

VICTORIA PETROLEUM N.L.

A.B.N 50 008 942 827

Incorporated in Western Australia

12 January 2009

Announcements
Australian Stock Exchange Limited
Level 4, 20 Bridge Street
SYDNEY NSW 2000

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

Victoria Petroleum NL (Vicpet) advised in the ASX release of 8 January 2009 concerning the drilling operations in ATP 574P at Pinelands-4 that Vicpet held a 25% interest in PL 171 adjoining permit ATP 574P. Vicpet holds a 20% interest in PL 171 and 30% interest in ATP 574P, with an average 25% interest across both permits.

Vicpet's current certified CSG reserves and Gas in Place (GIP) potential across its Surat Basin Walloon Coal Measures interests are as follows:

CSG Project	2P Certified Reserves (PJ Net to VPE)	3P Certified Reserves (PJ Net to VPE)	Estimated Gas In Place Potential (PJ Net to VPE)
ATP 574P	-	-	450
PL 171	-	-	200
Don Juan	45	89	119
Total PJ's	45	89	769

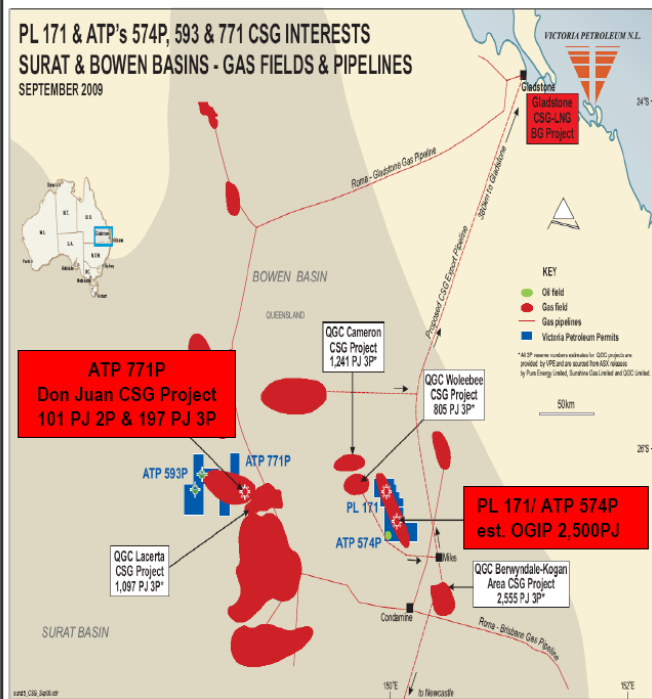
JOHN KOPCHEFF
MANAGING DIRECTOR
VICTORIA PETROLEUM N.L.

Information of this report was completed by the Managing Director of Victoria Petroleum N.L., J T Kopcheff BSc (Hons Eco.Geol), FAIMM, MAAPG, MSPE, MPESA, with 38 years experience in petroleum geology and geophysics.

For information on Victoria Petroleum N. L. drilling activities visit our website at www.vicpet.com.au

Competent Person Statement - The estimates of gas reserves and resources for the Don Juan CSG Field have been prepared by MHA Petroleum Consultants, LLC (MHA) in accordance with the definitions and guidelines set forth in the 2007 Petroleum Resources Management System approved by the Society of Petroleum Engineers. The reserve statement has been compiled by Mr Timothy L Hower Chairman of MHA, together with personnel under his supervision. Mr Hower, who has over 28 years industry experience, and MHA have consented to the inclusion of the technical information contained in this announcement.

Coal Seam Gas Projects, Surat Basin Net 540+ PJ Potential

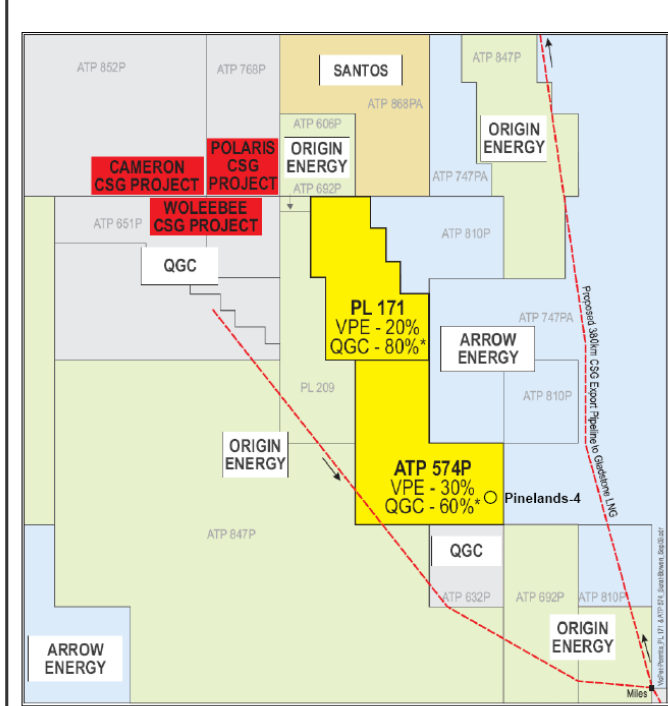


- **PL 171/ ATP 574 Carla/Lawton/Peebs QGC operator. VPE 25%
Gross OGIP 2,500 PJ.
VPE est. Net 450 PJ 3P/3C
2P reserve certification drilling program for 1H 2010**
- **Positioned in "CSG-LNG pipeline corridor" centred on Gladstone**
- **ATP 771P – BOW operator.
VPE 45%. Gross OGIP 265 PJ
2P reserves tripled over past year to :
Gross ~ 101PJ - 2P & 197PJ - 3P
VPE Net 45PJ- 2P & 89PJ- 3P**

**VPE est. Total Net:
45 PJ - 2P & 540 PJ - 3P/3C**

DISCLAIMER: The contents of this page are not and should not be used as a substitute for independent professional advice in making decision involving Victoria Petroleum NL (VPE) or any of its associated entities. VPE shall not be liable for any loss or damage caused by or arising, directly or indirectly, as a result of the viewer's use of the information contained within the files and documents that comprise this page.
 *All 3P reserve numbers estimates for QGC projects are provided by VPE and are sourced from ASX releases by Pure Energy Limited, Sunshine Gas Limited and QGC Limited.

Prime CSG acreage – PL 171/ATP 574P



- **PL 171/ATP 574P CSG Project in "quality" Surat Basin CSG - LNG fairway**
- **Surrounded by Origin, Santos, Arrow & BG Group permits**
- **Major development drilling program in 1H 2010 to certify initial 2P reserves**
- **Gas flared at surface**
- **Gross potential resource OGIP 2,500PJ
VPE est. Net 450PJ 3P/3C**

