

ANTILLES AMEND FARM IN AGREEMENT WITH **UNION OIL AND GAS GROUP**

Antilles Oil and Gas NL ("**Antilles**" or the "**Company**") would like to announce that it has amended its Farm-In agreement with Union Oil and Gas Group Ltd ("Union") in relation to its Block 105 onshore Peru project.

A summary of the amendments are as follows:

- Changing the Participating Interests so that Union's interest ("Farmor") increases from 50% to 80% and Antilles ("Farmee") interest decrease from 50% to 20%;
- Should Antilles be appointed as the operator of Block 105 that Union becomes the Operator of the project subject to the terms of the Joint Operating Agreement;
- An increase from 75% to 100% of the costs incurred by the Farmee must be paid by the Farmor in regards to the drilling of the first well;
- That the Farmor must issue their own security bond in the amount of US\$1 million to the relevant Peruvian government agencies to facilitate the release of the existing bank bond that the Farmee currently has in place.

The board of Antilles is pleased that the company is now 100% carried on the first exploration well on Block 105 onshore Peru and look forward to working with Union to ensure that operatorship is awarded on the block as soon as practical.

For further information contact the Company Secretary for Antilles, Mr Ranko Matic, on +61 (08) 9226 4500.