

## Increase in Debt Facility

On 19 August 2024 Metgasco Ltd (ASX: MEL) (**Metgasco** or **Company**) secured an \$880,000 debt funding agreement (**Loan Agreement**) with Glennon Small Companies (**Glennon**) (Refer MEL ASX release 19 August 2024). The Loan Agreement contemplated the ability to increase the facility amount on the same debt terms. On 27 September 2024 the Loan Agreement (Revised Loan Agreement) was increased by \$2,000,000 to a total of \$2,880,000.

Metgasco wishes to advise that the debt consideration under the Loan Agreement has been increased by \$300,000, to a total of \$3,180,000. (**Further Revised Loan Agreement**). The total debt being provided by Glennon to Metgasco will be \$5.18m following completion (inclusive of the \$2m debt agreed in March 2023), with the blended interest rate on the combined Glennon loan facilities being 16.1%, with the vast bulk of the debt being unsecured. The additional funds made available under the Further Revised Loan Agreement will be used for Odin field costs and for general working capital purposes.

In line with the Loan Agreement, the additional funding made available under the Further Revised Loan Agreement will have interest capitalised, with repayment only to be made as revenue is earned, creating flexibility for the Company to manage any unforeseen issues with production.

### A summary of the key terms of the Further Revised Loan Agreement are as follows:

Loan Amount	\$3,180,000 (previously A\$2,880,000) with the additional \$300,000 to be received by 29 November 2024.
Security	The loan is unsecured
Interest Rate	20% -Interest to be capitalised and only paid from revenue.
Maturity Date	31 December 2025.
Conversion Terms	<p>Subject to shareholder approval, the Lender may convert the debt to equity in the event of a takeover at the lower of a 50% discount to an offer price in the event of a takeover or similar event, or 50% of the closing price prior to the announcement of a takeover or similar event, or a 50% discount to the price of any capital raise done in the preceding 6 months prior to any offer.</p> <p>However Glennon is still subject to the normal 20% threshold for making a bid and has expressed that they are not able to do so under their investment guidelines.</p>
Other	At least 20% of revenue when earned shall be applied to the loan, to cover interest and or capital repayments, if it is prudent for the company to do so.

As advised on 19 August 2024, Metgasco also entered a royalty agreement with Glennon Small Companies to pay 12.5% of revenue earned, following repayment of the loan. This option was viewed as superior to further dilutive capital raisings and does not come into effect until the loans are repaid in full.

Glennon Small Companies is a company associated with Director Michael Glennon (appointed 19 August 2024).

The Board, excluding Mr Glennon, consider the increase in the debt facility as being in the best interest of the Company to help facilitate short term funding needs.

## Contact and further information:

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

For further information contact:

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