



ASX ANNOUNCEMENT

31 May 2001

Drilling Report No. 5 - McNamara Park No. 1 Well, PEL 72 Otway Basin, South Australia

Essential Petroleum Resources Limited has been advised by Origin Energy Resources Limited, as Operator for the PEL 72 Joint Venture, that the McNamara Park No. 1 well progressed with the well bore intersecting the top of the Flaxman formation early yesterday evening at a depth of 1,669m.

No indications of hydrocarbons or carbon dioxide were evident. Drilling proceeded to 1,682m.

Lakes Oil and Victoria Petroleum have conducted a sole risk drill stem test on the interval 1,666-1,682 with no indication of hydrocarbons.

Essential Petroleum Resources Limited elected not to participate in this test.

The current operation is preparing to pull out of the hole with test tools. It is anticipated that drilling will recommence on Thursday evening. According to pre-drill estimates the Waarre formation, which is the primary drilling target, should be encountered on Friday 1 June.

Interest Holders in PEL 72 and the McNamara Park No. 1 well are:

Essential Petroleum Resources Limited	25.0%
Origin Energy Resources Limited	62.5%
Lakes Oil NL	7.5%
Victoria Petroleum NL	5.0%

Alfonso Grillo
Company Secretary