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# ANNOUNCEMENT TO ASX

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**Date:** 5 November 2009  
**To:** Australian Stock Exchange Limited  
Companies Announcement Office  
Electronic Lodgment System

Dear Sir

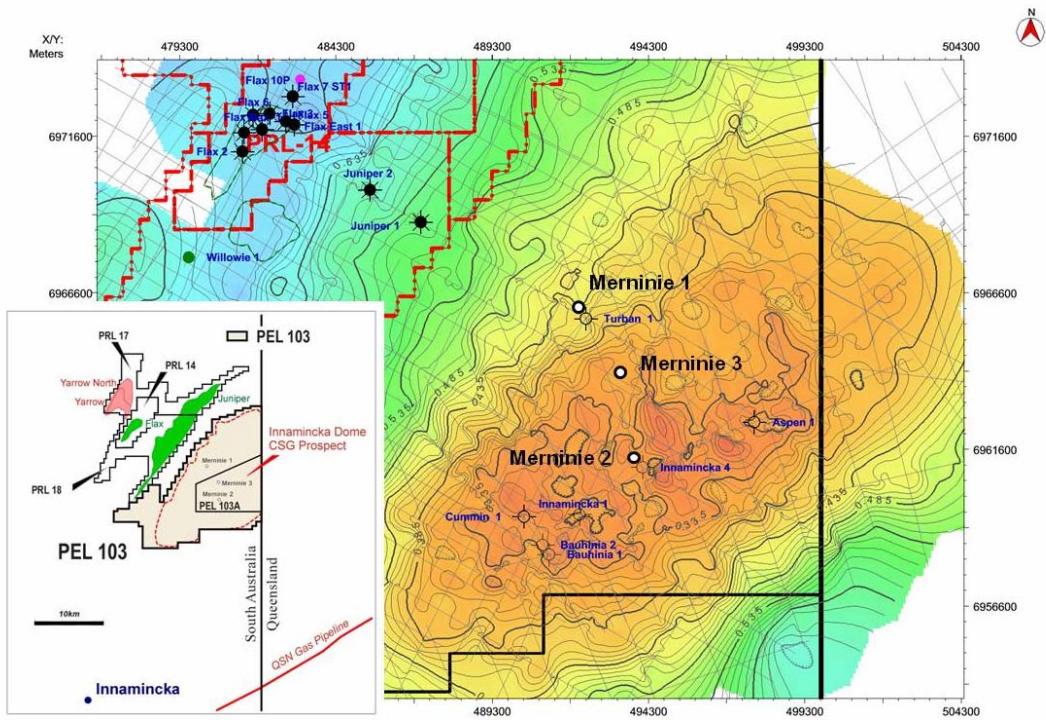
## **Coal Seam Gas Drilling Programme Update**

AGL Energy Limited ("AGL"), operator of the coal seam gas programme for PEL 103 and PEL 103A Joint Ventures, has advised Innamincka Petroleum that drilling has concluded on the Merninie 2 coal seam gas (CSG) exploration well. This was the first well in a three well programme.

Merninie-02 was unable to reach planned total depth of 550m due to deteriorating hole conditions. Coring was terminated at a total depth of 518m. Gas was observed evolving from cores and samples have been placed in canisters to measure desorbed gas.

Merninie 2 has been plugged and abandoned and the rig has moved to the second well location, Merninie 3. Surface casing has been set and drilling is continuing ahead to core point.

The three core hole drilling programme is expected to be completed before Christmas. Updates of drilling progress will continue to be made in due course.



Yours sincerely  
**Innamincka Petroleum Limited**

*Leni Stanley*  
**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%