

ASX RELEASE

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WELL TEST RESULT: SIGNIFICANT TEST AND TIE-IN OF THE BALLPARK CANYON #1 WELL IN THE HELPER PROJECT, UTAH WITH WELL FLOW TESTED AT 4.0 MILLION CUBIC FEET OF GAS PER DAY

Marion Energy Limited ("MAE" or "Company"), as Operator, is pleased to announce the successful completion, testing and tie-in to production of the Ballpark Canyon #1 well which has been flow tested in excess of 4.0 million cubic feet ("mmcf") per day. The well is currently selling gas through the production facilities at 2.0 mmcf per day. The Company will monitor the well and slowly increase sale volumes as justified by performance. The well is the third well completed in the 48.75% Company owned Helper Project in central Utah. The company is also in the process of testing two more wells, the Cordingley Canyon 15-1 & 15-2. Results are expected shortly from these two wells.

The company also expects to be able to announce the spudding of the Cordingley Canyon 11-1 well within the next week. The Cordingley Canyon 11-1 is the first well in the recently announced accelerated drilling program.

Commenting on the successful completion of the Ballpark Canyon well, Jeff Clarke, MAE Chief Executive Officer said: "The significance of the successful completion of this well is that the flow rate is significantly higher than Marion has experienced in its previous completions. It is also a multiple of the average production achieved by wells in the historical Helper field which average 340,000 cubic feet per day. Management now believes these results indicate that the Helper project will have a significant impact on both future reserves and production. It further underscores the importance of the Company's accelerated drilling program and the Company's strategy of increasing its acreage position in the project."

The Helper Project is located along the northern edge of the Helper Field in the same Ferron CBM trend as the substantial Drunkards Wash CBM Field in

Utah. Drunkards Wash is the largest producing gas field in Utah, with the field currently averaging 5.4 Bcf per month. production potential.

Participating working interests in the Ballpark Canyon #1 well are:

Marion Energy Limited (ASX: MAE, MAEO)	48.75%
Odyssey Energy Limited (ASX: ODY)	30.00%
Pegasi Energy	10.625%
Private interests	10.625%

Marion Energy Limited is aggressively pursuing a low risk strategy to increase reserves and production of conventional and non-conventional natural gas in the onshore USA. The company plans to develop low cost reserves by exploiting mature reserves and finding new reserves in existing producing areas. Favorable industry fundamentals, including record high natural gas prices, advances in drilling, completion and fracture stimulation techniques, coupled with ready access to infrastructure have allowed the company to pursue several attractive investment opportunities. The company currently has in its portfolio an inventory of over three years of drilling opportunities, which if successful could create a substantial reserve base.

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