



ASX / MEDIA RELEASE
6 November 2009

KINGFISHER E1- PROGRESS REPORT # 3

Metgasco (ASX:MEL) today advises the following:

As at 10.00am today, appraisal well Kingfisher E1 had drilled to a depth of 995m. Logging of the section has been completed and running 7" casing and cementing is now being undertaken. Once completed drilling will resume with a 6 1/8" hole to TD, currently estimated at 2,100 metres.

A short duration production test of the Heifer Creek and Gatton sandstones will be run at 1,500 metres prior to drilling ahead to TD. Depending on the nature and extent of any hydrocarbon shows encountered, the well will be cased and cemented for further appraisal testing.

This well is located in PEL 16 approximately 2 kilometres from the town of Casino in northern New South Wales. Metgasco has a 100% interest in this well. The well is designed to appraise several zones including the Heifer Creek and Gatton sandstones; and the deeper Ripley Road Sandstone.

Metgasco estimates that the original gas in place (OGIP) potential of the entire Kingfisher structure is 82 Bcf (P50) and 831 Bcf (P10) with a contingent resource of 36.6 Bcf (P50) attributed to the upper gas sands intersected in the initial discovery well Riflebird E14.

Regular updates will be provided as to drilling progress for the well.

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