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ANNOUNCEMENT TO ASX

Date: 3 November 2004

To: Australian Stock Exchange Limited
Companies Announcement Office
Electronic Lodgment System

Dear Sir

THE JUNIPER DISCOVERY

Innamincka Petroleum Limited ("INP") as Operator, for and on behalf of the PEL 103 Joint Venture, is pleased to advise upon the preliminary review of the Juniper 1 exploration well results. As previously reported, the well intersected oil-saturated sandstones in the basal Toolachee Formation and also in the basal Patchawarra/Tirrawarra Sandstone with oil recoveries from drill stem tests of both intervals. Innamincka's earlier (20 October 2004) announcement on the preliminary size of the Patchawarra/Tirrawarra oil zone, estimated while the well was still being drilled, was 12 MMSTB of oil in place updip of the Juniper 1 location. This figure has now been revised.

After completion of the well, the minimum in-place oil resource estimate for the Patchawarra/Tirrawarra zone within an 8 km² (2,000 acres) updip closure is 24 MMSTB with the increased estimate due to a thicker reservoir section interpreted from the wireline logs than previously inferred while drilling. Additionally, analysis of the now available pressure data indicates a trap area of 40 km² (10,000 acres), with a most likely in-place oil resource of 100 MMSTB.

No estimate of the in-place oil resource present in the basal Toolachee Formation has been made at this time due to insufficient knowledge of the areal distribution of the productive sandstone unit. The gas in-place potential based upon the log-interpreted gas pay in Juniper 1 is approximately 52 BCF.

Information from the oil production testing of Flax 1 and the development of several analogous reservoirs, both overseas and in Australia (eg the Tirrawarra field in the Cooper Basin), suggests 20% recovery of the in-place oil resource is a realistic expectation.

Optimised development for the efficient and economic recovery of the in-place oil will be a priority task for the PEL 103 Joint Venture.

This Juniper discovery is one of the largest oil finds in the Cooper Basin.

Participants in the PEL 103 Joint Venture are:

- Innamincka Petroleum Limited (Operator) 35%
- Vernon E Falconer Australia Inc 65%

Yours sincerely

Innamincka Petroleum Limited

A handwritten signature in cursive script that reads "Leni Stanley". The signature is written in black ink on a white background.

Leni Stanley
Company Secretary