



VICTORIA PETROLEUM N.L.

A.B.N 50 008 942 827

Incorporated in Western Australia

12 October 2010

**DRILLING REPORT FOR WALLOON COAL MEASURES COAL SEAM GAS PROJECT,
ATP 574P, SURAT BASIN, QUEENSLAND**

Victoria Petroleum has been advised by QGC - a BG Group business (**QGC**), the Operator for ATP 574P, that the Marcus-2 Coal Seam Gas appraisal well has commenced drilling and is currently at a depth of 653 metres with a planned total depth of 1,040 metres.

ATP 574P is interpreted to be situated in the prime Walloon Coal Seam Gas fairway on the eastern side of the Surat Basin.

Victoria Petroleum holds a 30% interest in ATP 574P.

For further information contact:

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