

Eagle Bay Resources N.L.

ACN 051 212 429

Company Announcement

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Subject: **PEL-182 Joint Venture – issue of default notice**
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Eagle Bay Resources NL (EBR) is the operator of the PEL-182 joint venture, the Participants of which are Australian Oil Company Ltd (AOC), Audax Resources Ltd, White Sands Petroleum Ltd and EBR.

AOC has defaulted on its cash call obligation due 22 September 2006. A formal default notice has been served on AOC by EBR. As the default has not been remedied within three business days, then EBR may terminate AOC's farm-in agreement into PEL-182, or take such other action to protect its interests and the interests of the other participants.

Yours faithfully,



Anthony Rechner
CHAIRMAN