



INNAMINCKA
PETROLEUM
ACN 101 313 777

Office 1 - Ground Floor
924 Gympie Road
CHERMESIDE QLD 4032

PO Box 2378
CHERMESIDE QLD 4032
Telephone: (07) 3359 8988
Facsimile: (07) 3359 8985
www.innapet.com.au

ANNOUNCEMENT TO ASX

Date: 9 August 2007

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

Dear Sir

Operation Report - Flax Oilfield

Innamincka Petroleum advises the Flax 4 well is currently drilling ahead at a depth of 1385 metres. It is prognosed to reach the target Permian by late next week.

Daily updates of drilling progress are posted on the company website www.innapet.com.au

Completion activity in preparation for fracture stimulation of the Flax 2 and Flax 3 wells, prior to oil production has commenced.

The Flax Oilfield has been independently assessed to contain mean recoverable reserves of more than 4 mmstb. To date, testing of the discovery Flax 1 well has produced over 45,000 barrels of 52^o API oil and provided engineering data for the design of the first well pattern of the EOR (Enhanced Oil Recovery) project. The initial project target is 1000 bopd by mid 2008.

Participants in the project are:

Innamincka (operator)	75%
SCGAU	25%

Yours sincerely

Innamincka Petroleum Limited

Leni Stanley
Company Secretary