

ASX ANNOUNCEMENT FOR IMMEDIATE RELEASE

10 June 2010

SHALE GAS POTENTIAL COAL SEAM GAS POTENTIAL

SHALE GAS

Technical review by Stuart and by Denver-based unconventional gas experts, MHA Petroleum Consultants 'MHA', has resulted in Stuart's recognition that two significant areas in its recently-granted tenement PEL516 in the Southern Cooper Basin - the Allunga Trough and the Mettika Embayment – hold considerable potential for the identification of major resources of Shale Gas.

In these localities the Permian-aged Roseneath and Murteree Shales are well developed and at moderate depths, conditions which are conducive to the development of relatively high-value high methane gas content (low carbon dioxide content) with high levels of contained gas-liquids. Also, gas in these strata is likely to prove noticeably less expensive to develop than in other, deeper, sectors of the Cooper Basin.

COAL SEAM GAS

As reported in Stuart's Quarterly Report for the period ending 31 March 2010, MHA has advised that Stuart's Cooper Basin tenements have potential to contain in excess of **20 TRILLION CUBIC FEET** of coal-hosted gas-in-place, Stuart share, principally in Stuart's northern tenements. More detailed studies are continuing.

For further information please contact:

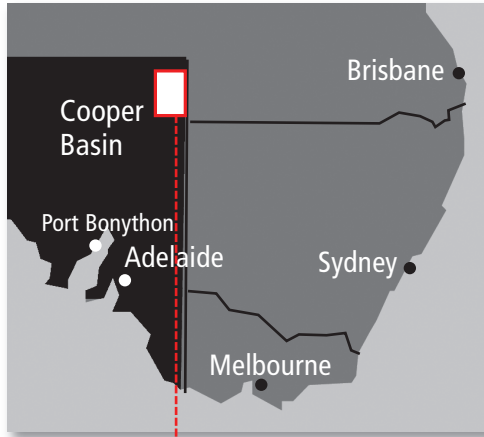
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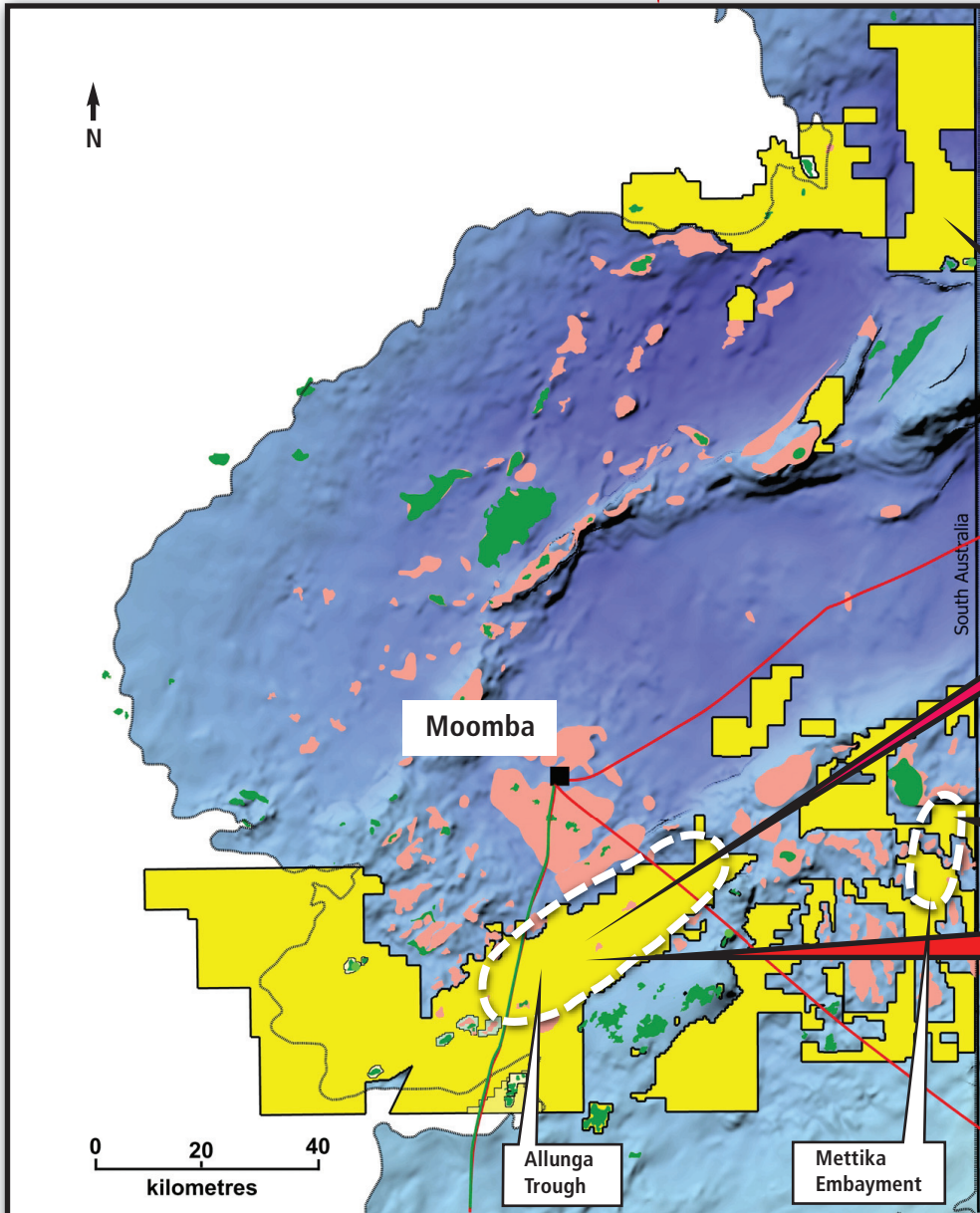
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Stuart Petroleum Limited Shale Gas and Coal Seam Gas Cooper/Eromanga Basin Holdings

- Oilfield
- Gasfield
- Oil Pipeline
- Gas Pipeline



Stuart Petroleum
Cooper/Eromanga
Basin Acreage



Coal Seam Gas
potential for up to
21 Trillion Cubic Feet of
gas in place - Stuart share

Shale Gas
potential for major gas
accumulations - 100% Stuart