

30 August 2006

WELLINGTON 1 REACHES TOTAL DEPTH

Sunshine Gas Limited advises that the Wellington 1 well (DTI Number 205/24-1) on the UK Continental Shelf (PL 1368, West of Shetlands) has reached a total depth of 1,228 metres (measured depth).

Despite encountering reservoir quality sandstone in the primary objective Rona Sandstone, no hydrocarbons were encountered. Accordingly the well will be plugged and abandoned. It is anticipated that the Bredford Dolphin drilling rig will move off location by ~2 September.

The Wellington 1 well fulfils the Joint Ventures well commitment to the DTI on this license.

Sunshine's CEO Mr Tony Gilby said that "Whilst disappointing, the Wellington result does not significantly affect the other identified prospectivity in the license area. Once the results of Wellington have been fully analysed, the focus of work will be geared toward monetising the Strathmore oil discovery located within the permit."

"Sunshine is pleased with the drilling operation and current indications are that the well will be on or under budget."

"The Company remains well funded and has an active drilling program scheduled for the remainder of 2006 in Queensland. This activity will commence with the drilling of the Champagne Creek 2 Deep well in September as part of the Beach Petroleum farm-in."

ASX/Media Release



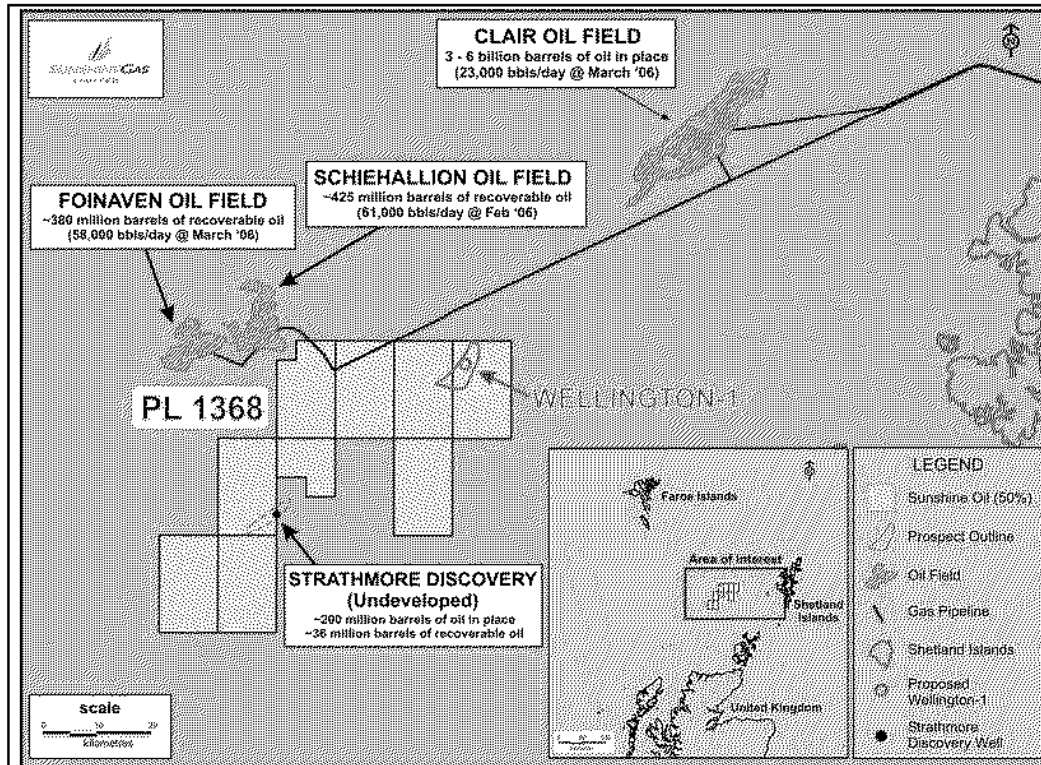
Wellington 1 Details:

Well name	: Wellington 1
Permit/Block	: PL 1368; 205/24
Location	: Latitude: 60° 17' 44.627" North
	: Longitude: 03° 21' 36.819" West
Rig	: Bredford Dolphin
Water Depth	: 128m
Prognosed Total Depth	: 1,234m RT
Primary Target	: Rona Sandstone (Jurassic)
Secondary Target	: Otterbank Sandstone (Triassic)
Spud Date	: 13:30 hours 21 August (GMT+1)
Current Depth	: 1,228 metres Total depth MDRT
Current Operation	: Preparing to Plug & Abandon

Participants in PL 1368

Sunshine Oil plc	50%
(a wholly owned subsidiary of Sunshine Gas Limited)	
Hurricane Exploration plc	50% (Operator)

WELLINGTON 1 LOCATION



ASX/Media Release



SUNSHINE GAS LIMITED - OVERVIEW

Sunshine Gas listed on ASX 3 July 2002 with a conventional gas, oil and coal seam gas focus initially on Queensland. More recently, the UK Continental Shelf has been added as a focus area.

The Company has several projects in various stages of development. These projects are expected to lead to strong earnings growth in the future.

For additional information about the Company, please visit www.sunshinegas.com.au

A handwritten signature in black ink, appearing to read "Chris Blamey", with a horizontal line underneath.

Chris Blamey
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