

10 June 2004

Manager Announcements  
Companies Announcements Office  
Australian Stock Exchange Limited  
10th Floor, 20 Bond Street  
SYDNEY NSW 2000



*via electronic lodgement*

Dear Sir/Madam,

**DRILLING UPDATE**

***La Playa Deep #1***

Testing of the La Playa Deep #1 well continues. To date the lower most three potential zones have been perforated and all have failed to flow. The fourth zone has been perforated and the well is currently shut in to build up pressure after which the zone will be fractured and flow tested.

***Homerun***

The Homerun #1 well is the second well of the Padre Island Joint Venture's renewed exploration drilling campaign looking for deep shelf gas beneath Padre Island, Texas. It spudded on 19 April 2004 and was originally expected to take 80 days to reach its programmed total depth. Drilling is currently well ahead of the prognosed schedule.

During the past week the decision was made to halt drilling at 15,233 feet measured depth (MD). Wireline logs were run and sidewall cores collected. Preliminary analysis of the logs and cores indicate several zones of interest. A 7" liner was set and the forward plan is to continue to drill down to the planned total depth of 16,446 feet MD (15,475 feet total vertical depth). After reaching total depth the remaining section will be logged, the hole cased, and testing of the identified zones of interest will commence.

The first target at Homerun is roughly equivalent to the section encountered at total depth at the recently drilled La Playa Deep prospect, while the second and third target horizons are older and are essentially untested in the area. The probabilistically derived, pre-drill estimate of potential gas from all three target horizons in this well is 191 bcf at the P50 (median) level.

The participants in these wells are:

Golden Gate Petroleum Ltd	10%
Novus Petroleum Ltd (Operator)	70%
Mitsui Oil Exploration Co., Ltd	20%

On behalf of the  
Board of Directors

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