



AMITY OIL LIMITED

A.C.N. 009 230 835

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

Dear Madam,

Production and Exploration Report for the First Half of November 2003

This report covers Amity's production and exploration activities for the first 15 days of November 2003.

Turkish Gas & Condensate Sales

Average daily production of joint venture gas from the Gocerler Gas field in Western Turkey, for the first 15 days of November 2003 was 16.7 million standard cubic feet per day (MMscfd) (472,754 standard cubic metres per day), the same as the previous reported period. The continued lower average gas volumes from last month are associated with condensate removal, brought on by a combination of colder weather (the average maximum temperature has fallen a further 18% to 14.1°) and lower reservoir pressure.

Condensate sales for the first 15 days of November were 1,981 bbls compared with 2,581 bbls previously. The difference is due to inventory buildup.

Adatepe Field Development

The development of the Adatepe field is progressing and first production is still anticipated by the end on the 2003 calendar year. Production surface equipment has been ordered from the United States and is due for delivery on site by early December. Pipelines tying Adatepe-2 and 3 to the Adatepe-1 location are under construction. The jumper line between Adatepe-1 and the Gocerler plant is laid out and being welded.

Construction of the 12.4 km pipeline from Adatepe-1 to the Cerkezkoy Industrial Park is due to be finished by the end of November. Only one short section remains to be completed while access is being negotiated with the local municipality.

East Adatepe-1 Appraisal Well

The operating committee of the Thrace JV has approved an appraisal well to be drilled on the TPAO operated area of the Adatepe field. The Adatepe field overlaps the boundary of the two joint venture areas and thus the operatorship of the drilling is different depending on the well location (Amity will remain operator of the field). This well is required to produce the gas from the eastern side of the field. TPAO have advised that they intend to complete the well this calendar year.

Area A and B Thrace Basin - 3D Seismic Surveys

The start of the program has now been delayed until March 2004. The TPAO seismic crew chosen for this work are currently acquiring data over the Cayirdere field and have been experiencing continuous operational delays. They are not expected to finish prior to the onset of Winter. This delay is very disappointing to Amity, and will delay the onset of exploration drilling in these permits next year.

Alpullu-1 Permit 3599, 100% Amity

The Alpullu-1 well spudded at 12:00 hours on 8 November 2003. While drilling the surface hole to first casing point, shallow gas was observed flowing into the well bore. The mud weight was increased to counter the flow and the casing was run and cemented to a depth of 320 metres. After cementing, gas was observed bubbling up around the outside of the casing creating a dangerous environment. A cement bond log and ultrasonic log were run to determine the location of the gas zone. The casing was perforated in two zones and cement was pumped in under pressure to seal the zones. The well is now drilling ahead at a depth of 590 metres.

Alpullu-1, is updip from the Pancarkoy-1 well, and will test a robust and shallow structural closure, well defined by high quality 2D seismic, shot by Amity late last year. The Pancarkoy-1 well had strong gas shows and possible by-passed gas pay, interpreted from limited wireline log data. The structure has a coincident seismic amplitude anomaly, suggesting the presence of gas.

This is an attractive and relatively low risk exploration target, which can be drilled at low cost, close to a regional city of about 500,000 people and large industrial areas. Although the updip prospect size is small, if the potential gas/water contact extends below the Pancarkoy well, the accumulation could be much larger.

The Exploration Licence has several other attractive drilling targets, all with seismic amplitude anomalies. Amity holds this block 100%.

Whicher Range-5

Whicher Range-5 spudded at 11:00 am on 11 October 2003. The well is currently drilling ahead at a depth of 3578 metres to a casing depth of approximately 3800 metres. The top of the Sue reservoir where the second intermediate casing will be set is at approximately 3800 metres. The air drilling equipment is being configured and tested in preparation for drilling the primary reservoir.

Whicher Range Gas Field – Background

The Whicher Range Gas Field is a major undeveloped tight gas field, located onshore, some 22 kilometres south of Busselton in Western Australia. The field has estimated gas in place of 3-4 trillion cubic feet (3,000-4,000 Petajoules approximately) in Permian age sandstone reservoirs.

The favorable location of the field, about 35 kilometres south-west of the southern end of the main gas pipeline from the North-West Shelf, means it can compete on price and transport tariff with gas from the North-West-Shelf. A gas supply from Whicher would be strategically advantageous for Perth and the South-West, by reducing dependence on the long single pipeline from the North-West-Shelf.

Four wells have been drilled on the Whicher field and all recovered gas at low rates from many tested intervals. Two wells, Whicher Range 1 and 4, are presently capable of producing at about one million cubic feet per day (1.1 terajoules/day) and three million cubic feet per day (3.2 terajoules/day), respectively. The gas is clean and of high quality.

Much has been learned from the existing wells about drilling, completion and reservoir stimulation practices. Water is particularly damaging to the reservoirs.

In 1999, Amity successfully increased gas flow in the Whicher Range 4 well, from about one million cubic feet per day (1.1 terajoules/day) to about 3 million cubic feet per day (3.2 terajoules/day), with a pilot liquid carbon dioxide frac (fracture stimulation operation). This was the first frac to increase gas flow. All 12 previous fracs used water and as a result, decreased gas flow due to reservoir damage.

Objective

The objective of Whicher Range-5 is to appraise the flow potential of the gas bearing Sue Group in the same general area as Whicher Range-1 and 4. There is virtually no exploration risk at this location of not intersecting the gas bearing zone. A great deal of effort will be expended to protect the formation from reservoir damage. By drilling the main objective with only air there will be no water based formation damage which is one of the main reasons for the poor results in previous wells. Gas will be allowed to flow out of the reservoir continuously while drilling and be burnt in a specially designed flare pit. If a commercial rate is achieved in the top part of the Sue Group the drilling will be terminated and the commercial flow potential evaluated.

Drilling Programme

The drilling programme is designed so that the Sue Group objective section can be drilled with air, while the overlying formations are behind casing. Drilling to the top of the Sue Group will be by conventional over-balanced, water based drilling fluids, which proved effective and virtually trouble free during the drilling of Whicher Range-4. The gas reservoirs will be drilled underbalanced with air to avoid reservoir damage and to attempt to obtain commercial gas flow rates (greater than 6 million cubic feet per day) without reservoir stimulation. If reservoir stimulation is required, a full scale liquid carbon dioxide frac will be applied.

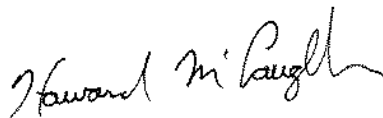
Joint Venture Interests

Amity	47.957% (operator),
Korea National Oil Corporation	20.000%
Seoul City Gas Company Limited	15.000%
GeoPetro Resources Company	17.043%

Information

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

Yours faithfully,
AMITY OIL LIMITED



Howard McLaughlin
Managing Director