

10 September 2004

Ref: #102/04

The Manager, Companies
Australian Stock Exchange Ltd
Electronic Lodgement System

Dear Sir,

ANNOUNCEMENT TO ASX

**DRILLING REPORT: CHRISTIES-2
(PEL 92, COOPER/EROMANGA BASIN, SA)**

Beach Petroleum advises that the status of Christies-2 at 06:00 hours (CST) on 10 September 2004 was:

Depth: 1,864m (Total Depth)
Operation: Circulating prior to running casing.

DST-3 over the interval 1636-1641m in the Birkhead Formation/Hutton Sandstone flowed oil to surface after 62 minutes at a rate of 528 barrels per day through a ¼ inch choke. The recovery in pipe consisted of 66 barrels of oil and 5 barrels of water. This result confirms the oil-water contact in the Birkhead Formation/Hutton Sandstone reservoir is 5 metres lower than anticipated.

In summary, the wireline logging and testing program at Christies-2 has confirmed 2 new pool oil discoveries in the Namur Sandstone and lowered the interpreted field oil-water contact in the Birkhead Formation/Hutton Sandstone reservoir by 5 metres. The well will now be cased and completed as a future Namur Sandstone and Birkhead Formation/ Hutton Sandstone oil producer. Production from the Namur is expected to commence by mid October.

Given the positive results for Christies-2, the Joint Venture has approved the drilling of Christies-3 which will now follow immediately after the rig is released from Christies-2. Christies-3 will be drilled approximately 290 metres southeast of Christies-2 and 380 metres south of Christies-1.

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Participants in the PEL 92 Joint Venture are:

Beach Petroleum Ltd (Operator)	75%
Cooper Energy NL	25%

Yours faithfully,



Reg Nelson
Managing Director, FAusIMM

CHRISTIES-2 Time Depth Chart

