



AMITY OIL LIMITED

A.C.N. 009 230 835

Our Ref: 03 05 26ASXS5070AB:AO126:wr

29 May, 2003

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

Dear Madam,

Adatepe-1 Well Day 19, 29 May 2003

Main Points. The well advanced 10 metres to 1,568 metres, mostly in sandstone with continuing gas shows of 15% to 25% Total Gas, before drilling was again temporarily halted by further gas influx.

Well Operations Summary for the 24 Hours to 0500 Hrs 29 May 2003:

Drilling continued from 1,558 metres to 1,568 metres. Further gas influx into the well again halted drilling operations while drilling fluid density was increased. During this operation the drill bit plugged, cutting off the flow of high density drilling fluid. Wireline equipment is required to restore circulation of high density fluid and halt the gas influx before drilling can resume. Wireline equipment was rigging up on the well at 0500 hours Perth time this morning.

8 metres of the 10 metres drilled in the period, was white sandstone and 2 metres was pale grey siltstone.

Total gas was 15% to 25% over the 10 metre interval. The significance of the gas show will be assessed from wireline logs to be run at total depth (about 1,700 metres).

Operations In The Next 24 Hours

Restore drilling fluid circulation, trip for a drill bit and drill towards proposed total depth of 1700 metres.

Well Location

The Adatepe-1 well is located at Latitude 41 19 09.87 North, 27 49 45.66 East, approximately 6 kilometres southeast of the Gocerler Gas Field and about 140 kilometres west of Istanbul, in the Thrace Basin, Republic of Turkey.

Drilling Target

Adatepe-1 is positioned to test a partly fault closed anticlinal structure, well defined by 3D seismic. The seismic exhibits prominent amplitude anomalies ("bright spots") coincident with structural closure. Such bright spots can be direct indications of gas. It is clear from the results of the well that the bright spots at Adatepe are directly indicating gas in reservoir rocks, in the same way as they do at the Gocerler Gas Field and the Cayirdere gas discovery.

Amity Oil Limited

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Based on the seismic mapping and assuming reservoir properties similar to those in the Gocerler Field, Amity has estimated prior to drilling, unrisks potential recoverable natural gas reserves in the most likely case (P50), at 93 billion cubic feet, if gas is present. This estimate includes both the Danisman and Osmancik Formation targets. It is emphasized that this is a pre-drilling potential reserve estimate which may be significantly larger or smaller than reserves eventually estimated from the discovery well and the appropriate number of appraisal wells.

The primary gas target in the Danisman Formation at 1173 metres proved to be gas bearing, as did four thinner secondary targets between 1173 metres and 904 metres.

Gas shows during drilling over the last 48 hours have demonstrated that the secondary gas target, predicted from 3D seismic in the Osmancik Formation, is also gas bearing. Wireline log analysis will be required to determine the significance of the gas shows.

Proposed total depth (TD) is 1,700 metres, anticipated to be reached in the next 36 hours (trouble-free).

Thrace Joint Venture

The Adatepe-1 well is located in Thrace Joint Venture Area A, and is operated by Amity Oil International Pty Ltd, a subsidiary of Amity Oil Limited.

Amity and Turkiye Petrolleri AO (TPAO) hold equal equity in the JV.

For photographs of operations and information on Amity and the Thrace Joint Venture 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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