



21 June 2006

Australian Stock Exchange Limited
Companies Announcement Office
Electronic Lodgement System

Dear Sir,

ANNOUNCEMENT TO ASX

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

Stuart Petroleum Limited advises that the Rimfire #1 oil exploration well is preparing for Drill Stem Test #2 in the lower Murta formation over the interval 1162m to 1167.5m. Drill Stem Test #1 in the upper Murta Formation did not make a recovery.

The status of Rimfire #1 at 06:00 hrs (CST) on 21 June was:

Location:	PEL 113
Planned Total Depth:	1542 metres (TVD)
Current depth:	1509 meters (Total Depth)
Operation:	Preparing for Drill Stem Test #2
Spud:	14 June at 04:00 hrs.

Participants in the Rimfire #1 well are:

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

Yours faithfully,

Tino Guglielmo
Managing Director

