



**Essential
Petroleum
Resources
Limited**

ASX ANNOUNCEMENT

17 October 2006

Essential Petroleum Resources Limited Non-Renounceable Rights Issue is fully underwritten

Essential Petroleum Resources Limited (EPR) has today lodged a Non-Renounceable Rights Issue Prospectus. The rights issue is fully underwritten and will raise \$3,614,000 before costs. Under the Prospectus, shareholders will be entitled to subscribe for 2 new ordinary shares for every 3 shares held at an issue price of 3 cents per share.

The Company, after consultation with the underwriters, has revised the issue price and entitlement ratio from that previously announced to the market on 2 October 2006.

The Lead Underwriter and Manager is Bell Potter Securities Limited with further underwriting being provided by certain of EPR's major shareholders.

John Cornelius
Chairman

For more information, contact:

John Cornelius
Chairman
Essential Petroleum

Tel: (03) 9699 3009
Fax: (03) 9699 3110
Email: info@epri.com.au