

ASX ANNOUNCEMENT FOR IMMEDIATE RELEASE

5 May 2010

OIL PRODUCTION BACK ON STREAM

Oil producer Stuart Petroleum Limited (ASX code: **STU**) wishes to advise that it has resumed oil production and exports from several of its Cooper/Eromanga Basin oilfields following the completion of repairs to rain-affected access roads to the Worrior, Padulla and Harpoono oilfields.

Rain-affected road conditions disrupted oil production in the Cooper Basin for much of the March Quarter and April. Stuart is preparing a claim for recompense under the terms of its Business Interruption Insurance policy and the Company's insurance underwriters have appointed a loss adjuster to review its claim.

Stuart is targeting production of around 0.19 million barrels of oil in financial year 2010, increasing to around 0.3 million barrels of oil in financial year 2011. These forecasts take into account the impact of rains experienced during the March Quarter.

For further information please contact:

Tino Guglielmo
Managing Director
Stuart Petroleum Limited
Ph: 08 8410 0611
Email: guglielmo.t@stuartpetroleum.com.au