



ASX / MEDIA RELEASE

2 July, 2009

Po Valley Commences Drilling Sillaro-2 Production Well

The Sillaro-2 production well, at Po Valley's Sillaro gas production field, was spudded today following mobilisation of the drilling equipment to the field.

Italian-based Perazzoli Drilling, employing a 200 tonne capacity HH200 hydraulic rig, has been contracted for the Sillaro-2 well.

The second production well is a deviated well which will be drilled to a planned total depth ("TD") of approximately 2400 metres vertical depth. The TD is expected to be reached in approximately 24 days.

Sillaro-2, together with Sillaro-1 drilled in 2005, will provide expected initial production capacity of 3.8 million cubic feet of gas per day.

The well is expected to be completed by the end of August at which time, Po Valley expects to commence civil works and installation of the Sillaro production plant.



MEDIA CONTACTS:

Michael Masterman
Po Valley Energy
0417 851 303

Kevin Skinner
Field Public Relations
(08) 8234 9555 / 0414 822 631