



Sacgasco Limited

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Announcement to ASX

22 November 2021

3 WELL DRILLING PROGRAM TO SPUD EARLY 1Q 2022

- Sacgasco commits to 3 development wells in the Alberta Plains Assets
- Drilling program fully funded by existing cashflow from Canada
- Program to spud early in 1Q 2022.

Sacgasco Limited (**ASX: SGC**) ("**Sacgasco**" or "**SGC**") is pleased to advise that it will participate in a 3 well program to drill 3 oil development wells in the Alberta Plains, Canada where the Company has a 20% working interest. Sacgasco plans to fully fund its share of the drilling program from the Company's net cashflow from Canada.

Canadian Alberta Plains Development Wells

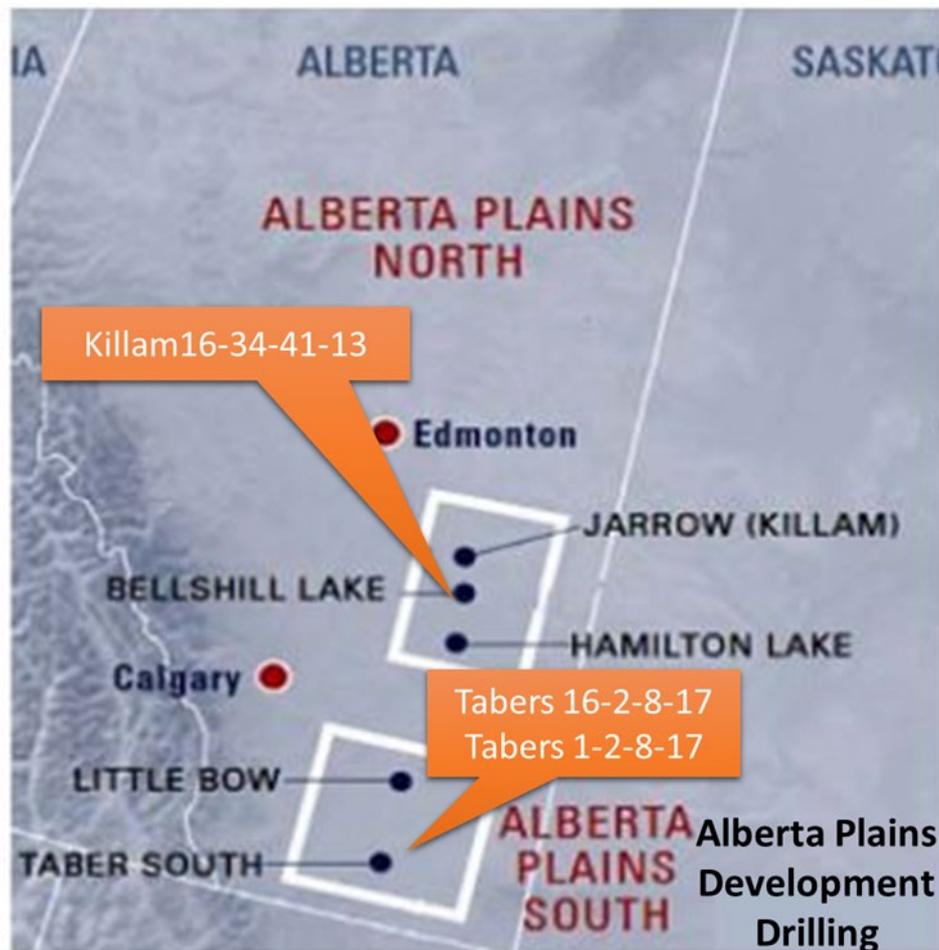
Sacgasco has approved the drilling of 3 development wells in the Alberta Plains region of Canada. The 3 wells are within existing producing fields, and are low cost, low risk opportunities for production additions.

The development wells are shown in the map below:

1. Tabers 16-2-8-17
2. Tabers 1-2-8-17
3. Killam 16-34-41-13

The total cost the 3 well development program is estimated at A\$2.7 million (gross), which will be A\$540,000 net to Sacgasco. The Company anticipates a production increase of 200 BOEPD (gross) which equates to 40 BOEPD net to SGC. Given the current oil price of around US\$80/bbl, these wells are projected to pay back the capital and operating expenditure in less than 12 months.

Drilling licences have been applied for with the Alberta Energy Regulator (AER). Once they are received, the Operator (Blue Sky Resources) will mobilise to drill the wells as soon as practicable. Sacgasco anticipates that the program will start in early 1Q 2022. The wells are considered to be independent of each other and may be drilled using separate rigs depending on availability.



Sacgasco's Managing Director, Gary Jeffery commented on the Drilling Plans:

"These three wells represent a solid opportunity to increase Sacgasco's production and revenues and can be paid for entirely from the Company's net cashflow from the Canadian assets.

The drilling program is planned for early in Q1 2022.

The production from these wells will be a welcome addition to the asset. We also continue to progress other in-field initiatives including well and infrastructure works to enable more existing wells to return to profitable production."

Sacgasco looks forward to providing shareholders with an update on further progress on its assets shortly with a number of initiatives gathering momentum.

For and on behalf of the Board of Sacgasco 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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