



PRESS RELEASE ASX ANNOUNCEMENT – FOR IMMEDIATE RELEASE

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OLIVER OIL & CONDENSATE DISCOVERY TIMOR SEA (AC/P33) MAJOR UPGRADE TO RECOVERABLE LIQUIDS ESTIMATES

A major reservoir modelling study recently completed by Stuart Petroleum Limited (**Stuart**) and its technical advisers has delivered a **68% increase** in the mean estimated volume of hydrocarbon liquids recoverable from its 50% owned Oliver oil, gas and condensate discovery.

Today's mean estimate of **32.6 million barrels** recoverable supersedes the estimate of **19.3 million barrels** which Stuart released to ASX in August 2008. The estimates range from 12 to 60 million barrels (Statistical probability ranging from P90 to P10 respectively).

Stuart's Managing Director, Mr Tino Guglielmo, said today that:

"Today's results accord with Stuart's view that the Oliver oil and condensate discovery is firming as one of Australia's more attractive offshore petroleum developments."

The upgraded estimate has been prepared by petroleum industry experts ReservoirTeam Pty Limited and independently reviewed by internationally recognised oil and gas consultants RISC Pty Limited. Both ReservoirTeam and RISC are qualified to opine in this respect and both have consented to the release of their conclusions in the form and context of this release.

Mr Guglielmo went on to say:

"Stuart is pleased to acknowledge contact with a series of respected petroleum companies who have expressed interest in working with Stuart to appraise and develop the Oliver resource. Stuart has engaged Gresham Advisory Partners Limited to assist in these discussions."

Mr Guglielmo also confirmed that the Oliver resource is likely to be developed as an oil and gas liquids stripping operation, with the de-liquefied gas and associated LPG being injected back into the reservoir for production and sale some time after the oil and condensate have been produced.

Stuart last month completed a sea bed survey of a section of the Oliver field, preparatory to drilling an appraisal well, Oliver-2, late this year or early next year. The Company has contracted the semi-submersible drilling rig *Songa Venus*, presently working in the Timor Sea, to carry out this work.

For further information please contact:

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AC/P33 Permit Location Map Offshore Vulcan Sub-Basin Mesozoic

