



26<sup>th</sup> May 2011

Australian Securities Exchange  
2 The Esplanade  
PERTH WA 6000

ASX Code: RAI

---

## OPERATIONS UPDATE

---

- **Cadlao Oilfield development located in the Philippines on track with responses to tenders for major contracts due in June**
- **Option to farm in to SC6B Bonita block (adjacent to Cadlao) has been exercised. SC6B Bonita contains both existing oil discoveries and low risk exploration targets that can be tied into Cadlao at low cost**
- **Preparation for 2D seismic on South Block A (SBA) located in Indonesia continuing with commencement planned for 4<sup>th</sup> quarter 2011**
- **Prospect identified on SBA with indications of oil and gas to be drilled in 1<sup>st</sup> quarter 2012**
- **Indications of possible oil accumulation in 380 mmbbl Kaupokonui (NZ-Taranaki basin) prospect identified from seismic data**
- **Drilling at the Kashkasu II uranium project in The Kyrgyz Republic underway with first results expected in the next few weeks**

## PETROLEUM

### SC6 Cadlao: Cadlao Oilfield Redevelopment Project (50%)

Plans to drill and produce the remaining reserves in the Cadlao oil field in the Philippines are well advanced, with production drilling operations expected to start in December 2011. Since the merger with Peak Oil & Gas, the following operational milestones have been achieved:

1. Appointment of ARV Group; a recognised offshore field development contractor with a track record of successfully developing oil and gas projects in SE Asia

**Raisama Limited** ABN 79 131 843 868

Suite 1, 16 Ord Street, West Perth WA 6005 PO Box 1255 West Perth WA 6872  
t +61 8 6143 1800 f +61 8 6143 1818 e [info@raisama.com.au](mailto:info@raisama.com.au) w [www.raisama.com.au](http://www.raisama.com.au)

2. Development and submission of the Plan Of Development (POD) to the Government of the Philippines
3. Preparation and distribution of Invitations To Tender (ITT) for the Drilling Rig, Oil Processing Facilities and Floating Storage and Offtake vessel (FSO) which are due imminently
4. Contracting of an offshore site survey as a precursor to contracting the jack-up drilling rig
5. Advancement of debt financing discussions with major financial organisations

Located in the Palawan Basin in the Philippines, the Cadlao oil field has independently certified (2P) reserves of 6.05 mmbbl and an expectation of an average gross field production rate of over 11,400 bopd for the first six months of production (5,700 bopd net to Raisama).

With an IRR of more than 100%, the field pays back the investment capital within the first two months of production and provides positive net cash flow of more than \$90 million to Raisama in the first year of production.

#### **SC 6B Bonita (32.2%)**

Raisama has also completed a major prospectivity study of the SC6B Bonita block which surrounds the SC6 Cadlao Block and provides opportunities to tie-back incremental oil production to the Cadlao Development. The study confirms the prospectivity of the Bonita block and triggers the exercise of Raisama's farmin option.

#### **North Sumatra South Block A (SBA) Exploration Project (38.25%)**

Raisama completed a prospectivity review over SBA which identified and prioritised four significant oil and gas prospects. One of these prospects is particularly encouraging and is planned for drilling in first quarter next year. This prospect is located on the proven shallow oilfield structural trend close to nearby commercial oil discoveries. It exhibits two individual flat spots on seismic data, near the top of the structure, in potential reservoir formations. Flat spots are an indication of a gas cap, potentially overlying an oil accumulation.

The other three prospects, which include a large oil prospect and two large gas prospects, require further delineation by geological field survey in the 3<sup>rd</sup> quarter of this year and seismic acquisition scheduled in 4<sup>th</sup> quarter.

#### **Taranaki Basin - Kaupokonui Project (10%)**

Analysis of recently acquired seismic data over the Kaupokonui prospect by New Zealand Oil and Gas Ltd (NZOG), the operator of Taranaki Basin exploration permit PEP 31511, has identified a potentially important Amplitude Offset (AVO) anomaly indicating potential for an oil accumulation with a small associated gas cap.

This AVO anomaly represents a distinctive gas response which has been interpreted as being indicative of a small gas accumulation trapped within the crest of the structure, raising the possibility

that such a gas cap could overlie an oil column. The presence of such a gas cap would also confirm that the prospect is linked to a petroleum system which has the ability to trap petroleum.

The Kaupokonui prospect is situated in the highly productive Taranaki Basin which currently hosts discovered resources of 1.2 billion barrels of oil equivalent. The Kaupokonui prospect is located between the Maari oil field (51 million barrels) and the Kupe gas/condensate field (288 billion cubic feet of gas plus 27 million barrels of liquids).

Raisama holds the rights to a 10% working interest in the Kaupokonui prospect where a well is currently scheduled for mid to late 2012. The prospect has a gross mean recoverable prospective oil resource of 380 million barrels, representing 38 million barrels net to Raisama.

Recent broker research updates, issued following NZOG's March quarterly report, suggest an incremental valuation uplift to NZOG of almost \$1bn on a 100 million barrels discovery, assuming a 50% working Interest at Kaupokonui. If proven this would translate to incremental value to RAI of around A\$0.54 per share based on the same metrics and its 10% interest.

## **URANIUM**

### **Kashkasu II Project**

Having previously announced to the market the commencement of a 3,000m drilling program at the Kashkasu II Project (see announcement dated 4<sup>th</sup> April 2011) the company has now completed three holes in that drilling program. Assay results for those three holes are expected in the next few weeks. Further holes will be drilled in the program in an attempt to increase the known extent of mineralisation at the project.

Previous drilling produced high-grade intercepts including 2m @ 1,651ppm and 2m @ 1,521ppm U<sub>3</sub>O<sub>8</sub> indicating the presence of multiple, high-grade, zones of coal and sandstone hosted uranium mineralisation within a broad area with a known strike extent. The current drilling programme has the potential to significantly increase the known extent of the mineralisation. This programme has been specifically designed to test not only the known coal hosted uranium, but also the significant potential for sandstone hosted, roll front deposits.

### **Mt Alice Project**

The company expects to commence drilling at Mt Alice late this quarter 2011. The program is following up an anomaly previously delineated by soil sampling conducted by Raisama in late 2010. A short RC drilling program has been planned to assess the potential for economic uranium mineralisation at Mt Alice.

### **Sunday Creek Project**

Raisama completed a preliminary heritage survey at the Sunday Creek project and we are now awaiting the finalisation of a formal heritage agreement with the Martu people. This will facilitate the drilling program at Sunday Creek planned for fourth quarter 2011.

*For further information please contact:*

**www.raisama.com.au**                      info@raisama.com.au

David Berrie, Executive Chairman            +61 8 6143 1800

Jeff Steketee, Managing Director            +61 8 6143 1800

Ian Howarth, Investor Relations            +61 407 822 319