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ASX/NEWS RELEASE

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EXPLORATION UPDATE**Kelln 94-1, Ellis County Oklahoma, Mewbourne Oil operator, Antares 19%**

The Kelln 94-1 well spudded 23 July, 11:30am. The well is designed to test the Atoka formation at a favourable location, offsetting the very successful Kelln Trust 5-1 well. The well should reach target depth in 2-3 weeks on a trouble free basis.

Section 9, Ellis County Oklahoma, Antares 46.3%

Antares has farmed out 50% of the equity in section 9 to Mewbourne Oil on a promoted basis. Mewbourne will fund 62.5% of the cost of drilling, completing and fracturing (if required) of a well to the Atoka. Mewbourne has until the end of the year to spud the well. Antares will retain 46.3% equity and a 3% override and will fund 37.5% of the well costs.

Ellis-2, Ellis County Oklahoma, Antares operator 99.5%

The Ellis-2 well has been re-completed to the Des Moines section. The Morrow has been abandoned and the Des Moines perforated and fractured. The well has demonstrated that it is capable of flowing commercial quantities of oil with assistance from a surface pump. A pump jack (nodding donkey) is currently being installed and should be in operation by next week.

Oyster Creek, Brazoria County, Slawson Exploration operator, Antares 75%

The spudding of the Harrison-1 well is being unavoidably delayed by the operator currently using the rig. It is anticipated the spud of Harrison-1 will be in August a few days after the rig is released.

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