



Sagasco Limited

ABN 83 114 061 433

Unit 14, 210 Bagot Road, Subiaco, WA, 6008.

T +61 8 9388 2654 E info@sagasco.com

Announcement to ASX

5 May 2022

Philippines Production Alliance

- **Production alliance agreed with Asian Based Specialists**
- **Covers Extended Well Tests and Early Production Systems**

Sagasco Limited (**ASX: SGC**) ("**Sagasco**", "**SGC**" or "**the Company**") is pleased to provide its shareholders and the market an update on the agreement of an alliance covering Extended Well Testing and Early Production Systems in the offshore Palawan Basin, Philippines.

Sagasco through its wholly owned subsidiary Nido Petroleum operates two Service Contracts offshore the Philippines and is Technical Operator for a third.

Production Solutions Asia (**PSA**) is an Asian based oilfield service company, specialising in surface well testing, early production systems, well flow-back / clean-up service, well remediation and brownfield development, sand separation and filtration systems, gas compression service and surface fluid pumping services.

PSA has an extensive international track record for providing quality equipment and personnel for a wide variety of services and supplying services and technical know-how to a host of leading industry players, with first class references and testimonials. To date they have successfully completed and have ongoing operations in Thailand, Malaysia, Indonesia, Philippines, Myanmar, Vietnam, Brunei, Australia, Japan and Saudi Arabia.

With the rapid rise in oil prices, oil companies have a strong incentive to begin production early while full field development is being planned and permanent facilities are being built. Early Production Facilities (**EPFs**) can help our customers bring their new discoveries on stream quicker, providing early cash flow and further reservoir data to help in evaluating the requirements for longer term facilities. The PSA Group has the capability to design and install modular, fit-for-purpose EPFs worldwide, ranging in size from less than 10,000 Bbls/day up to 100,000 Bbls/day and 50-100 MMSCF/ day.

EPFs can be used for small reserves that would be financially risky or uneconomical to produce with a permanent production facility.

The Key Management team and many of the operational and support team of PSA, have been involved in many EPFs including MOPU's, FPSOs and rig-based Production facilities over the past 30+ years in the Asia Pacific region.

Sacgasco's Managing Director, Gary Jeffery commented:

"The agreement to work together for mutual benefit in the offshore Philippines is an important step for Sacgasco / Nido.

PSA and their personnel have been involved in the testing of many of the wells offshore Palawan and bring experience and access to equipment which is expected to facilitate the early production of the oil already discovered in the Nido (Sacgasco) Service Contracts.

Early development of these discoveries and any discovery at the proposed Nandino well will be very valuable in the current and anticipated high oil price environment."

For and on behalf of the Board of Sacgasco Limited.

Gary Jeffery
Managing Director
+61 8 9388 2654

About Sacgasco Limited (ASX: SGC)

Sacgasco Limited (ASX: SGC) is an Australian-based energy company focused on under-explored, recently overlooked, 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 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
Twitter: @SacGasCo