

**ASX RELEASE**

Tellus Resources Ltd is an Australian-based oil & gas and mineral exploration company with licences in South Australia, Queensland and New South Wales.

**Directors:**

Anthony Wehby -  
*Chairman*

Carl Dorsch - *Managing  
Director*

Richard Willson - *Non-  
Executive Director*

Ben Salmon - *Non-  
Executive Director*

**Issued Shares:**

132,614,942 ordinary  
shares

**Tellus Resources Ltd**

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**Pirie 1 ST1 Weekly Drilling Report (Final)**

Tellus Resources Limited (TLU or the Company) provides its final weekly update on the Pirie 1 well below. The well has now been cased and suspended as a potential Birkhead zone oil producer and the rig released on Saturday 9 November 2013.

As part of the farmin arrangement with Senex Energy Limited (Senex), the operatorship of PEL 105 is to be transferred from the Company to Senex. Interests in the block at this time and subject to Ministerial approval are:

|     |     |
|-----|-----|
| TLU | 50% |
|-----|-----|

|       |     |
|-------|-----|
| Senex | 50% |
|-------|-----|

Senex has an obligation to drill a further well in the Permit by 30 June 2014 at its sole risk and cost. Following this, the interests in the block are to be:

|     |     |
|-----|-----|
| TLU | 30% |
|-----|-----|

|       |     |
|-------|-----|
| Senex | 70% |
|-------|-----|

Commenting on the outcome of the Pirie 1 well, the managing director of TLU Carl Dorsch said that *"Although the well did not reach its intended objective of the Tirrawarra sands due to multiple engineering and well bore problems, a successful sidetrack was managed. The decision to case and complete the well early was made by the Company as it gives access to the Birkhead which had good hydrocarbon shows. Although electric logs indicate poor sand quality there are cases in the Basin where good oil producibility is not picked up in logs. The Company is keen to test the zone and demonstrate whether an "unconventional" reservoir exists or not.*

*The well was drilled to the top of the Nappamerri to allow access to this zone. Gas has been found in this formation in nearby wells and may be investigated at a later stage if considered prospective.*

*No lost time accidents were reported for the well which was very pleasing given the difficult circumstances during phases of the program. I take this opportunity to thank the drilling contractor, subcontractors and representatives of the Company for their diligent efforts," he said.*

| ITEM                               | DETAIL                                                                                                                                                                                                                                                                                                                       |
|------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Well name                          | <ul style="list-style-type: none"> <li>Pirie -1 / Pirie 1 ST1</li> </ul>                                                                                                                                                                                                                                                     |
| Permit                             | <ul style="list-style-type: none"> <li>PEL 105</li> </ul>                                                                                                                                                                                                                                                                    |
| Participants                       | <ul style="list-style-type: none"> <li>Tellus Resources Ltd – 50% (Operator)</li> <li>Senex Energy Ltd (SXY) – 50%</li> </ul>                                                                                                                                                                                                |
| Primary targets                    | <ul style="list-style-type: none"> <li>Hutton/Birkhead</li> <li>Patchawarra/Tirrawarra</li> </ul>                                                                                                                                                                                                                            |
| Spud date                          | <ul style="list-style-type: none"> <li>30 September 2013</li> </ul>                                                                                                                                                                                                                                                          |
| New Target Depth                   | <ul style="list-style-type: none"> <li>2310m (20 m into the top of the Hutton)</li> </ul>                                                                                                                                                                                                                                    |
| Revised Target Depth               | <ul style="list-style-type: none"> <li>2520 m (20m into the top of Nappamerri)</li> </ul>                                                                                                                                                                                                                                    |
| Total depth @ end of current week  | 2522m – Pirie 1 ST1                                                                                                                                                                                                                                                                                                          |
| Total depth @ end of previous week | <ul style="list-style-type: none"> <li>2522m (ST-1)</li> </ul>                                                                                                                                                                                                                                                               |
| Metres drilled during week         | <ul style="list-style-type: none"> <li>0m</li> </ul>                                                                                                                                                                                                                                                                         |
| Activities during week             | <ul style="list-style-type: none"> <li>Finish logging</li> <li>RIH on clean out trip – some tight hole</li> <li>Run wiper trip to shoe</li> <li>Lay out pipe</li> <li>Run and cement 4½” production casing without incident</li> <li>Tear out BOP’s</li> <li>Rig release at 1500 hrs 9<sup>th</sup> November 2013</li> </ul> |
| Current activities                 | <ul style="list-style-type: none"> <li>Tear out rig and equipment</li> </ul>                                                                                                                                                                                                                                                 |
| Planned activities                 | <ul style="list-style-type: none"> <li>Finish demobilization of rig and equipment</li> </ul>                                                                                                                                                                                                                                 |
| Other comments                     | <ul style="list-style-type: none"> <li>Participant interests are subject to Ministerial approval</li> </ul>                                                                                                                                                                                                                  |

# Pirie- 1 Planned TVD Curve

