

13 May 2005

The Manager, Companies
Australian Stock Exchange Ltd
Electronic Announcement System

Dear Sir,

**ANZON AUSTRALIA LIMITED (ASX CODE: AZA)
ANNOUNCEMENT TO THE ASX
BASKER-MANTA OIL PROJECT UPDATE**

The BMG Joint Venture has secured, by contract, the major items of equipment required to complete the implementation of the Basker-Manta Oil Development Project as follows:

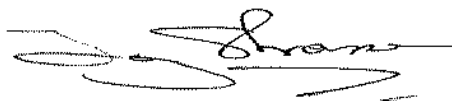
- Drilling Rig Contract - Ocean Patriot:
 - Basker-2 to be drilled immediately after the Casino Program in July 2005.
 - Remainder of the development drilling will be commenced after a Production Licence is obtained in the fourth quarter of this year.

- FPSO Contract – Crystal Ocean:
 - Three year contract with options for further four years. Crystal Ocean will arrive in Melbourne in August 2005.
 - The Crystal Ocean will be moved to the Basker location in Bass Strait upon completion of the Basker-2 well and when approval for an extended production test is secured.

- Shuttle Tanker – Nordic Yukon:
 - Three year contract with options to extend has been agreed for this Aframax sized tanker, with dynamic positioning capability, and capacity of approximately 650,000 bbls.
 - The vessel which is owned and operated by Teekay Shipping, is anticipated in Bass Strait in September 2005 for the extended production test as indicated above.

The Basker-Manta Oil Project is a Joint Venture between:

Anzon Australia Limited	- 75% (Operator)
Beach Petroleum Limited	- 25%



Tony J Strasser
Company Secretary
Sydney, Australia