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ASX/NEWS RELEASE

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EXPLORATION UPDATE

Project: Oyster Creek
Prospect: Oyster Creek
Well: Harrison-1
Brazoria County, Texas, Slawson Exploration Operator, Antares 75%

During the week the Harrison-1 well drilled to a depth of 11,500 feet, logged and ran 7" casing to a depth of 11,496 feet. The casing has been cemented and drilling will recommence shortly.

Project: Shaeffer Ranch
Prospect: Lonesome Dove
Well: Lonesome Dove-1
Jim Wells County, Texas, SIDC Operator, Antares 50%

The Lonesome Dove-1 well spudded on 4 December 2006. During the past week the well drilled to 10,000 feet and wireline logs have been run and are currently being used to correlate the 3D seismic. Further information will be released when the correlation with the seismic has occurred.

Project: New Taiton
Prospect: New Taiton
Well: Ilse-1
Wharton County, Texas, S. Lavon Evans, Jr., Operating Company, Inc. Operator, Antares 25%

The Ilse-1 well spudded on 1 December 2006. Since last week, repairs and modifications to the rig have now largely been completed and drilling operations are expected to recommence within the next few days. Planned total depth is 17,300 feet.

Project: Little Bear
Prospect: Garcitas Ranch
Well: Garcitas Ranch C-1
Victoria County, Texas, Hollimon Oil Corporation Operator, Antares 23.5%

The Garcitas Ranch C-1 well spudded 16 December 2006 and drilled to a depth of 3,150 feet. Surface casing was set and cemented and drilling is expected to recommence shortly. The total depth of the well is planned for 13,000 feet.

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