

# EXPLORATION PERMIT

## PEL 103, and PEL 103 Aspen Block SA

### Joint Venture

#### PEL 103

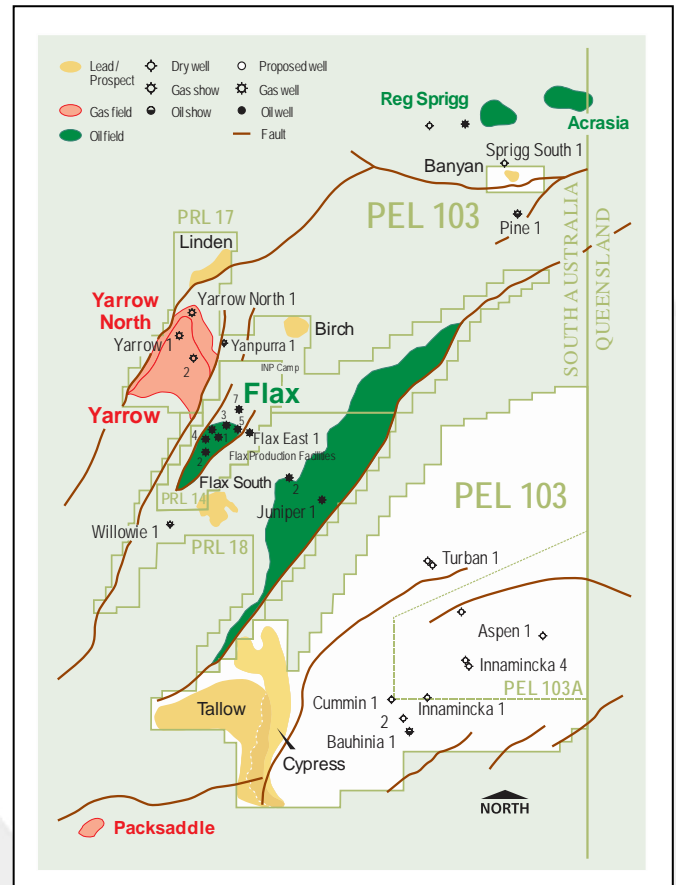
Acer Energy Limited [ACN]	62.5% interest	*
AGL Energy Limited [AGL]	37.5% interest	+

#### PEL 103 A (Aspen Block)

Acer Energy Limited [ACN]	37.5% interest	*
AGL Energy Limited [AGL]	37.5% interest	+
Avery Resources (Australia) Pty Ltd [Avery]	25.0% interest	

\* Operator

+ AGL is the operator of the CSG activities in PEL 103 and PEL 103A (Aspen Block)



### Overview

- The permit is located about 90km northeast of the Moomba facilities. Structurally the permit covers the southeastern apex of the Innamincka Dome separating the two main Cooper Basin depocentres, the Nappamerri and Patchawarra Troughs.
- The permit was first granted 30 January 2003 for an initial 5 year term and encompassed 767 km2.
- The permit was renewed with an area of 233 km2 for a second term of five years effective 29 July 2008
- Following exploration success with Flax, PRL14 was issued 14 May 2007 to provide security of tenure over the Flax oil field where a production testing facility has been constructed.
- PRL's 17 and 18 were subsequently issued 28 January 2009 to encompass the discovered resources of the Yarrow gas field and Juniper oil field.
- The permit offers both oil and gas prospectivity.
- CSG Potential identified in the Innamincka Dome area has been explored without achieving commerciality.
- PIRSA has granted a 6 month extension of the permit term due to flooding interrupting activities.

## ACN appraisal focus

Explorations activity since the granting of the permit has included:

- Ten wildcat exploration wells.
- Eight evaluation wells.
- The Juniper 2D seismic survey.
- The Sprigg 3D Extension Seismic Survey.
- Discovery of the Yarrow gas field.
- Discovery of the Flax oil field.
- Discovery of the Juniper oil field.
- Production testing operations from the Flax field.
- Drilling 3 core holes to evaluate CSG potential. PIRSA acknowledged this activity substitutes for the 30 km<sup>2</sup> 3D commitment.

## Future activity

- One wildcat exploration will be drilled, and this will satisfy permit commitments.
- The inventory of prospects and leads is being matured by detailed G&G studies to prioritize drilling candidates.
- Seek farmin partner.

