



AMITY OIL LIMITED

A.C.N. 009 230 835

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16 January 2003

Manager
Companies Announcements Office
Australian Stock Exchange Ltd
10th Floor, 20 Bond Street
SYDNEY NSW 2000

Dear Madam,

Turkish Production and Exploration Activity

Gas Sales

Average daily sales of joint venture gas from the Gocerler Gas Field in Western Turkey, for the first 15 days of January 2003 were 12.18 million standard cubic feet per day (334,971 standard cubic metres per day). The modest reduction from the previous reported period is within normal variation in customer demand and Amity's previously stated intention to keep gas volumes steady around these levels until the completion of pipelines to new industrial customers and the potential tie in of the Gocerler-4 and 5 wells.

The Gocerler Gasfield is operated by Amity and owned jointly by Amity and Turkiye Petrolleri A.O. (TPAO).

Pipeline Construction

Pipeline construction to connect eight new industrial customers is on schedule to make the first connection by the end of January. The Joint Venture has previously disclosed that they have contracts to deliver approximately 20 million standard cubic feet per day from early 2003.

Gas Processing Plant Upgrade

Construction is proceeding satisfactorily and is anticipated to be completed on schedule by the end of January 2003. This upgrade will increase the permanently installed capacity of the plant to just over 20 million cubic feet per day. Further equipment, expected by the end of the first quarter of 2003, will increase the permanently installed capacity to 30 million cubic feet per day.

Drilling - Gocerler-4 and 5 Wells

The Gocerler-4 appraisal-development well on the Gocerler Gasfield commenced on 15 January 2003 and a second rig located on the Gocerler-5 appraisal-development well site is rigging up and is expected to spud within 10 days.

Seismic Surveys

The acquisition of new 2D seismic data in the Adana Basin on the Turkish Mediterranean coast is continuing satisfactory.

New Exploration Licences

Amity is very pleased to advise that the Company has been awarded three new exploration licences in the onshore Thrace Basin by the Regulatory Authority. The licences are expected to be formally granted to Amity within 8 months.

The licences cover some 1500 square kilometers and adjoin existing Amity Exploration Licences 3629 and 3630, where new 2D seismic has identified promising structures.

For more information and updates, please refer to Amity's website at www.amityoil.com.au.

Yours faithfully,

AMITY OIL LIMITED

A.P. BARTON
Chairman

Amity Oil Limited

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