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# ANNOUNCEMENT TO ASX

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**Date:** 29 August 2005

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

Dear Sir

## **Ginko 1 Gas Discovery**

Innamincka Petroleum Limited (INP) as Operator, for and on behalf of the PEL 101 Joint Venture is pleased to advise the Ginko 1 exploration well has discovered a new gas field. This discovery is a significant step towards developing the gas potential of the permit.

The well was sited crestally upon an elongate anticline covering a 9.0 km<sup>2</sup> area in PEL 101. The well was designed to evaluate the gas potential of sandstone units in the Permian section. Prior to drilling, it was estimated the prospect had the potential to contain 24 bcf gas in place assuming 5 metres of gas pay.

Ginko 1 was drilled to 3415 metres and terminated in basement rocks after encountering high gas readings throughout the Permian section. A number of sandstone units with anomalous gas readings were penetrated in the Toolachee, Epsilon and Patchawarra Formations. One sandstone unit in the Epsilon Formation was drill stem tested and shown to be tight. No other drill stem tests were attempted due to concerns over unstable coal seams. After wireline logging, data analyses indicate all sandstone units are gas saturated. Based upon preliminary log evaluation, between 5 and 8 metres of gas pay is identified. A reserves estimate will be made after detailed log analysis and subsequent production testing. Ginko 1 has thus discovered a New Gasfield and the well was cased and suspended as a future gas producer with 7" production casing run to 3408 metres.

Currently, the Kapok 2D seismic survey is being acquired tying in the Ginko Gasfield with the Kapok prospect and Crocus structure. Under our rig utilisation agreement, the drilling rig has now been transferred to another operator for their three well program before returning to INP.

Participants in the PEL 101 Joint Venture (post farmin) are:

- Mid Continent Equipment (Australia) Pty Ltd - 25.0%
- Innamincka Petroleum Limited (Operator) - 37.5%
- Vernon E Faulconer Australia Inc - 37.5%

Yours sincerely

**Innamincka Petroleum Limited**



**Leni Stanley**  
Company Secretary

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