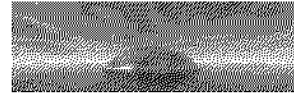




**AOC**



## Company Announcement

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|                       |                                                    |
|-----------------------|----------------------------------------------------|
| Date:                 | 7th May 2007                                       |
| To:                   | Companies Announcements Office, ASX                |
| Electronic Lodgement: |                                                    |
| Subject:              | PEL 182 Joint Venture Cooper Basin drilling update |
| Number of pages:      | 2                                                  |

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### **SARAHLYN-1: PEL-182 COOPER BASIN S.A.**

Eagle Bay Resources advises that evaluation of the wireline log data from the Sarahlyn-1 oil exploration well has indicated that no economic hydrocarbons are present with all zones being either water wet or too tight to produce the hydrocarbons present.

Abandonment plugs have been set and the rig is currently nipping down BOP's.

Once the rig is released it will be moved to EBR's Vanessa-1 location where drilling is expected to begin around the 12<sup>th</sup> May.

The Joint Venture has approved a \$500,000 budget to ISIS Petroleum consultants to look at drilling a new well at the Emily-1 location, the geology and petrophysics of the two western wells and to look at the western section of the permit where the basal Birkhead oil migration pathway is at depths of 1800 meters or less to avoid the tight formations experienced in Sarahlyn-1.

This will be the final report regarding the drilling of Sarahlyn-1.

The status of Sarahlyn-1 at 06:00 hrs (CST) on 7<sup>th</sup> May 2007 was:

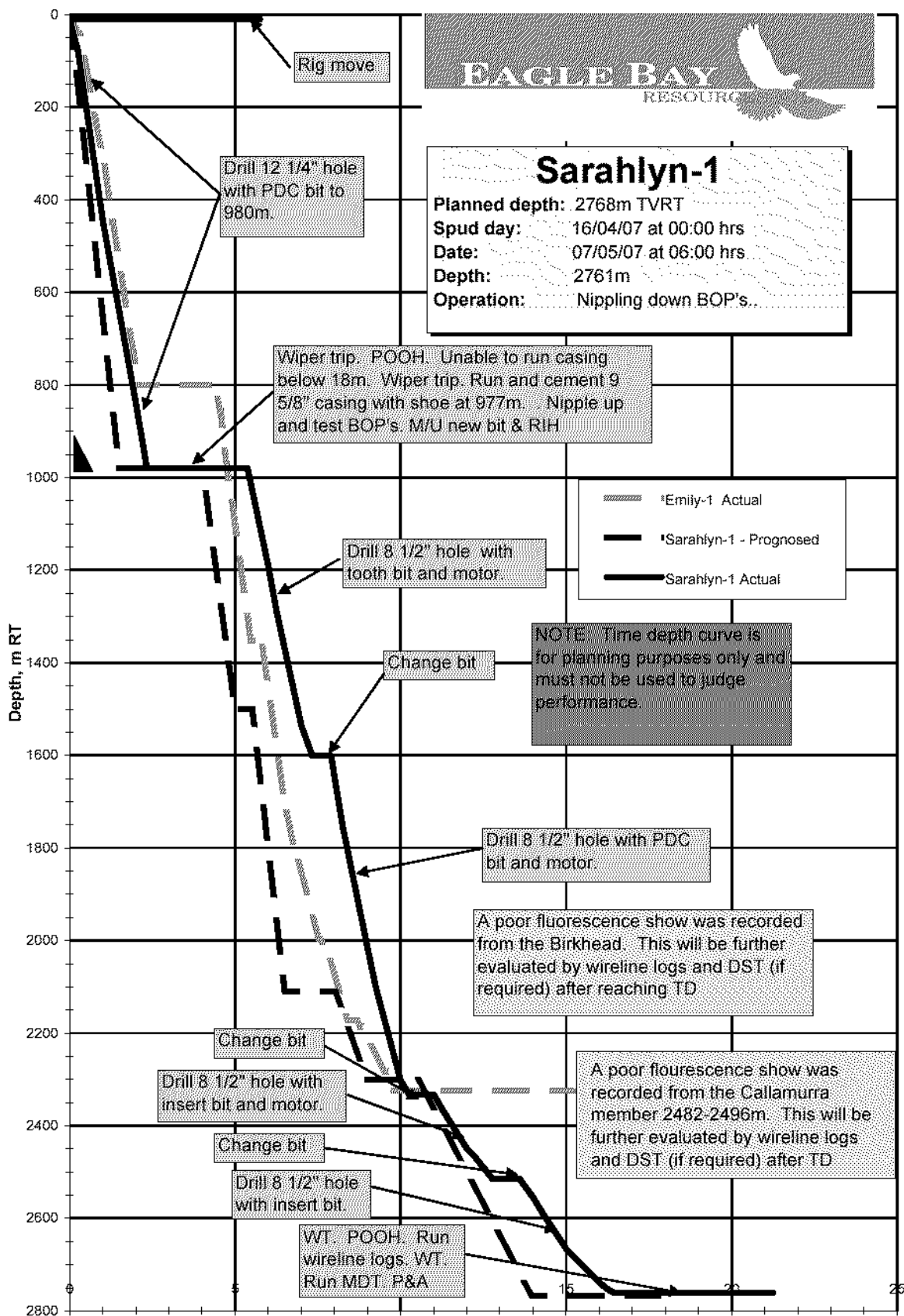
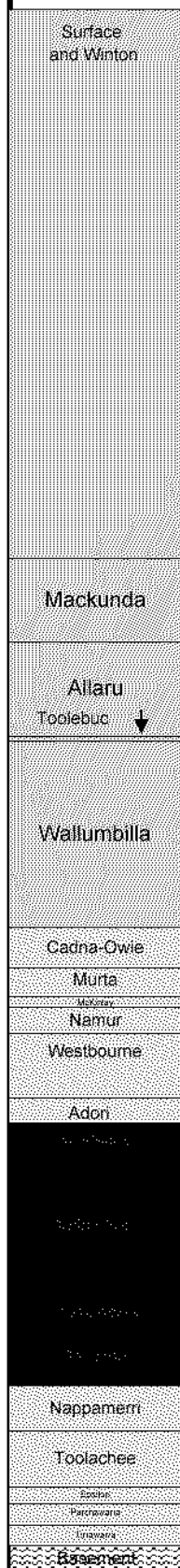
|                      |                                     |
|----------------------|-------------------------------------|
| Location:            | PEL 182                             |
| Planned Total Depth: | 2730 metres (TVD)                   |
| Current depth:       | 2761 metres                         |
| Operation:           | Nipping down BOP's                  |
| Spud:                | 16 <sup>th</sup> April at 00:00 hrs |

The participants in the joint venture are:

|                              |       |
|------------------------------|-------|
| Audax Resources Ltd          | 49.9% |
| Eagle Bay Resources NL       | 37.6% |
| Dome Petroleum Resources Plc | 7.5%  |
| Australian Oil Company Ltd   | 5.0%  |

**BY ORDER OF THE BOARD OF  
EAGLE BAY RESOURCES N.L.**

DAYS FROM SPUD



**Sarahlyn-1**

Planned depth: 2768m TVRT

Spud day: 16/04/07 at 00:00 hrs

Date: 07/05/07 at 06:00 hrs

Depth: 2761m

Operation: Nippling down BOP's

