

## ASX/MEDIA ANNOUNCEMENT

25 August 2010

The Manager  
Companies Announcements Office  
Australian Securities Exchange



### SHALE GAS DRILLING PROGRAM - UPDATE ON SPUD DATE

Adelaide Energy Ltd (ADE) has been advised by the Operator of the PEL 218 shale gas drilling program, Beach Energy Ltd (BPT), that the spudding of the first well in that program (Encounter-1) is now expected in early to mid September 2010. ADE has a 10% interest in this program and is carried through the first \$25M (gross) of expenditure thereon.

Recent progress on the rig up of the Ensign 16 drilling unit on the Encounter-1 location is pictured below.

Commenting on the impending start of the drilling program, Carl Dorsch, ADE's Managing Director, said:

*"The spudding of Encounter-1 will mark a significant step in the exploration of the Nappamerri Trough's potentially vast shale gas resources and Adelaide Energy is looking forward to participating at the forefront of the shale gas revolution in Australia. The prospective resources for a company of ADE's size provide potentially huge leverage for our shareholders."*

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**ASX Code : ADE**

## Ensign 16 Rigging Up



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