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# ANNOUNCEMENT TO ASX

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**Date:** 24 June 2005

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

Dear Sir

## **JUNIPER 2 RESULTS AND OPERATIONS UPDATE** **PEL 103**

**Juniper 2** intersected hydrocarbon saturated sandstones within the Patchawarra Formation and Tirrawarra Sandstone. Conventional coring of the basal Patchawarra-Tirrawarra interval was undertaken. As previously reported, wireline log evaluation of the cored interval indicated approximately 5 metres of potential oil pay.

Core analyses have since confirmed this assessment of potential pay. The oil saturated sandstones exhibited low poroperm characteristics and, as expected, fracture stimulation will be necessary for production. The rock properties indicate the reservoir sandstones are suitable for fracture stimulation and plans to fracture stimulate one of the Juniper wells later in the year are under consideration as part of the Juniper field appraisal programme.

In addition, wireline log interpretation has identified possible hydrocarbon pay in upper Patchawarra sandstones. Cased hole testing will be required to evaluate this potential.

The significance of the Juniper 2 result was to confirm the presence of hydrocarbons throughout the Permian section, delineating an accumulation over some 30 km<sup>2</sup> (> 7500 acres). The downdip extent of this accumulation is yet to be defined.

Clearly, the Juniper field represents a substantial inplace resource. Future work will be focussed upon defining reservoir variation and properties over this large area, leading to recoverable reserves estimation and establishing field production. Innamincka will be progressing this work concurrent with development activities (Flax, Yarrow) and ongoing exploration in its three permits (PEL 103, PEL 101 and ATP 543P South).

**On the operations front**, rains over the weekends of the 11<sup>th</sup> and 18<sup>th</sup> June have minimised vehicular movements within the basin over the last week.

The Flax 2 well spudded today and will evaluate both the Patchawarra Formation and Tirrawarra Sandstone reservoirs, both of which were productive in the Flax 1 well. The target intervals will be cored to provide rock samples for estimating hydrocarbon saturation and for measuring rock properties for future reservoir stimulation. The well is programmed to take 23 days to drill.

The fracture stimulation of Flax 1 has been rescheduled for early next week with the stimulation crew and equipment due to arrive at the well site this weekend. The Flax 1 discovery well underwent production testing of the Tirrawarra Sandstone in the late 2004. The test results were used in designing the optimal fracture stimulation programme.

Participants in the PEL 103 Joint Venture are:

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

Yours sincerely

**Innamincka Petroleum Limited**



**Leni Stanley**  
Company Secretary