

22 August 2005

The Manager, Companies
Australian Stock Exchange Ltd
Electronic Announcement System

Dear Sir,

ANZON AUSTRALIA LIMITED (ASX CODE: AZA)

**BASKER-2 DRILLING PROGRESS REPORT
(VIC/RL6, GIPPSLAND BASIN, VIC)**

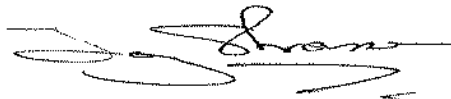
The Basker-2 well is drilling ahead at a depth of 2007metres MDRT at 6:00 am, 22 August 2005.

After spudding the well on 14 August 2005, 762 mm conductor was set and cemented at 208 metres MDRT. A 445 mm surface hole was drilled and 340 mm surface casing was set and cemented at 1,000 metres MDRT. The blow-out preventors and riser were installed.

A 311mm hole is being drilled beneath the surface casing to the current depth.

The participants in the VIC/RL6 Joint Venture are:

Anzon Australia Limited	62.5% (Operator)
Beach Petroleum Ltd	37.5%



Tony J Strasser
Company Secretary
Sydney, Australia