



INNAMINCKA
PETROLEUM
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ANNOUNCEMENT TO ASX

Date: 07 July 2005
To: Australian Stock Exchange Limited
Companies Announcement Office
Electronic Lodgment System

Dear Sir

Daily Drilling Status Report – Flax 2 (PEL-103)

Innamincka Petroleum Limited (“INP”) reports the current status of the **Flax 2** well is as follows:

Time of Report: 06:00 hours (CST) 07 July 2005
Well Depth: 2692 m
Current Operation: Running in hole to cut Core #1.
Forward Operations: Cut Core #1 (18 m) to evaluate as programmed the mid Patchawarra Fm sandstone reservoir. This is the equivalent zone tested in the Flax 1 discovery well which flowed 0.75 MMcfd of liquids rich gas (recovered 13 bbls of condensate).

Participants in the PEL 103 Block Joint Venture are:

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

For further information please contact either:

Mr Ross Wecker (Managing Director) or Mr Glen Smith (Director of Operations)

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Website: www.innapet.com.au



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FLAX 2 - TIME DEPTH CURVE

ACTUAL VS PROGNOSED

HOLE / CASING SIZES

311 mm (12-1/4") Surface hole to 856 m
 245 mm (9-5/8") Surface Casing Set @ 852.9 m
 216 mm (8-1/2") Main Hole to XXX m (TD)
 178 mm (7") Production Casing Set @ XXXX m

LOCATION DETAILS

Well Type: Oil/Gas Exploration
Permit: PEL 103 (SA)
Distance: 100 km NE of Moomba

WELL DETAILS

Rig: O.D.E Rig 30
RT: 101.3 m
GL: 106.0 m
Total Depth: 2786 m
Drill Days: 23 from spud

MAJOR DATES

Well Spudded: 21:00 hrs 25 Jun 2004
Reached TD: xx:xx hrs xx Jul 2004
Rig Released: xx:xx hrs xx Jul 2004

