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ASX Announcement

27 July 2007

Well Status Report

Strain 16-4

Project	Motherlode
Prospect	Totem
Well Type	Oil and Associated Gas
Location	Martin County Texas
Working interest	12.5 %
Operator	North American Energy and Endeavor Energy Resources

Advance Energy Limited has been informed by its Operations Manager, North American Energy Inc ("NAE") that drilling has commenced on the Strain 16-4 well.

The Strain 16-1 was the discovery well for the Totem Prospect, which was identified by NAE by utilizing the Motherlode 3-D seismic data.

For further information contact:

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Advance Energy Limited is focused on the acquisition and development of oil and gas producing assets in Texas USA. The company aims to acquire assets with a combination of debt and equity that have current production and cash flow and to enhance production and cash flow through the further development of these assets. Once a property has reached its full productive potential and/or has achieved economic payout to Advance Energy, the Company would look to on sell all or part of its interest. It is the aim of the Company to develop a portfolio of assets which will be developed and traded to maximize returns on funds invested.