ANTARES ENERGY

ANTARES ENERGY LIMITED

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Adatepe-5 well spuds in Turkey

Highlights:

- Adatepe-5 is a low risk development well in the Adatepe field in the Thrace Basin, Turkey;
- Designed to access overlying gas bearing sands discovered by the East Adatepe wells;
- The well is expected to take 20 days to drill and complete;
- This well will be used to increase production from the Adatepe field.

Perth, 26 May 2005, Antares Energy Limited (ASX:AZZ), an international oil and gas exploration and production company, announced today that the Adatepe-5 well was spudded by its wholly owned subsidiary, Amity Oil International Pty Ltd, the operator of Area "A" of the Thrace Joint Venture, and is currently drilling ahead at a depth of 32 metres.

Equity participation in the Thrace Joint Venture is as follows:

Amity Oil International Pty Ltd	50% (operator of Area A)
Türkiye Petrolleri A.O.	50%

Adatepe-5 will be drilled in Petroleum Exploration Licence AR/AOI/3648, which forms part of Area "A" of the Thrace Joint Venture and is located approximately 120 kilometres west of Istanbul in Turkey's onshore Thrace Basin.

The Adatepe-5 well is in the Adatepe field, located approximately 6 kilometres southeast of the Gocerler Gas Field. It is positioned in a separate fault block 288 metres northeast of the closest offset well, Adatepe-3 at Latitude 41 19 25N and Longitude 27 49 42 E. The well will be drilled to 1250 metres into the Varved shales of the Danismen Formation. The well is interpreted to be 8 metres updip to Adatepe-1 and 3 metres updip of East Adatepe-2.

Mr. Howard McLaughlin, Managing Director of Antares said: "*This well is part of an ongoing programme to maintain our target gas production levels from our three Turkish gas fields. This well will be producing gas from known but as yet un-produced sand units above the main gas production unit.*"

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Editors Notes:

Antares Energy (ASX: AZZ) was formerly known as Amity Oil. At its Annual General Meeting on 26 November 2004 the company changed its name in keeping with its new corporate structure and strategy.

Antares focuses on international hydrocarbon exploration and production.

Antares is now a very different company than it was 12 months ago. It has now embarked on a further drilling programme in the USA and Turkey and expects to capture new prospective areas on a continuous basis. These are very exciting gas plays that can be commercialised quickly with the high natural gas prices currently seen in the USA.

Antares for the Half Year to 31 December 2004 achieved record Gas Production resulting in Sales Revenue of $10.9 million (up 9%), Operating Profit of $8.2 million (up 15%) and EBITDAX of $6.2 million (up 5%). Comparisons are to the previous six month period.

Antares currently is focusing on onshore exploration in Texas and Oklahoma where it now has three producing wells. Since the Turkish fields began achieving consistent production it was decided that Antares would begin to search for new plays that could develop into new independent revenue generating areas. A number of criteria were considered important for success, including proximity to market, domestic gas prices, quick cycle time, availability of infrastructure and political and commercial risk.

The company has three producing gas fields in Turkey, approximately 100 kilometres West of Istanbul; Gocerler, Cayirdere and Adatepe. The future exploration strategy in Turkey is to focus on the Thrace Basin acreage and drill low risk exploration and development wells to build gas reserves and maintain current production levels. Antares has an attractive inventory of drillable prospects and leads and is in a position to test the very best opportunities. The company has relinquished all high-risk acreage, which had low commercial potential.

The corporate head office is based in Perth, Western Australia.