AMITY OIL LIMITED

A.C.N. 009 230 835

Our Ref: 030415ASXSYD5010AB:AO126:WR

16 April, 2003

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

Dear Madam,

Cayirdere-1 Exploration Well Begins Drilling

The TPAO operated, Cayirdere-1 well, the third well in Amity's major 2003 drilling program, spudded in this morning at 0130 hours Perth time and is drilling ahead in 17.5 inch hole towards the first casing point at 110 metres.

Cayirdere-1 is located about 33 kilometres southeast of the Gocerler gasfield. The well will test a shallow anticline with a coincident 2D seismic amplitude ("bright spot") anomaly in a reservoir which produces commercial gas in two gas fields within 10 kilometres of the well.

TPAO estimates "most likely" (P50) recoverable reserves, if hydrocarbons are present, of 15 billion cubic feet of natural gas.

The well is close to existing producing gasfields, pipelines and large industrial gas consumers.

The well will be drilled to a total depth of about 900 metres. Casing will be run and cemented at 110 metres and 350 metres, prior to drilling the primary target between 620 metres and 830 metres.

TPAO expects the well to reach T.D. eleven days (trouble free) from spud.

The Cayirdere-1 well is the third well in Amity's Turkish drilling programme for calendar 2003.

Amity has a 50% interest in the Cayirdere-1 well.

For more information, images 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
Level 2, 18 Richardson Street West Perth WA 6005
PO Box 690 West Perth WA 6872
Telephone: (08) 9324 2177 Facsimile: (08) 9324 1224 Email: mail@amityoil.com.au Website: www.amityoil.com.au