

ASX/MEDIA ANNOUNCEMENT

23 June 2010

The Manager
Companies Announcements Office
Australian Securities Exchange



THE OTWAY PETROLEUM PROJECT – TESTING PROGRAM UPDATE

The **Otway Petroleum Project** is Adelaide Energy Ltd's (ADE's) 100% owned suite of integrated production, development and exploration oil and gas assets, which are located in the South Australian section of the onshore Otway Basin.

ADE has recently drilled and completed a number of wells as part of its Otway Petroleum Project. This report provides the final in a series of weekly reports on the ongoing testing and analysis program on those wells. Material developments will now be reported as they arise.

TESTING PROGRAM REPORT TO 0600 hrs 23 June 2010

ITEM	DETAIL
Jacaranda Ridge-2	<ul style="list-style-type: none">▪ The extended production test for Jacaranda Ridge-2 (JR-2) has commenced successfully▪ Current flow rates to the Katnook Plant from both JR-2 and Limestone Ridge-1 are around 5,000,000 standard cubic feet of gas and 170 barrels of condensate per day
Patrick-1 and Hollick-1	<ul style="list-style-type: none">▪ Pressure monitoring of these wells is continuing during the extended production test described above to demonstrate connectivity
Wynn-2	<ul style="list-style-type: none">▪ No developments
Safety issues	<ul style="list-style-type: none">▪ None
Environmental issues	<ul style="list-style-type: none">▪ None

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