



ASX / MEDIA RELEASE

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Metgasco Drilling Approval Suspended

Metgasco (ASX:MEL) today advises the following:

Metgasco has received advice from the NSW Office of Coal Seam Gas that it must suspend all work on the Rosella E-01 exploration well until the Company can demonstrate to the satisfaction of the Office of Coal Seam Gas that Metgasco has complied with condition 8 of the PEL 16 exploration licence regarding community consultation.

Metgasco is confident that it is in compliance with the PEL 16 licence conditions and is seeking to demonstrate this to government.

The Company is in the process of mobilising a drilling rig to drill the Rosella well and therefore this advice from the NSW government comes at a very critical time. Accordingly, the Company has sought and obtained a 48 hour ASX trading halt pending the opportunity to meet and discuss the matter with government so that there is a clearer understanding of the outlook for rig mobilisation.

Metgasco will advise the market as soon as the situation becomes clear.

For further information contact:

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