



Essential
Petroleum
Resources
Limited

ASX ANNOUNCEMENT

21 June 2004

Drilling Report No. 8 – Killarney EPRL No. 1 Well Plugged and Abandoned PEP 152 Otway Basin, Victoria

Essential Petroleum Resources Limited advises that Killarney EPRL No. 1 has been wireline logged and evaluated. The evaluation failed to identify good reservoir in spite of good gas shows throughout the targeted interval. The pre drill primary zone of interest is now interpreted to be a cemented glauconite sandstone with insufficient permeability to produce hydrocarbon. As a result the well was plugged and abandoned on 20 June 2004.

The Killarney EPRL No. 1 well was drilled in the Victorian petroleum exploration permit PEP 152.

The interest holders in PEP 152 are:

Essential Petroleum Resources Limited (Operator)	84.41%
Lakes Oil NL	15.59%

The Hunt Energy Rig #2 is now being moved to the Findra No. 1 location approximately 20 kms to the North of Port Fairy. It is anticipated that Findra No.1 will spud on Wednesday or Thursday this week.

Findra No. 1 has primary targets in the Pebble Point and Paaratte Formations up shallow and the deeper Waarre Formation. Based on a recovery of oil in Windermere No. 1, 12 kms to the west, oil is the expected hydrocarbon type.

The Findra No. 1 well is to be drilled in the Victorian petroleum exploration permit PEP 159.

The interest holders in PEP 159 are:

Essential Petroleum Resources Limited (Operator)	100%
--	------

A handwritten signature in black ink, appearing to read 'John Remfry'.

John Remfry
Managing Director

Enquiries: John Remfry
Managing Director
Tel: (03) 9699 3009
Fax: (03) 96993110
E-mail: info@eprl.com.au



Essential
Petroleum
Resources
Limited