

EXPLORATION PERMIT

PRL 17 & 18 , Yarrow / Juniper - South Australia

Joint Venture

Petroleum Retention Licenses (PRL's) 17 & 18

Acer Energy Limited [ACN]

62.5% interest

Operator

AGL Energy Limited [AGL]

37.5% interest

Overview

- PRL's 17 and 18 are located about 90km northeast of the Moomba facilities. The permits were first granted 28 January 2009.
- Both PRL's 17 and 18 were part of the original PEL 103 issued in January of 2003.
- PRL 17 encompasses an area of 63 km² and PRL 18 an area of 65 km².
- Following exploration success in PEL 103, PRL14 was issued 14 May 2008 to provide security of tenure over the Flax oil field for the purposes of production testing to establish field commerciality.
- 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.

ACN appraisal focus

Activity since the granting of the permit has included:

- G & G studies to identify;
 - reservoir distribution,
 - secondary targets,
 - in-place resources?
- Study of analogous fields and their seismic definition.

Future activity

- Flax Juniper 3D seismic survey.
- Appraisal drilling is scheduled for 2012-2013.

