



10 November 2003
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Australian Stock Exchange Ltd
Companies Announcement Office
Electronic Lodgement System

Dear Sir

ANNOUNCEMENT TO ASX

**DRILLING REPORT: WAITPINGA-1
(PEL 94, COOPER/EROMANGA BASIN, SA)**

Beach Petroleum advises that Waitpinga-1, an exploration well in PEL 94, spudded at 00:00 hours (CST) on 8 November 2003. This is the sixth well in a drilling program being undertaken by Beach Petroleum and its joint venture partners in the South Australian sector of the Cooper-Eromanga Basin.

Waitpinga-1 will test a large structure within the 'Milpera Embayment,' which is an area containing thick Permian sediments located about 90km to the south-east of Moomba (see attached map). Waitpinga-1 will be the first well drilled within the Milperra Embayment and will be a key test of that area's hydrocarbon generation capacity. However, the recovery of oil in Maslins-1, drilled last year on the southern flank of the Milperra Embayment, is strongly indicative of oil generation within that area. The Waitpinga structure, located near the centre of the embayment, covers an area of 27 square kilometres and has assessed potential mean recoverable oil reserves of 7.5 million barrels.

The Patchawarra Formation is the primary target in Waitpinga-1 and is expected to be intersected mid next week.

The well will take approximately 10 days to reach its planned total depth of 1,970 metres.

Beach Petroleum advises that the status of Waitpinga-1 at 0600 hours (CST) on 10 November was:

Depth: 576 metres
Operation: Waiting on Cement, after running surface casing.

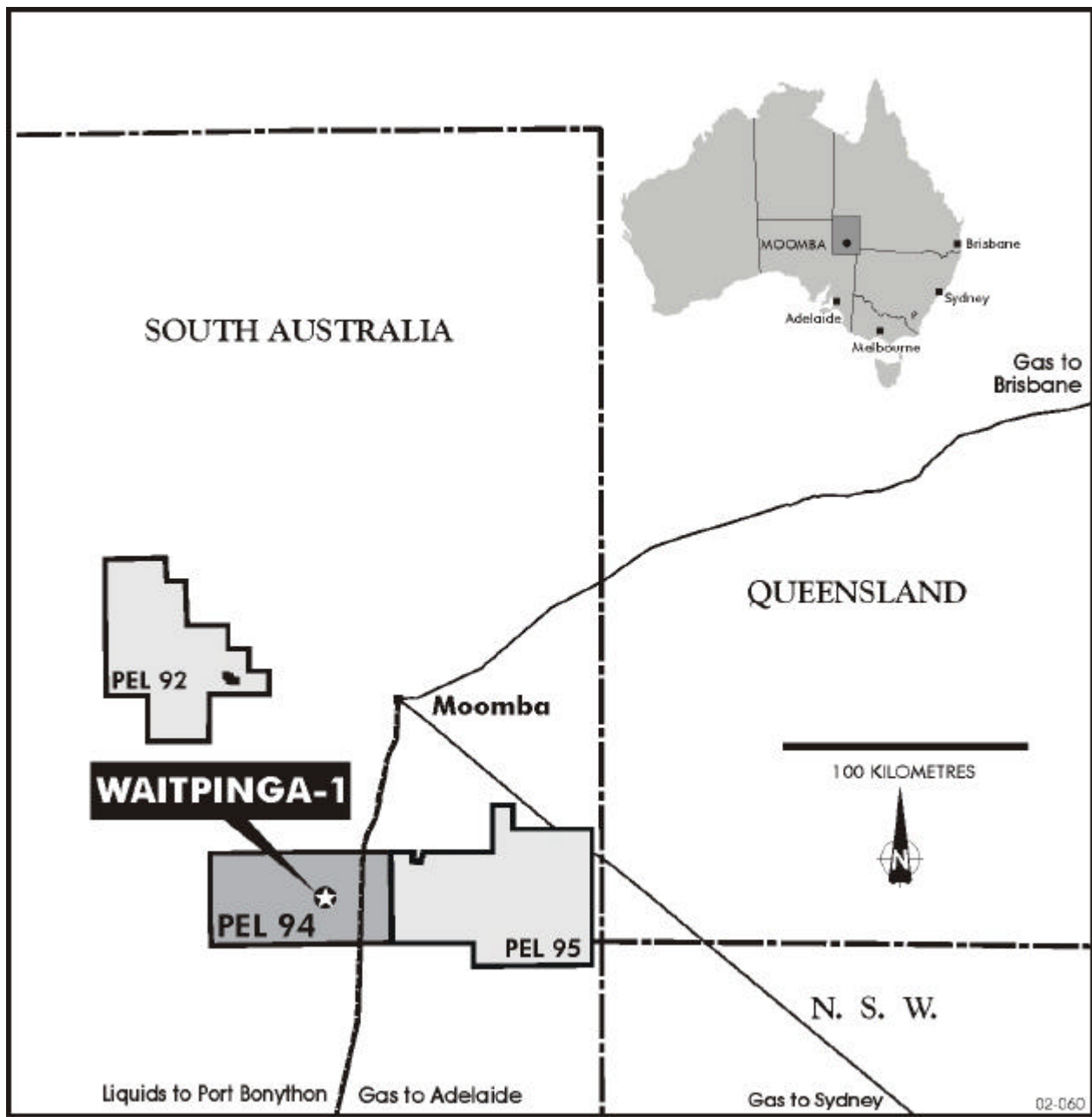
Participants in the PEL 94 Joint venture are:

Beach Petroleum Ltd (Operator)	50%
Magellan Petroleum (NT) Pty Ltd	50%

Yours faithfully,

A handwritten signature in black ink, appearing to read "Reg Nelson", written over a light-colored rectangular background.

Reg Nelson
Managing Director



WAITPINGA-1 Time Depth Chart

