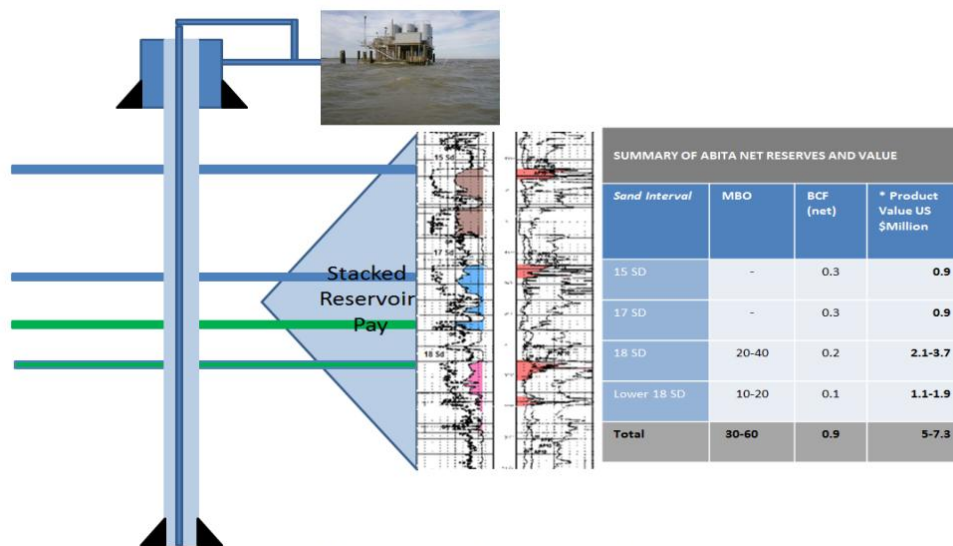


13 August 2013

## ABITA WELL PRODUCING

- Clayton Williams, the operator, has advised that the Abita well is on production and flow rates have stabilised at 1 mmcf/d and 10 bbls condensate per day through a 7/64 inch choke.
- The Operator will review production rates and pressures over the coming months to determine whether to open the choke further.
- The Company has a 20% working interest in the project. This interest reverts to 15% following recovery of project costs.
- Remaining gross reserves in the project are estimated at 150,000-300,000 bbls oil and up to 4.5 BCF gas with the 18 Sands estimated to contain the remaining oil reserves.



**COMPETENT PERSONS STATEMENT:** The information in this report has been reviewed and signed off by Mr KC Whittemore (Registered Geologist, Texas USA), and Kevin Kenning (Registered Reservoir Engineer) with over 36 and 30 years relevant experience respectively within oil and gas sector.

This report contains forward looking statements that are subject to risk factors associated with resources businesses. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including but not limited to: price fluctuations, actual demand, currency fluctuations, drilling and production results, reserve estimates, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory developments, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimates.

### Board & Management

**Mr Mark Freeman**

Managing Director

**Mr Charles Morgan**

Executive Chairman

**Mr Allan Boss**

Executive Director

**Mr Stephen Keenihan**

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