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ASX/NEWS RELEASE

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OPERATIONS UPDATE**Weather**

Severe rain has continued to fall in Texas with June 2007 having the second highest monthly rainfall ever recorded in Dallas and the highest since 1928. The forecast is for showers and thunderstorms to continue for the next few days then clear. The National Weather Service has flood warning alerts in place for Brazoria, Victoria and Wharton Counties where Antares currently has operations. A flash flood warning is in place for Victoria and Jim Wells counties. Federal and State governments have declared many, 5 and 37 respectively, Texas counties to be disaster areas.

The prolonged rainfall has caused all work to cease on the Oyster Creek and Little Bear projects. Access roads have become flooded and hence equipment and vehicles cannot get onto location.



Flooded access road to the Garcitas Ranch C-1 & 2 locations, Victoria Cty, TX.

Weekly Reporting

This will be the last weekly operations update for the projects set out below. Once the flooding subsides and operations recommence, reporting for the projects below will be made as and when material events occur.

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

The well is currently shut in awaiting operator's recommendation to test the next zone.

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

The well remains shut-in while the joint venture partners continue to analyse the results to date and consider a forward program. The non-operating partners have not yet received a formal recommendation from the operator.

Project: Little Bear
Prospect: Garcitas Ranch
Wells: Garcitas Ranch C-1 & 2
Victoria County, Texas, Hollimon Oil Corporation Operator, Antares 23.5%

Both wells are currently shut in due to weather. See picture above.

Project: Yellow Rose – McMullan County Texas
McMullan County Texas, SIDC Operator, Antares 50%

Acquisition of the 72 square mile 3D seismic survey is now complete and processing will now commence.

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