



3 August 2005

Australian Stock Exchange Limited
Companies Announcement Office
Electronic Lodgement System

Dear Sir,

ANNOUNCEMENT TO ASX

**DRILLING REPORT: ACRASIA #4
PEL 90 / PPL 203, COOPER / EROMANGA BASIN, SA**

Stuart Petroleum Limited advises that a good oil show was recorded from the Lower Hutton sand which will be tested over the interval 2053m to 2060m. This sand is identified as a primary evaluation target. Fishing operations are presently underway to recover drill pipe. Stuart expects that this will be done today and that the test will commence Thursday morning.

There are indications of hole instability which may impact on the DST. If the test is not successfully completed due to hole conditions further evaluation will be undertaken after logging and casing of the hole.

The status of Acrasia #4 at 06:00 hrs (CST) on the 3rd August 2005 was:

Location:	PEL 90 / PPL 203, 160m east of Acrasia #1
Planned Total Depth:	2350 meters
Current depth:	2080m
Operation:	POOH with the fishing assembly
Spud:	13:30hrs 20 th July 2005

Participants in the Acrasia #4 well are:

Stuart Petroleum Limited (Operator)	75%	(STU)
Beach Petroleum Limited (Mawson Petroleum Pty Ltd)	25%	(BPT)

Yours faithfully,

Tino Guglielmo
Managing Director

DAYS FROM SPUD

