

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002.

Name of entity

METGASCO LTD

ACN

088 196 383

We (the entity) give ASX the following information.

### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |  |   |
|---|--|---|
| 1 | +Class of +securities issued or to be issued   | ORDINARY SHARES   |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued  | 1 FOR 8 PRO RATA NON-RENOUNCEABLE RIGHTS OFFER<br><br>Up to 19,159,142 shares   |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)   | FULLY PAID ORDINARY SHARES  |
| 4 | Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?<br><br>If the additional securities do not rank equally, please state:<br><ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul> | YES<br>The fully paid ordinary shares issued under the rights offer will rank equally with the existing fully paid ordinary shares. |

5	Issue price or consideration	\$0.40 PER SHARE	
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	EXPLORATION & APPRAISAL ACTIVITIES AND WORKING CAPITAL	
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	29 APRIL 2009	
8	Number and +class of all +securities quoted on ASX ( <i>including</i> the securities in clause 2 if applicable)	Number	+Class
		UP TO 172,432,276 (Includes: - placement of 19,992,000 shares announced on 17 March '09; and - rights offer of up to 19,159,142 shares)	ORDINARY SHARES

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+ See chapter 19 for defined terms.

	Number	+Class
9	Number and +class of all +securities not quoted on ASX ( <i>including</i> the securities in clause 2 if applicable)	
	20,591,024	OPTION BALANCE BROUGHT FORWARD
		<i>MOVEMENTS IN OPTIONS SINCE LAST 3B:(30/01/09)</i>
	NIL	GRANTED
	(84,437)	LAPSED & FORFEITED
	NIL	EXERCISED
	20,506,587	BALANCE CARRIED FORWARD - OPTIONS (UNLISTED) OVER UNISSUED ORDINARY SHARES
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A

## Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	NO
12	Is the issue renounceable or non-renounceable?	NON-RENOUNCEABLE
13	Ratio in which the +securities will be offered	1-8
14	+Class of +securities to which the offer relates	ORDINARY
15	+Record date to determine entitlements	30 MARCH 2009
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	NO
17	Policy for deciding entitlements in relation to fractions	Fractional entitlements will be rounded up/down to the next whole number of New Shares
18	Names of countries in which the entity has +security holders who will not be sent new issue documents  Note: Security holders must be told how their entitlements are to be dealt with.  Cross reference: rule 7.7.	ALL COUNTRIES EXCEPT AUSTRALIA AND NEW ZEALAND

19	Closing date for receipt of acceptances or renunciations	5.00PM (AEDT) 24 APRIL 2009
20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	1% STAMPING FEE TO BROKERS WHO STAMP RETAIL APPLICATIONS
25	If the issue is contingent on +security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	3 APRIL 2009
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do +security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	+Despatch date	29 APRIL 2009

+ See chapter 19 for defined terms.

## Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

34 Type of securities  
(tick one)

(a)  Securities described in Part 1  
(a)

(b)  All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

### Entities that have ticked box 34(a)

#### Additional securities forming a new class of securities

*(If the additional securities do not form a new class, go to 43)*

*Tick to indicate you are providing the information or documents*

35  If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36  If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories  
1 - 1,000  
1,001 - 5,000  
5,001 - 10,000  
10,001 - 100,000  
100,001 and over

37  A copy of any trust deed for the additional +securities

*(now go to 43)*

### Entities that have ticked box 34(b)

38 Number of securities for which +quotation is sought

39 Class of +securities for which quotation is sought

40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

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41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

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42 Number and +class of all +securities quoted on ASX (*including* the securities in clause 38)

Number	+Class

(now go to 4

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+ See chapter 19 for defined terms.

## All entities

### Fees

43 Payment method (tick one)

Tax invoice requested

Electronic payment made

Note: Payment may be made electronically if Appendix 3B is given to ASX electronically at the same time.

Periodic payment as agreed with the home branch has been arranged

Note: Arrangements can be made for employee incentive schemes that involve frequent issues of securities.

### Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the +securities to be quoted, it has been provided at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

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+ See chapter 19 for defined terms.



## ASX ANNOUNCEMENT

18 March 2009

### RIGHTS ISSUE – SECTION 708AA NOTICE

This notice is given by Metgasco Ltd (ACN 088 196 383) (*Metgasco*) under section 708AA(2)(f) of the *Corporations Act 2001* (Cth) (**Act**) as modified by Australian Securities and Investments Commission Class Order 08/35 (**CO 08/35**).

Metgasco announced today a non-renounceable rights offer of one new Metgasco ordinary share (**New Shares**) for every eight Metgasco ordinary shares held as at 7:00pm (AEDT) on 30 March 2009 by shareholders with a registered address in Australia or New Zealand and any other jurisdictions in which Metgasco has decided to make offers (**Rights Offer**).

Metgasco advises that:

- (a) the New Shares will be offered for issue without disclosure under Part 6D.2 of the Act as modified by CO 08/35;
- (b) the notice is being given under section 708AA(2)(f) of the Act as modified by CO 08/35;
- (c) as at the date of this notice, Metgasco has complied with:
  - (i) the provisions of Chapter 2M of the Act as they apply to Metgasco; and
  - (ii) section 674 of the Act;
- (d) as at the date of this notice, there is no excluded information of the type referred to in sections 708AA(8) and 708AA(9) of the Act as modified by CO 08/35;
- (e) the issue of New Shares under the Rights Offer is not expected to have any material effect or consequence on the control of Metgasco.

Yours faithfully

Nick Geddes  
Company Secretary

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For further information contact:

David Johnson                      Glenda McLoughlin  
Managing Director                Chief Financial Officer

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