

ASX ANNOUNCEMENT

30 January 2008

OPERATIONS REPORT

Metgasco (ASX:MEL) advises the following operational activities were undertaken over the past week.

The dewatering of Corella P11, P12, P14 and Riflebird P11 is continuing.

Encouraging early gas flows are now being observed, although are not yet sufficiently stabilised for rates to be reported.

The installation of pumps on Corella P16 is continuing and is expected to be completed in the next week.

Ensign Rig 50 is currently drilling the lateral section within the Richmond coal seam on Riflebird P12.

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