



29 April 2009

Company Announcements
ASX Limited
Level 4, 20 Bridge Street
SYDNEY NSW 2000

VPE QUARTERLY REPORT FOR THE PERIOD ENDING 31 MARCH 2009

HIGHLIGHTS FOR THE QUARTER

- Victoria Petroleum N.L. (ASX-VPE) has \$20 million cash on hand, no debt and estimated calendar 2009 net oil revenue of \$6 million at current low oil prices, a strong position in current markets.
- Continuation of focussed Australian growth strategy on the two key VPE projects: Cooper Basin Oil exploration, development and production in South Australia and Queensland to provide immediate strong cash flow and the Surat Basin Queensland coal seam gas (CSG) development to provide medium term significant asset growth.
- Successful 2008 development drilling campaign at Cooper Basin Growler Oil Field reflected in 10% increase in Cooper Basin gross oil production over last quarter from 837 barrels of oil per day (bopd) to 923 bopd.
- Upgrade of Growler Oil Field production facilities to be completed mid 2009 to provide increase in production capacity from 1,000 barrels per day to 2,000 barrels per day.
- Recommencement of exploration drilling on SA Cooper Basin Western Margin Oil Trend with planned drilling of Snatcher-1 in 2Q 2009.
- Net VPE oil production for the quarter was 35,781 barrels of oil at an average production rate of 398 bopd, a 6% increase over the previous quarter.
- Estimated net oil sales for the quarter of \$1.1 million on gross oil sales of \$2.2 million.
- First certification of Surat Basin CSG reserves for Don Juan CSG Project with initial gross 192 Peta Joules (PJ) of 3P recoverable gas reserves. Continuing production testing and monitoring to progress to initial 2P reserve certification by mid 2009.
- Advice from operator QGC-BG Group of active CSG drilling program commencing 3Q 2009 in prime Surat Basin "LNG corridor" CSG permits PL 171/ATP 574P.
- Active drilling program of up to 30 wells through 2009 in VPE's core oil and CSG interests, as per the attached "VPE Planned 2009 Drill Schedule". This activity to be funded by cash on hand and oil sales net revenue.

Exploration Activity

Cooper Basin, South Australia / Queensland

1. Operator and participant in eight well oil exploration program planned over next twelve months in South Australian and Queensland Cooper Basin where VPE holds major gross and net acreage exploration area with average 30% interest in 14 permits.
2. Major 3D seismic program of 268 square kilometres completed late March 2009 to define exploration, appraisal and development drilling targets for 3Q 2009 drilling on the significant "Jurassic oil fairway" in western portion of PEL 104 and PEL 111. This, fairway termed the "Western Margin Oil Project", covers up to 1,200 square kms, with potential with further exploration success to contain a resource of up to 100 million barrels of oil in place. VPE is the project operator. (VPE – 40%).
3. Aim of the Western Margin Oil Project 3D seismic survey is to determine the distribution of the productive Birkhead channel sand and associated structures in the Wirraway, Warhawk and Tigercat oil discoveries. Birkhead channel sands have tested at up to 2,040 barrels of oil per day in the Growler Oil Field.
4. First test of Western Margin Oil Trend using 3D seismic to map target Birkhead channel sands will be Snatcher-1, drilling in 2Q 2009, 900 metres north of the Charo-3 oil well in adjacent Santos operated production licence.
5. Some 47 prospects and leads have been mapped in the Western Margin Oil Project with seven drillable prospects identified with unrisks P10 recoverable resource of 21 million barrels of oil in the Birkhead formation, if oil is present. (VPE – 40%).
6. Planned 2 well commitment exploration drilling program in 3Q 2009 in PEL 111 on the Warhawk-Charo oil fields trend, in the northern part of the Western Margin Oil Project, following August 2009 interpretation of the 3D seismic data.
7. First up exploration drilling success in southwest Queensland Cooper Basin permit ATP 752P by Santos (operator) at Cuisinier-1, the first oil exploration well of a 7 well drilling and seismic exploration program with total estimated expenditure of \$18.5 million. Cuisinier-1, has been cased and suspended as a future oil producer and is targeted to be placed on production in 3Q 2009. (VPE – 20%).
8. Continuing exploration in ATP 752 with completion of acquisition of 300 square kilometre 3D seismic programs at no cost to VPE, to determine exploration and appraisal drilling targets for 1Q 2010 drilling.
9. In South Australian Cooper Basin permit PEL 115, VPE is currently in farmin discussions with interested parties with the aim, if a farmin is concluded, to provide VPE with a free carried 25% interest through drilling of 2 wells, commencing 3Q 2009. (VPE – 100%).

Surat Basin Coal Seam Gas Interests, Queensland

10. The potential gross Coal Seam Gas (CSG) resource in three VPE permits in Surat Basin, Queensland could be as high as 2,000 Peta Joules (PJ) with potential net recoverable gas resource to VPE in excess of 560 PJ.
11. Certification of initial gross recoverable 3P reserves of 192 PJ (86 PJ net to VPE) by MHA Petroleum Consultants, LLC (MHA) for the Don Juan CSG Project in the Surat Basin, Queensland. (VPE – 45%).

12. Following on from the initial Don Juan CSG Project 3P reserve certification, the operator commenced during the quarter extended production testing of the Don Juan CSG Project wells with the aim of an initial certifiable 2P gross recoverable CSG reserve by mid 2009. High coal permeability's are indicated from preliminary testing results. (VPE – 45%).
13. The Don Juan CSG Project is immediately adjacent to the Sunshine Gas Lacerta CSG Project, which has a reported CSG reserve of up to 1,013 PJ (3P).
14. In Surat Basin Petroleum Lease 171, following the success of the initial two coal seam gas core holes drilled in early 2008, a further drilling program is planned by the operator, Queensland Gas Company (QGC) – BG Group, to commence in 3Q 2009 to assess the in place CSG resource of up to 580 PJ. (VPE – 20%)
15. In the adjacent permit to PL 171, ATP 574P, up to six CSG wells are planned to be drilled in 3Q 2009, operated by QGC-BG Group. Aim of this drilling is to prove up an initial certifiable gross recoverable CSG reserve of up to 100 billion cubic feet by the end of 2009. The CSG coals in the permit are interpreted to have a potential CSG resource in place of up to 1,700 PJ. (VPE – 30%).

Development and Production Activity – Australia

16. Total gross oil production from the Australian operations over the quarter estimated at 134,184 barrels of oil at an average production rate of 1,491 bopd. Net VPE oil production for the quarter was 35,781 barrels of oil at an average production rate of 398 bopd, a 6% increase over the previous quarter.
17. Estimated net oil sales for the quarter of \$1.1 million on gross oil sales of \$2.2 million with average Tapis oil price during the quarter of US\$48/bbl (A\$72/bbl).
18. The Mirage and Ventura oil fields in PEL 115, South Australian Cooper Basin, produced during the quarter an estimated gross 7,768 barrels of oil at an average combined gross rate of 86 bopd, with net production to VPE of 28 bopd. (VPE – 40%).
19. The Growler Oil Field in PEL 104/PRL15, South Australian Cooper Basin, produced during the quarter an estimated 75,294 barrels of oil at an average combined gross rate of 837 bopd, with net production to VPE of 335 bopd. The 10% increase in Growler oil production for the quarter resulted from the addition of Growler-5 to the field production in March 2009.
20. During the quarter, the Growler Oil Field production rate was constrained by the capacity of the production facilities. Upon the completion of the Growler production facilities upgrade in June 2009, the facilities will have the capacity to process total field production rates of up to 2,000 barrels of fluid per day. The opportunity is then present to increase the field gross production rate through 2009 from 900 bopd to higher rates. (VPE - 40%).
21. The Jingemia Oil Field in the North Perth Basin produced during the quarter 51,122 gross barrels of oil at an average rate of 568 bopd, with VPE net of 28 bopd. (VPE - 5%)
22. It is anticipated that current and planned VPE oil production from existing oil fields will generate net cash flow estimated at \$6 million for the 2009 calendar year, using a constant oil price of US\$45/bbl and A\$/US\$ = 0.65.

Other Assets & Corporate Activity

23. Discussions are in progress with interested parties for the sale of Victoria Petroleum USA Inc. Proceeds from the sale will be used for ongoing development drilling in VPE's Cooper Basin and Queensland CSG interests.

24. Victoria Petroleum N.L. has a 7.24% interest in Greenerth Energy Limited (ASX code: GER), an active geothermal exploration company.

25. Cash and current investments as at 31 March 2009 to fund planned VPE exploration and development drilling activities, as follows:

Cash at bank and on deposit	:	\$19,693,517
Current investments in listed companies valued at market	:	\$323,663
Total	:	<u>\$20,017,180</u>



































John T Kopcheff
 Managing Director
 VICTORIA PETROLEUM N.L.

Information contained in this report relating to hydrocarbon reserves was compiled by the Managing Director of Victoria Petroleum N.L., J.T. Kopcheff, BSc (Hons Eco.Geol), FAIMM, MAAPG, MSPE, MPESA, who has over 35 years experience in the practice of petroleum exploration geology and geophysics.

For information on Victoria Petroleum N.L. drilling activities visit our website at www.vicpet.com.au



2009 CSG & Oil Drilling & Production Testing Schedule

PERMIT - INTEREST % (After farmout – direct & indirect)	2009									
	April	May	June	July	August	September	October	November	December	
ATP 771P Surat Basin CSG 45%	 Don Juan	 Don Juan	 Don Juan	 Don Juan	 Don Juan	 Don Juan	 Don Juan	 Don Juan	 Don Juan	 Don Juan
ATP 574P Surat Basin CSG 30%						 Marcus	 Pine/Peebs	 Marcus	 Marcus	 Marcus
PL 171 Surat Basin CSG 20%				 Carla	 Carla	 Carla	 Carla	 Carla	 Carla	 Alex
ATP 794P Eromanga Basin CSG 45%						 Canaway				
PEL 104/111 Cooper Basin (Operator) 40%			 Snatcher				 Liberator	 Spitfire	 Tigercat	
PRL 15 Cooper Basin (Operator) 40%						 Growler-6	 Growler-7			
PEL 115 Cooper Basin (Operator) 25%				 Mustang	 Fury					
ATP 752P Cooper Basin 15%					 Cuisinier					

CSG – Coal Seam Gas

 Drilling

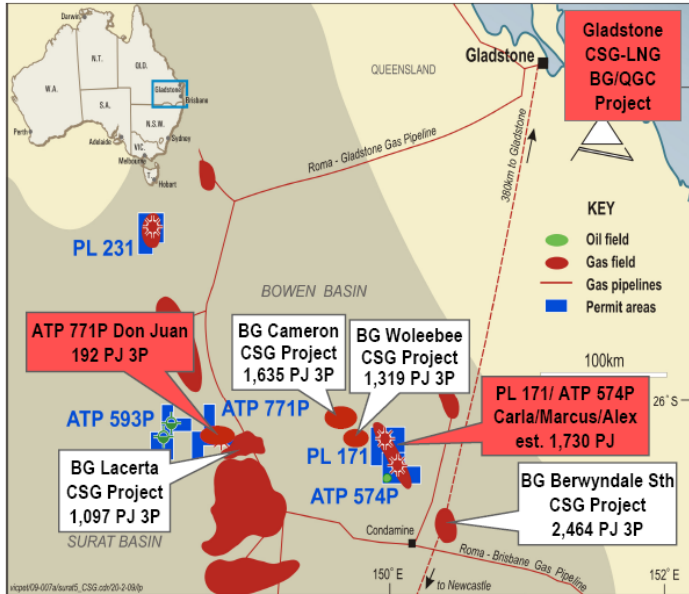
 Production Testing

 CSG Activity

 Oil Activity

(Note: All well timing and permit interests subject to rig availability and JV approval)

Coal Seam Gas Projects, Surat Basin Net 560+ PJ Potential



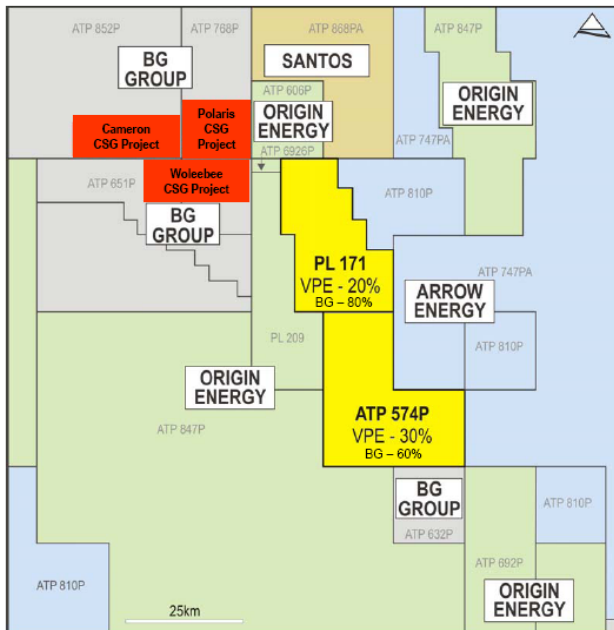
- PL 171/ ATP 574P – Carla/Marcus/Alex et al - QGC operator. VPE 25%
Gross potential est. 1,730 PJ.
VPE est. Net 480 PJ
Certification drilling starting ~ July 2009

Well positioned in “CSG-LNG corridor” centred on Gladstone

- ATP 771P- Don Juan- BOW operator. VPE 45%
Gross potential ~192 PJ.
VPE est. Net 86 PJ
Certification testing in April 2009.

DISCLAIMER: The contents of this page are not and should not be used as a substitute for independent professional advice in making decision involving Victoria Petroleum NL or any of its associated entities. Victoria Petroleum NL shall not be liable for any loss or damage caused by or arising, directly or indirectly, as a result of the viewer's use of the information contained within the files and documents that comprise this page.

Prime CSG acreage – PL 171 / ATP 574P



- PL 171/ATP 574P CSG Project in “quality” Surat Basin CSG - LNG fairway
- Surrounded by Origin, Santos, Arrow & BG Group permits
- 7 core holes with first CSG production testing in 2001 by QGC
- Gas flared at surface
- Gross potential resource est. 1,730 PJ
VPE est. Net 480 PJ



QGC Production testing ATP 574P, 2001

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/1996. Origin: Appendix 8. Amended 1/7/1997, 1/7/1998, 30/9/2001.

Name of entity

Victoria Petroleum NL

ABN

008 942 827

Quarter ended ("current quarter")

31 March 2009

Consolidated statement of cash flows

		Current quarter \$A'000	Year to date (9 months) \$A'000
Cash flows related to operating activities			
1.1	Receipts from: (a) product sales	2,151	7600
1.2	Payments for: (a) exploration and evaluation	(668)	(5,185)
	(b) development	(1,175)	(5,042)
	(c) production	(1,568)	(3,197)
	(d) administration	(678)	(2,272)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	176	692
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (prepayments, overhead recoveries)	345	964
Net operating cash flows		(1,417)	(6,440)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	(4)
1.9	Proceeds from sale of: (a) prospects	-	-
	(b) equity investments	22	22
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
Net investing cash flows		22	18
1.13	Total operating and investing cash flows (carried forward)	(1,395)	(6,422)

Appendix 5B
Mining exploration entity quarterly report

	Current quarter \$A'000	Year to date (9 months) \$A'000
1.13 Total operating and investing cash flows (brought forward)	(1,395)	(6,422)
Cash flows related to financing activities		
1.14 Proceeds from issues of shares, options, etc.	6	6,663
1.15 Proceeds from sale of forfeited shares	-	-
1.16 Proceeds from borrowings	-	-
1.17 Repayment of borrowings	-	-
1.18 Dividends paid	-	-
1.19 Other	-	-
Net financing cash flows	6	6,663
Net increase (decrease) in cash held	(1,389)	241
1.20 Cash at beginning of quarter/year to date	20,539	17,670
1.21 Exchange rate adjustments to item 1.20	544	1,783
1.22 Cash at end of quarter	19,694	19,694

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

	Current quarter \$A'000
1.23 Aggregate amount of payments to the parties included in item 1.2	151
1.24 Aggregate amount of loans to the parties included in item 1.10	Nil

1.25 Explanation necessary for an understanding of the transactions

Directors' fees, salaries and superannuation.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	1,369
4.2 Development	1,184
Total	2,553

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	17,782	18,762
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Cash advanced to joint venture operations	1,912	1,777
Total cash at end of quarter (item 1.22)	19,694	20,539

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements acquired or increased			

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	368,151,033 270,000 1,915,000 7,225,000	368,151,033 - - -	\$3.50 60.00c 40.00c	10.00c 1.00c 0.10c
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 +Convertible debt securities				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options	<i>Expiry date:</i> 31/1/2010 61,760,016 <i>Expiry date:</i> 31/1/2012 9,525,000	61,760,016 -	<i>Exercise price:</i> 25.0c <i>Exercise price:</i> 25.0c	- -
7.8 Issued during quarter	<i>Expiry date:</i> 31/1/2012 9,525,000	-	<i>Exercise price:</i> 25.0c	-
7.9 Exercised during quarter	<i>Expiry date:</i> 31/1/2010 29,631	29,631	<i>Exercise price:</i> 25.0c	-
7.10 Expired during quarter				

+ See chapter 19 for defined terms.

	Total number	Number quoted
7.11 Debentures <i>(totals only)</i>		
7.12 Unsecured notes <i>(totals only)</i>		

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: Date: 29 April 2009
Company Secretary

Print name: Denis Rakich

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 Issued and quoted securities: The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 Accounting Standards: ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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