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ANNOUNCEMENT TO ASX

Date: 27 March 2008
To: Australian Stock Exchange Limited
Companies Announcement Office
Electronic Lodgment System

Dear Sir

Yarrow North 1 Result

Innamincka Petroleum is pleased to advise that the Yarrow North 1 well has been cased for future gas production.

Following initial wireline log evaluation, it is evident that the entire Permian section is hydrocarbon saturated. Potential reservoir sandstones were mainly present within the primary target interval (18 metres thick) of the basal Patchawarra-Tirrawarra Sandstone where the log analysis determined approximately 6.5 metres of gas pay.

A drill stem test was conducted over the basal Patchawarra-Tirrawarra interval and produced gas at a low rate before the test was terminated by a packer seat failure. Whilst the limited results of the abbreviated drill stem test indicated low rate gas production, it is considered likely that well stimulation (fracking) would be required for commercial production.

Within most of the Permian section, elevated gas readings with an oily breakdown+together with minor oil fluorescence were recorded. These positive shows support the potential for an oil leg being present further downstructure.

Currently, the rig move to the Flax 7 development well site is underway and drilling operations are scheduled to commence next week.

Participants in the project are:

Innamincka (operator)	75%
SCGAU	25%

Yours sincerely

Innamincka Petroleum Limited

Leni Stanley
Company Secretary