



Sacgasco Limited

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Announcement to ASX

30 April 2018

A\$500,000 Share Placement for Production Enhancement

- Share placement to raise \$500,000
- Strongly supported by existing and new shareholders in Australia
- Funds to be used for:
 - Completion of testing for production of Dempsey well
 - Enhancement of Gas Production

Sacramento Basin-focused natural gas developer and producer, Sacgasco Limited (ASX: SGC) ("Sacgasco" or "the Company") is pleased to announce that it has placed 10,000,000 ordinary shares at 5 cents per share to raise A\$500,000 before costs, under the Company's existing share placement capacity pursuant to Listing Rule 7.1A.

The shares have been placed to sophisticated and institutional investors attracted by the potential for the Company's Sacramento Basin Assets. The placing price represents a 11.76% discount to the Volume Weighted Average Price over the 15 days traded prior to completion of the placing.

Disclosure under ASX Listing Rules 7.1A.4(b) and 3.10.5A

The issue will be made pursuant to Section 708 of the Act 2001 Corporations (Cth) (**Corporations Act**).

In accordance with ASX Listing Rules 7.1A.4(b) and 3.10.5A, the Company makes the following disclosures in respect of the Shares issued pursuant to 7.1A. The dilutive effect of the Shares on existing shareholders, as a result of the issue of Shares under the placement, is as follows:

	Shares	Dilution
Shares on issue prior to Placement	245,750,873	
Shares Issued under Listing Rule 7.1A	10,000,000	3.92%
Total Shares on Issue after Placement	255,750,873	

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Due to various factors including the amount of capital being raised and timing of cash requirements of the company, the Directors formed the view that the time and cost involved in a pro-rata rights issue was not in the short or long term interest of the company, or its shareholders. Consequently the raising of the funds by way of a rights issue or other type of issue in which existing ordinary security holders would have been eligible to participate was not appropriate. No underwriting arrangements were applicable to the placement.

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 conventional gas exploration and production in the Sacramento Basin, onshore California. Sacgasco has an extensive portfolio of natural gas producing wells and prospects at both exploration and appraisal stages, including multi-Tcf opportunities. The Company is targeting gas supply to the local Californian gas market and burgeoning LNG market in North America. Sacgasco is of the view that the size of the prospects in California have the potential to supply both the domestic Californian gas market and export LNG markets.

www.sacgasco.com

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