



31 March 2006

Australian Stock Exchange Limited
Companies Announcement Office
Electronic Lodgement System

Dear Sir,

ANNOUNCEMENT TO ASX

**DRILLING REPORT: HARPOONO #2
PEL 113, COOPER / EROMANGA BASIN, SA**

Stuart Petroleum Limited advises that the Harpoono #2 Murta oil development well is currently drilling the 8 ½" production hole. The Murta Formation, which is the primary objective, should be drilled today.

The status of Harpoono #2 at 06:00 hrs (CST) on 31 March 2006 was:

Location:	PEL 113
Planned Total Depth:	1500 metres (TVD)
Current depth:	1128 metres
Operation:	Drilling ahead.
Spud:	03:30 hrs on 27 March 2006

Participants in the Harpoono #2 well are:

Stuart Petroleum Limited (Operator)	66.67%
Beach Petroleum Limited.	33.33%

Yours faithfully,

Tino Guglielmo
Managing Director

DAYS FROM SPUD

