

GLOBAL PETROLEUM INDUSTRY MAJORS JOIN AUSTRALIAN COMPANY TO DEVELOP WORLD-FIRST DRILLING /CORING TECHNOLOGY

ANNOUNCEMENT

7 APRIL 2009

SUMMARY

- Coretrack to take delivery of APS mud pulse telemetry system and ball drop sub (shipped from USA to Perth).
 - Coretrack in discussions with major service companies (Halliburton/DBS & Baker Hughes/ Inteq) to run the Core Level Recorder (with telemetry) System ("CLRS") in conjunction with their respective coring assemblies.
 - Coretrack in early discussions with Chevron regarding use of CLRS in Chevron wells.
 - Coretrack to well test telemetry in MTH-4 Mt Horner well, located near Dongara in Western Australia.
 - Coretrack to present paper 'Measurement While Coring – Measurement of Core Acquisition in Real Time' at APPEA conference in Darwin.
- I. Coretrack to take delivery of APS mud pulse telemetry system and ball drop sub (shipped from USA to Perth).

Coretrack Limited ("Coretrack" or "the Company") is pleased to announce that the mud pulse telemetry system (Surface Telemetry System) and custom made (and Coretrack patented) ball drop sub have been air freighted from APS Technology, Inc. ('APS') in Connecticut, USA, to Coretrack in Perth.

The ball drop sub connects the Coretrack proprietary Core Barrel Telemetry System with the Surface Telemetry System. In conventional coring, a ball is dropped from the surface to effectively stop the flow of drilling fluid through the inner core barrel. As the location of the mud pulser prohibits this method, the ball drop sub is required in order to drop a ball locally.

The shipment of the above represents a crucial step toward completion of the entire CLRS. The system is expected to arrive in Perth on or about 10 April 2009. Once the shipment has arrived, APS staff will assist Coretrack personnel with training and initial assembly in Perth.

In the meantime, integration of the CLRS component parts is also underway. Heat testing and pressure testing of individual parts is taking place at present and testing of assembled components will occur shortly thereafter. Coretrack has installed its own pressure and temperature testing facilities at the Company's workshop to allow tests to be carried out in-house; in a more time and cost effective manner.

II. Coretrack is in discussions with major service companies (Halliburton/DBS & Baker Hughes/Inteq) to run the CLRS in conjunction with their respective coring assemblies.

As previously advised, Coretrack has benefited from the support received from Halliburton/DBS in the provision of designs and/or parts of physical coring assemblies to conduct initial testing and ensure compatibility of its product with Halliburton/DBS assemblies. The Company is now pleased to announce that it has received similar support from Baker-Hughes/Inteq in that the latter has also provided both technical information and equipment to facilitate a successful integration of the CLRS with Baker-Hughes/Inteq coring assemblies.

III. Coretrack in early discussions with Chevron regarding use of CLRS in Chevron wells.

Coretrack has been working with Chevron and Baker-Hughes (Inteq) for provision of the CLRS in the Clio-2 well in Australia's North West Shelf. Due to a slight advancement of the drilling schedule for Clio-2 as compared to earlier predictions, the CLRS will not be ready in time for this particular well. However, contract negotiations will continue, to allow immediate service to Chevron upon completion of the CLRS. Discussions along similar lines have taken place with Halliburton/DBS and BP.

IV. Coretrack to well test telemetry in MTH-4 Mt Horner well, located near Dongara in Western Australia

As a final field test of the core barrel telemetry system, the telemetry system will be installed within lengths of up to 54 metres of inner core barrel, filled with a drilling fluid complete with solids and lowered into a well submerging the entire assembly. This test provides close to actual well conditions, without running the entire system in an operating well.

Subject to success of the above test, the first full system well test is likely to take place in early May 2009.

V. Coretrack to present paper 'Measurement While Coring – Measurement of Core Acquisition in Real Time' at APPEA conference in Darwin.

In addition to the technological and commercial progress, to provide further industry exposure for Coretrack and its CLRS, Coretrack's Technology Manager, Dr Greg Wheatley, will be presenting a paper on Coretrack's innovative technology at the Australian Petroleum Production and Exploration Association's (APPEA) annual conference in Darwin (31 May to 3 June 2009). Details of the paper will be provided in a separate release.

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MWC - Measuring While Coring

Coretrack Limited is an ASX listed company which provides leading *technological solutions* to the global oil & gas industry. Coretrack's primary focus since listing has been the commercialisation of its revolutionary and patented technology, the **Core Level Recorder System**.

The Core Level Recorder (CLR) is a measuring and recording device that is placed inside the inner core barrel. During coring the unit rests upon the column of core that is entering the barrel and records the amount of core captured. This data collected will inform geologists from what depths core was captured and conversely, where core was lost, if a full recovery was not obtained. Coretrack has run the CLR (without the telemetry to surface) with a number of major operators & the tool is market ready now.

Coretrack has designed and is in the process of completing development of the **Core Level Recorder System** (CLR with real-time telemetry) - a coring tool that will enable an explicit measurement of the acquisition of a core sample during a coring operation. The availability of real time data on the rig floor will ensure substantial cost savings to the exploration and production companies.