



Essential
Petroleum
Resources
Limited

ASX ANNOUNCEMENT

23 February 2009

Otway Basin Permit, VIC/P46 - Status Report

Essential Petroleum Resources Limited advises that under the provisions of the VIC/P46 Joint Venture Agreement, the period for rectification of its default payment of the December cash call has expired. EPR has requested an extension of the period and will advise the market when the outcome of this request is known.

EPR is continuing its negotiations of the terms of equity agreements in VIC/P46 and VIC/P50 with a Hong Kong based investor group. The Company expects to be in a position to provide an update to the market by the close of business on Tuesday, 24 February 2009.

Essential Petroleum's Chairman, John Cornelius is currently in Hong Kong leading the negotiations.

Permit Interests in VIC/P46 are:

| | |
|---------------------------------------|--------|
| Beach Petroleum Limited (Operator) | 50.00% |
| Mitsui E&P Australia Pty Ltd | 25.00% |
| Essential Petroleum Resources Limited | 25.00% |

Yours sincerely

ESSENTIAL PETROLEUM RESOURCES LTD

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