

ASX ANNOUNCEMENT

1 November 2004

Essential Petroleum Resources Announces New Vic/P46 Farminee

Essential Petroleum Resources Limited (EPR) is pleased to announce that Beach Petroleum Limited (Beach) has agreed to acquire, through farmin, a 17.5% interest in offshore Otway Basin permit VIC/P46 from EPR. EPR and Mittwell Energy Resources Pty Ltd have both agreed to farmdown their respective interests to accommodate Beach's farmin.

The agreed farmin terms require Beach to fund 27% of one exploration well and 21.5% of a 500 square kilometer 3D Seismic program.

We are pleased to partner Beach in the VIC/P46 joint venture knowing that Beach shares EPR's view that VIC/P46 is a highly prospective permit containing large structural closures with the potential to hold very large accumulations of gas within the Flaxman and Waarre formations.

Exploration success in VIC/P46 has the potential to result in the discovery of as much as three trillion feet of gas, providing the opportunity to service the growing demand for gas in the Eastern Australian gas market as well as replacing the dwindling reserves of gas in the Cooper and Gippsland Basins.

The geological feature, known as the Cape Bridgewater High plays host to the Kepler and Bernoulli prospects which have the combined potential resource in excess of two trillion cubic feet of gas. The Cape Bridgewater High also hosts the Callister prospect which is in an adjacent permit, but on trend with Bernoulli. The well, Callister 1, is currently being drilled by Santos.

VIC/P46 is an offshore permit of approximately 1,800 square kilometers with water depths ranging from 50 to 200 metres. The permit is to the west and Southwest of Portland.

Following the assignment of 17.5% interest to Beach, Participants in the VIC/P46 Joint Venture will be:

Essential Petroleum Resources Limited	57.5%(Operator)
Mittwell Energy Resources Pty Ltd	25.0%
Beach Petroleum Limited	17.5%



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