

ASX/MEDIA ANNOUNCEMENT

23 November 2010



The Manager
Companies Announcements Office
Australian Securities Exchange

ENCOUNTER-1 WEEKLY DRILLING REPORT

| ITEM | DETAIL |
|------------------------------------|--|
| Well name | ▪ Encounter-1 |
| Permit | ▪ PEL 218 (Permian JV) |
| Participants | ▪ Beach Energy Ltd – 90% (Operator) ▪ Adelaide Energy Ltd – 10% |
| Primary targets | ▪ Roseneath/Epsilon/Murteree shale/sand/shale sequence |
| Spud Date | ▪ 3 October 2010 |
| Target depth (prognosed) | ▪ 3625m |
| Total depth @ end of current week | ▪ 3257m |
| Total depth @ end of previous week | ▪ 3147m |
| Metres drilled during week | ▪ 110m |
| Activities during week | ▪ Drill 8½" hole from 3147 - 3257m with a number of bit trips (pressure test BOP's) |
| Current activities | ▪ Drill ahead in 8½" hole (slow progress in Epsilon sandstone) |
| Planned Activities | ▪ Drill ahead to next core point in Epsilon – cut Epsilon core and drill ahead to Murteree Shale |

For further information contact:

Carl Dorsch
Managing Director
Adelaide Energy Limited
Mob: 0400 508 088
c.dorsch@adelaideenergy.com.au

Neil Young
Chief Commercial Officer
Adelaide Energy Limited
Mob : 0417 850 245
neil.young@adelaideenergy.com.au

ASX Code : ADE



Encounter-1 Time Depth Chart

