close of the Offer (being 5.00 pm (AWST) on Friday, 07 June 2024).

Further information

Further details in relation to the SPP are set out in this SPP booklet (including the general and specific risks associated with an investment in Shares, as summarised in section 3, as well as the terms and conditions to the SPP as set out in section 2).

If you are an Eligible Shareholder, this is an important document that requires your immediate attention. It should be read in its entirety. If, after reading the enclosed SPP booklet, you have any questions about the securities being offered under the SPP Booklet, you should contact your broker, accountant or other professional adviser for independent advice or the Company's share registry, Link Market Services via telephone on 1300 794 935 (callers within Australia), or +61 1300 794 935 (callers outside Australia).

On behalf of the Board, I thank you for your continued support of Metgasco and I invite you to consider participating in the SPP.

Yours faithfully,



Philip Amery
Chair

Metgasco Ltd

SHARE PURCHASE PLAN OFFER BOOKLET

1. IMPORTANT NOTICES

1. Terms used

Several terms and abbreviations used in this SPP Booklet have defined meanings, which are explained in section 5 (Glossary). References to 'you' are references to Eligible Shareholders. Notwithstanding any references to the contrary, all references to time in this SPP Booklet are to Perth time (AWST).

2. Disclosure information

The offer made pursuant to this SPP Booklet is for the issue of continuously quoted securities (as defined in the Corporations Act) of the Company. The Company is offering the securities under this SPP Booklet pursuant to section 741(1) of the Corporations Act and ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 (**ASIC Instrument**), which allows share purchase plans to be offered without a prospectus, provided certain conditions are satisfied.

This SPP Booklet is not a disclosure document for the purposes of Chapter 6D of the Corporations Act (and has not been, and will not be, lodged with ASIC). The information in this SPP Booklet does not purport to contain all the information that you may require to evaluate a possible application for SPP Shares, nor does it contain all the information which would be required in a prospectus or product disclosure statement prepared in accordance with the requirements of the Corporations Act.

Eligible Shareholders should consider all relevant facts and circumstances, including the information contained in this SPP Booklet, their knowledge of the Company and its periodic statements and continuous disclosures lodged with the ASX (available at www.asx.com.au), and should consult their professional advisors before deciding whether to participate in the SPP.

This SPP Booklet is dated 15 May 2024 and was lodged with the ASX on that date. The ASX does not take any responsibility for the contents of this SPP Booklet.

3. Deciding whether to apply for SPP Shares

Please read this SPP Booklet carefully before you decide to invest. An investment in the Company carries with it general and specific risks as summarised in section 3. Before deciding whether to invest pursuant to the SPP, you should read this SPP Booklet in full. The Company does not guarantee i) any return or any rate of return on the SPP Shares, ii) the performance of the Company, iii) the repayment of capital from the Company or iv) any particular tax treatment.

4. No representations

No person is authorised to give any information or to make any representation in connection with the SPP which is not contained in this SPP Booklet. Any information or representation in connection with the SPP not contained in this SPP Booklet is not and may not be relied upon as having been authorised by the Company or its officers. Except as required by law, and only to the extent so required, neither the Company or any other person warrants or guarantees the future performance of the Company or any return on any investment made pursuant to this SPP Booklet.

This SPP Booklet does not provide investment advice, financial product advice or advice on the taxation consequences of accepting the offer to participate in the SPP. The potential tax effects of the SPP may vary between individual Shareholders.

The SPP and the information in this SPP Booklet do not consider your investment objectives, financial situation, and particular needs (including financial and tax issues) as an investor. You should conduct your own independent review, investigation, and analysis of the SPP Shares. If, after reading this SPP Booklet, you have any questions about the SPP, you should contact your stockbroker, accountant, or other independent and appropriately licenced professional adviser.

By returning an Application in accordance with the instructions set out in the Terms and Conditions, you acknowledge that you have read this SPP Booklet, and you have acted in accordance with and agree to the terms of the SPP detailed in this SPP Booklet. You cannot, unless allowed by law, withdraw your Application once it has been accepted.

5. Jurisdictions

This SPP Booklet does not, and is not intended to, constitute an offer, invitation or issue in any place in which, or to any person to whom, it would be unlawful to make such an offer, invitation or issue. This SPP Booklet has not been, nor will it be, lodged filed or registered with any regulatory authority under the securities laws of any country. Further, no action has

been taken to register or qualify the SPP, the SPP Shares, or otherwise permit a public offering of the SPP Shares, in any jurisdiction outside of Australia and New Zealand. Distribution of this SPP Booklet outside of Australia and New Zealand may be restricted by the securities laws of other jurisdictions. If you come into possession of this SPP Booklet you should observe any such restrictions and should seek your own advice on those restrictions. Any non-compliance with these restrictions may contravene applicable securities laws.

New Zealand

The SPP Shares are not being offered or sold to the public within New Zealand other than to existing Shareholders with registered addresses in New Zealand to whom the offer to participate in the SPP is being made in reliance on the provisions of the Financial Markets Conduct Act 2013 (New Zealand) and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021 (New Zealand). This SPP Booklet has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (New Zealand). This SPP Booklet is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain. Rights, remedies and compensation arrangements available to New Zealand investors in Australian financial products might differ from the rights, remedies and compensation arrangements for New Zealand financial products. The SPP might involve a currency exchange and tax risk.

United States

The SPP Shares have not been, nor will be, registered under the the Securities Act of 1933, of the United States of America (**US Securities Act**) (or the securities laws of any state or other jurisdiction of the United States). In addition, the Company is not registered as an "investment company" under the US Investment Company Act of 1940. Accordingly, the SPP Shares will only be offered and sold to non-US persons outside the United States in "offshore transactions", as defined and in compliance with Regulation S under the US Securities Act. SPP Shares may not be taken up, issued to or acquired (as applicable) by persons who are, or are acting for the account or benefit of, a person in the United States (to the extent that such person holds SPP Shares and is acting for the account or benefit of a person in the United States).

6. Financial forecasts and forward-looking statements

Some of the statements appearing in this SPP Booklet may be forward-looking statements, including statements of current intention, statements of opinion and predictions as to possible future events. These may be identified by words such as 'may', 'could', 'believes', 'estimates', 'expects', or 'intends' and other similar such words that involve risks of uncertainties.

Such statements are not statements of fact or guarantees and there can be no certainty of outcome in relation to the matters to which the statements relate. Forward-looking statements are subject to many inherent risks and uncertainties before actual outcomes are achieved. These risk factors are discussed further in section 3. Actual outcomes may differ, including to a material extent, from the events, intentions or results expressed or implied in any forward-looking statement in this SPP Booklet.

To the maximum extent permitted by law, none of the Company, any person named in this SPP Booklet, any person involved in this SPP Booklet or any person involved in the preparation of this SPP Booklet makes any representation or warranty (express or implied) as to the accuracy or likelihood of fulfilment of any forward-looking statement and disclaim all responsibility and liability for such forward-looking statements (including, without limitation, liability for negligence). The Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this SPP Booklet, except where required by law. You are cautioned not to place undue reliance on any forward-looking statement having regard to the fact that the outcome may not be achieved.

Any pro forma financial information (including past performance information) provided in this SPP Booklet is for information purposes only and is not a forecast of operating results to be expected in any future period. Except as required by law, and only then to the extent so required, neither the Company nor any other person warrants or guarantees the future performance of the Company or any return on any investment made pursuant to this SPP Booklet.

7. Past performance

Past performance including Share price performance, cannot be relied on as an indicator of, and provides no guidance as to, future Company performance, including future Share performance.

2. TERMS AND CONDITIONS

1. SPP

Metgasco is offering Eligible Shareholders the opportunity to subscribe for up to A\$30,000 worth of fully-paid ordinary shares in the issued capital of the Company pursuant to the offer made under this SPP Booklet (**SPP Shares**). The Company is proposing to raise up to A\$1.5 million under the SPP, however the Board reserves the discretion to accept Applications that result in the SPP raising more or less than this amount.

The issue price being offered under this SPP is \$0.005 per Share (**Issue Price**). This is the same price that was offered to institutional and sophisticated investors under the Placement. The Issue Price represents:

- (a) a 16.7% discount to the volume weighted average price of Shares traded in the ordinary course on ASX in the five trading days up to and including 9 May 2024, which was the last day of trading of Shares on the ASX prior to the day on which the SPP was announced; and
- (b) a 22.8% discount to the volume weighted average price of Shares traded in the ordinary course on ASX in the 15 trading days up to and including 14 May 2024, which was the last day of trading of Shares on the ASX prior to the date of the offer under this SPP.

Note however that the market price of the Shares may rise or fall between the date of this SPP and the date of issue of Shares allotted under the SPP (**Issue Date**). This means that for the same amount of Application Monies, the number of Shares acquired by an Eligible Shareholder under the SPP may be lower than the number of Shares that may be acquired on market on the Issue Date. Alternatively, the total market value of the number of SPP Shares acquired by the relevant Eligible Shareholder may be lower than the Application Monies that that Eligible Shareholder paid for those SPP Shares.

2. Establishment

This SPP is established pursuant to ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 (**ASIC Instrument**) and Listing Rule 7.2, Exception 5, of the ASX Listing Rule 7. The offer of SPP Shares under the SPP is made in accordance with the requirements of the ASIC Instrument. The ASIC Instrument grants relief from the requirement to prepare a prospectus for the offer of SPP Shares under the SPP.

3. Eligibility

All shareholders at 5:00 pm (AWST) on 9 May 2024 (**Record Date**) with a registered address in Australia or New Zealand (**Eligible Shareholders**), are eligible to participate in the SPP. If an Eligible Shareholder holds shares as a 'custodian' (as that term is defined in the ASIC Instrument, then subject to compliance with the relevant conditions in the ASIC Instrument, the custodian may extend the offer under the SPP to the relevant beneficiaries on whose behalf it is holding Shares.

The Company has determined, in accordance with the ASIC Instrument, that it is impractical for the SPP to be offered to a Shareholder whose address on the register of members of the Company is a country outside of Australia or New Zealand, having regard to the number of such holders in those places, the number and the value of the SPP Shares that they would be offered, and the costs of complying with the relevant legal and regulatory requirements in those places.

Participation in the SPP by acceptance of the offer:

- (a) is optional for Eligible Shareholders;
- (b) is subject to these Terms and Conditions.

4. Subscription

- (a) Minimum subscription size

Eligible Shareholders may subscribe for any one of the following parcels (subject to any scale back of the SPP Shares described below):

	Subscription Amount	SPP Shares which may be allotted (calculated at the Issue Price)
Minimum application	\$500	100,000
	\$1,000	200,000
	\$2,500	500,000
	\$5,000	1,000,000
	\$7,500	1,500,000
	\$10,000	2,000,000

	Subscription Amount	SPP Shares which may be allotted (calculated at the Issue Price)
	\$15,000	3,000,000
	\$20,000	4,000,000
	\$25,000	5,000,000
Maximum application	\$30,000	6,000,000

(b) Maximum subscription size

The ASIC Instrument prohibits the Company issuing SPP Shares to an Eligible Shareholder if the total subscription amount to be paid by that Eligible Shareholder (and/or on its behalf by a custodian) under the SPP, when aggregated with the total amount paid for any other Shares applied for by that Eligible Shareholder (and/or on its behalf by a custodian) under any other share purchase plan or similar arrangement operated by the Company, in the 12 months before the date that Eligible Shareholder makes an Application under this SPP, exceeds A\$30,000 (**Maximum Participation Condition**).

Accordingly, subject to clause 6 below, no Eligible Shareholder will be issued more than A\$30,000 worth of Shares, calculated at the Issue Price, pursuant to an Application under this SPP. In particular:

(i) Single Eligible Shareholders

Single Eligible Shareholders that receive more than one offer under the SPP, for example due to multiple registered sole or joint holdings, may only apply for an aggregate of up to A\$30,000 worth of SPP Shares (one maximum parcel).

(ii) Joint Eligible Shareholders

Eligible Shareholders recorded on the register with one or more other persons as the joint holder of Shares are considered to have a single registered Shareholding (unless the Shareholder is a 'custodian' for the purposes of the ASIC Instrument) for the purpose of the SPP. If the same joint holders receive more than one offer under the SPP due to multiple holdings, the joint holders may only apply for an aggregate of up to A\$30,000 worth of Shares (one maximum parcel).

5. Indicative timetable

An indicative timetable for completion of the offer under this SPP is set out below. This timetable is subject to change at the sole discretion of the Board, subject to the requirements of the ASIC Instrument, the Corporations Act, the ASX Listing Rules and other applicable laws:

Record Date	9 May 2024 at 5:00pm (AWST)
Opening Date	17 May 2024
Closing Date	7 June 2024 at 5:00pm (AWST)
Announcement of results of SPP offer	11 June 2024
Allotment of SPP Shares and application for quotation	11 June 2024
First day of trading in SPP Shares	12 June 2024
Despatch of holding statements	12 June 2024

In particular, the Company reserves the right to extend the Closing Date, to accept late Applications (either generally or in particular cases) and to withdraw the SPP without prior notice. Any extension of the Closing Date will have a consequential effect on the allotment date of the SPP Shares.

6. Nature of offer

The right of Eligible Shareholders to participate under the SPP and to apply for and be allotted and issued SPP Shares are non-renounceable. Eligible Shareholders cannot transfer their rights to subscribe for Shares under the SPP to other parties. Acquisition by an Eligible Shareholder of additional Shares or a new separate holding of Shares after the Record Date (including any Shares issued after the Record Date in respect of the Placement), will not give rise to any additional right to subscribe for SPP Shares.

Offers under the SPP are made on the same terms and conditions to each Eligible Shareholder. For the avoidance of doubt, all Eligible Shareholders will receive the same offer, irrespective of the number of Shares which they hold on the Record Date.

7. Custodians, trustees and nominees

A custodian, trustee or nominee within the definition of "custodian" in the ASIC Instrument (**Custodian**) who holds Shares on behalf of one or more persons (**Participating Beneficiary**), may apply for up to a maximum of A\$30,000 worth of SPP Shares for each Participating Beneficiary, subject to providing notice in writing to the Company certifying the following (**Custodian Certificate**):

- (a) that the Custodian holds the Shares on behalf of Participating Beneficiaries who have instructed it to apply for Shares in the Company on their behalf under the SPP;
- (b) the number of Participating Beneficiaries;
- (c) the name and address of each Participating Beneficiary;
- (d) the number of Shares that the Custodian holds on behalf of each Participating Beneficiary;
- (e) the number or dollar amount of Shares which each Participating Beneficiary has instructed the Custodian, either directly or through another Custodian, to apply for on their behalf;
- (f) that there are no Participating Beneficiaries in respect of which the total of the application price exceeds A\$30,000 worth of Shares, calculated by reference to Shares applied for by the Custodian on behalf of each Participating Beneficiary under:
 - (i) the SPP; and
 - (ii) any other Shares issued to the Custodian as custodian in the 12 months before the Custodian's application under an arrangement similar to the SPP,in each case, as a result of an instruction given by the Participating Beneficiary to the Custodian to apply for Shares on their behalf;
- (g) that a copy of the SPP Booklet was given to each Participating Beneficiary;
- (h) where Shares are held by the Custodian on behalf of the Participating Beneficiary indirectly through one or more interposed custodians, the name and address of each interposed custodian; and
- (i) any such additional or varied information as might be required under any more specific ASIC relief that might be granted to the Company in relation to the SPP.

The offer under this SPP is made to the Custodian as the registered Shareholder, however subject to compliance with the relevant conditions in the ASIC Instrument, the Custodian may extend the offer under this SPP to the relevant Participating Beneficiaries on whose behalf it is holding Shares.

If the Shares are held as a trustee or nominee for another person, but are not held by a "Custodian" as defined in the ASIC Instrument, that holder cannot participate for beneficiaries in the manner described above. In this case, the rules for multiple holdings by a single person apply (see clauses 4(b)(i)-(ii) above).

Custodians requiring a Custodian Certificate or further information on how to apply should contact the Share Registry via the contact details provided at section 18 of these Terms and Conditions

8. Overseas shareholders

This SPP does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer. The SPP is not being extended to, and Shares will not be allotted to, shareholders with a registered address which is outside Australia or New Zealand.

Beneficial shareholders not resident in Australia or New Zealand should consult their professional advisors to determine whether any government or other consents are required or whether formalities need to be observed to allow them to apply for Shares under this SPP.

Custodians may not send copies of this SPP Booklet or apply for SPP Shares on behalf of any person in the United States or any other jurisdiction outside Australia or New Zealand.

9. Agreement

By submitting an Application, an Eligible Shareholder (including, where relevant, any Custodian):

- (a) certifies that it is in compliance with the Maximum Participation Condition specified in clause 4(b) above and the submission of that Application to the Company (or the Share Registry on its behalf) will not cause it to be in breach of the Maximum Participation Condition;
- (b) agrees that the Application is effective as of the date on which the Application is signed and submitted to the Company (or the Share Registry on its behalf), and not capable of being withdrawn or revoked except to the extent permitted by law;
- (c) agrees generally to otherwise be bound by these Terms and Conditions; and
- (d) authorises the Company to place its name on the register of members in respect of any SPP Shares which are issued to the Eligible Shareholder under this SPP and agrees to be bound by the

constitution of the Company.

The Company reserves the right, and in certain circumstances may be required by the ASIC Instrument or other conditions), to reject any Application.

10. Application

If you wish to participate in the SPP and apply for SPP Shares, you can do so by either:

- (a) for Eligible Shareholders with an eligible Australian bank account only, paying the Application Monies in full to the Share Registry via i) BPAY® online at <https://events.miraqle.com/mel-spp>; or ii) by telephone at 1300 794 935; and
- (b) for New Zealand registered holders only, paying the Application Monies in full to the Share Registry via EFT to bank account number 062-028 12278230 (account name PCPL - ITF METGASCO LTD and swift code CTBAAU2SXXX) and returning your enclosed Application Form in accordance with the details on the Application Form, together with your BPAY or EFT payment receipt to capitalmarkets@linkmarketservices.com.au.

It is your responsibility to ensure that your BPAY payment or payment by EFT is received by the Share Registry, by no later than the Closing Date (which is currently scheduled to occur on 7 June 2024 at 5:00pm (AWST), unless varied by the Board in its discretion). Your completed Application, once received by the Share Registry, cannot be withdrawn or revoked (except as permitted by law) and any interest accrued on the Application Monies will be payable to the Company.

No cooling off period applies in relation to the application for or acquisition of Shares under the SPP.

11. Calculation of number of Shares to be issued

In the absence of scale back, and subject to the Eligible Shareholder not breaching the Maximum Participation Condition, the number of SPP Shares in the Company to be issued pursuant to an Application will be calculated by dividing the total Application Monies received from the relevant Eligible Shareholder in respect of that Application by the Issue Price. Where fractions arise in the calculation of the number of SPP Shares to be issued to an Eligible Shareholder, the number of SPP Shares will be rounded down to the nearest whole number in respect of that Eligible Shareholder.

12. Scale back

The Company is seeking to raise up to A\$1.5 million under the SPP. In accordance with the ASX Listing Rules the number of Shares to be issued under the SPP will not exceed 30% of the total number of Shares on issue as at the Record Date. If the Company receives Applications in excess of A\$1.5 million worth of SPP Shares in total, the Board may, in its absolute discretion, accept oversubscriptions, subject to compliance with the requirements of the ASIC Instrument and the ASX Listing Rules.

The Board may also in certain circumstances scale back Applications received, including where the Board reasonably suspects that the Application may be in breach of the Maximum Participation Condition or where an Application is not in respect of a whole number of SPP Shares. If the Board undertakes any scale back, the total number of SPP Shares allotted and issued to an Eligible Shareholder may be less than the parcel of SPP Shares which they applied for. In this case, the difference between the Application Monies received by the Company from the relevant Eligible Shareholder and the total number of SPP Shares allotted to the Eligible Shareholder multiplied by the Issue Price, will be refunded to the Eligible Shareholder (by cheque and/or direct credit to that Eligible Shareholder's nominated account, if recorded on the Company's share register) as soon as practicable without interest following allotment.

Any scale back will ultimately be determined by the Board in its absolute discretion, however the Board will use all reasonable endeavours to ensure that participants under the SPP have a reasonable opportunity to participate equitably in the overall offer.

13. Issue of Shares

SPP Shares, upon their issue, will rank equally in all respects with all other Shares then on issue. The Company will not issue SPP Shares where to do so would result in a breach of its constitution, the Corporations Act, the ASX Listing Rules, the ASX Settlement Operating Rules or applicable law.

14. Costs of participation

No brokerage, commissions, stamp duty or other transaction costs will be payable by Eligible Shareholders in respect of the application for, and issue of Shares under, the SPP.

15. Allotment and quotation dates

As at the date of this SPP Booklet, Shares are expected to be allotted and issued under the SPP on 11 June 2024 (**Issue Date**) and the Company will apply to ASX for quotation of these SPP Shares on the same day. If permission for quotation is not granted by ASX, the SPP Shares will not be issued and Application Monies received by the Company will be refunded (without interest) as soon as practicable.

The Company expects to dispatch a holding statement in respect of any SPP Shares allotted and issued on 12 June 2024. Eligible Shareholders should confirm their Shareholdings before trading in any SPP Shares that they believe have been allotted to them.

16. General

The Company may determine, in any manner it thinks fit, any disputes or anomalies which arise in connection with or by reason of the operation of the SPP, whether generally or in relation to any Eligible Shareholder or application for SPP Shares. The decision of the Board (on behalf of the Company) will be conclusive and binding on all persons to whom the determination relates.

The Board reserves the right to waive compliance with any provision of these Terms and Conditions, to amend or vary these Terms and Conditions and to suspend or terminate the SPP at any time. Any variation in these Terms and Conditions will be notified by a release to the ASX.

The Company may at any time irrevocably determine that an Application is valid, in accordance with these Terms and Conditions, even if the Application is incomplete, contains errors or is otherwise defective. The Company and its officers and agents are authorised to correct any error in, or omission from, an Application Form by the insertion of any missing details.

The Company's rights and discretions under the SPP Booklet may be exercised by the Board or any delegate(s) of the Board.

17. Governing law

This SPP Booklet and the contracts formed on acceptance of an Application are governed by the laws applicable in Western Australia. Each applicant for SPP Shares submits to the non-exclusive jurisdiction of the courts of Western Australia.

18. Questions

Any questions in respect of the SPP should be directed to the Company's share registry, Link Market Services on **1300 794 935** (within Australia) or **+61 1300 794 935** (outside Australia).

3. RISKS

1. Overview of risks

Potential investors should be aware that there are several known and unknown risks associated with investing in Metgasco. Certain risks are beyond the control of Metgasco, the Board and members of management of Metgasco. These risks may have a material impact on Metgasco's future operating and financial performance, financial position, cash flow, distributions, growth prospects and Share price. The risks are similar to that of any stock market investment, and, specifically because of the nature of the Company's mining business.

The key risks associated with an investment in Metgasco are outlined below. This SPP is not made under a prospectus or other disclosure document. Accordingly, before deciding whether to participate in the SPP, Shareholders should consider all relevant facts and circumstances, including the information contained in this SPP Booklet, their knowledge of the Company and its periodic statements and continuous disclosures lodged with the ASX (available at www.asx.com.au), and should consult their professional advisors.

This SPP and the risks identified in this section 2 do not consider the investment objectives, financial situation, tax position or other circumstances of any particular Shareholder. Shareholders should have regard to their own investment objectives and financial circumstances and seek professional advice from their legal, financial, or other independent adviser before determining whether or not to participate in the offer.

2. Development risk

Oil and gas development is a high risk undertaking and successful development cannot be guaranteed. The Company's financial performance will substantially depend on the accuracy of its sub-surface analysis, the production flow rates achieved and from cost estimates for its exploration well, project development costs and production facilities activities, working capital requirements and the duration of its works program. Due to individual prospect geological risk, there can be no assurance that the Company's exploration activities, projects, tenements, or databases that the Company holds or may acquire in future, will result in profitable outcomes for the Company. If the Company's exploration and development proves to be unsuccessful, this could lead to a diminution in the value of its projects, a reduction in the cash reserves of the Company and the possible relinquishment of one or more of its tenements. This may in turn result in a material reduction in the market price and/or value of the Shares issued by Metgasco.

3. Exploration risk

Key to Metgasco's financial performance is to have success in exploring for and locating commercial hydrocarbons. Exploration is subject to technical risks and uncertainty of outcome. Metgasco may not find any or sufficient hydrocarbon reserves and resources to commercialise, which would adversely impact (including to a material extent) the financial performance of Metgasco.

4. Operational risk

Operations may be affected by various factors, including exploration well dry holes and failure to achieve field development timetables, and associated lower production rates than predicted. Rig mechanical failure or equipment breakdown, adverse weather conditions, industrial and environmental accidents, industrial disputes, and unexpected shortages or increases in the costs of consumables, spare parts, plant, and equipment. Losses resulting from any of these risks could have a material adverse effect on the Company's financial resources or could result in a total loss of the assets affected, and accordingly, may affect the market price and/or value of the Shares.

5. Oil and gas prices risk

Estimating hydrocarbon reserves and resources is subject to significant uncertainties associated with technical data and the interpretation of that data, future commodity prices, and development and operating costs. There can be no guarantee that Metgasco's joint venture with Vintage Energy Limited will successfully produce the volume of hydrocarbons that it estimates as reserves or that hydrocarbon resources will be successfully converted to reserves. Estimates may alter significantly or become more uncertain when new information becomes available due to for example, additional drilling or production tests over the life of field. As estimates change, development and production plans may also vary. Downward revision of reserves and resources estimates may adversely affect Metgasco's operational and/or financial performance.

6. Financing risks

The Company may need to raise additional funds in the future. There is no assurance that the Company will be able to secure additional funding, whether debt, equity or otherwise, on acceptable terms, or at all. Any additional equity financing will dilute then existing Shareholdings.

7. Economic risks

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development, and production activities, as well as on its ability to fund those activities. If activities cannot be funded, there is a risk that tenements may have to be surrendered or not renewed. Furthermore, share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as general economic outlook, interest rates and inflation rates, currency fluctuations, changes in investor sentiment toward particular market sectors, the demand for, and supply of capital, geo-political instability (including international hostilities and terrorism), epidemics and pandemics, and government fiscal, monetary and regulatory policies. None of Metgasco, the Board or Metgasco's other officers warrant the future performance of the Company or any return on an investment in the Company.

8. Environmental risks

The operations and proposed activities of the Company are subject to Australian State and Commonwealth laws and regulations concerning the environment. As with most exploration and development projects, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws, to minimise damage to the environment and risk of liability. Nevertheless, there are certain risks inherent to Metgasco's activities which could subject the Company to potential liability.

9. Title risk

Interests in tenements in Australia are governed by Commonwealth and State legislation and are evidenced by the granting of licences or leases. Each licence or lease is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could lose title to or its interest in tenements if licence conditions are not met or if insufficient funds are available to meet expenditure commitments as and when they arise. Further, exploration tenements are subject to periodic renewal. There is no guarantee that current or future tenements will be renewed or approved. Renewal of the term of a granted tenement is at the discretion of the relevant government authority. Renewal conditions may include increased expenditure or work commitments or compulsory relinquishment of the areas comprising the Company's projects. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company.

10. Reliance on key personnel

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on the Board and Metgasco's key personnel. The loss of the services of certain personnel could adversely affect the Company and its activities, potentially to a material extent.

11. Trading liquidity risk

The Company is a small company in terms of market capitalisation, and it may not be covered by a broad base of research analysts. Consequently, there may be relatively few buyers and sellers of securities on the ASX at any given time and the market price may be highly volatile, particularly in times of share market turbulence or negative investor sentiment. This may present difficulties for Shareholders seeking to liquidate their holdings.

12. Reserves and resourcing risks

Estimating hydrocarbon reserves and resources is subject to significant uncertainties associated with technical data and the interpretation of that data, future commodity prices, and development and operating costs. There can be no guarantee that Metgasco will successfully produce the volume of hydrocarbons that it estimates as reserves or that hydrocarbon resources will be successfully converted to reserves. Estimates may alter significantly or become more uncertain when new information becomes available due to for example additional drilling or production tests over the life of the field. As estimates change, development and production plans may also vary. Downward revision of

reserves and resource estimates may adversely affect Metgasco's operational or financial performance, whereas upwards revisions may have the opposite effect.

13. Counterparty exposure and joint ventures

The financial performance of the Company is subject to its various counterparties or joint venture (JV) partners continuing to perform their respective obligations under the contracts. If one of its counterparties or joint venture partners fails to adequately perform their contractual obligations, this may result in loss of earnings, termination of particular contracts, disputes and/or litigation of which could materially and negatively impact on the Company's financial performance.

14. Odin-2

Odin-2 is a commitment well, meaning that if the Company is unable to drill Odin-2 by 31 May 2024 then the Company will not have met the expenditure requirements of ATP2021. The ATP2021 JV intends to do all things in its power to ensure that it meets its expenditure requirements for ATP2021 but, if it is unable to drill Odin-2 by 31 May 2024, including for reasons outside of its control, this could impact on the ability of the Company to retain acreage or successfully renew its licence in respect of ATP2021.

15. Reliance on Third Party Infrastructure

It is common in the oil and gas sector for industry participants to share transportation and operating infrastructure (such as gas processing facilities and gas pipelines). Metgasco relies on access to properly maintained operating infrastructure and shared facilities that, in some circumstances, may not be directly controlled by the joint venture to deliver its production to market. Any delay or failure to access or properly maintain operating infrastructure or shared facilities may have a material adverse effect on Metgasco's business, operations, financial position, or growth prospects.

16. Price risk

The market price of the Shares may rise or fall between the date of this SPP and the date of issue of Shares allotted under the SPP (**Issue Date**). This means that for the same amount of Application Monies, the number of Shares acquired by an Eligible Shareholder under the SPP may be lower than the number of Shares that may be acquired on market on the Issue Date. Alternatively, the total market value of the number of SPP Shares acquired by the relevant Eligible Shareholder may be lower than the Application Monies that that Eligible Shareholder paid for those SPP Shares.

4. OTHER MATERIAL INFORMATION

1. Continuous disclosure

The Company is a disclosing entity for the purposes of the Corporations Act. As such, it is subject to regular reporting and disclosure obligations, including an obligation under the ASX Listing Rules (subject to certain exceptions) to disclose to ASX any information concerning the Company that it becomes aware of and which a reasonable person would expect to have a material effect on the price or the value of shares.

All such disclosures, as well as any other information and documents that have been previously announced to ASX, are available at www.asx.com.au under ASX ticker "MEL". In particular, please refer to the Metgasco Half Year Report for the 6 months ended 31 December 2023 and the Metgasco Annual Report for the financial year ended 30 June 2023. You should also have regard to any further announcements which may be made by the Company to ASX after the date of this SPP Booklet.

2. Cleansing notice

In accordance with the requirements of the ASIC Instrument, the Company provided ASX with a cleansing notice that complied with the requirements of section 708A(6) of the Corporations Act on 15 May 2024.

3. Taxation

There may be taxation implications associated with participating in the SPP and receiving SPP Shares. The Company does not consider it appropriate to give Shareholders advice regarding the taxation consequences of subscribing for SPP Shares under the SPP. The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Shareholders. Shareholders should consult their professional tax adviser in connection with any Application.

4. Privacy statement

The Company (and the Share Registry on its behalf) collects information about each applicant provided on an Application for the purposes of processing the Application and, if the Application is successful, to administer the applicant's security holding in the Company. Chapter 2C of the Corporations Act also requires information about you as a Shareholder (including your name, address and details of your Shares) to be included in the public register of the Company. Information is collected to administer your Shares. Your personal information may be disclosed to the Company.

By submitting an Application, each applicant agrees that the Company may use the information provided by that applicant on that Application for the purposes set out in this privacy statement and may disclose it for those purposes to the Share Registry, the Company's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to the ASX and other regulatory authorities. If you do not provide the information required on the Application, the Company may not be able to accept or process your Application.

An applicant has a right to gain access to the information that the Company holds about that person subject to certain exemptions under law. Access requests must be made in writing to the Company at <https://www.metgasco.com.au/contact/>. The Share Registry's privacy policy is available on its website https://www.linkgroup.com/docs/Link_Group_Privacy_Policy.pdf.

5. GLOSSARY

AUD, A\$, \$ or dollars means Australian dollars unless otherwise indicated.

Application means the submission of a completed Application Form accompanied by the relevant Application Monies via EFT; or the payment of the relevant Application Monies via BPAY in accordance with the instructions on the relevant Application Form, in either case in accordance with the Terms and Conditions.

Application Form means the relevant personalised form accompanying this SPP Booklet which Eligible Shareholders may use to apply for SPP Shares.

Application Monies means the total amount payable for SPP Shares pursuant to an Application, being an amount in dollars equal to the Issue Price multiplied by the total number of SPP Shares applied for.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited ABN 98 008 624 691 or, as the context requires, the securities market operated by it.

ASX Listing Rules means the listing rules of the ASX from time to time.

ASX Settlement Operating Rules means the settlement rules of ASX Settlement Pty Limited ACN 008 504 532 from time to time.

Board means the board of directors of the Company.

Closing Date means 5:00pm (AWST) on 7 June 2024 (or such later date as the Board determines in its absolute discretion).

Corporations Act means the Corporations Act 2001 (*Cth*).

Custodian has the meaning given to that term in the ASIC Instrument.

Custodian Certificate has the meaning given to that term in paragraph 7 of section 2 of this SPP Booklet.

EFT means Electronic Funds Transfer.

Eligible Shareholders means a Shareholder registered in the Company's register of members on the Record Date with an address in Australia or New Zealand.

Issue Date means the date on which the SPP Shares are issued and allotted to Eligible Shareholders, which is anticipated to occur on or around 11 June 2024.

Issue Price means \$0.005 per SPP Share.

Maximum Participation Condition has the meaning given in clause 4(b) of the Terms and Conditions.

Metgasco or Company means Metgasco Ltd ACN 088 196 383.

Opening Date means 17 May 2024 (or such later date as the Board determines in its absolute discretion).

Participating Beneficiary has the meaning given to that term in the ASIC Instrument.

Placement means the institutional share placement to sophisticated institutional investors announced by Metgasco to ASX on 10 May 2024.

Record Date means 5:00pm (AWST) on 9 May 2024.

Share means a fully paid ordinary share in the capital of the Company, and **Shareholding** has the corresponding meaning.

Shareholder means a holder of a Share.

Share Registry means Link Market Services Limited of Level 12, 680 George Street, Sydney NSW 2000.

SPP Shares means new Shares offered for issue under the SPP.

SPP Booklet means this share purchase plan offer booklet.

Terms and Conditions means the terms and conditions of the SPP set out at section 2.