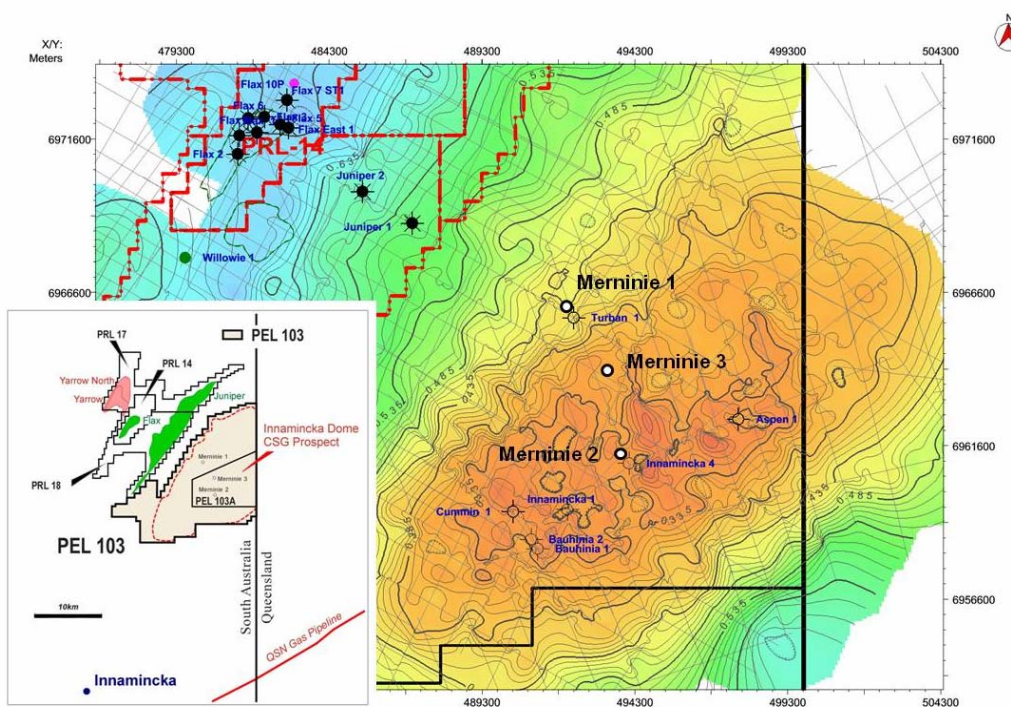

ANNOUNCEMENT TO ASX

Date: 11 September 2009
To: Australian Stock Exchange Limited
Companies Announcement Office
Electronic Lodgment System

Dear Sir

PEL 103 and PEL 103A - Coal Seam Gas Drilling Programme

AGL Energy Limited ("AGL"), as operator of the coal seam gas programme for PEL 103 and PEL 103A Joint Ventures, has advised that Primary Industries and Resources SA, ("PIRSA") has provided its approval for the proposed 3 well, coal seam gas coring programme on the Innamincka Dome in the Cooper Basin.



Wellsite construction is on track to commence next week. AGL advise that this will be followed by mobilisation of the drilling contractor Tom Browne Drilling Services which is

expected to occur within 3 weeks. The drilling programme will commence with the spud of the first well, which is anticipated to be Merninie 2, shortly thereafter.

It is anticipated that the drilling programme will take approximately 6 weeks, at the end of which a full series of lab analysis activities will be undertaken.

Updates of further progress will be made in due course.

Yours sincerely
Innamincka Petroleum Limited



Leni Stanley
Company Secretary

Participating interests in the referenced joint ventures are:

PEL 103 and 103A

| | PEL103 | PEL103A |
|---|--------|---------|
| Innamincka Petroleum Limited | 37.5% | 37.5% |
| AGL Energy Limited (Operator of CSG activity) | 37.5% | 37.5% |
| Seoul City Gas (Australia) Pty Ltd | 25% | - |
| Avery Resources (Australia) Pty Ltd | - | 25% |