

ASX/MEDIA ANNOUNCEMENT

1 February 2011

The Manager
Companies Announcements Office
Australian Securities Exchange



HOLDFAST-1 WEEKLY DRILLING REPORT

| ITEM | DETAIL |
|------------------------------------|---|
| Well name | ▪ Holdfast-1 |
| Permit | ▪ PEL 218 (Permian JV) |
| Participants | ▪ Beach Energy Ltd – 90% (Operator) ▪ Adelaide Energy Ltd (ADE) – 10% |
| Primary targets | ▪ Roseneath/Epsilon/Murteree shale/sand/shale sequence (“REM” unit) |
| Spud date | ▪ 21 January 2011 |
| Target depth (prognosed) | ▪ 3625m |
| Total depth @ end of current week | ▪ 955m |
| Total depth @ end of previous week | ▪ 776m |
| Metres drilled during week | ▪ 179m |
| Activities during week | ▪ Drill 17 ½” surface hole – run and cement 13 3/8 surface casing at 949.4m |
| Current activities | ▪ Awaiting crane for BOP installation – prepare 12 ¼” drilling assembly |
| Planned activities | ▪ Install and test BOPs – commence 12¼” intermediate hole |
| Other comments | ▪ Light rain during week – some hindrance to operations |

For further information contact:

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Holdfast-1 Time Depth Chart

