

13 September 2007

The Manager Companies  
 Australian Stock Exchange Limited  
 20 Bridge Street  
 Sydney NSW 2000

(1 page by email)

Dear Madam

## WEST ESPONDA PRODUCTION PROGRAM DRILLING

The Directors are pleased to announce the completion of the final well, Esponda 4-13, which completes the drilling phase of an eight well program situated immediately northwest of the existing 10 well pilot production program at West Esponda. All wells have been fully cased on reaching total depth.

Well Name	Total Logged Depth (metres)	Total Coal Intercepts (metres)	Total Big George Interval (metres)
Esponda 9-5	700.3	31.1	14.6
Esponda 9-9	671.5	32.9	14.9
Esponda 9-7	662.3	35.7	17.7
Esponda 9-1	662.1	31.4	13.1
Esponda 8-1	680.8	29.0	13.7
Esponda 9-3	671.8	39.6	21.0
Esponda 4-15	671.8	35.1	15.8
Esponda 4-13	662.6	33.2	16.6

The sole focus of the 18 wells in this West Esponda pilot program will be production from the Big George formation. As can be seen from the results from these wells, the Big George coal seam intervals are between 13.1 and 21.0 metres and coals averaging approximately 18 metres in total thickness overly the Big George. Whilst they are not intended to be produced from at this time, they will be 'behind pipe' so they can be readily accessed in the future.

For further information, contact Norman Seckold, Bruce Riederer or Peter Nightingale on (61-2) 92475112.

Yours sincerely



Peter J. Nightingale  
 Director

pjn4037



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