



Sacgasco Limited

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Announcement to ASX

18 November 2021

PHILIPPINE SERVICE CONTRACT EXTENSIONS

Sacgasco Limited (ASX: SGC) (“SGC”, “Sacgasco” or “the Company”) is pleased to announce that Nido Petroleum Philippines Pty Ltd (“Nido”), its wholly owned subsidiary, has secured an extension of Service Contract 58 (“SC58”) and Service Contract 54, Block A (“SC54A”) from the Department of Energy of the Philippines primarily for reasons related to COVID-19.

Service Contract SC58

Nido (Sacgasco’s wholly owned subsidiary) is Operator and has a 50% participating interest in SC58. Nido is currently paying 100% of the minimal ongoing extension costs under the Service Contract and until Sub-Phase 3 has been completed.

The current Sub-Phase 3 of the SC58 will be restarted at either the 16 October 2022 or the lifting of the state of public health emergency in the Philippines, whichever comes later. The Sub-Phase 3 commitment well must be drilled within 216 days of the restart of Sub-Phase 3.

Service Contract SC54A

Nido (Sacgasco’s wholly owned subsidiary) is Operator and has a 42.4% participating interest in SC54A. In addition, Sacgasco’s wholly owned subsidiary Yilgarn Petroleum Pty Ltd has a 30.1% participating interest, making Sacgasco’s effective participating interest 72.5%.

The current Sub-Phase 6 of the SC54A has been extended until 05 August 2022. All commitments have been fulfilled for this sub-phase. At the end of Sub-Phase 6, Nido and the Joint Venture may elect to enter Sub-Phase 7 of the Service Contract, which is for a period of one year and includes a commitment for one exploration well.

Sacgasco’s Managing Director, Gary Jeffery, commented on the Service Contract extensions:

“I’m delighted that our team in the Philippines have secured these extensions with the Department of Energy. It gives us a good platform to move forward with our plans in both blocks. Exploration prospects in both SC58 and SC54A as well as existing discoveries in SC54A are being evaluated for identification and ranking of preferred drilling targets, thus accelerating near term cashflow opportunities for the company.

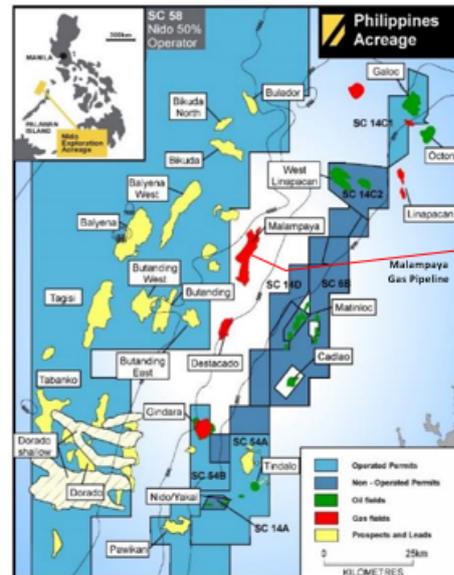
“SC58 prospects near to Malampaya are of significant interest due to the potential pipeline access to the large, undersupplied energy market on the main island of the Philippines - Metropolitan Manila alone is a city of an estimated 14 million people in 2021.

“The Nandino Prospect on SC54A is also shaping up well, with significantly greater areal extent than the existing discoveries and interpreted oil in North Nido-1 which is located within the Nandino Prospect closing contour.”



Service Contract 58 (Sagasco 50%)

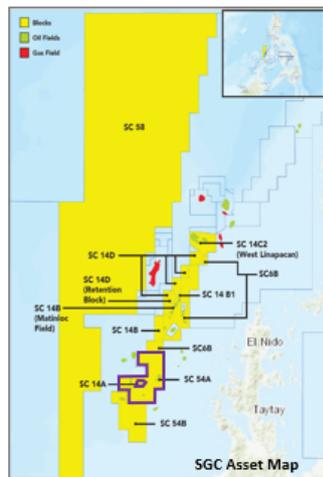
- 13,440km² contract area covering the highly prospective deepwater extension of the NW Palawan Basin
- One of the last undrilled deepwater play fairways in SE Asia
- Nido Petroleum (SGC) has a 50% participating interest and operatorship
- Significant prospect and lead inventory with >10 matured prospects identified on high quality 2D and 3D seismic datasets
- Immediately adjacent to the Malampaya Gas Field (3.2 TCF) - interpreted extension of source kitchen outboard into SC58 with both oil and gas potential identified
- Opportunities to monetise commercial discoveries through the existing Malampaya gas field facility and associated pipeline infrastructure to undersupplied Manila / Luzon market.



Service Contract 54 (Sagasco 72.5%)

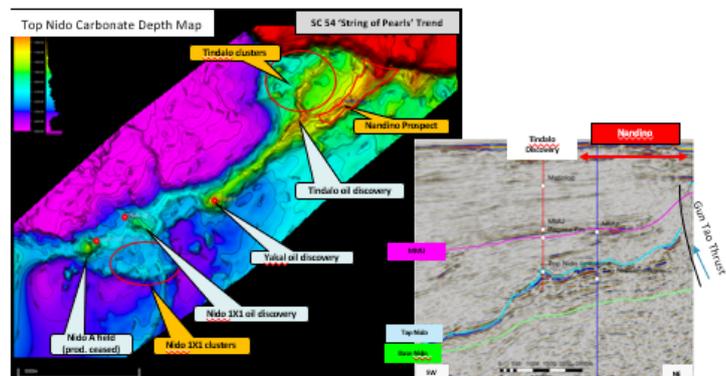


- 550km² Service Contract in the NW Palawan Basin situated in water depths between 50-110m
- Operated by Nido Petroleum (SGC) with 72.5% WI
- SC 54 contains the Tindalo, Yakal and Nido 1X1 Discoveries
- Over 20 prospects and leads identified on 3D seismic datasets with a proven charge system



Nandino Prospect – Top Ranked Drill Candidate

- Three way dip closure - Miocene-aged carbonate pinnacle reef with material volume upside
- Interpreted oil in Nandino structure from logs in North Nido-1 well drilled in 1970s
- Clustered and minimalist development options available given shallow water depths and close proximity of Nandino to the Tindalo discovery



For and on behalf of the Board of Sagasco Limited.

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About Sacgasco Limited (ASX: SGC)

Sacgasco Limited (ASX: SGC) is an Australian-based energy company focused on under-explored, recently over-looked, world class oil and gas opportunities near under-supplied markets. Sacgasco's Natural Gas activities include Hydrogen and Helium.

The Company is currently focussed on conventional oil and gas exploration and production in the Sacramento Basin in California, Alberta Province in Canada and offshore The Philippines.

Sacgasco has an extensive portfolio of natural gas and oil producing wells as well as prospects and discoveries at various exploration and appraisal stages. The Company is targeting supply to the local Californian and Canadian oil and gas markets and the burgeoning Asian market.

Sacgasco is in the process of acquiring additional undervalued oil and gas producing and exploration assets.

www.sacgasco.com

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