



ASX / MEDIA RELEASE

ASX Code: MEL

24 November 2016

Annual General Meeting

Chairman's Address Presentation Slides

Attached are the presentation slides for the Chairman's Address at the Company's Annual General Meeting that will be held at 10.00am today.

About Metgasco:

www.metgasco.com.au

Metgasco is presently pursuing new opportunities in the Oil & Gas sector. It holds an interest, via a secured production development funding facility, options and participation rights, in U.S Gulf of Mexico company Byron Energy Limited (ASX:BYE). Metgasco holds a 10% (non-operating) farmed-in interest in Byron's Bivouac Peak Littoral Louisiana hydrocarbon project with an initial H1 2017 well testing a Gross prospective resource of 32,270 Mboe. Metgasco also holds a portfolio of cash, fixed income and managed credit assets valued at approx. A\$20m (net of the Return of Capital of 2.5c/share approved by shareholders paid on 16 November 2016).

For further information contact:

Alexander Lang
Executive Chairman
info@metgasco.com.au

Metgasco Limited ACN 088 196 383
Level 3, 2 Elizabeth Plaza, North Sydney NSW 2060
Tel: +61 2 9923 9100 Fax: +61 2 9959 5387
Web: www.metgasco.com.au



Annual General Meeting

Thursday, 24 November 2016

METGASCO

Disclaimer

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This presentation provides information in summary form only and is not intended to be complete. It is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor.

Due care and consideration should be undertaken when considering and analysing Metgasco’s financial performance. All references to dollars are to Australian Dollars unless otherwise stated.

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This presentation should be read in conjunction with other publicly available material. Further information including historical results and a description of the activities of Metgasco is available on our website, www.metgasco.com.au.

ASX Listing Rule 5.11 Disclosure

Reserves have been certified by Mr Tim Hower of MHA Petroleum Consultants (Denver) who is a qualified person as defined under the ASX Listing Rule 5.11. Reserves have been developed within the guidelines of the SPE. Mr Hower has consented to the use of the reserve figures in this presentation. Conversion of reserves from PJ to Bcf at 1.04 PJ/1.00 Bcf.

Metgasco's Settlement with NSW Government

- In May 2014 the NSW government unlawfully suspended Metgasco's drilling approval:
 - Successful court action followed and drilling suspension was lifted;
 - No compensation rights were awarded, only costs.

- For compensation, Metgasco had to either negotiate with Government or initiate separate legal action:
 - Negotiations ended with a final offer of \$25M, subject to shareholder's approval, in exchange for:
 - Withdrawing from our exploration licences in the Northern Rivers region; and
 - Withdrawing from litigation against the NSW government.

- On 16 December 2015, shareholders voted to accept the \$25M offer, and on 22 December 2015 Metgasco received from the Government:
 - 25M;
 - \$430k in bonds held by the Government.

Close down of operations in Northern Rivers region

- As a result of the settlement with the Government of NSW Metgasco ceased all operations in norther NSW by the end of 2015;
- Wells decommissioned and sites rehabilitated at the beginning of 2016;
- Casino shop front and workshop were closed down;
- Employment of Northern Rivers staff was terminated;
- RVPS land sold, as well as some of the remaining equipment;
- Remaining assets and equipment is in the process of being sold off;
- Overhead costs significantly reduced.

Metgasco Board of Directors changes

	Dec 2015	Jan 2016	Feb 2016	Mar 2016	Apr 2016	May 2016	Jun 2016	Jul 2016	Aug 2016	Sep 2016	Oct 2016	Nov 2016
23	Philip Amery	Non-Executive Director										
8			Len Gill	Non-Executive Director (previously Chairman)								
8			Greg Short	Chairman (previously Non-Executive Director)								
8			Alex Lang	Executive Chairman (previously Non-Executive Director)								
8			Terry White	Non-Executive								
1							Peter Henderson	Managing Director & CEO				
19										John Patton (non-ind.)	Non-Executive. Nominated by Keybridge Capital Ltd.	
26										Andrew Purcell (non-ind.)	Non-Executive. Nominated by M&A Advisory Pty Ltd.	

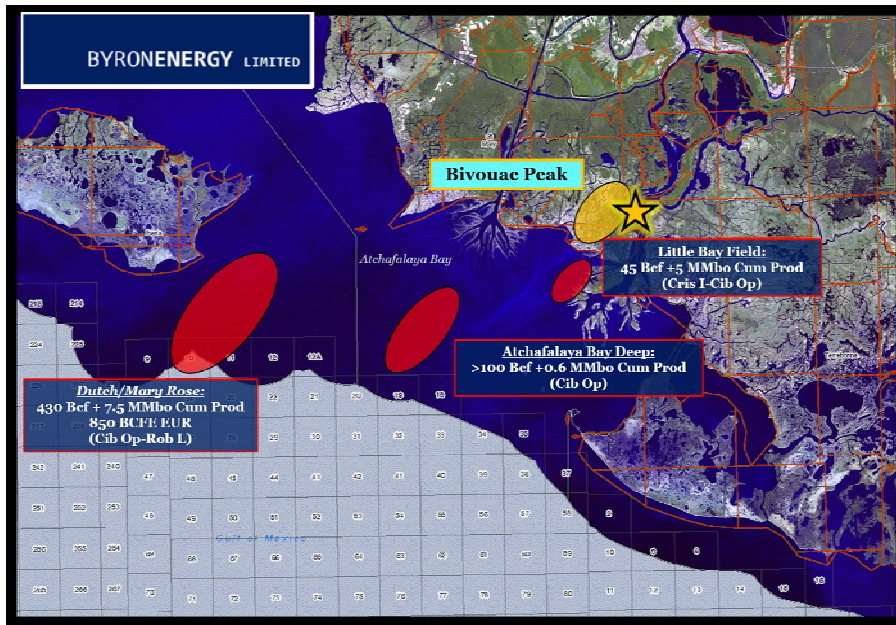
New Business - Byron Energy Limited (ASX:BYE)

- Convertible Note Deed:
 - Exposure over BYE Gulf of Mexico project (SM70/71) via a secured loan to BYE:
 - Attractive loan terms to provide robust free cash flow;
 - Maximum exposure for MEL approx. A\$7.8m;
 - Convertible rights in favour of MEL;
 - BYE issued 10 million unlisted options to MEL (A\$0.25 on a 3 year term);
 - Executed 21 July 2016.

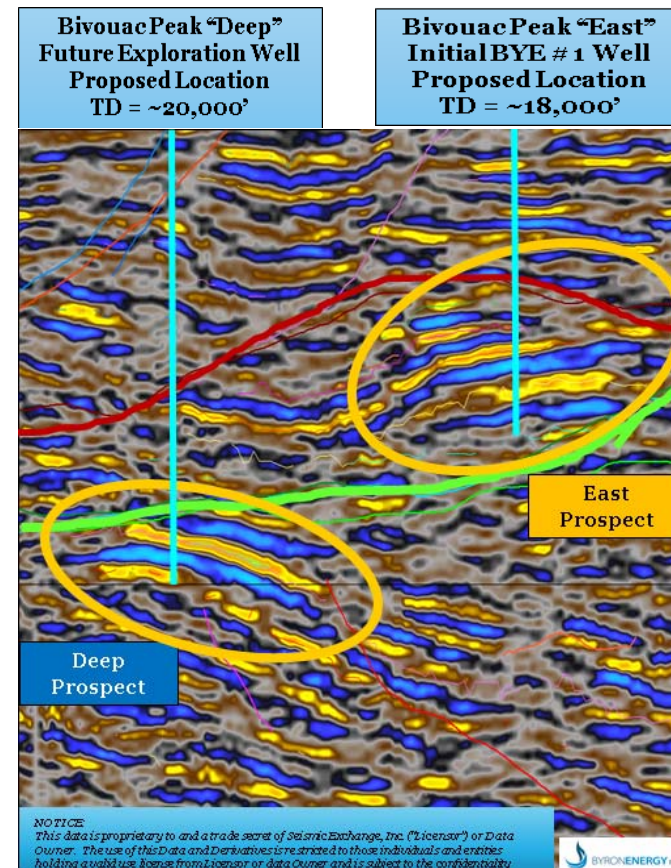
 - MEL acquired farm-in rights for a 10% working interest in BYE Bivouac Peak (Louisiana)
 - Exercised the farm-in right
 - Executed 22 September 2016
 - Exposure for MEL approx. A\$1.3m
 - Proposed well #1 – East Prospect
 - Gross prospective resource target 126 Bcf + 11.3 Mmbo (32,270 Mboe)
 - 665 Acre
 - 3 stacked objectives

 - Framework agreement to pursue future farm-in and co-investment opportunities in relation to BYE exploration portfolio.

Bivouac Peak Farm-In

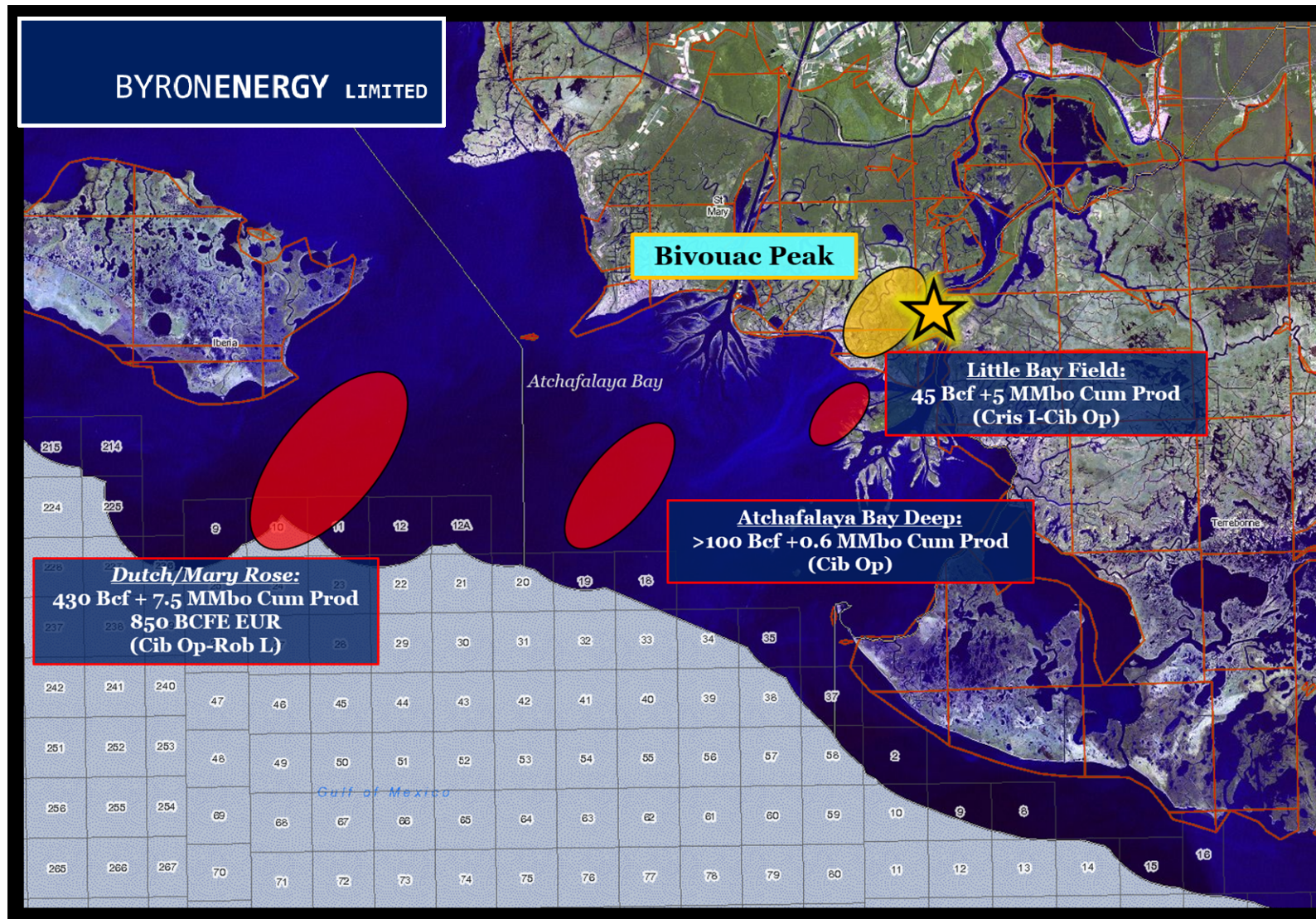


- Deep Prospect - potential Future Exploration Well:
- Gross Prospective Resource target 52 Bcf + 4.7 Mmbo (13,331 Mboe)
 - 400 Acres; 2 stacked objectives



- East Prospect - Proposed well # 1:
- Gross Prospective Resource target 126 Bcf + 11.3 Mmbo (32,270 Mboe)
 - 665 Acre; 3 stacked objectives

Bivouac Peak Farm-In



Partial Capital Return to Shareholders

- Return of Capital Resolution was approved on 12 September 2016 General Meeting of Shareholders;
 - \$0.025 per share;
 - Subject to ATO Class Ruling;
 - Total return to Shareholders \$9,961,620

- Record Date: 7pm, 11 November 2016
- Payment Date: 16 November 2016
- Final ATO ruling expected on 14 December 2016 (it will be notified to shareholders).

Going forward

- Board working actively on identifying, analysing and pursuing further transactions, partnerships and acquisitions