



AOC



Company Announcement

ACN 051 212 429

Suite 3 First Floor, 610 Murray St West Perth
PO Box 913 West Perth Western Australia 6872

Telephone: (08) 9481 3322
Facsimile: (08) 9481 3330

Date: 7th May 2007
To: Companies Announcements Office, ASX
Electronic Lodgement:
Subject: PEL 182 Joint Venture Cooper Basin drilling update
Number of pages: 2

SARAHLYN-1: PEL-182 COOPER BASIN S.A.

Eagle Bay Resources advises that evaluation of the wireline log data from the Sarahlyn-1 oil exploration well has indicated that no economic hydrocarbons are present with all zones being either water wet or too tight to produce the hydrocarbons present.

Abandonment plugs have been set and the rig is currently nipping down BOP's.

Once the rig is released it will be moved to EBR's Vanessa-1 location where drilling is expected to begin around the 12th May.

The Joint Venture has approved a \$500,000 budget to ISIS Petroleum consultants to look at drilling a new well at the Emily-1 location, the geology and petrophysics of the two western wells and to look at the western section of the permit where the basal Birkhead oil migration pathway is at depths of 1800 meters or less to avoid the tight formations experienced in Sarahlyn-1.

This will be the final report regarding the drilling of Sarahlyn-1.

The status of Sarahlyn-1 at 06:00 hrs (CST) on 7th May 2007 was:

Location:	PEL 182
Planned Total Depth:	2730 metres (TVD)
Current depth:	2761 metres
Operation:	Nipping down BOP's
Spud:	16 th April at 00:00 hrs

The participants in the joint venture are:

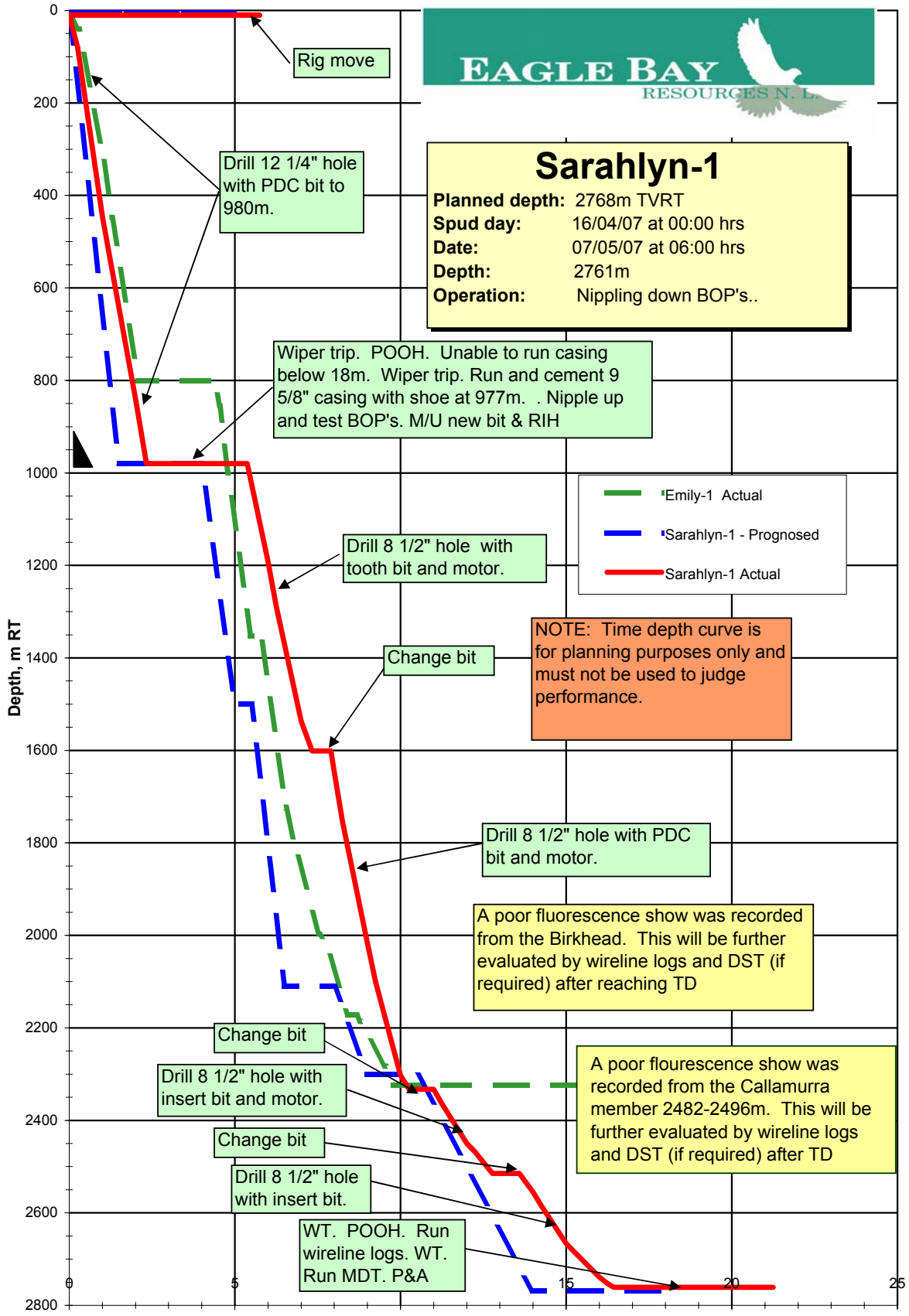
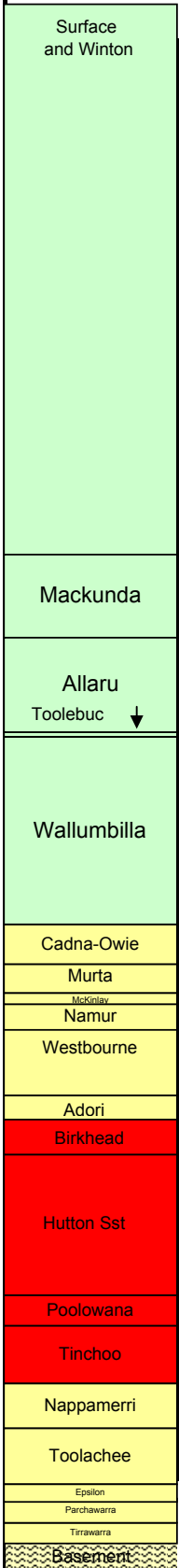
Audax Resources Ltd	49.9%
Eagle Bay Resources NL	37.6%
Dome Petroleum Resources Plc	7.5%
Australian Oil Company Ltd	5.0%

**BY ORDER OF THE BOARD OF
EAGLE BAY RESOURCES N.L.**

DAYS FROM SPUD



Sarahlyn-1
Planned depth: 2768m TVRT
Spud day: 16/04/07 at 00:00 hrs
Date: 07/05/07 at 06:00 hrs
Depth: 2761m
Operation: Nipling down BOP's..



NOTE: Time depth curve is for planning purposes only and must not be used to judge performance.

Legend:
 - Emily-1 Actual (Green dashed line)
 - Sarahlyn-1 - Prognosed (Blue dashed line)
 - Sarahlyn-1 Actual (Red solid line)



AOC

