



**Kea Petroleum plc**  
("Kea" or the "Group")

### **Hoadleys-1 Drilling Schedule and Wingrove update**

Kea Petroleum plc (AIM:KEA) today announces that the Hoadleys-1 well in the recently acquired ATP837P licence area of Australia's onshore Surat Basin is scheduled to spud by the end of June. On that basis, it is anticipated that the well will be drilled to a target depth of approximately 2200m by late July.

#### Hoadleys-1 Australia

Hoadleys-1 is a test of Lower Evergreen and Precipice Sands, which are established producer formations at the Moonie oil field, approximately 20km to the south of the ATP837P licence area. It is situated on a discovery trend, with the Cabawin gas field approx. 20km to the north and the Bennett oil field and Leichhardt gas field approximately 20km further north again. Hoadleys-1 is the first well on this discovery trend outside of Moonie to be located on 3D seismic. Elsewhere in the basin, a number of discoveries in recent years have demonstrated that 3D seismic is essential to identification of the low relief structures which form the oil and gas traps. In the event of discovery, the company's internal estimated gross median resource potential is approximately one million barrels, with upside of several million barrels. In the event of discovery, it may be decided to drill deviated producers from the Hoadleys-1 site to fully develop the field. Kea is operator of ATP837P and holds 50% of the permit, with 25% of the permit each being held by Energetica and Rawson Resources respectively.

#### Wingrove-2 New Zealand

At the Wingrove-2 site, electrical certification of downhole heating equipment to conform with New Zealand Standards has delayed start-up. Commissioning of the plant and commencement of flow testing is now scheduled to take place at the end of the current week. Although first oil into tank is expected to follow quickly upon commencement of testing giving an indication of initial flow rates, it is likely to be several weeks before a reasonable understanding of the stable, long term production rate is likely to be achieved, due to the requirement to optimise flow from the several isolated pay zones in the production interval between 1150m and 1300m depth. In the event that long term flow in excess of 100 barrels per day is achieved, several more wells are planned to fully develop the field, which is mapped over an area of several square kilometres. This drilling programme is expected to start later this year. Kea has also identified several other similar shallow oil targets which may be included in the proposed drilling programme.

#### **Commenting on the developments CEO Dave Bennett says:**

*"Our onshore Australia drilling programme is continuing on schedule. The commissioning of Wingrove-2 production equipment has involved several technologies new to New Zealand. While it has been frustrating that this commissioning has caused some delays, we believe that these delays are now behind us."*

This release has been approved by non-executive director Peter Mikkelsen FGS, AAPG, who has consented to the inclusion of the technical information in this release in the form and context in which it appears.

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**Notes to Editors:**

Kea Petroleum is an AIM listed oil and gas exploration company with interests in six petroleum exploration permits in Taranaki and Northland Basins of New Zealand. Kea listed on Aim in February 2010.