

Yarrow 1 - Discovery Press Clippings 30th December 2003

Innamincka jumps

Stock in Innamincka Petroleum almost doubled yesterday after the junior oil and gas explorer reported a significant new gas find at its second exploration well in the Cooper/Eromanga Basin. The discovery by the Yarrow-1 well on the PEL 103 joint venture, about 90 kilometres north-east of Moomba in South Australia, penetrated around a 46-metre gross gas column with the lower limit of the gas accumulation yet to be defined. A preliminary estimate of recoverable gas is expected to be made early in the new year. **AAP**

The Courier-Mail, Tuesday 30th December 2003, Page 25

Innamincka soars 135% after striking gas

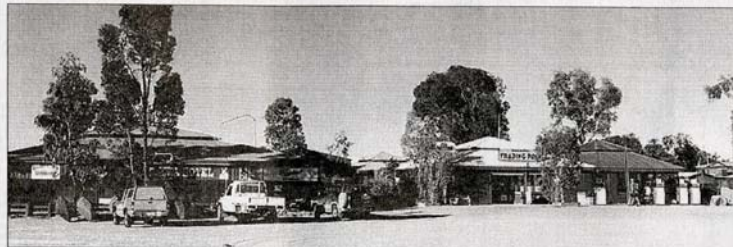
Scott Murdoch

SHARES in junior resources explorer Innamincka Petroleum more than doubled yesterday after revealing its Cooper Basin exploration play had struck gas.

The Brisbane-based company told the market a 46m gross gas column had been found at its Yarrow-1 well on the PEL 103 lease, 90km north of Moomba in South Australia.

Innamincka owns the site in a joint venture agreement with Vernon E Falconer Australia and once four wells have been tested it will have a 35 per cent stake.

Innamincka managing director Ross Wecker said



INNAMINCKA in South Australia . . . significant new gas discovery in the region.

wireline log data was currently being compiled on the find and the results would be released next Monday.

The lower limit of the gas accumulation is yet to be defined but a portion of the interval tested at a rate up to

3.87 million cubic feet per day.

Yarrow-1 is the second site to be tested.

Investors reacted positively to the initial drilling results and sent the stock skyrocketing from 14¢ to 33¢,

a 135 per cent leap on 6.88 million turnover.

Mr Wecker said the company's litmus test would come next week with the figure of how much gas is available.

"A 46m column is probably

one of the largest finds for the past 10 years, if not more.

"For people in the know that shows there's a fair chance that this is a significant stand-alone proposition."

Innamincka plans to sell the gas independently, rather than deal through Santos.

"If we were to sell to them, then we could probably start doing that in about six months," Mr Wecker said.

"But we would like to and it's our aim to do this independently because that shows that you have gone from an explorer to a stand alone producer in your own right."

"For us that would look about 18 months away."

The Australian, Tuesday 30th December 2003, Page 19

Minnow driller all pumped up over gas find

Nigel Wilson
• Energy Writer

ROSS Wecker and Glen Smith had a terrific Christmas — but yesterday it was time to be responsible.

The only two employees of newly listed Innamincka Petroleum might have been indulging in a little champagne as drilling reports for Cooper Basin well Yarrow-1 came in but the strongest they were drinking yesterday was coffee as shares in the company more than doubled on a new gas discovery.

Managing director Mr Wecker and exploration director Mr Smith were battling a telephone installation mix-up as they fielded calls about Yarrow-1 which has penetrated a 46-metre gross gas column.

It is far too early to work out reservoir estimates but the two have a fair idea having worked for Delhi Petroleum in the Basin for years.



Cooper rig: Innamincka will release reserve estimates next week

Shares in Innamincka Petroleum, which raised about \$6.25 million at 20¢ a share before listing in early November, soared 19¢ to 33¢.

Mr Wecker, the biggest shareholder in Innamincka with about 6.4 million shares,

was sitting on a paper fortune of more than \$2 million at the close of trading excluding his share options.

Chairman Adam Johnson, the brother of Macquarie Bank deputy chairman Mark Johnson, holds shares worth a

similar value. And Mark Johnson also holds at least 1.95 million Innamincka shares, worth almost \$650,000 at yesterday's closing price.

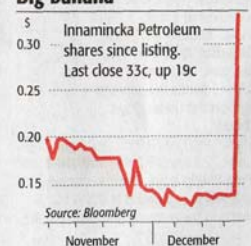
The discovery well is the second in a four-well program planned by Innamincka just west of the Queensland border about 25km southwest of the Acrasia field found by Beach Petroleum in 2002.

Mr Wecker accepts that the discovery is more of a gut instinct than recent Beach discoveries which have used 3-D seismic technology.

"We've had to rely on the old 2-D," he said from Innamincka's Brisbane office.

"What we looked at, being Queenslanders, is something (shaped) like a banana. The Ponderinnee/Packsaddle gas field operated by Santos is in the Permian structure at one end of the banana. The middle has been eroded away and the next time you find the Permian is at Yarrow and that's what we've done."

Big banana



A preliminary estimate of gas reserves will be released next week.

Elsewhere, Roc Oil which is building a 5 per cent stake in the Mauritanian offshore block 7 reported Pelican-1, being drilled by Woodside, had encountered a gross interval of 300 metres containing several gas-filled sands.

The find, about 150km south of the Chinguetti, Banda and Tiof find, is the first wildcat in the area.