



State Gas Limited
(ACN 617 322 488)
C/- GPO Box 525
BRISBANE QLD 4001

ASX RELEASE

13 November 2018

PRIMERO WEST-1 DRILLING UPDATE

State Gas Limited (ASX: GAS) is pleased to advise that, as anticipated, the Primero West-1 well at the Reid's Dome Gas Project (PL 231) encountered gas overnight at 134 metres within the Cattle Creek Formation.

Based on the Company's seismic reprocessing efforts during 2018, the Primero West-1 well was located and designed to test the Cattle Creek Formation within PL 231 and is 100%-funded by State Gas Limited in accordance with the requirements of the Joint Venture Operating Agreement.

Primero West-1 is located approximately 650m southwest of AOE-1 and is testing the south-western extent of the Cattle Creek gas sand discovered in AOE-1 in 1955.

As previously advised, at completion of drilling, logging and flow-testing of Primero West-1, the well will be plugged and abandoned on the basis that any full-field development of the Cattle Creek Formation within PL 231 will require additional drilling and a focused seismic program to optimise the locations of production wells.

Following completion of activities at Primero West-1, Silver City Drilling Rig-25 will be mobilised to the Nyanda-4 site approximately 13.5 kilometres to the south within PL 231.

The Nyanda-4 well has a planned depth of 1,000 metres and is a jointly-funded well in accordance with the terms of the Joint Venture Operating Agreement. In accordance with the terms of the Agreement, State Gas is only responsible to meet its 60% of the costs.

State Gas Limited is Sole Operator and 60% owner of the Reid's Dome Gas Project (PL-231).

ENDS

FOR FURTHER INFORMATION

Lucy Snelling
Chief Executive Officer
Phone: +61 439 608 241
e-mail: lucy@stategas.com

Greg Baynton
Executive Director
Phone: +61 414 970 566
e-mail: greg@stategas.com

ABOUT STATE GAS

STATE GAS LIMITED (ASX: GAS) is a Queensland-based developer of the Reid's Dome Gas Project (PL-231), originally discovered during drilling in 1955, located in the Bowen Basin in Central Queensland. State Gas is Sole Operator and 60% owner of the Reid's Dome Gas Project which is located 30 kilometres southwest of Rolleston, approximately 50 kilometres from the Queensland Gas Pipeline.

www.stategas.com

