



ASX ANNOUNCEMENT

5 September 2008

East Wing-1 ST testing program is expected to start on the weekend

Essential Petroleum Resources Limited (ASX: EPR) advises testing of the East Wing-1 ST exploration well in south western Victorian onshore permit PEP 168 is expected to start at the weekend.

Minor delays were experienced this week in preparation for the testing program on the East Wing-1 gas discovery.

The well also has the potential to contain hydrocarbon liquids. This potential will be tested during the upcoming program.

As of midday today set up and preparation of the rig and testing facilities at East Wing-1 ST were nearing completion.

Continuing operations will include high pressure testing of the well casing and Blow Out Preventers and final preparation of the tubing and downhole tools.

Essential Petroleum expects that at current rate of progress the tubing will be run over the weekend, with the well casing being perforated on Sunday afternoon.

Provided no unexpected delays are encountered, Essential Petroleum expects test results to become available early next week.

Background to the East Wing-1 ST Well

The East Wing-1 well was spudded on 26 April 2008 and the East Wing -1 ST well reached a total depth of 2,305 metres (mKB) at about 6:00am on 30 May 2008.

A wireline logging survey was conducted with preliminary analysis identifying two gas saturated intervals in the Flaxman and Waarre formations with a combined net reservoir thickness of 9.1 metres.

Below this interval, an 18 metre transition zone of lower gas saturation was identified within the Waarre Formation. Essential Petroleum believes that this zone of elevated log response possibly represents moveable hydrocarbon, including oil, above a water contact at 2,243.5 metres.

The estimated recoverable gas reserves for this well will be determined based on a detailed analysis of the test results.

Essential Petroleum is targeting the onshore extension of the highly productive Pecten High trend, which has offshore discoveries containing more than 400 bcf of gas recovered in the Waarre Formation in the Casino, Henry and Halladale gas fields. Refer to Figure 1.



**Essential
Petroleum
Resources
Limited**

Essential Petroleum owns 100% of the PEP 168 permit.

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