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ASX/NEWS RELEASE

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**ZWERNEMANN-1 WELL
HPY PROSPECT
SHAEFFER RANCH PROJECT****Key Point**

Antares Energy is anticipating the spudding of the Zwernemann-1 well within the next three days. The rig is arriving on location later today and is expected to take two days to rig up. The relatively shallow well will take approximately two weeks to drill to a total depth of 6,100 feet. Antares has a 50% working interest.

Background

Zwernemann-1 is a low risk oil prospect and the first shallow target to be tested on Shaeffer Ranch in Jim Wells County, Texas. This well is designed to test a simple fault trap. The prospect is structurally similar to a nearby field that has produced both oil and gas from the Hockley sandstone. The prospect has been mapped on the new 3D seismic data acquired last year. Potential reserves are estimated to be in the order of 200,000 barrels of oil and 1.8 BCF of gas. There are additional potential reserves of up to 1 BCF in the Pettus and Yegua sands.

Shaeffer Ranch is a large land holding in Jim Wells, Live Oak and Duval Counties, Texas with an exclusive option until January 2008. In 2006 the joint venture between Antares and SIDC acquired an 85 square mile 3D seismic survey over approximately 50,000 acres.

The working interests in the well are as follows:

San Isidro Development Company (operator)	50%
Antares Energy	50%

Antares financial exposure to this well on a dry hole basis is USD 225,000 and on a successful completed basis USD 450,000.

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

"This is a small but attractive, low cost, shallow prospect identified with the new 3D seismic which if successful will give us some additional production and revenue and may lead to further shallow wells. While our main target in the area is the Rowena Wilcox prospect, these shallow prospects will add incremental reserves and cashflow"

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