



Essential
Petroleum
Resources
Limited

ASX ANNOUNCEMENT

9 June 2004

Commencement of Drilling – Killarney EPRL No. 1 Well PEP 152 Otway Basin, Victoria

Essential Petroleum Resources Limited (EPR) advises that the Killarney EPRL No. 1 well spudded at 12.30 pm AEST on Wednesday 9 June 2004.

The Killarney EPRL No. 1 well is located approximately five kilometres to the east of the Victorian coastal town of Port Fairy and 12 kilometres south of the Western Victorian Portland to Port Campbell gas pipeline.

The well is a follow-up to the Port Fairy No. 1 discovery well and will target gas and light oil in the Waarre Sandstone at a depth of about 1,414 metres KB. The well is expected to take approximately 10 days to reach its total depth of 1,650 metres KB.

The most likely recoverable resource is 10.9 billion cubic feet of gas, with estimates ranging between 6 and 18 billion cubic feet of gas. However should the well discover oil, the most likely recoverable resource is 9.1 million barrels of oil, with estimates ranging between 5 and 16 million barrels of oil.

The Killarney EPRL No. 1 well is being drilled in the Victorian petroleum exploration permit PEP 152.

The interest holders in PEP 152 are:

Essential Petroleum Resources Limited (Operator)	84.41%
Lakes Oil NL	15.59%

John Remfry
Managing Director

Enquiries: Mr John Remfry, Managing Director
Phone: (03) 9699 3009
Facsimile: (03) 9699 3110
Email: info@eprl.com.au