



17th May 2004

Australian Stock Exchange Limited
Companies Announcement Office
Electronic Lodgement System

Dear Sir,

ANNOUNCEMENT TO ASX

**DRILLING REPORT: SAINTLY # 1
PEL 113, COOPER/EROMANGA BASIN, SA**

Stuart Petroleum advises that the status of Saintly # 1 at 0600 hours (CST) on 17th May 2004 was:

Location:	PEL 113, 50km south of Moomba
Total Depth:	1660 metres
Current depth:	1607 metres
Operations:	Drilling ahead to TD. No significant hydrocarbon shows

During the period, DST 2 tested hydrocarbon shows in the McKinlay formation over the interval 1299.5 -1305.5 metres and recovered 1 barrel of rat hole mud and 28 barrels of water.

Spud: 00.00hrs, 7th May 2004

Participants in the PEL 113 Saintly Block Joint Venture are:

Stuart Petroleum Limited (Operator)	66.7% (STU)
Beach Petroleum Limited	33.3% (BPT)

Yours faithfully,

Tino Guglielmo
Chief Executive Officer

DAYS FROM SPUD

