



ASX / MEDIA RELEASE

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SPP RAISES \$15 MILLION

Metgasco is pleased to advise that it has raised \$15.3 Million under its Share Purchase Plan ("SPP") which closed on Tuesday 26 July 2011.

Funds raised through the SPP together with proceeds from the recent Placement will be used to progress the Company's gas commercialisation plans, undertake a CSG drilling programme designed to meet work commitments to the NSW Government and to expand the Company's CSG reserve position, drill the potentially high impact Rosella E01 well on the Mackellar North structure and meet the Company's working capital requirements.

New shares issued under the SPP are expected to be issued and allotted on Friday 5th August 2011.

The Company's Managing Director, Mr Peter Henderson, said "This capital raising program provides Metgasco with over \$21 Million in new funding to progress our high value exploration and commercialisation agenda. With our significant 2P reserve position and demonstrated gas flows from our CSG pilot wells Metgasco is well placed to progress our commercial plan. I would like to thank our shareholders for their strong show of support for the Company, particularly at a time of uncertain and volatile equity market conditions through the offer period."

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