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KINGFISHER FIELD CONTINGENT RESOURCE ESTIMATE

Metgasco (ASX:MEL) advises that further to the successful completion of the Kingfisher E1 well and initial analysis of results, a revised Contingent Resource estimate for the Kingfisher Field has been determined as follows:

Kingfisher Field Contingent Resource

Resource Estimate	P90	P50	P10
December 2009	24 Bcf	77 Bcf	284 Bcf
September 2008	12 Bcf	37 Bcf	70 Bcf

These contingent resource estimates are based on defined P90, P50 and P10 areas with a combined total of **30.3 metres net pay**. Wireline logging indicates that an **additional 108 metres** of possible gas bearing sand was intersected in the well that could increase the total resource to levels consistent with the predrill Original Gas In Place ("OGIP") estimates (P50 – 82 Bcf, P10 – 831Bcf).

The forthcoming testing program will appraise a number of the sands that are currently excluded from the initial estimates to determine if further revisions may be required. The testing program is also designed to begin converting resources currently classified in the contingent category into the reserves category.

***P 90** Low Estimate is considered to be a conservative estimate of the quantity that will actually be recovered. It is likely that the actual remaining quantities recovered will exceed the low estimate. If probabilistic methods are used, there should be at least a 90 percent probability (P90) that the quantities actually recovered will equal or exceed the low estimate.*

***P 50** Best Estimate is considered to be the best estimate of the quantity that will actually be recovered. It is equally likely that the actual remaining quantities recovered will be greater of less than the best estimate. If probabilistic methods are used, there should be at least a 50 percent probability (P50) that the quantities actually recovered will equal or exceed the best estimate.*

***P 10** High Estimate is considered to be an optimistic estimate of the quantity that will actually be recovered. It is unlikely that the actual remaining quantities recovered will exceed the high estimate. If probabilistic methods are used, there should be at least a 10 percent probability (P10) that the quantities actually recovered will equal or exceed the high estimate.*

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