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1 June 2006

CADENZA-1 Daily Drilling Report
PEL 106 – Cooper Basin, South Australia

Great Artesian Oil and Gas Limited ("Great Artesian" ASX: GOG), on behalf of the Paranta Block Joint Venture, wishes to advise that at 0600 hrs CST this morning the status of Cadenza-1 was as follows:

Current Depth	2993 m (Total Depth)
Current Operation	Wiper trip after wireline logs in preparation for DSTs
Forward Operations	Conduct DSTs

Preliminary analysis of wireline logs has confirmed a number of gas bearing zones in Cadenza-1. The forward plan is to conduct drillstem testing to evaluate the best of these zones. At least one, and possibly two, zones will be evaluated by drillstem testing anticipated to take place during daylight hours of Friday 2 June 2006.

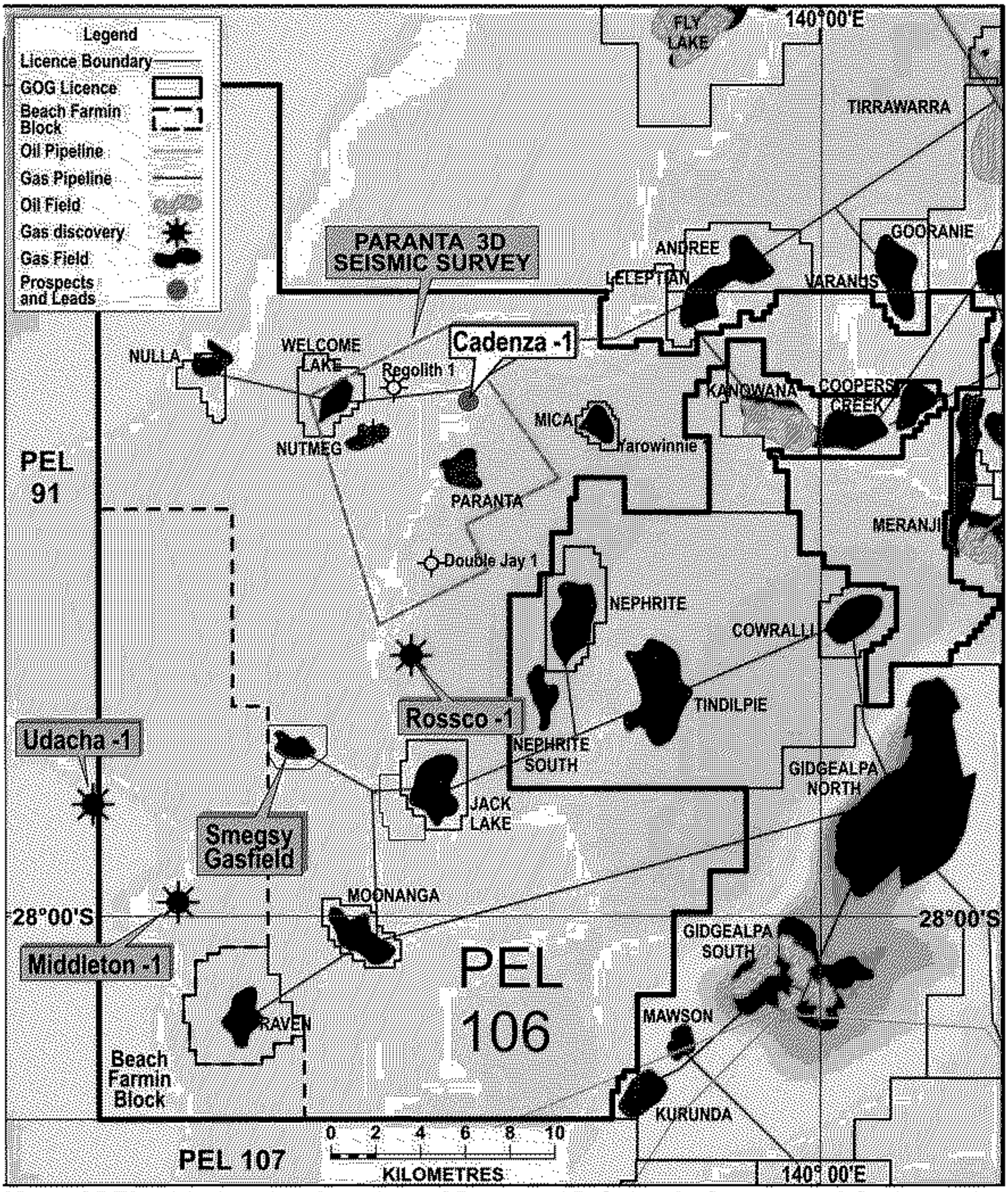
Ensign Rig #30 commenced drilling Cadenza-1 at 1630 hrs CST on 18 May 2006 and reached a total depth of 2993m in the Merrimelia Formation at 2030 hrs CST yesterday, 30 May 2006. As advised on 6 April 2006, the Cadenza-1 well will be fully funded by Energy Investments Limited ("Energy Investments" ASX: EIV) a fully owned subsidiary Everdue Pty Ltd (ACN 116 290 441) ("Everdue").

Cadenza-1 is located approximately 2.5 km north-northeast of the Paranta-1 new gas/condensate discovery. Cadenza-1 will target an anticlinal feature which has the potential to host a total of between 12 (P50) and 28 (P10) BCF of gas within a number of levels of the Patchawarra Formation. The Patchawarra Formation is the primary reservoir target within the region and contains the main zones of interest within the Rossco-1, Udacha-1 and Middleton-1 wells. Additional, secondary, potential is anticipated within the underlying Tirrawarra Formation. Cadenza-1 will be drilled to a total depth of approximately 3100 m and drilling is expected to take approximately 21 days. A time-depth curve illustrating anticipated drilling rates is attached. In the event of a commercial discovery both Great Artesian and Energy Investments will each hold a 50% interest in any subsequent production licence.

The Cadenza Prospect was delineated following interpretation of the Paranta 3D Seismic Survey acquired in October 2005 and also funded by Everdue.

Cadenza-1 is now the sixth, successive exploration well that Great Artesian has participated in since August 2005 to be fully funded by farminees.

A location map and time depth curve is included and further information can be obtained from Dr Ray Shaw, Managing Director, Great Artesian Oil and Gas Limited (Telephone 02-9929 3383) or from the Great Artesian web-site, www.greatoil.com.au.



Map of PEL 106 showing location of Paranta 3D Seismic Survey and Cadenza-1 well in relation to surrounding fields and wells.

Yours faithfully,

Dr Raymond D. Shaw
Managing Director

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Cadenza #1
Time Depth Curve

PEL 106
Cooper Basin SA

WELL DETAILS

RIG: Ensign Rig # 30
GL: 24m
RT: 29m
TD: 3100m

Location (Zone 54 GDA94)

Latitude: 27° 47' 34.64"
Longitude: 139° 50' 19.24"
Easting: 385 594 m
Northing 6 925 192 m

CURRENT DEPTH: @ 06:00 Hrs
2993m Total Depth

OPERATION: Wiper trip in preparation for DSTs