



## ASX ANNOUNCEMENT

10 May 2004

### **Essential Petroleum Resources Limited (EPR) – Non-Renounceable Rights Issue**

EPR is pleased to announce that today it lodged a Prospectus with the Australian Securities and Investments Commission for a Non-Renounceable Rights Issue. The Rights Issue is for a capital raising of approximately \$5,764,000 (before costs). New ordinary shares will be issued at a price of 11 cents per share. Under the Rights Issue, shareholders will be entitled to acquire 1 new ordinary share for every 2 shares held in the Company.

The Rights Issue is fully underwritten by a number of underwriters. Bell Potter Securities Limited is the Lead Underwriter.

Shares will be quoted 'ex' rights on 12 May 2004 and the record date for determining entitlements shall be 18 May 2004.

A Prospectus and Entitlement and Acceptance Form will be dispatched to shareholders who are recorded on the Company's register on the record date. It is anticipated that these documents will be mailed to shareholders on or about 21 May 2004. The Prospectus can be viewed online or downloaded from 10 May 2004 at [www.essentialpetroleum.com.au](http://www.essentialpetroleum.com.au).

The net proceeds of the Rights Issue will be used to fund an onshore drilling program of four wells from mid 2004 to early 2005 to test key prospects in its onshore Otway Basin permits. It is anticipated that drilling of the first two wells, Findra 1 and Killarney 1 within permits PEP 159 and PEP 152 respectively will commence in June 2004. In late 2004 or early 2005 a further well is intended to be drilled in PEP 151 and a fourth well is planned in PEL 72. The actual timing of the drilling of each well will be dependent upon a variety of factors outside of the Company's control, including drill rig availability and weather.

EPR values the support of its existing shareholders and encourages each of you to carefully consider the Rights Issue Prospectus. The Prospectus is important and should be read in its entirety. If you do not understand its contents or you are in doubt as to the course of action you should take, you should consult your stockbroker, accountant or other professional adviser without delay.

A handwritten signature in black ink that reads 'John Remfry'.

**John Remfry**  
Managing Director

**For more information, contact:**

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