



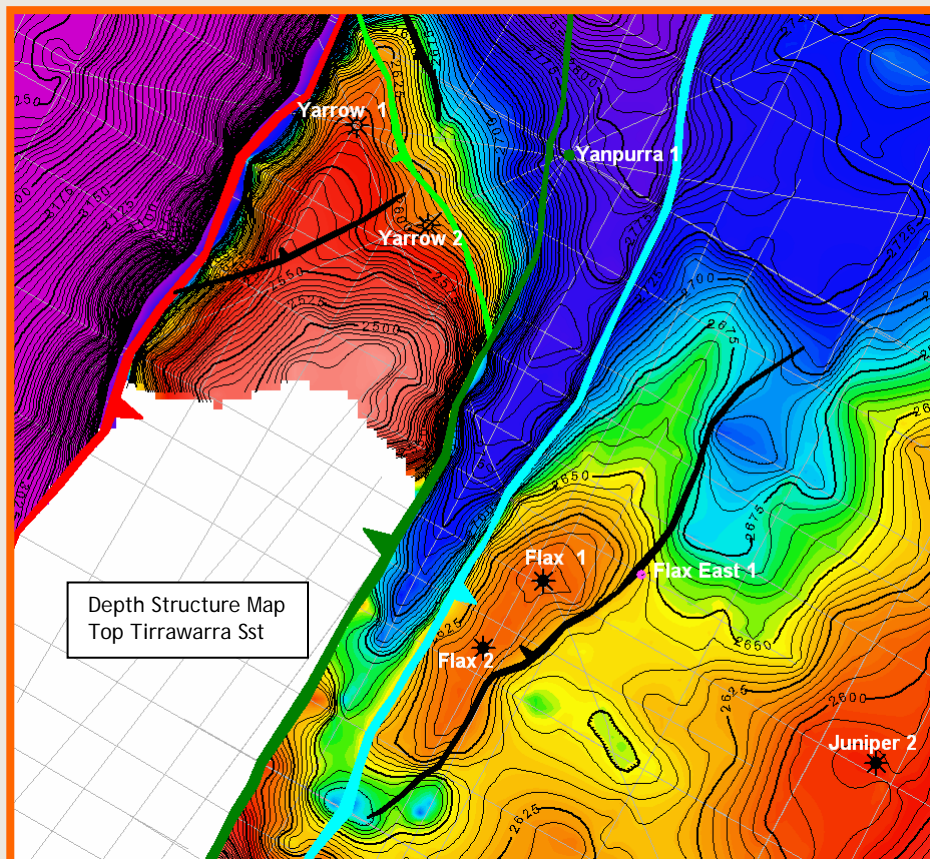
Flax East-1

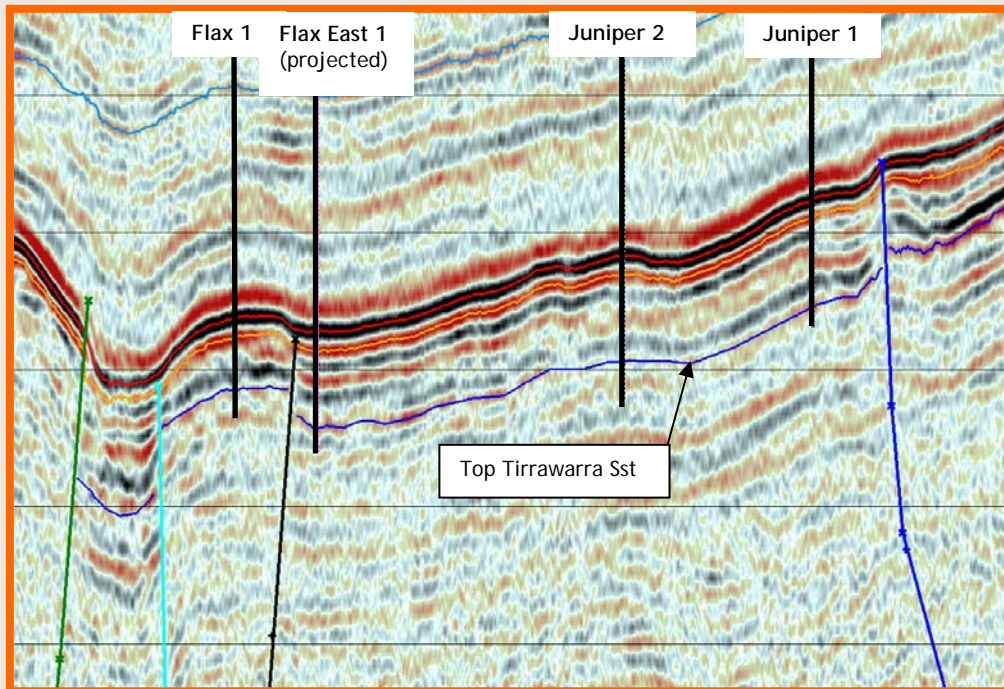
Location

Flax East 1 is located within PEL 103, northeastern South Australia, some 100 km northeast of the Moomba oil and gas processing centre for the Cooper Basin region and 40km north of the Innamincka township. Flax East 1 is sited 1.04 km east of Flax 1.

Overview

- Wildcat exploration well. Very significant for INP in that it will test if Flax and Juniper are part of a larger accumulation.
- Flax East 1 is designed to test the fluid content of the Early Permian reservoirs on the lowside of the eastern bounding fault to the Flax Field.
- Flax 1 was drilled in January 2004 and flowed gas at 0.73 MMCFD from the basal Patchawarra and from the Tirrawarra, the well flowed gas at 1.00 MMCF and oil at 600BOPD.
- Faulted anticlinal play of the truncated Early Permian section east of the Packsaddle anticline.
- The Patchawarra sandstones and the Tirrawarra sandstones are the primary targets.
- Flax East 1 will be drilled in a structural saddle 49 m downdip of Juniper 2, 128 m downdip from Juniper 1, 143 m updip of Yanpurra 1 and approximately 33 m downdip of the Flax wells at the top Tirrawarra Sandstone level.





Status

- Flax East 1 is scheduled to follow the drilling of Flax 3 and 4 and anticipated to commence mid August 2007.
- Proposed to TD 2830m.