

VICTORIA PETROLEUM N.L.

Incorporated in Western Australia

ABN 50 008 942 827

1 June 2007

Announcements
Australian Stock Exchange Limited
Level 4, 20 Bridge Street
SYDNEY NSW 2000

DRILLING REPORT FOR WEST FLORENCE-1, COLORADO, USA

Victoria Petroleum N.L. has been advised by the Operator, Mountain Petroleum Corporation that West Florence-1 is at a total depth of 1,957 metres and 4 1/2 inch production casing has been run and set at a depth of 1,956 metres.

The forward program is continuing analysis of the wire line electric logs to evaluate the significance of the hydrocarbons shows seen in the well while drilling and to determine zones to be tested through casing.

West Florence-1 is the first well to be drilled in the West Florence Oil and Gas Project and its associated leasehold of 12,000 acres located in the Florence sub basin of the Denver basin. The leasehold is approximately 100 kilometres south of Denver, Colorado, USA. The project area is to the west of the Florence Oil Field which produced approximately 15 million barrels of oil from fractured shales of the Pierre Formation in the 1940's.

The West Florence Oil and Gas Project is a basin-centred play similar to that of the giant Wattenburg field located 160 kilometres due north producing from the same age lower Cretaceous reservoirs.

Petroleum potential for the West Florence play is estimated to be in the order of 100 – 200 billion cubic feet of recoverable gas in the Muddy J sandstone and additionally around 15 million barrels of recoverable oil cumulatively from the Pierre, Niobrara and Codell formations, if oil and gas are present.

The participants in the drilling of West Florence-1 and the West Florence Oil and Gas Project and their respective interests through their wholly owned subsidiaries are as follows;

Mountain Petroleum Corporation. (Operator)	25%
Victoria Petroleum N.L. (ASX code: VPE)	25%
Fall River Resources Limited (ASX code: FRV ;TSX.V code FRR)	15%
Adelaide Energy Limited	15%
North American Oil Gas Energy Pty Ltd	5%
Private American Interest	15%

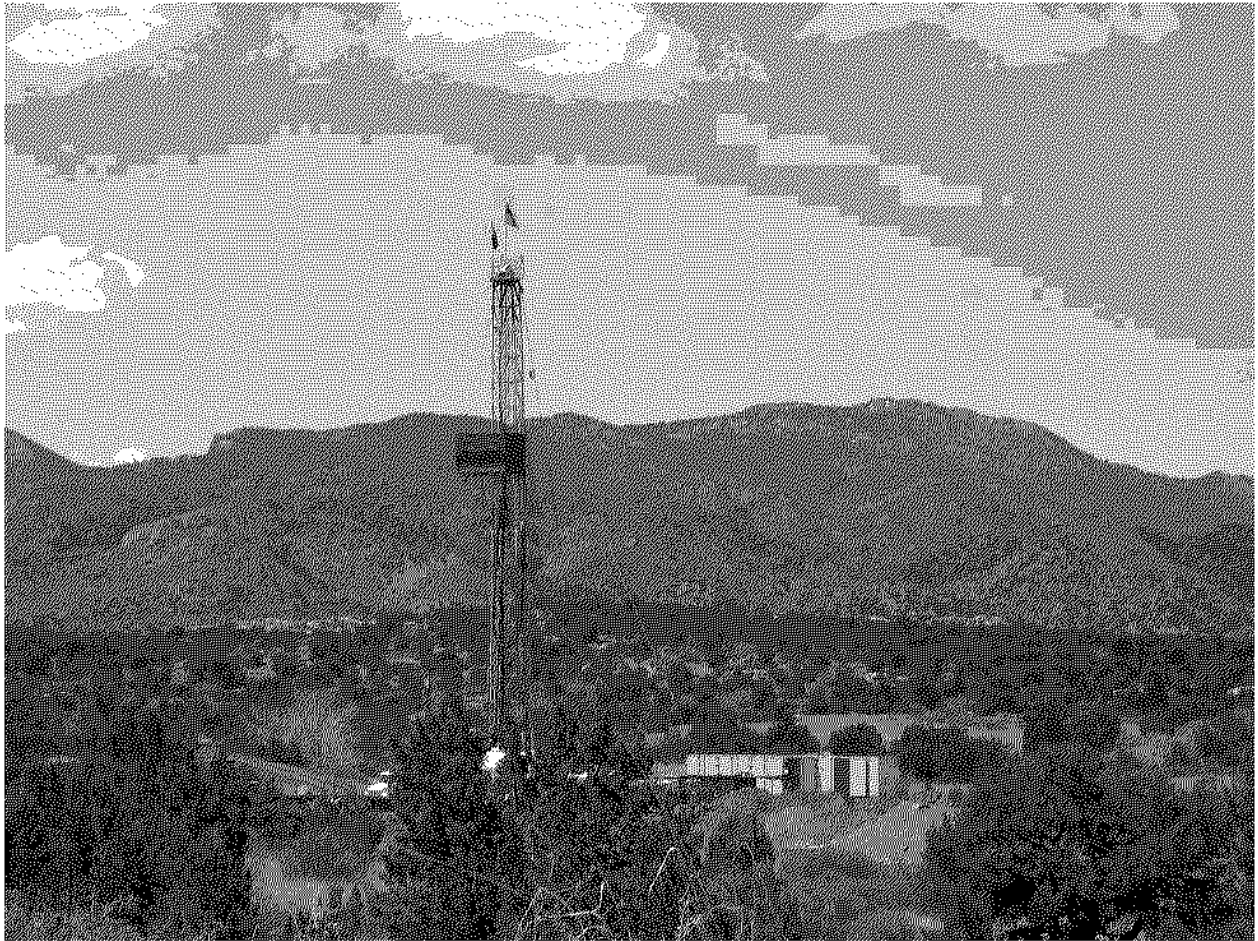
Yours Sincerely,

JOHN KOPCHEFF
MANAGING DIRECTOR
VICTORIA PETROLEUM N.L.

Information in this report was completed by the Managing Director of Victoria Petroleum N.L., J T Kopcheff BSc (Hons Eco.Geol), FAIMM, MAAPG, MSPE, MPES, with 36 years experience in petroleum geology and geophysics.

For information on Victoria Petroleum N. L. drilling activities visit our website at
www.vicpet.com.au

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Rig drilling at West Florence-1, Colorado, USA, May 2007