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ASX/NEWS RELEASE

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**ANTARES ENERGY AGREES TO PARTICIPATE
IN "OYSTER CREEK" NEAR FIELD GAS PROJECT IN
BRAZORIA COUNTY, TEXAS**

Antares Energy is pleased to announce that it has executed a Participation Agreement with Slawson Exploration Company, Inc. of Wichita, Kansas, to participate at a working interest level of 75% in the drilling of an initial 13,000 foot well to test the lower Frio formation adjacent to the productive S. Angleton (Collins Lake) Field (17 Bcf to date) in Brazoria County, Texas. The prospect is called Oyster Creek.

The agreement covers a 1,700 acre group of leases over three separate fault compartments that are defined by seismic amplitude anomalies on good quality 3D seismic. Project potential varies between 4-12 Bcf (Billion cubic feet) depending on the individual well outcomes. There is also a shallow oil play within the project area (estimated to have potentially 400,000 bbls recoverable). These prospects are deemed to have relatively low geological risk and excellent reservoir deliverability. It is likely an additional well(s) will be drilled this year if the first well comes in as predicted.

It is anticipated that the initial drilling location will be constructed shortly and the spud of the first well is notionally planned for July 2006. Slawson has a rig on contract and after the well currently drilling, there is one additional well (estimated to be 30 days) to be drilled before the rig slot allocated for the Oyster Creek prospect.

Antares' minimum financial commitment is anticipated to be approximately USD 2.2 million.

Slawson Exploration Company, Inc. is a privately held oil and gas exploration company founded by Donald C. Slawson. The Wichita, Kansas based organization began oil and natural gas exploration in Kansas in 1957. Since its inception, Slawson has drilled over 3500 wells in 10 states. Exploration offices are located in Denver, Oklahoma City, Houston and Wichita. Slawson Exploration Company is part of the Slawson Companies Group (see www.slawsoncompanies.com for more information).

Mr. H. McLaughlin, Managing Director of Antares said:

"Oyster Creek is a very attractive, low risk, near term opportunity that augments our growing portfolio of South Texas projects. In the success case this project will deliver very good revenues and contribute to the funding of our other deep gas opportunities planned for the remainder of this year and next year.

We are pleased to be working with an experienced operator such as Slawson Exploration and hope to further our working relationship in the future."

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Map

