

SALE OF ASSETS OF METGASCO

Metgasco Ltd (ASX: MEL) (**Metgasco** or the **Company**) wishes to advise that it has entered into a conditional heads of agreement with Vintage Energy Ltd ACN 609 200 580 (**Vintage**) dated 17 November 2025 (**Heads of Agreement**) to sell the Company's 25% non-operated interest in licences located within the following two gas producing fields located in the Southern Flank of the Cooper Eromanga Basin (**Sale Tenements**):

- The Odin Gas Field, located across the South Australia–Queensland border (**PRL211 & ATP 2021 Tenements**); and
- The Vali Gas Field, located in Queensland, adjacent to the Queensland–South Australia border (**ATP2021 Tenement**),

(**Proposed Transaction**).

The PRL 211 Tenement and the ATP 2021 Tenement are currently owned by Metgasco (25%), Vintage (50%) and operatorship, Bridgeport (Cooper Basin) Pty Ltd (25%) (**Bridgeport**).

Transaction summary

Pre-conditions to Heads of Agreement

The binding nature of the Heads of Agreement is conditional on the following pre-conditions being met:

- Vintage securing funding commitments sufficient to fulfill its obligations by 28 December 2025; and
- Vintage completing the purchase of Bridgeport's 25% interest in the Sale Tenements by 26 February 2026,

(**Pre-Conditions**). If the Pre-Conditions are not satisfied by 31 March 2026, either party may terminate the Proposed Transaction.

Formal sale agreement

Following entry into the Heads of Agreement, it is intended that the parties will enter into a formal sale agreement relating to the Proposed Transaction (**Asset Sale Agreement**), the terms of which are proposed to include (but are not limited to):

- if the Proposed Transaction completes, the transfer of title and risk in the assets will have an effective date of 1 December 2025 as if completion had occurred on that date (although completion will occur after 1 December 2025);
- consideration of \$5.9 million payable by Vintage to Metgasco at completion (subject to certain adjustments);
- the sale assets are to include the Company's 25% participating interest in PRL 211 (SA), ATP 2021 (QLD), PPL 2070 (QLD) and Special Facilities Licence 16 (SA);
- Vintage will assume all associated joint venture assets and agreements and other contractual rights and liabilities of the Company, including the liabilities associated with the AGL gas pre-payment under the Vali Gas Field Gas Supply Agreement. Metgasco received a gas pre-payment from AGL of \$3.75 million. As at 31 October 2025, \$3.39 million of the prepayment remained to be fulfilled, which Vintage will assume liability for;

- Vintage's assumed liabilities will exclude any private royalty or other payment obligation payable by the Company to Glennon Small Companies Ltd (and/or nominee) (**GSCL**), being an entity associated with Director Michael Glennon (of a current estimated amount of approximately \$5.9m), or any other payment obligation payable by the Company to any non-governmental third party. Following repayment of existing debt by Metgasco, royalties will be terminated;
- VEN will fund MEL's cash call obligations for the ATP 2021 Tenement and PRL211 Tenement cash calls for December 2025 and January 2026 (of an estimated aggregate amount of approximately \$260,000) by way of an interest-free loan, to be forgiven if the Proposed Transaction completes. If completion does not occur by 31 January 2026, VEN has agreed to fund MEL's cash call obligations for February 2026 (estimated amount of approximately \$120,000). The loan is repayable by the later of 15 February 2026 and 5 business days of demand being made by VEN if the Proposed Transaction does not complete; and
- Completion of the Proposed Transaction will be subject to satisfaction of certain condition precedent, including those set out below.

Conditions precedent

Completion of the Proposed Transaction will be subject to satisfaction of certain conditions precedent, including but not limited to:

- the Company obtaining all shareholder approvals as determined to be required by ASX for the Proposed Transaction including under ASX Listing Rule 11.2;
- Vintage obtaining shareholder approval for the Proposed Transaction under the ASX Listing Rules (if required);
- all necessary ministerial consents being obtained; and
- certain third-party consents, including AGL, being obtained in relation to assignment of material contracts.

Break fee

Under the Heads of Agreement, a break fee of \$100,000 will be payable by Metgasco to Vintage if prior to 31 December 2025:

- any member of the Metgasco Board fails to recommend, or recommends against, qualifies their support of or withdraws their recommendation or approval of the Proposed Transaction; or
- a competing transaction arises in certain circumstances,

subject to certain exceptions (including if either MEL or VEN shareholder approval is not obtained under ASX Listing Rule 11).

Exclusivity

Under the Heads of Agreement, certain exclusivity arrangements will apply until 31 December 2025.

Shareholder approval under ASX Listing Rule 11.2

The sale of the Tenements constitutes a disposal of the Company's main undertaking for the purposes of the ASX Listing Rules and accordingly, the Proposed Transaction will be subject to shareholder approval under ASX Listing Rule 11.2 at a forthcoming extraordinary general meeting (**EGM**).

Following the strategic review announced by the Company to ASX on 31 October 2024, the Company

has worked with Vintage and Bridgeport on the 'Production Uplift Program' to improve productivity from existing gas wells. The results of that program to date have not been sufficient to generate cash flow to support the ongoing business and asset cost-base of the Company. Accordingly, the Board of Directors of Metgasco are of the view that the Proposed Transaction is in the best interests of the Company and will recommend shareholders vote in favour of the resolution to approve the Proposed Transaction.

The consideration received from the Proposed Transaction will be used to repay the Company's existing debt to GSCL. Vintage will assume the liability of the AGL gas prepayment under the Vali Gas Field Gas Supply Agreement.

Following completion of the Proposed Transaction, the Company will not have any substantial business operations or assets. Accordingly, the Company will seek to identify and acquire new assets and business opportunities within 6 months of execution of the Heads of Agreement, to maintain a sufficient level of operations and financial condition for continued listing as required by ASX Listing Rules 12.1 and 12.2.

ASX will generally continue quoting an entity's securities for a period of 6 months from the date of the agreement to dispose of its main undertaking. If an entity is not able to make an announcement of its intention to acquire a new business within that 6-month period, ASX will generally suspend the quotation of its securities at the end of that 6-month period. The suspension will continue until the entity makes an announcement acceptable to ASX about its future.

Further information relating to the Proposed Transaction will be set out in the EGM Notice of Meeting to be sent to shareholders.

Indicative timetable

An indicative timetable for the Proposed Transaction is set out below.

Event	Date*
Execution of Heads of Agreement	Monday, 17 November 2025
EGM to be held (to seek shareholder approval under ASX Listing Rule 11.2)	Monday, 29 December 2025
Completion of Proposed Transaction	January 2026

*The dates above are indicative only and are subject to change as agreed between the Company and the Vintage or as required by the ASX.

This ASX announcement was approved and authorised for release by the Board.

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