



VICTORIA PETROLEUM N.L.

A.B.N 50 008 942 827

Incorporated in Western Australia

14 June 2006

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

START OF DRILLING AT REIDS DOME GAS PROJECT, PEL-231, BOWEN BASIN, QUEENSLAND

Victoria Petroleum N.L. ("Vicpet") has been advised by the Operator, White Sands Petroleum Limited that the WSP Primero-1 well on the Reids Dome Anticline commenced drilling on 12 June 2006. Primero-1 will test the basal Cattle Creek formation and underlying Reids Dome Beds with a projected total depth of 2,700 metres.

Primary targets are the sands contained within the Permian basal Cattle Creek and the Reids Dome Beds.

These rock units are considered to be prospective for gas and contained gas shows when last penetrated in AOE-1 drilled in 1954 near the site of WSP Primero-1.

The target Reids Dome Beds have been interpreted to have the potential to contain up to 300 billion cubic feet of gas, if gas is present.

Commenting on the start of drilling on the Reids Dome, Victoria Petroleum NL's Managing Director John Kopcheff said;

"Vicpet is pleased to be a participant in the commencement of the drilling on the Reids Dome with Primero-1, where Vicpet has a 40% free carried interest."

"Vicpet is confident that gas flows will be recorded from the well, with the potential to contain a significant gas resource."

The participant's interest in Primero-1 and PEL-231 are:

Victoria Petroleum	40%
White Sands Petroleum (Operator)	20%
Dome Petroleum	40%

JOHN KOPCHEFF
MANAGING DIRECTOR
VICTORIA PETROLEUM N.L.

Information of this report was completed by the Managing Director of Victoria Petroleum N.L., J T Kopcheff BSc (Hons Eco.Geol), FAIMM, MAAPG, MSPE, MPESA, with 35 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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