

23 March 2009

Company Announcements  
Australian Securities Exchange  
Bridge Street  
SYDNEY NSW 20000

Dear Sirs

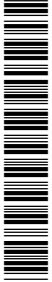
## Non Renounceable Rights Issue – Letter to Foreign Shareholders.

We refer to the attached letter and advise that this is being mailed to shareholders today.

Yours faithfully

A handwritten signature in black ink, appearing to read "Rich Geddes". The signature is fluid and cursive, with a horizontal line extending from the end of the name.

NJV Geddes  
Secretary



23 March 2009

Dear Shareholder

**METGASCO LTD - NON-RENOUNCEABLE RIGHTS OFFER  
Notification to Ineligible Shareholders**

On 17 March 2009, Metgasco Ltd ("Metgasco") announced that it is making a non-renounceable rights offer to raise approximately \$7.7 million. The offer is for eligible shareholders to subscribe for one new ordinary share at an issue price of \$0.40 for every eight existing ordinary shares held at the record date of 7:00pm (AEDT) on 30 March 2009.

Following consideration of the matter, the Directors have decided not to extend the offer to shareholders with registered addresses outside of Australia and New Zealand. This decision has been made due to the significant costs of complying with legal and regulatory requirements in foreign jurisdictions, in comparison with the small number of shareholders in foreign jurisdictions and the value of the shares to which they would otherwise be entitled. On this basis, we regret that you will not be eligible to participate in the rights offer.

Entitlements not taken up by eligible shareholders and those entitlements that would have otherwise been offered to ineligible shareholders will be offered to participating shareholders who wish to apply for new shares in addition to their entitlement under the rights offer. As the rights offer is non-renounceable, you will not receive any value for those entitlements.

From 3 April 2009, a sample copy of the offer document setting out details of the rights offer will be available on Metgasco's website at [www.metgasco.com.au](http://www.metgasco.com.au) for your information.

If you have any queries in relation to the above matters, please contact me on +61 2 9252 1933.

Yours sincerely

Nick Geddes  
Company Secretary