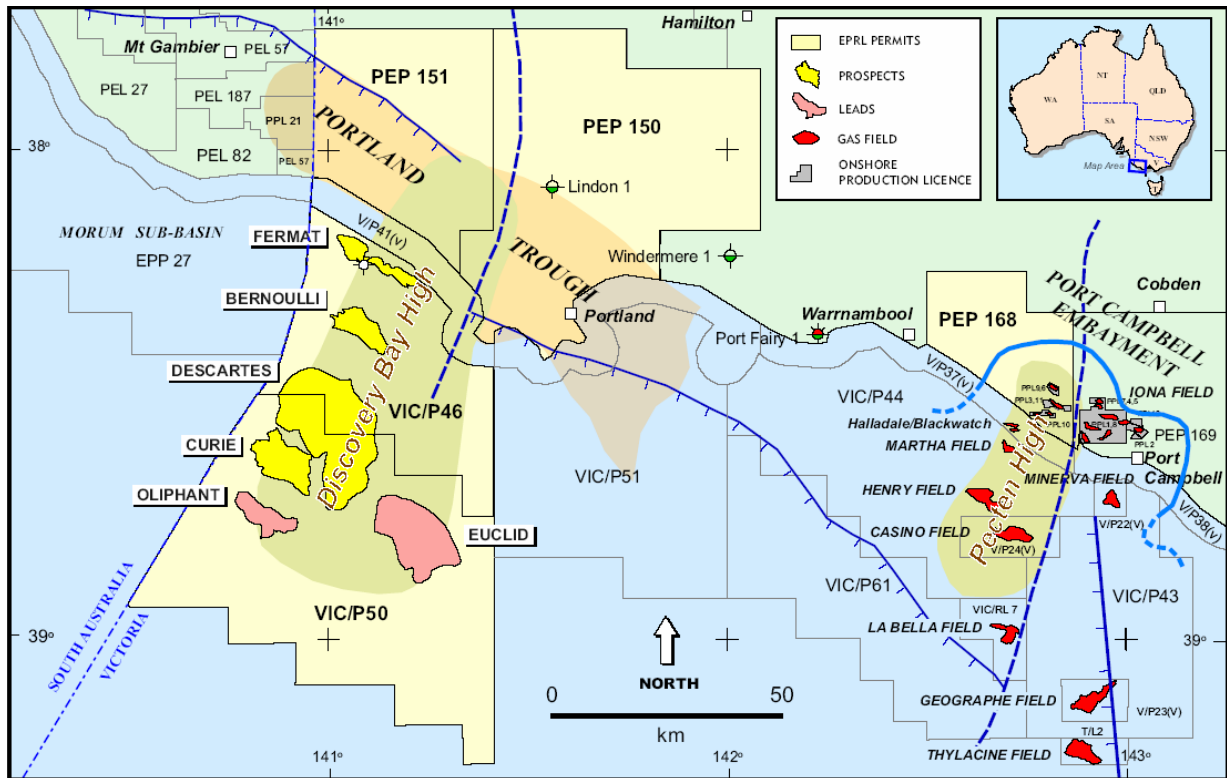


Opportunities in the Otway Basin, Australia

With an unrisksed exploration inventory exceeding 7 TCF gas or 3,000 MMbbl oil, Essential Petroleum Resources (EPR) offers substantial equity in an emerging petroleum province.



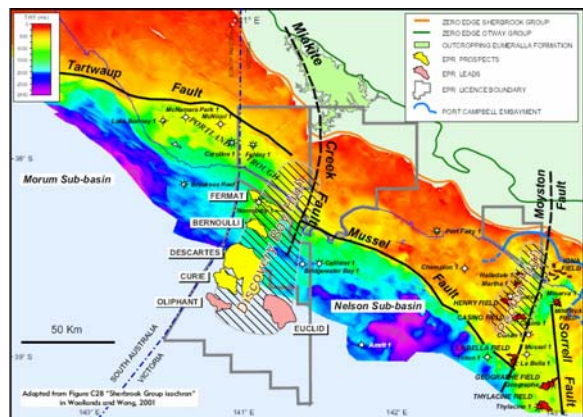
The Offer

Up to 75% equity in VIC/P50
Up to 25% equity in VIC/P46

The Geology

The Otway Basin is an Early Cretaceous to Tertiary extensional basin on the southern margin of Australia. The majority of production, and over 2 TCF of 2P resource, is from deltaic and low-stand Late Cretaceous sandstones in the lower part of the Sherbrook Group sourced from the underlying Eumeralla Formation. The EPR permits cover the Discovery Bay High – a late Cretaceous feature offsetting extension and basin development, controlling critical sand distribution and localising structuring.

Over 500m of lower Sherbrook Group sediments are preserved. The Eumeralla Formation is present throughout, including indications of oil-prone source rocks in the Morum sub-basin to the west.

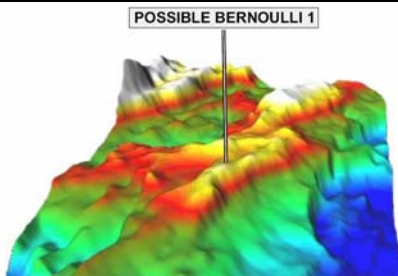
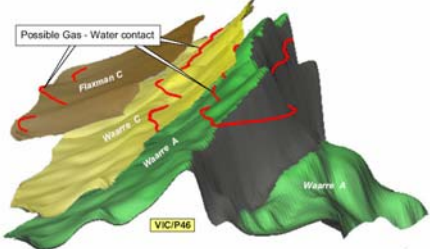
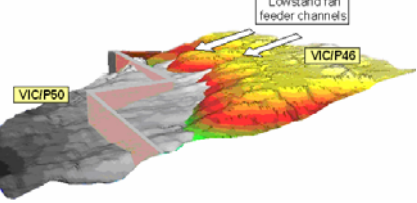
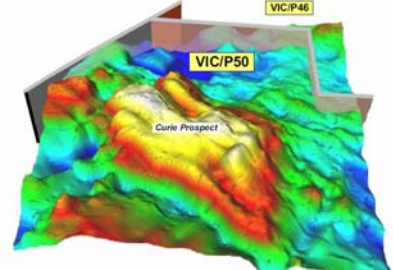
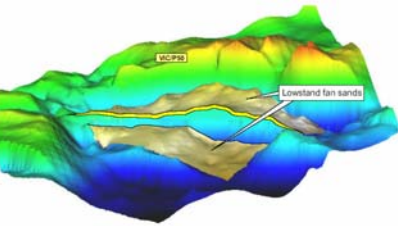
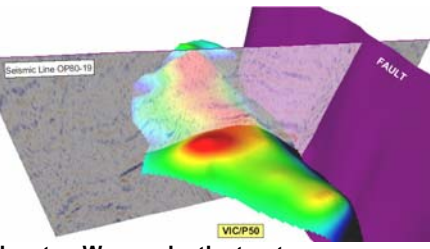


The Discovery Bay High is formed on an offset of Late Cretaceous extension over the Miakite Creek Fault and seen in the thickness of Late Cretaceous sediments.

For details contact:

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Leads and Prospects

VIC/P46 EPR 25%, Water depth 20 m to 400 m			
 <p>Top Waarre C horizon</p>	<p>Bernoulli Prospect. Large horst, new 2007 3D survey being processed. Waarre C target at depth 3200 m. Water depth 80 m.</p>		
	Reservoir	P50 estimate recoverable oil	P50 estimate recoverable gas
	Waarre C	280 MMbbl	740 BCF
 <p>Top Flaxman, Waarre C Waarre A horizons, with Normanby-1 LKG projected</p>	<p>Fermat Prospect Seismic amplitude/AVO and previous drilling supports stratigraphic trap within structural closure, stacked targets at depth 2700 to 2900 m. Water depth 95 m.</p>		
	Flaxman C	300 MMbbl	500 BCF
	Waarre C	375 MMbbl	610 BCF
	Waarre A	N/A	360 BCF
 <p>Top and base Oligocene fan</p>	<p>Descartes Prospect Prospective seismic facies identified within very large undeformed Tertiary basin-floor fan</p>		
	Oligocene VIC/P46	600 MMbbl	700 BCF
	Oligocene VIC/P50	200 MMbbl	235 BCF
VIC/P50, EPR 100%, water depth 400 to >2500 m.			
 <p>Top Intra Sherbrook "4" horizon</p>	<p>Curie Prospect High-side fault closure of basin-floor fan within distal facies. Strong amplitude support.</p>		
	Reservoir	P50 estimate recoverable oil	P50 estimate recoverable gas
	U Sherbrook Gp (restricted by amplitudes)	300	860 BCF
Unrestricted	750 MMbbl	N/A	
 <p>Top Euclid fan above "K85" sequence boundary</p>	<p>Euclid Lead Large confined low-stand sand with prospective seismic facies and amplitude support, juxtaposed against Eumeralla source.</p>		
	Intra Belfast Sands	760 MMbbl	3,190 BCF
 <p>Near top Waarre depth structure</p>	<p>Oliphant Lead Large deep-water roll-over anticline with four-way dip closure interpreted. Structure formation contemporaneous with late burial and charge. Requires some additional seismic.</p>		
	Waarre C or Lower Sherbrook	200 MMbbl	780 BCF