



ASX ANNOUNCEMENT FOR IMMEDIATE RELEASE

Friday 30 October, 2009

STUART POSTS STRONG SEPTEMBER QUARTER RESULT

Stuart Petroleum Limited (ASX code: STU) has posted a strong September Quarter result. Income from Stuart's Cooper/Eromanga Basin oil production continues to strengthen the Company's financial position and create an effective platform for growth.

Stuart generated Sales revenue of A\$7.4 million from the production of 64,970 barrels of oil, in line with expectations, compared to A\$8.2 million from 75,205 barrels of oil in the June 2009 Quarter.

Stuart paid down A\$2.9 million of bank debt from the proceeds of production and the realisation of currency hedges.

Subsequent to the end of the Quarter, Stuart announced to the ASX on 26 October 2009 that it had agreed to sell its 50% earn-in interest in the offshore Timor Sea permit, AC/P33, including the Oliver oilfield appraisal and development project for US\$7.5 million and would record an A\$4.4 million pre tax profit on the sale. Proceeds from the sale will effectively eliminate Stuart's outstanding debt.

In the coming months, Stuart intends to focus on maximising production from its Cooper Basin oil fields to support its investment in growth projects, including the development of natural gas in the region and the Port Bonython Fuels project.

The Managing Director of Stuart, Mr Tino Guglielmo said:

"Sales revenue and production for the Quarter were in line with expectations. Sales revenue reflected an average price of A\$113.90 per barrel, an increase of \$4.90 per barrel over the previous quarter. USD oil prices increased during the period but were significantly offset by the increasing strength of the AUD compared to the USD.

"The profitable sale of the Timor Sea permit, AC/P33, is a testament to the value that Stuart's technical team was able to add to the asset for Stuart, for its joint venturers and for the buyer.

"The sale of the asset, acquired in August 2008, is consistent with our business model of acquiring assets with potential, adding value through our technical expertise and then realising value for the benefit of all stakeholders."

Annual General Meeting

The Annual General Meeting of the Company will be held at the Stamford Plaza Hotel, 150 North Terrace, Adelaide at 10.00am on Monday 16 November 2009.

For further information please contact:

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