

Dome Petroleum Resources PLC



This document is important and requires your immediate attention. If you are in any doubt about the action you should take, or the contents, you should consult a person authorised under the Financial Services and Markets Act 2000 who specialises in advising on the acquisition of shares and other securities. Investment in an unquoted company is speculative and involves a high degree of risk as well as the opportunity of rewards. An investment should only be considered by those persons who are prepared to sustain a loss on their investment.

OFFER FOR SUBSCRIPTION

Dome Petroleum Resources Plc
(a public company incorporated with limited liability in England)

**Offer for subscription of up to 15,000,000 ordinary shares
of 0.1p par value each at 20p per share**

Share capital immediately following completion of Offer (assuming full subscription and no exercise of Warrants):

<i>Authorised</i>		<i>Issued and fully paid</i>	
Amount	Number	Amount	Number
£10,000,000	10,000,000,000	£65,000	65,000,000

This Prospectus sets out the terms on which Dome Petroleum Resources Plc (the "Company") proposes to offer up to 15,000,000 ordinary shares of 0.1p par value each in the capital of the Company (the "Shares") at an offer price of 20p per ordinary share for subscription (the "Offer").

This Prospectus has been drawn up in accordance with the Public Offer of Securities Regulations 1995 and contains information given in connection with the Offer. A copy of this Prospectus has been delivered to the Registrar of Companies for England and Wales for registration in accordance with regulation 4(2) of the Public Offers of Securities Regulations 1995.

The Company has made an application to subscribe to the 535x information facility.

The Company's shares may go down as well as up, and an investor may not, on realisation, recover the amount originally invested. Prospective investors should only apply to invest in the Company if they are able and willing to accept the high degree of risk connected with an unquoted investment, which could result in the loss of some or all of their investment. No application is being made for admission of these securities to the Official List of the United Kingdom Listing Authority, AIM, OFEX or NASDAQ or any Recognised Investment Exchange.

The Directors and Shareholders of the Company, whose details and business address appear on page 5, accept responsibility for the contents of this document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), the contents of this document are in accordance with the facts and do not omit anything likely to affect the import of such contents.

All the Company's advisers named in this document are acting exclusively for the Company and for no one else in connection with the matters described herein and will not be responsible to anyone other than the Company or providing the protections afforded to customers of such advisers or for advising any other person on the contents of this document or any matter referred to herein. No representation or warranty, express or implied, is made by any of such advisers as to the contents of this document (without limiting the statutory rights of any person to whom this document is issued) and none of such advisers have authorised the contents of any part of this document for the purposes of Regulation 13(1) (g) of the Regulations save as may otherwise be expressly stated herein.

An investment in the Company is only suitable for investors who understand the risks of investing in small companies. Investors who act upon this communication and engage in this investment activity may expose themselves to a significant risk of losing all property invested. Investors are accordingly advised to consult a qualified investment adviser who specialises in investments of this kind before making any decision to invest.

The subscription list will open at 9.00 am on 30 June 2005, and will remain open until 5.00 pm on the 20 July 2005, unless extended by the Directors. The application form for the Offer is included with this documentation.

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DEFINITIONS

The following definitions apply throughout this document, unless the context requires otherwise:

"Act"	the Companies Act 1985 (as amended)
"Application Form"	the application form for use in respect of the Offer
"Articles"	the Articles of Association of the Company
"Ascension Securities"	Ascension Securities Limited
"ATP"	Authority to Prospect
"Board"	the board of directors of the Company
"Capita Registrars"	a trading division of Capita IRG plc
"Company"	Dome Petroleum Resources Plc, a public limited company incorporated in England and Wales with registered number 5454245
"Competent Person"	RobSearch Australia Pty Limited
"Competent Person's Report"	the technical review of the Licences prepared by the Competent Person, a copy of which is reproduced in Part II of this document
"Directors" or "Board"	the directors of the Company, whose names are set out on page 5
"Farm-In Agreements"	the agreements pursuant to which the Company has the right to earn up to 40% working interests in the Licences, details of which are set out in Part V of this document
"Issue"	the Offer
"Issue Price"	20p per Offer Share
"Joint Operating Agreement" or "JOA"	the joint operating agreement relating to the Licences and to which the Company is to become a party pursuant to the Farm-In Agreements
"Licences"	the two Exploration Licences, ATP 333P and PL171, details of which are set out in Part V of this document, in each of which the Company has the right to earn a 40 per cent working interest
"Minimum Amount"	£550,000
"Offer" or "Offer for Subscription"	the offer for subscription of the Offer Shares made by the Company, the terms of which are set out in Part VII

"Offer Shares"	the 15,000,000 Shares being offered pursuant to the Offer
"Official List"	the Official List of the UK Listing Authority
"PL"	Petroleum Lease
"POS Regulations"	the Public Offers of Securities Regulations 1995 of the United Kingdom (as amended)
"Regulations"	the Uncertificated Securities Regulations 2001, as amended from time to time
"Shares"	ordinary shares of 0.1p each in the capital of the Company
"UK Listing Authority"	the Financial Services Authority, acting in its capacity as the competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000 of the United Kingdom
"Victoria Petroleum"	Victoria Petroleum Pty Ltd, the owner of working interests in each of the Licences
"Warrants"	warrants to subscribe for up to 2,500,000 Shares at par value issued to Ascension Securities pursuant to the agreement referred in paragraph (a) under the section headed "Material Contracts" in Part VI of this document
"White Sands Petroleum"	White Sands Petroleum Pty Ltd which owns the rights to earn working interests of 60 per cent. in each of the Licences

GLOSSARY OF TECHNICAL TERMS

The following technical terms are used in this document, which should be read in conjunction with the glossary in the expert's report commencing on page 15. (Grammatical variations of these terms should be interpreted in the same way).

"2D Seismic Data"	reflection seismic data or a group of seismic lines acquired individually such that there are typically significant gaps (commonly 1km or more) between adjacent lines. A 2D seismic survey contains sufficient information to permit mapping of the geological structure of the subsurface
"CAPEX"	capital expenditure
"Cenozoic"	the most recent geological age, from 65 million years ago onwards
"Exploration Licence"	a licence issued by a legitimate government or government designated body giving certain exclusive authority to explore a designated area for hydrocarbons
"Mesozoic"	the secondary or reptilian age, from 245 million to 65 million years ago
"mmscfd"	millions of standard cubic feet of gas produced per day
"OPEX"	operating expenditure
"seismic survey"	linear or grid pattern for acquisition of reflection seismic data
"working interest"	a working interest in an oil and gas licence or field that includes an obligation to pay a proportionate share of all costs, royalties, taxes and other charges and the right to receive a proportional share of production and production revenue
"work program"	an agreed schedule of exploration operations and expenditure submitted during the application for an Exploration Licence

Measurements

CF	cubic feet	Cfpd	cf per day;
MCF	thousand cubic feet	Mcfpd	Mcf per day;
MMcf	million cubic feet	MMcfpd	MMCf per day;
BCF	billion (thousand million) of cubic feet;		

Maps and Diagrams

All maps and diagrams within this document are for illustrative purposes only and may not be to scale

DIRECTORS, SECRETARY AND ADVISERS

Directors

Dr Bruno Denantes	Managing Director
Ben Dhesi	Executive Director
Lesley Marshall	Company Secretary

All of whose business address is as below.

Consultants

Dr Judith Lentin	Chief Geophysicist
Dr Peter Jones	Chief Geologist

Registered Office

Ludwell House
2 Guildford Street
Chertsey
Surrey KT16 9BQ

Business Address

Park House
22 Park Street
Croydon
CR0 1YE

Accountants

H.G Field & Co
Ludwell House
2 Guildford Street
Chertsey
Surrey KT16 9BQ

Legal Advisers

Kerman & Co
7 Savoy Court, Strand
London
WC2R 0ER

Auditors

H.G Field & Co
Ludwell House
2 Guildford Street
Chertsey
Surrey KT16 9BQ

Competent Person

RobSearch Australia Pty Limited
10th Floor, 80 Arthur Street North
Sydney
NSW 2060
Australia

Corporate Advisers

Ascension Securities Limited
120 Fenchurch Street
London
EC3M 5BA

Receiving Agent

Capita Registrars
Corporate Actions
PO BOX 166
The Registry
34 Beckenham Road, Beckenham
Kent, BR3 4TH

Registrars

Capita Registrars
The Registry
34 Beckenham Road, Beckenham
Kent BR3 4TU

Bankers

Barclays Bank

KEY INFORMATION

This information is derived from, and should be read in conjunction with, the full text of this document. In particular, your attention is drawn to the Risk Factors set out in Part III.

OVERVIEW

- The Company was incorporated in the UK in May 2005 in order to carry out oil and gas exploration and production activities in Australia and, in particular, to invest initially in an onshore exploration programme in licences covering approximately 563 sq km in Queensland, Australia.
- The Company has the rights to earn up to a 40 per cent interest in two onshore exploration licences in Queensland Australia

- In the 'World Investment Risk Survey' carried out by the multinational insurance company, AIG, Australia was ranked as the least risk country in the world to invest in the resource sector. The survey considers such categories as: Sovereign Risk, Land Access, Land Claims, Infrastructure, Labour Relations and others.
- The Company is seeking to drill one well in each licence area.
- Upon paying for and drilling a well of up to 2,700 metres in licence area ATP 333P the Company can earn up to a 40% working interest which will entitle the Company to the right to receive up to a 40% share of any production and production revenue realised from the licence whether or not that revenue is created from the new well. The Company will also be obligated to pay a proportionate share of all costs, royalties, taxes and other charges accrued under the licence.
- Upon paying for and drilling a well in the licence area PL-171 the Company can earn up to a 40% working interest in the Clematis sandstone layer of the licence area which will entitle the Company to the right to receive up to a 40% share of any production revenue created from the Clematis sandstone layer. The Company will also be obligated to pay a proportionate share of all costs, royalties, taxes and other charges accrued under the licence in respect of the farm-in interest.
- The Competent Person's Report states that the proposed wells have petroleum potential worthy of exploration.
- If the Company raises funds and finds commercial hydrocarbon reserves that are marketable in either of the wells the Company intends to float as soon as possible on the AIM market.

LICENCES

ATP 333P

- Permit ATP 333P covers 388 km² and is located in an area known as the central Bowen Basin and lies on the western flank of the Denison Trough, the gas fields of which have been supplying the local markets since 1990. ATP 333P has two principal targets: The deeper highly prospective and substantial, but higher risk Reids Dome, and the shallow, lower risk Cattle Creek Formation sandstone.
- Reids Dome is a large elongated surface anticline, almost 40 km long and 10 km wide. The lower Reids Dome Beds which are to be targeted by the Company lie at between 1,400m and 2,500m with the principal target at the lower depth. The Competent Person has stated that the structure is very large and well situated to trap gas migrating from within the Denison Trough, and has concluded that the gas potential of the Reid Dome Beds is considerable and justifies a fully engineered deep test.
- The Company will earn a 40% working interest in ATP 333P by providing financing of £621,000 towards the drilling of one exploration well, Reid's Dome North-1, to a total depth of 2,700m. This financing will be provided in 2 stages. First a payment of £400,000 by 15 August 2005 which will earn a working interest of 26%. Then a further payment of £221,000 prior to the commencement of drilling which will earn a further working interest of 14%
- Previous drilling has shown that the shallower Cattle Creek Formation contains encouraging flows of natural gas, with a good potential for commercial production.

PL 171

- Permit PL 171 covers 175 km² which is located in the Surat Bowen Basin contains a structure called the Cherwondah Dome which contains several stratigraphic zones which are potentially hydrocarbon bearing, one of which is the Clematis Sandstone at depths of between 800m and 1,400m. This structure has had three wells drilled in it which targeted the Clematis Sandstone; two flowed gas at sub-commercial rates, and the third was not tested. The directors believe the flow rate from this structure might be improved through the use of under-balanced drilling, and horizontal wells. These technologies have improved the gas flow rates from wells drilled by another operator in the Bowen Basin. The Competent Person has confirmed this view, stating that the Cherwondah Dome has gas charged reservoirs within the Clematis Sandstone and that careful lithological rock typing and designing of drilling procedures to manage these sensitive reservoirs has the potential to unlock significant gas volumes.
- Dome Petroleum Resources proposes to use technology developed by Advanced Micromagnetics Inc out of Houston. This technology has not been used in the Bowen Basin before, but has been used on over 60 projects in the US and internationally. The technology purports to improve the exploration success rate in areas that it is applied.
- The Company will earn a 40% working interest in the Clematis sandstone layer of PL 171 by providing financing of £497,000 towards the drilling the re-entry of the North Cherwondah -1 well including the drilling of a horizontal extension for a minimum of 100m. This financing will be provided in 2 stages. First a payment of £400,000 by 10 October 2005 which will earn a working interest of 32%. Then a further payment of £97,000 prior to the commencement of drilling which will earn a further working interest of 8%

POTENTIAL RESOURCES

In making a proper assessment of the resources and reserves of the Licences, investors should not rely solely on the summary information set out below, but should read the whole of this document and, in particular, the Competent Person's Report set out in Part II.

- ATP 333P: Reids Dome Beds: Operator (White Sands) estimated resources of 202 BCF. Competent Person estimated potential recoverable resource of 526 BCF (217 BCF at 1,400m and 309 BCF at 2,500m) with a gross value of approximately US\$1 billion (based on a wellhead price of US\$2 per MCF)

- ATP 333P: Cattle Creek Formation: Operator (White Sands) estimated resource of 15 - 30 BCF with a gross value of up to US\$60m (on the aforementioned assumption) PL 171: Cherwondah – no resource defined.

MANAGEMENT TEAM includes

- Dr Bruno Denantes (Managing Director) – very experienced oil and gas executive having been the founder and managing director of Kappa International Group, an oil and gas consultancy whose clients include Amoco, Agip, Total, Perenco, Exxon, Burlington, BP, BHP, EDF, GDF, Sonatrach and Sincor. Bruno was the International development program director for Gaz de France for 10 years and has several years' field experience for Total Expro in Cameroon and Indonesia. Bruno brings a wealth of international knowledge, contacts and experience to the Company.
- Ben Dhesi (Commercial Director) – lawyer and founder of the Company, having concluded the negotiations with White Sands Petroleum in relation to the Farm-In Agreements
- Dr Peter Jones (Consultant - Chief Geologist) – geologist with international reputation, his honours include being made in 1997 an Academician of the Russian Academy of Sciences
- Dr Judith Lentin (Consultant - Chief Geophysicist) – geophysicist with over 30 years experience

THE OFFER AND USE OF PROCEEDS

- The Company is seeking to raise up to £3 million through this Offer. The Offer proceeds will enable the Company to complete its drilling commitments in order to earn the maximum 40% working interests in the Licences, and to provide the Company with working capital to manage its interests in those drilling operations. The Minimum Amount of £550,000 will enable the Company to drill a well at Reids Dome to a depth of 2,700m and earn a working interest of 26% in ATP 333P. In the event that only the Minimum Amount is raised, it is possible that the Company will not be able to earn in to its full 40% working interest in ATP 333P or to earn any interest in PL 171.

LICENCE

- The details of the Licences and of the Farm-in Agreements which relate to the Company's participation and rights in relation to the Licences are set out in Part V of this document

RISK FACTORS

- The exploration and development of oil and natural gas is a highly speculative activity that involves a high degree of financial risk. Your attention is drawn to the risk factors referred to in Part III of this document.

SUMMARY OF THE OFFER

The following table shows the authorised and issued share capital immediately following the Offer, and assuming full subscription under the Offer.

The Offer Shares will rank pari passu with the existing Shares in all respects.

Offer Price	20p
Capitalisation pre-Offer - Shares in issue prior to the Offer, multiplied by the Offer Price	10,000,000
Capitalisation post-Offer - Shares in issue after the Offer, multiplied by the Offer Price	13,000,000
Maximum number of Shares in issue immediately following the Offer*	67,500,000
Number of Offer Shares, as a percentage of the post Offer issued share capital*	22.22%
Maximum number of Offer Shares	15,000,000
Expected total proceeds of the Offer	£3,000,000
Expected net proceeds after the deduction of the fees and expenses of the Offer	£2,350,000

* Assuming full exercise of the Warrants

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Issue Date of Prospectus Document	27 June 2005
Subscription List opens	30 June 2005
Closing Date (unless extended by Directors)	20 July 2005
Definitive share certificates dispatched by	21 days after final Closing Date

PART I

INFORMATION ON THE COMPANY

INTRODUCTION

The Company was formed in May 2005 in order to carry out oil and gas exploration and production activities in Australia and, in particular, to invest initially in an onshore exploration programme in licences covering approximately 563 sq km in Queensland, Australia .,

The Company has agreements in place that give it the rights to earn up to 40% working interests in two Exploration Licences by paying the cost of drilling one well in each licence. Each of the Farm-In Agreements is with a private Australian petroleum exploration company, White Sands Petroleum which owns its own drilling rig. This is important in the present oil and gas exploration market because of the shortage of readily available drilling rigs. The other companies with interests in the Licences are all private Australian exploration companies: Victoria Petroleum, Roma Petroleum, QGAS and GFK Investments Petroleum.

Currently opportunities exist in the oil and gas sectors, where the larger oil and gas exploration and production companies are concentrating on producing assets to take advantage of high energy prices, and are prioritising larger potential deposits for exploration activity. Consequently exploration of smaller fields is being overlooked. There is also now an opportunity for previously un-developed uneconomic reserves to become economic because of higher oil and gas prices and improved recovery technology.

QUEENSLAND, AUSTRALIA

Australia is the least risk country in the world to invest in the resource sector, according to the annual 'World Investment Risk Survey' performed by the multinational insurance company, AIG. The survey considers such categories as: Sovereign Risk, Land Access, Land Claims, Infrastructure, Labour Relations and others.

The exploration and development of petroleum resources in Queensland is managed and regulated by the Natural Resources, Mines and Energy Department. In their February 2004 publication entitled "Exploring and Developing Minerals, Coal and Petroleum in Queensland, Australia: A Guide for Investors", they state that:

"Exploration and development opportunities are enhanced by Queensland's:

- Strong resource base and mining tradition
- Low-cost energy
- High standard of living
- Stable political, social and economic environment
- Attractive policy framework conducive to exploration and mining
- Well developed physical infrastructure and scientific services support
- Comprehensive and high-quality geoscientific knowledge base."

Geology of the Bowen Basin, Queensland, Australia

The Licences are located in the Bowen Basin in Queensland. The Bowen Basin is situated in central and southern Queensland and is comprised of mostly Early Permian to Middle Triassic rocks covering an area of 160,000 km². It is part of the Sydney–Gunnedah–Bowen

system which extends from the Illawarra region south of Sydney to the northern Bowen Basin in the region of Collinsville. The southern part of the basin is overlain by the Jurassic to Cretaceous Surat Basin. ATP 33P is located in the western Bowen Basin. PL 171 is located in the Surat Bowen Basin. The relative proximity of the Licence areas will assist the Company in the management of these assets.

THE LICENCES

Exploration for petroleum in Queensland is managed by the Queensland Government Department of Natural Resources, Mines and Energy (NRM&E). Queensland's Mineral Resources Act 1989 and Petroleum Act 1923 (the Act) provide the legislative framework for exploration tenure in the state. Before exploration can begin, an Authority to Prospect (ATP) must be obtained from NRM&E. Tenure holders are required to actively explore the entire area under tenure, and are required to submit a work program for the term of the tenure, which is usually four years. The work program must be approved by the Minister of NRM&E (the Minister) before the ATP is granted. The tenure holder then must complete the work program to retain the area. Variations to the work program can be obtained by application to and approval by the Minister.

Once petroleum is discovered, the ATP holder must apply for a Petroleum Lease (PL) before oil and gas can be produced. A PL is granted if the area is shown to contain payable deposits of petroleum capable of development and production. A PL is usually granted for an initial period of 30 years to allow sufficient time to develop the resource. A summary of the relevant regulations is set out in Part V.

ATP 333P – REIDS DOME

Regional Geology

The stratigraphy of the area in which this Licence is located is set out in Figure 1:

Age	Formation	Hydrocarbon occurrences
PERMIAN	Aldebaran Sandstone	Gas - Rolleston, Arcturus, Yandina
	Cattle Creek Formation	Gas - AOE 1, Reids Dome 1A, 2, 3, Nyanda 1
	Reids Dome Beds	Gas - Maintop, Merivale, AOE 1

Figure 1 – Reids Dome Stratigraphy

Reids Dome Beds The oldest sequence in this region of the Bowen Basin is the Reids Dome Beds of Early Permian age. The lower Reids Dome Beds consist of a non-marine sequence of interbedded sandstone, siltstone, shale, coal and conglomerate. They do not outcrop, only being encountered in a number of wells. These sediments are interpreted to have been deposited in environments ranging from alluvial fans to coal marshes. An unconformity at the top of the lower Reids Dome Beds is recognised on seismic in the northern part of Reids Dome. It is not possible to identify an unconformity in the southern part of Reids Dome, presumably due to the absence of coal beds in that area. The upper Reids Dome Beds are mainly shale, with some coal in the northern part of Reids Dome and fluvial sands in the southern part.

Cattle Creek Formation This is a marine transgression represented by the marine sandstones, siltstone, shale and some coquina limestone of the Cattle Creek Formation.

The younger sediments of the Aldebaran Sandstone are not considered to be relevant, as these sediments are only present on the flanks of Reids Dome and as such would not be encountered by wells in the area to be drilled.

Exploration History and Gas Potential

A number of wells have been drilled by previous owners of this tenement to various depths, two to the lower Reids Dome Beds, and the rest targeting the shallower Cattle Creek Formation.

There is a table in paragraph 4.1.4 of the Competent Person Report which summarises the results of these wells.

Reids Dome Beds: The Competent Person is of the view that the lower Reids Dome Beds have not been conclusively tested within the Licence area, but notes that commercial gas flow rates have been recorded in the Reids Dome Beds in the Westgrove area (adjacent to, but outside the Licence area). The structure is very large and well situated to trap gas migrating from within the (lower) Denison Trough. It is possible that oil is also present, but permeability appears to be too low for commercial oil deliverability rates to be achieved.

While White Sands has estimated a potential gas recoverable resource of 202 BCF, the Competent Person has calculated a total potential recoverable resource of 526

BCF made up of 217 BCF at 1,400m, and 309 BCF at 2,500m. Assuming a wellhead gas price of US\$2 (average wellhead prices in Australia currently range between AUS\$2 and AUS3.50), this gives a potential in-ground resource with a value of circa US\$1 billion.

Cattle Creek Formation: Intense drilling in the vicinity of the first well drilled in this formation within the permit area (AOE1) has established a gas pool of circa 1 BCF. The potential of this formation across the whole of the permit area is dependent on the distribution of the higher permeability zones within the sandstone. The operator (White Sands) has estimated, extrapolating from the proven reserve in the vicinity of AOE1, that the Cattle Creek Formation has a potential (Indicative) resource of circa 30 BCF. Assuming a wellhead gas price of US\$2, this gives a potential in-ground resource with a value of circa US\$60 million.

The Licence and Farm-In Agreement

The recorded holders of ATP 333P are Victoria International Petroleum NL (64%) and Victoria Oil Pty Ltd (36%), both of these companies are wholly owned subsidiaries of Victoria Petroleum NL. The ATP was granted on 1 June 1983, and there have been variations and renewals to the ATP since then. The ATP 333P area consists of 388 km² covering the Reid's Dome structure. The last renewal of the licence expired on 31 May 2005 and an application for renewal has been submitted by Victoria Petroleum which is expected to be granted. There is an agreement between Victoria Petroleum NL and White Sands Petroleum to drill one well in respect of which White Sands Petroleum will earn a 60% working interest. White Sands Petroleum must start drilling on the well by 1 September 2005.

The Company entered into the Farm-In Agreement which relates to this Licence in May 2005. This agreement gives the Company the right to earn a 40% working interest in ATP 333P by providing financing of £621,000 towards the cost of drilling the Reids Dome North-1 well to a total depth of 2,700 meters, and completing the well for production if the well is deemed economically viable by White Sands. This financing can be provided by the Company in two stages. First £400,000 must be provided no later than 15 August 2005. The provision of this £400,000 will earn the Company a working interest of 26%. The Company can then increase its working interest by a further 14%, taking it to 40%, by providing further financing of £221,000 prior to the commencement of drilling. The Company's entitlement to its working interest will be conditional, amongst other things, on the Reids Dome North-1 well being completed by the Operator.

PL 171 – CHERWONDAH – CLEMATIS SANDSTONE

Regional Geology

The stratigraphy of the area in which this Licence is located is set out in Figure 2:

Age	Formation	Hydrocarbon occurrences
JURASSIC	Walloon Coal Measures	Coal seam gas - Argyle, Berwyndale South, Tipton West & Kogan North
	Hutton Sandstone	
	Evergreen Formation	Oil - Conloi
	Precipice Sandstone	Gas - Roma Shelf Fields (main Surat gas production)
TRIASSIC	Clematis Sandstone	Flowed Gas - Cherwondah Nth. 1 (Shows Cherwondah 1 only) Cherwondah 2 Flowed Gas - Cherwondah 1 Gasfields - equivalent (Showgrounds) southern Roma Shelf
	Rewan Formation	(North Cherwondah reached T.D. in the lower part of the Clematis Sandstone. Cherwondah 1 & 2 reached T.D. in the Rewan Fm) Minor gas & oil production Southern Roma Shelf
PERMIAN	Gyranda Formation	Gassy water - Burunga Anticline
	Back Creek Group	
	Camboon Andesite	Gas - Scotia, Burunga

Figure 2 – North Cherwondah Stratigraphy

The Clematis Sandstone is predominantly sandstone with minor siltstone and mudstone. Gas flows have been recorded from this formation on the Wandoan Anticline. Commercial gas discoveries have been made in the Roma region from the Showgrounds Sandstone, which is equivalent to the Clematis Sandstone.

Exploration History and Gas Potential

There has been exploration in the Surat Bowen Basin since the early 1900s with oil and gas discoveries. However, there has been limited exploration of relevant areas in the PL 171 licence area. Three wells, Cherwondah 1, Cherwondah 2 and North Cherwondah were drilled between 1964 and the second in 1995. The Cherwondah 1 well flowed gas but the results were taken as indicating that the gas reservoir had been damaged by mud filtrate resulting in low flow rates. Cherwondah 2 had intended to use liquid nitrogen and proppant to stimulate gas flows, but in the event the cost was judged as too prohibitive. Since then fracking procedures and technologies in general have improved resulting in improved success rates and costs have reduced dramatically. Roma Petroleum drilled the North Cherwondah 1 well in 1995, 400m north of Cherwondah 2. This well was air drilled in an attempt to minimise formation damage; however, water ingress resulted in damage to the well and consequently it was elected not to run logs over the air drilled section. Open hole flow rates of 0.320 mmcf/d were recorded from the Clematis Sandstone. The well was cased and suspended. Due to extensive caving of siltstones within the Clematis Formation, open hole logs were not able to be run in the hole. Gas analyses of two samples taken during an open hole test showed methane content greater than 96 %, with less than 1 % inert gases. Minimal gas processing such as dehydration to remove water or condensation and compression to pipeline pressure is all that would be required prior to delivering gas into the pipeline system.

The Competent Person concludes that:

it is obvious that the Cherwondah Dome has gas charged reservoirs within the Clematis Sandstone.

it is possible that these reservoirs are particularly sensitive to damage from seemingly small quantities of water causing clays to swell and reduce permeability.

careful lithological rock typing and designing drilling procedures to manage these sensitive reservoirs has the potential to unlock significant gas volumes.

Mosaic Oil has had considerable success using underbalanced drilling in the Showgrounds Sandstone and the Tinowon formation in the southern Bowen Basin. Markedly increased production rates were obtained from horizontal well sections in the Showgrounds Sandstone in the Tinker field. Tinker 3H was drilled underbalanced using nitrogen and tested at an estimated 20mmcf/d for a sand of 3 to 5 metres vertical thickness. A DST conducted over a similar interval at the time the well was drilled resulted in a flow rate of 1.3 mmcf/d. Such underbalanced technology could be appropriate in drilling the Clematis Sandstone (equivalent in age and with similar lithology to the Showgrounds) at Cherwondah.

The zone of best permeability in North Cherwondah 1 lies in the interval 1,305m to 1,317m. It is assumed that this comprises several beds of better permeability within this 12m interval. A horizontal well has the potential to intersect a much greater portion of these better permeability zones over its proposed 100m length.

The Licence and Farm-In Agreement

Petroleum Lease (PL) 171 was granted on 30 September 2004 to Roma Petroleum NL and Victoria Petroleum NL for a period of 30 years. PL 171 covers an area of about 175.2 km². The terms of the lease include a yearly rent of

A\$3872 and also a royalty of 10% of the value at the wellhead of the petroleum produced to be paid to the Director-General of the Department of NRM&E. The lessee also must work the demised land in accordance with recognised good oilfield practice and in compliance with the Act.

The application on which the PL 171 was granted was based on the potential resources in the Triassic aged Clematis Sandstone, drilled by the wells Cherwondah-1 in 1964, Cherwondah-2 in 1985 and North Cherwondah-1 in 1995, as noted under Exploration History above. Cherwondah-1 flowed gas at rates up to 250,000 mscf/d, and North Cherwondah-1 flowed up to 320,000 mscf/d. Cherwondah-2 was not tested.

There is an agreement between White Sands Petroleum, Roma Petroleum and Victoria Petroleum to re-enter the North Cherwondah-1 well and drill a horizontal production well using underbalanced drilling technology in respect of which White Sands Petroleum will earn a 60% working interest. White Sands Petroleum must start drilling on the well by 1 November 2005.

The Company entered into the Farm-In Agreement for PL 171 with White Sands Petroleum in May 2005. This gives the Company the right to earn up to a 40% interest in the Clematis sandstone layer of PL 171 by providing financing of £497,000 to finance the cost of re-entering the Cherwondah 1 well and drilling the proposed horizontal extension to a minimum length of 100m, and completing the well for production if the well is deemed economically viable by White Sands. This financing can be provided by the Company in two stages. First £400,000 must be provided no later than 10 October 2005. The provision of this £400,000 will earn the Company a working interest of 32%. The Company can then increase its working interest by a further 8%, taking it to 40%, by providing further financing of £97,000 prior to the commencement of drilling. The Company's entitlement to its working interest will be conditional, amongst other things, on the proposed drilling being completed by the Operator.

The map set in the Competent Person's Report in Part II shows the location of the Company's Licences, together with the location of other oil and gas fields in the vicinity.

The Company is aiming to commence drilling on ATP 333P in July / August 2005 using the rig owned by White Sands Petroleum. The timing of drilling will depend on rig availability and weather. Provided sufficient funds are raised pursuant to the Offer, it is expected that the well on PL 171 will also be drilled before the end of 2005.

One aspect of the proposals of the Company which its Directors believe will enhance the viability of its exploration is that it intends to use new technology designed to improve the chances of drilling a successful well. The technology is proprietary technology designed by Houston company Advanced Micromagnetics Inc. The technology involves specialized mathematical analysis of aeromagnetic data. Advanced Micromagnetics claims to have had success with their technology on over 60 projects in the US and internationally. The technology has never been tried in the Bowen Basin.

The principal terms of the Licences and of the Farm-In Agreements are summarised in Part V of this document.

DIRECTORS

Details of the Directors, their roles and their backgrounds are as follows:

Ben Dhesi (Commercial Director), LL.B, LL.M.

Ben has an LL.B (Hons) and a Master of Laws degree in International law from University of London.

Ben is a fully qualified solicitor who worked in the city at Mishcon de Reya solicitors until 2004.

Ben successfully negotiated the rights under the Farm-In Agreements with White Sands Petroleum and subsequently set up the Company to raise money to exploit the rights under the Farm-In Agreements.

Bruno Denantes (Managing Director), ENSIC, ENSPM, Ph.D.

Bruno has a PhD in business administration from Columbia University and an Msc degree in Engineering and ENSIC, ENSPM (IFP Petroleum Engineering)

Bruno is the founder member and Managing Director of Kappa International Group. Kappa's business operations include finding, managing, and supervising the exploration of oil and gas reserves. Kappa also provides consultancy, start up support and partners/clients include Amoco, Agip, Total, Perenco, Exxon, Burlington, BP, BHP, EDF, GDF, Sonatrach and Sincor.

From 1981 to 1991 Bruno was the International development program Director for Gaz de France.

From 1980 to 1985 Bruno worked for Total Expro and was the Field Assets Development Leader in Cameroon and Indonesia. Between 1980-1984 Bruno was operations director of the gas processing and petrochemical complex in Abu Dhabi.

Between 1975 and 1980 Bruno worked for Foster Wheeler in the US and France. Bruno worked as a process engineer on oil and gas field installation projects for Shell, Conoco, Agoco, NNPC, Sonatrach and Mashinoimport.

Bruno brings a wealth of international knowledge, contacts and experience to the Company.

CONSULTANTS

The Company has engaged the following highly experienced persons as technical consultants:

J.K. Lentin (Chief Geophysicist), B.S., Ph.D.

Judith obtained a B.S. degree in Geology and Biology in 1967 from Central Missouri State University and her post graduate Ph.D., in Geology from the University of Sheffield, England in 1971. APEGGA Professional Geologist.

Judith is a highly qualified and experienced geologist who has worked in Canada and America. She has also consulted internationally in a further 21 countries. Since 1991 Judith has concentrated on development programs within the Former Soviet Union. Her career spans over 30 years. Judith's publications include 50 international geological works and text books. In addition to her expertise as a geologist, Judith has extensive business and project management experience.

Peter B. Jones (Chief Geologist), B. Sc., F. G. S., FGSA, P. Geol., Academician of Russian Academy of Natural Sciences

Peter is a consulting geologist, specialising in petroleum exploration in areas of complex structures and deformed belts. Based in Calgary, Canada, as President of Tectonic Consultants Ltd, he has been involved in petroleum and minerals exploration and development since the nineteen-fifties, with two years spent as an assistant professor of geology in Ethiopia. Initially working for BP, BP Alaska, Amerada-Hess, and Dome Petroleum (no connection with the Company) in Calgary, he was a well site geologist, before leading subsurface and field studies in western Canada, Alaska, and the Canadian shield.

He formed International Tectonic Consultants Ltd. In 1980 to specialize in petroleum exploration in areas of complex structures, primarily associated with thrust and fold belts. He has worked all over the world including the U.S.A., UK, Former Soviet Union, China, the Far East and South America. Clients have included Shell, BP Canada, Mobil, Superior, Imperial Oil, Canadian Hunter, Devon, Nexen, Sherritt International, Huffco, and many smaller domestic and foreign oil companies.

Peter has published numerous papers and achieved international recognition for his work on the frontal margins of deformed belts in a 1982 paper described by Ian Vann (VP technology of BP) as the "most important breakthrough in structural geology in a decade". That paper was also described as "the biggest advance in 50 years" by Dr. Richard Powers of the USGS.

Peter also co-authored the first commercially available software for construction of balanced cross-sections through fold and thrust belts. Initially a mainframe program, it was sold to almost every major oil company in the world, and subsequently, as a PC-based program to the same and many other oil companies, national geological surveys, and universities.

In 1997 he was awarded the Douglas medal of the Canadian Society of Petroleum geologists, for "having contributed enormously to our understanding and evolution of deformed belts in general and the Canadian Rocky Mountain fold and thrust belt in particular". Shortly afterwards he was elected an Academician (foreign member) of the Russian Academy of Natural Sciences, for the same contributions to geology. Fewer than twelve foreigners per year are honoured in this way, and at the time of the award, there were not more than two other Academicians in Canada.

THE OFFER, REASONS FOR THE OFFER AND USE OF PROCEEDS

The Company is proposing to raise £3 million before expenses through the Offer, subject to a minimum subscription of the Minimum Amount. The Offer, if fully subscribed, is expected to raise approximately £2,365,000 net of expenses and the Offer Shares will represent 22.22% of the issued ordinary share capital of the Company following the Offer (and assuming exercise in full of the Warrants).

The proceeds of the Offer will be used as follows:

Drilling one exploration well ATP	£400,000 to
333P to earn 26 - 40% interest:	£621,000

Drilling one horizontal, underbalanced well in PL 171 to earn 32- 40% interest:	£400,000 to £497,000
Application of Advanced Micromagnetics technology to identify exploration targets:	£60,000 (circa)
Working Capital	£1,150,000
Expenses of the Offer	£650,000

Under the Offer, applicants may apply for Offer Shares at the Issue Price. The minimum number of Offer Shares in respect of which applications may be made is 2,500. It is expected that certificates in respect of the Offer Shares will be dispatched by post, within 21 days of the closing date of the Offer.

The full terms and conditions of the Offer are set out in Part VII of this document. Applications under the Offer should be made by investors completing the Application Form at the end of this document.

DIVIDEND POLICY

The Directors intend to devote the Company's cash resources to its exploration activities. Unless and until income and distributable reserves are generated, the Company will not be in a position to pay any dividends.

The Directors will consider the Company's dividend policy further once the Company is in a position to pay dividends.

PART II
COMPETENT PERSON'S REPORT



8 June, 2005

The Directors
Dome Petroleum Resources Plc
Ludwell House
2 Guildford Street
CHERTSEY Surrey KT16 9BQ
United Kingdom

RA Ref: #4251

Dear Sirs,

INDEPENDENT TECHNICAL EXPERT'S REPORT

This report has been prepared at the request of the Directors of Dome Petroleum Resources Plc (Dome), a private company based in the United Kingdom.

Dome has entered into agreements with White Sands Petroleum Pty Ltd (WSP), an Australian private company which has secured rights to earn equity in ATP 333P (Reids Dome) and of PI 171 (Cherwondah) in Queensland from the present permit holders, Victoria Petroleum NL and Roma Petroleum NL. Under these agreements, Dome may earn a 40% Working Interest in each of the permits by funding drilling operations in each.

RobSearch Australia Pty Limited ("RobSearch") has been commissioned as the Independent Technical Expert to review and assess the petroleum interests to be acquired by Dome and to comment on the appropriateness of the proposed exploration and development programs.

RobSearch is an independent, Australian-owned and managed natural resource consultancy, specialising, inter alia, in the appraisal and valuation of petroleum resources and projects. In preparing this report, professional staff and associates of RobSearch provided expert opinion on matters related to their specific expertise.

RobSearch Australia Pty Limited

(formerly Robertson Australia Pty Limited & Robertson Research (Australia) Pty Limited)

ABN: 29 000 762 078

INDEPENDENT CONSULTANTS

NATURAL RESOURCES • SAFETY & ENVIRONMENTAL ENGINEERING • PROJECT IMPLEMENTATION

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1.0 SUMMARY & CONCLUSIONS

RobSearch has reviewed the petroleum interests to be acquired by Dome and is satisfied that:

- (i) each of the tenement areas has conventional petroleum potential worthy of exploration at the expenditure levels contemplated by Dome and has the potential for the discovery of petroleum.
- (ii) Dome's proposed exploration programs are consistent and appropriate with the current levels of understanding of the petroleum potential of each of the licence areas.

The examination of the petroleum potential of the Dome prospects and tenements has been made on the basis of information supplied by the company as well as published information. RobSearch is satisfied that sufficient data was available to adequately examine the areas.

2.0 SCHEDULE OF INTERESTS (Figure 1)

Table 1

Licence area	Basin	Dome WI	Type of equity	Area of Licence km ²
ATP 333P (Reids Dome)	Bowen	40%	Option to earn by drilling well	388
PL 171 (Cherwondah)	Bowen	40% (Clematis Zone)	Option to earn with horizontal extension of North Cherwondah 1	175

3.0 SOURCES OF INFORMATION

This report is based primarily on:

- confidential and non-confidential data made available by WSP & Dome, the permit holders and their advisers,
- non-confidential data in the files of RobSearch, and
- other publicly available data.

Although WSP and Dome have advised that they has provided all relevant data in their possession, RobSearch is not in a position to guarantee the accuracy or completeness of such data available to it in the preparation of this report.

4.0 PETROLEUM POTENTIAL OF TENEMENTS

4.1 ATP 333P (Reids Dome)

Dome will earn a 40% Working Interest (WI) in all of ATP 333P by funding the drilling Reids Dome North-1 (“the earning well”) to a total depth of 2,700 metres. Drilling of the earning well is to commence before 1 September 2005. On completion of the drilling, interests in ATP 333P will be:

Dome Petroleum Resources Plc	40%	WI
White Sands Petroleum N.L (operator)	20%	WI
Victoria Petroleum N.L	40%	WI
<i>Victoria Petroleum N.L ORRI</i>	<i>7%</i>	<i>ORRI</i>

4.1.1 Introduction

This permit of 388 km² lies over the Reids Dome anticline, which lies on the regional Serocold Anticline in the western Bowen Basin of south east Queensland. Two deep tests and eleven shallow wells have been drilled on Reids Dome between 1954 and 2004. Gas flow rates in excess of 1 mmcf/d have been achieved from some wells in the shallow Cattle Creek Formation sandstone. The reservoirs have relatively low permeability and are thought to be easily damaged by mud filtrate. Many of the wells have been drilled with very high mud weights, which increases the risk of formation damage. Better success has been achieved with wells drilled using air, (*Anthony, 2004*). Artificial stimulation by fracturing has not yet been attempted.

The Oil Company of Australia/Santos joint venture has been successful in exploiting gas reserves of the Denison Trough in the Bowen Basin. Proved and probable reserves as at June 2004 are reported (*Anthony, 2004*) as 331.2 PJ (approximately 331 bcf) with slightly more than half of the reserves being in the Aldebaran Sandstone. Five percent of the total production to June 2004 is attributed to the Reids Dome Beds, i.e. 11.3 PJ

4.1.2 Regional Geology

The Early Permian to Middle Triassic Bowen Basin covers an area of 160,000 km² in Queensland. The Bowen Basin is part of Sydney–Gunnedah–Bowen system which extends from the Illawarra region south of Sydney to the northern Bowen Basin in the region of Collinsville. The southern part of the basin is overlain by the Jurassic to Cretaceous Surat Basin. The Bowen Basin began as a back arc basin west of the continental Camboon Volcanic Arc. Early Permian extension resulted in a series of half grabens with the Denison Trough being the most prominent in the general region of ATP 333P. Clastic sediments were laid down in the western part, while andesite and volcanoclastics were laid down in the eastern areas. Subsidence allowed the sea to enter from the east with deltaic sedimentation occurring along the western and northern flanks of the basin. Compressive uplift during the Late Permian resulted in the sea being restricted by the infilling of the basin with deltaic sediments and peat-forming wetlands. These peats became the coal measures of the Bowen Basin after they had been buried.

The Late Permian was marked by deposition of volcanolithic sediments of the Rewan Group in a terrestrial environment. This deposition continued into the Middle Triassic when uplifted rocks from the western margins provided a supply of quartzose sands deposited as the Clematis Group. This deposition occurred in an inland sea or lake.

Later in the Middle Triassic, following apparent uplift in the east, the Moolayember Formation was laid down. Sourced from a volcanic province, the environment of deposition is interpreted as fluvial to lacustrine.

Sediment thickness is up to 10 km in the two major basin depocentres, the Taroom Trough and the Denison Trough.

ATP 333P is located in the central Bowen Basin and lies on the north-trending Serocold Anticline on the western flank of the Denison Trough. The anticlinal Reids Dome structure has been breached by erosion, resulting in a crestral valley floor of Cattle Creek Formation surrounded on the flanks by escarpments of Aldebaran Sandstone. The Serocold Anticline is well located to receive hydrocarbons migrating from within the deeper parts of the Denison Trough. Oil shows have been recorded within the Bowen Basin sequence in this region however gas is the predominant hydrocarbon discovered to date. The depth of burial of potential source rocks is such that the source rocks would have passed through the oil generating window into the gas generating window. Gas fields of the Denison Trough have been supplying the Gladstone/Rockhampton region gas market since 1990. The proved and probable resource base as at July 2004 was 331.2 PJ (Anthony, 2004).

4.1.3 Stratigraphy (Figure 2)

Age	Formation	Hydrocarbon occurrences
 PERMIAN L	Aldebaran Sandstone	Gas - Rolleston, Arcturus, Yandina
	Cattle Creek Formation	Gas - AOE 1, Reids Dome 1A, 2, 3, Nyanda 1
	Reids Dome Beds	Gas - Maintop, Merivale, AOE 1

Figure 2 Stratigraphic Column - ATP 333P, Reids Dome

Reids Dome Beds The oldest sequence in this region of the Bowen Basin is the Reids Dome Beds of Early Permian age. The lower Reids Dome Beds consist of a non-marine sequence of interbedded sandstone, siltstone, shale, coal and conglomerate. They do not outcrop, only being encountered in a number of wells. These sediments are interpreted to have been deposited in environments ranging from alluvial fans to coal marshes. An unconformity at the top of the lower Reids Dome Beds is recognised on seismic in the northern part of Reids Dome. It is not possible to identify an unconformity in the southern part of Reids Dome, presumably due to the absence of coal beds in that area.

The upper Reids Dome Beds are mainly shale, with some coal in the northern part of Reids Dome and fluvial sands in the southern part.

Cattle Creek Formation A marine transgression represented by the marine sandstones, siltstone, shale and some coquina limestone of the Cattle Creek Formation.

Aldebaran Sandstone This formation was deposited in a regressive phase; lithologies include bioturbated sandstones, conglomerates with some coal, shale and siltstone. The Aldebaran Sandstone has been completely eroded from the crest of the anticline, being present only on the flanks.

The stratigraphy of younger sediments of the Bowen Basin is not discussed here, as these sediments are only present on the flanks of Reids Dome and as such would not be encountered by wells in the crestal area. These younger formations are shown in the stratigraphic table (Figure 2).

4.1.4 Exploration History

Reids Dome is a large elongated surface anticline trending north-south. It is almost 40 km long and 10km wide. The first exploration well by Australasian Oil Exploration Ltd (AOE), AOE 1, was drilled in the northern part of the Dome (Figure3). This well spudded in the Cattle Creek Formation in August 1954 and reached total depth of 2761.5m. The well completion report states “Drilling was abandoned when it was apparent that the drill had entered a metamorphic zone.” It is not known if this zone was due to contact metamorphism from a sill, or indeed was metamorphic basement.. *Paten et al, 1979* indicate that the Reids Dome Beds exceed 3,000m in the Reids Dome area, based on regional studies. Based on seismic interpretation, it is inferred that the well was still in Reids Dome Beds at total depth.

Oil shows were recorded at several levels, with frequent gas shows. Gas was tested from the Cattle Creek Formation and flowed at 0.550 mmcfd from the interval 136.6m to 142.3m. Methane content was 97.4 percent, with carbon dioxide 1.2 %, oxygen 0.5 % and nitrogen 0.9 %. Small flow rates were recorded from tests over intervals 822.7m to 827.8m and 1,359.4m to 1,364.6m within the Reids Dome Beds. Gas was recorded over the interval 2,350.0m to 2,353.7m, apparently from fractured shale. Attempts to test this zone were unsuccessful due to inability to move the test tools through a zone at 1,341.1m to 1,371.6m. Gas shows were also recorded over the interval 2,350.0m to 2,687.4m.

Well	Year	Total Depth	Comments
AOE 1	1954-55	2761.5m	0.550 mmcfd
AOE 2	1955	1237.5m	no gas flows
MNX Reids Dome 1	1975	102m	mechanical problems resulted in re-drill
MNX Reids Dome 1A	1975	139m	calculated flow potential of 1 mmcfd
ERI Reids Dome 2	1980	150.6m	0.850 mmcfd
ERI Reids Dome 3	1980	149.0m	0.973 mmcfd
ERI Reids Dome 4	1980	152.4m	0.485 mmcfd
ERI Reids Dome 5		182.9m	no flow but suspended
RDE Nyanda 1	1987	450.8m	flowed gas at RTSTM
VPE Aldinga North 1	1993	162.5m	1.2 mmcfd
VPE Aldinga East 1	1993	228.5m	<0.005 mmcfd

VPE Aldinga West 1	1993	228.5m	no flow
VPE Nyanda North 1	1993	228.5m	did not encounter sand
TSE Nyanda 2	2001	214.9m	flowed gas at RTSTM
TSE Nyanda 3	2001	215.5m	no gas flow

AOE – Australasian Oil Exploration
 MNX – Minex Incorporated
 ERI – Energy Resources Incorporated
 RDE – Reids Dome Exploration Company
 VPE – Victoria Petroleum NL
 TSE – Tri-Star Energy Company

AOE 2 was drilled in 1955 updip from AOE 1 (Figure 3), primarily to test water filled sandstones encountered in AOE 1 between 518.2m and 1,286.3m. Correlations indicate that AOE 2 is some 190m updip from AOE 1. The productive sand in AOE 1 was not recognised in AOE 2 at the time, and it has been speculated the gas sand is present, but that its log response was attenuated by mud filtrate from the high-weight drilling mud. There is also the possibility that the sand is either not a continuous blanket or that there are permeability barriers within the sandstone interval. A cross section over Reids Dome just north of AOE 2 is presented as Figure 4. Reverse faulting on the western margin of similar structures in the Denison Trough is recognised on modern seismic data (*Anthony, 2004*). It is likely that similar reverse faulting is present along the western margin of the Reids Dome closure.

Between 1975 and 2001, 13 more wells were drilled on the Reids Dome structure, all targeting the shallow Cattle Creek Formation sandstone which tested gas in AOE 1. Some encouraging gas flows have been recorded from this interval, but other wells did not flow or flowed at very low rates. Poor flow rates or lack of flow could be due damage by mud filtrate or to low inherent permeability. In some cases, completion design of the wells was less than optimal and this precluded effective testing.

Minex drilled MNX Reids Dome 1 just beside AOE 1. MNX Reids Dome 1 was terminated at 102 metres due to mechanical problems. MNX Reids Dome 2 was also drilled beside AOE 1 and encountered gas at approximately 138.5m and was terminated at 139m. Two production tests were conducted resulting in calculated open flow potentials of 1 mmcfd and 0.875 mmcfd. The well completion procedures were inadequate for the pressures encountered and the well was plugged at the direction of the Queensland Department of Mines. Gas analyses were similar to that of samples from AOE 1.

Energy Resources Incorporated (ERI) drilled 4 wells in 1980. ERI Reids Dome 2 was drilled 6m from MNX Reids Dome 1 and tested gas at 0.850 mmcfd from the Cattle Creek Formation sandstone. Flowing pressure was 122 psi and a well head pressure of 290 psi was recorded after the well had been shut in for several hours. ERI Reids Dome 3 was drilled approximately 305m west of ERI Reids Dome 2 and a test rate of 0.973 mmcfd was recorded.

ERI Reids Dome 4 was drilled about 305m south of ERI Reids Dome 2. A maximum stabilised flow rate of 0.485 mmcfd was recorded with a maximum shut in pressure of 290 psi. Reids Dome 5 was drilled approximately 610m northwest of ERI Reids Dome 2 and encountered the Cattle Creek Formation sandstone low on the structure and flowed water on test. These ERI wells were drilled with mud weights in excess of 11 pound per gallon; there is a high risk of formation damage using such mud weight at such shallow depth.



Figure 3 Reids Dome – Landsat image showing well locations

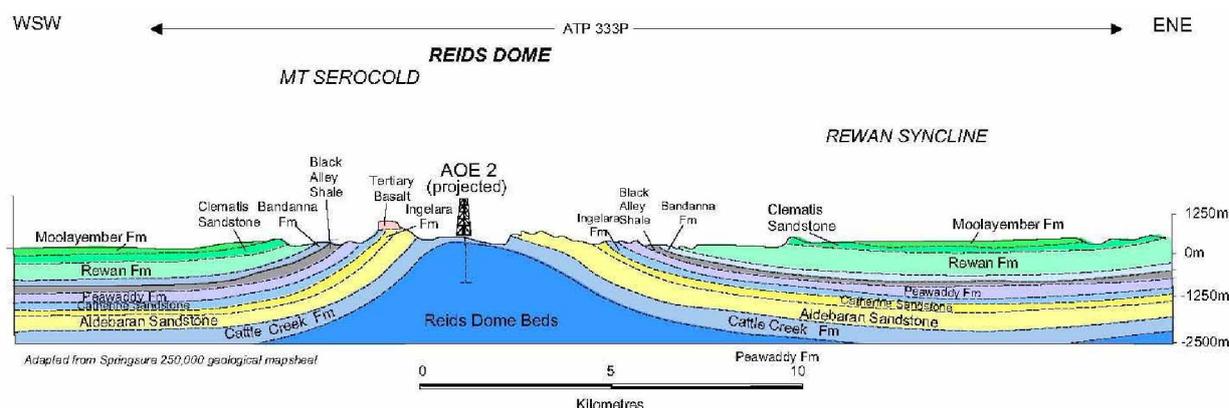


Figure 4 Cross Section over Reids Dome

Nyanda 1 was drilled in 1987 on the southern part of Reids Dome by the Reids Dome Exploration Company to a depth of 450.8m. A DST of the Cattle Creek Formation sandstone flowed gas at very low rates and interpretation of the DST chart indicated formation damage.

In 1993, Victoria Petroleum drilled three wells in the northern portion of Reids Dome, and one in the southern portion. Air drilling was used to minimise the risk of formation damage from drilling fluids.

Aldinga North 1, located 370m west of AOE 1, tested gas with a stable flow rate of 1.2 mmcfd from the Cattle Creek Formation sandstone. Aldinga East 1 was located 1.85km south of Aldinga North 1 and recorded a minor flow of gas from the Cattle Creek Formation sandstone at a rate of less than 5 mcf (0.005 mmcfd).

Aldinga West 1 encountered the Cattle Creek Formation sandstone, but no flow could be achieved. Nyanda North 1, located 2.8 km north of Nyanda 1, did not encounter the Cattle Creek Formation sandstone.

In 2001, Tri-Star Petroleum drilled two wells following up on the Nyanda 1 well of 1987. Both wells were drilled using air. Nyanda 2 was located 38m southwest of Nyanda 1. The well encountered the Cattle Creek Formation sandstone, which flowed gas at a rate too small to measure (RTSTM). Nyanda 3 was located approximately 38m north of Nyanda 1 and no gas flow was recorded. Gas bleeding from the core was observed; this behaviour is indicative of very low permeability.

Victoria Petroleum conducted mini-Sosie seismic surveys in the northern portion of Reids Dome in 1994 and 1995. Interpretation of these surveys suggests that the gas filled Cattle Creek Formation sandstone can be recognised by a high amplitude seismic character. This promising hypothesis has not yet been tested. The challenge will be distinguishing between gas filled very low permeability Cattle Creek Formation sandstone and gas filled sandstone with sufficient permeability to produce at potentially commercial rates. Seismic data of fair to good quality can be obtained in the crestal valley floor; however, data quality deteriorates on approach to the Aldebaran Sandstone escarpment. The pressure of the gas in the Cattle Creek Formation sandstone is greater than hydrostatic; that is it is overpressured. A definitive explanation of this overpressure is not available; however, some possible explanations are available. The most likely is that the pressure is “fossil” pressure from when the reservoir was buried much deeper and this high pressure has been preserved when the rocks were uplifted. This implies that the seals surrounding the reservoir are particularly effective. One of the benefits of overpressuring is that a greater volume of gas can be contained in the pore spaces of the reservoir than would be the case with a normally pressured reservoir. Also, the

recovery factor is generally higher from overpressured reservoirs than from normally pressured reservoirs. Greater operational constraints apply when drilling overpressured reservoirs; however, the benefits generally outweigh the negatives.

The operator has estimated potential gas reserves in the range of 15 to 30 bcf for the Cattle Creek Formation sandstone, but the lateral continuity of this sandstone is not well understood. The ability to predict the lateral continuity of Cattle Creek Formation sandstone which can sustain economic flow rates, and defining the optimal method of drilling and completion, are the two primary challenges to commercial development. Successful resolution of these two challenges could result in gas reserves greater than the current estimated range.

4.1.5 Gas potential of the Reids Dome Beds.

The Reids Dome Beds at Reids Dome have not been conclusively tested. Commercial gas flow rates have been recorded from the Reids Dome Beds in the Westgrove area, particularly when air drilling has been used. A deep test of the Reids Dome Beds at Reids Dome is warranted. The structure is very large and well situated to trap gas migrating from within the Denison Trough. Consideration should be given to acquiring modern seismic over the Reids Dome Beds section, as seismic attribute analysis might be successful in indicating areas of better reservoir quality.

Anthony 2004 reports that “Excellent post-frac results of the Reids Dome Beds were achieved in Merivale-5, -6, -7, -8 and -10”. The Merivale gas field is approximately 90 km south of Reids Dome. *Lowe-Young 1999* reported that a post fracture stimulation test rate of 5.1 mmcf/d from Merivale 8, compared to the DST flow rate of 0.764 mmcf/d; a greater than six fold increase in flow rate after the frac treatment.

Potential resources

Only potential gas resources are considered, although oil shows have been recorded in some wells. All reservoirs encountered to date have relatively low permeability, and it is considered that the probability of achieving commercial oil deliverability rates is very low. This perception may need to be reviewed if future drilling identifies higher permeability reservoirs.

The intense drilling in the vicinity of AOE 1 has established a gas pool of some 1 bcf in the Cattle Creek Formation sandstone. The potential of this sandstone across the Reids Dome structure is dependent on the distribution of the higher permeability zones within the sandstone. The operator has estimated the potential at about 30 bcf. This estimate is considered as indicative of the potential, based on current knowledge.

The deeper potential of the Reids Dome Beds is much greater than that of the Cattle Creek Formation. The operator estimates a potential gas recoverable resource of 202 bcf. Assuming relatively conservative parameters for a 10 metre net pay sand at 1,400m (porosity 12 %, gas saturation 70 percent, gas expansion factor 125 and a recovery factor of 70 %), the potential recoverable resource over 83 km² is 217 bcf. Potential recoverable resource for a 10m net sand at 2,500m is estimated at 309 bcf (porosity 10 % and gas expansion factor of 200 with a recovery factor of 75 %). Reservoir stimulation such as fracking has the potential to enhance deliverability of anticipated low permeability reservoirs of the Reids Dome Beds. There is also the possibility of better permeability in conglomerates of the Lower Reids Dome Beds as have been encountered in the Westgrove region.

4.1.6 Future program

Clearly there are two targets in ATP 333P, the shallow Cattle Creek Formation sandstone and the reservoirs within the underlying Reids Dome Beds.

The challenge with the Cattle Creek Formation sandstone is identifying sands with sufficient permeability to be commercially productive prior to drilling. Previous attempts using analysis of seismic amplitudes have not been entirely successful; however, this does not rule out the possibility of using seismic attributes to identify areas of better permeability. Surface geochemical methods may also have applicability in ATP 333P. There are sufficient wells to calibrate such a surface geochemical technique, which would have to be followed up by drilling. A combination of both techniques could be appropriate.

Evaluating the potential of the Reids Dome Beds will require a deep well, preferably drilled using air. Any drilling will need to address sensitivity of reservoirs to water and also assess their potential for fracking. The gas potential of the Reids Dome Beds is considerable and justifies a fully engineered deep test.

4.2 PL 171 (Cherwondah)

Dome have entered an agreement with WSP whereby Dome can earn a 40% interest in the Clematis Zone by funding the re-entering and drilling a horizontal extension within the Clematis Sandstone gas reservoir and completing the well if successful. The Clematis Zone is defined as the stratigraphic section from the base of the Precipice Sandstone to the base of the Clematis Sandstone.

On completion of the drilling activity at North Cherwondah 1, interests in the petroleum lease over the Clematis Zone will be:

Dome Petroleum Resources Plc	40%	WI
White Sands Petroleum N.L. (operator)	20%	WI
Roma Petroleum N.L.	32%	WI
Victoria Petroleum N.L.	8%	WI
<i>QGAS Pty Ltd</i>	<i>2.5%</i>	<i>ORRI</i>
<i>GFK Investments</i>	<i>2.5%</i>	<i>ORRI</i>

4.2.1 Introduction

PL 171 is located in the Surat Bowen Basin of Queensland (Figure 5). Gas infrastructure is excellent as the Peat/Scotia lateral connection to the Roma Brisbane Pipeline passes some 10 km to the east of PL 171. Encouraging, but sub-commercial, gas flows have been achieved from North Cherwondah 1 and Cherwondah 1. A horizontal hole drilled through the “Upper gas sand” of the Clematis Sandstone has the potential to achieve to commercial gas flow rates. Minimal gas processing would be required to bring the gas to pipeline specifications.

4.2.2 Regional geology

The Early Permian to Middle Triassic Bowen Basin covers an area of 160,000 km² in Queensland. The Bowen Basin is part of Sydney, Gunnedah, Bowen system which extends from the Illawarra region south of Sydney to the northern Bowen Basin in the region of Collinsville. The southern part of the basin is overlain by the Jurassic to Cretaceous Surat Basin. The Bowen Basin began as a back arc basin west of the continental Camboon Volcanic Arc. Early Permian extension resulted in a series of half grabens with the Denison Trough being the most prominent. Clastic sediments were laid down in the western part while andesite and volcanoclastics were laid down in the eastern areas. Subsidence allowed the sea to enter from the east with deltaic sedimentation occurred along the western and northern flanks of the basin. Compressive uplift during the Late Permian resulted in

the sea being restricted with the infilling of the basin with deltaic sediments and peat forming wetlands. These peats became the coal measures of the Bowen Basin after they had been buried. The Late Permian was marked by deposition of volcanolithic sediments of the Rewan Group in a terrestrial environment. This deposition continued into the Middle Triassic when uplifted rocks from the western margins provided a supply of quartzose sands deposited as the Clematis Group. This deposition occurred in an inland sea or lake.

Later in the Middle Triassic, following apparent uplift in the east, the Moolayember Formation, sourced from a volcanic province, was laid down. Environment of deposition is interpreted as fluvial to lacustrine.

Major compression from the east in the Middle to Late Triassic resulted in uplift and folding along generally north trending axes. The easternmost fold is the Burunga Anticline with the Weringa Syncline separating it from the Wandoan Anticline (Figure 6). The Mimosa Syncline to the west of the Wandoan Anticline marks the axis of the Taroom Trough. Hydrocarbons migrating from the Taroom Trough move westwards towards the Roma Shelf or eastwards towards the Wandoan and Burunga Anticlines. The Wandoan Anticline is the first major reversal of dip and is the potential trapping mechanism for hydrocarbons migrating eastwards from the Taroom Trough.

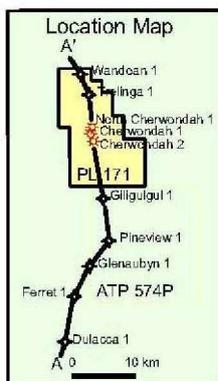
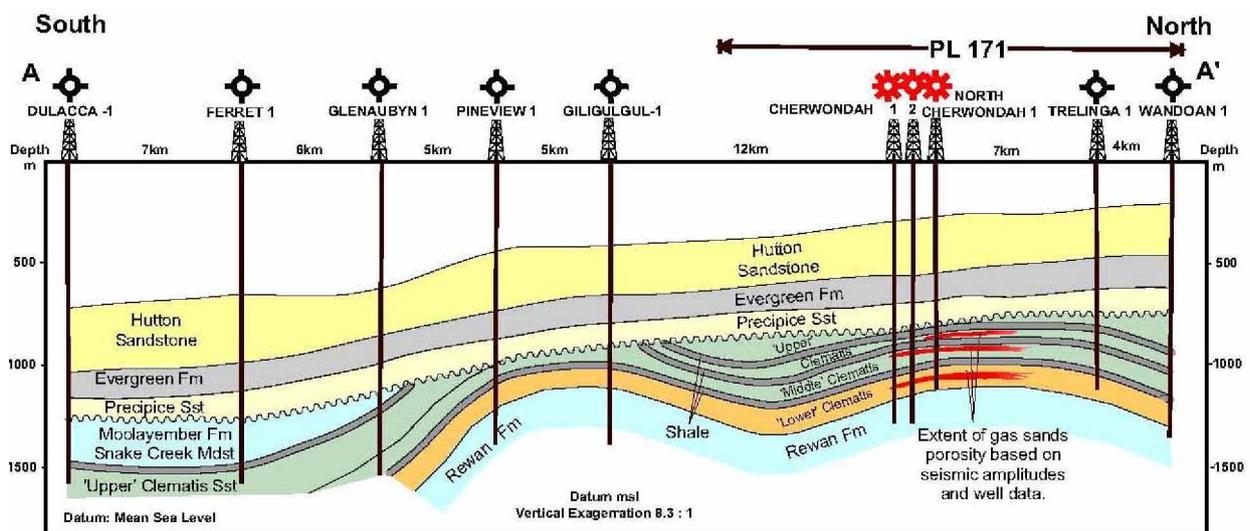


Figure 6 Wandoan Anticline
Diagrammatic well cross section

Datum: Mean Sea Level
Vertical exaggeration V/H: ~ 8.3

Stratigraphy

The stratigraphy of the Bowen Surat Basin in the region of PL 171 is depicted in (Figure 7). The Early Permian Camboon Volcanics is the oldest sequence within this region of the Bowen Basin and comprise mainly andesitic and basaltic flows. Significant gas flows have been recorded from the

Camboon Volcanics on the Burunga Anticline. Overlying the Camboon Volcanics is the Barfield Formation which is predominantly mudstone and siltstone. This is overlain by the siltstone and sandstone of the Flat Top Formation. The Banana Formation of dominantly siltstone and shale overlies the Flat Top Formation. Overlying the Banana Formation is the Gylanda Formation which consists of sandstone, shale, siltstone, coal and tuff. This formation is also referred to as the Burunga Formation and is equivalent in part to the Early Storms Sandstone. The Bandanna Formation of Late Permian age is uppermost Permian sequence; it consists of mudstone, siltstone, sandstone and coal. Coals of the Bandanna Formation and its equivalent Baralaba Coal Measures are mined within northern Bowen Basin. The Peat and Scotia coal seam gas fields are producing from Bandanna coals.(Figure 6)

Age	Formation	Hydrocarbon occurrences
 JURASSIC	M Walloon Coal Measures	Coal seam gas - Argyle, Berwyndale South, Tipton West & Kogan North
	L Hutton Sandstone	
	L Evergreen Formation	Oil - Conloi
	L Precipice Sandstone	Gas - Roma Shelf Fields (main Surat gas production)
TRIASSIC	M Clematis Sandstone	Flowed Gas - Cherwondah Nth. 1 (Shows Cherwondah 1 only) Cherwondah 2 Flowed Gas - Cherwondah 1 Gasfields - equivalent (Showgrounds) southern Roma Shelf
	L Rewan Formation	(North Cherwondah reached T.D. in the lower part of the Clematis Sandstone. Cherwondah 1 & 2 reached T.D. in the Rewan Fm) Minor gas & oil production Southern Roma Shelf
PERMIAN	L Gylanda Formation	Gassy water - Burunga Anticline
	Back Creek Group	
	Camboon Andesite	Gas - Scotia, Burunga

Figure 7 Stratigraphic column PL 171, North Cherwondah

The multicoloured mudstones, siltstones and sandstones of the Early Triassic Rewan Formation overlie the Bandanna Formation. The Clematis Sandstone is predominantly sandstone with minor siltstone and mudstone. Gas flows have been recorded from this formation on the Wandoan Anticline. Commercial gas discoveries have been made in the Roma region from the Showgrounds Sandstone, which is equivalent to the Clematis Sandstone. The Moolayember Formation overlies the Clematis Sandstone in the synclinal areas, but is eroded from high areas such as the Wandoan Anticline.

The Jurassic-Cretaceous Surat Basin sequence unconformably overlies the Triassic sequence in this region. The Precipice Sandstone is dominantly a fine to coarse grained sandstone with minor siltstone. The Precipice Sandstone is the primary reservoir for many of the gas fields on the Roma Shelf. Oil and gas shows have been recorded from the Precipice in the region; however, no commercial discoveries have yet been made. Structure at the Triassic level is not reflected at Precipice level due to the unconformity truncating the upper part of the Triassic section (Figure 8). Most of the wells have targeted Triassic structures rather than the more subtle Jurassic features.

The Evergreen Formation of fine to medium sandstones, mudstone and siltstone overlies the Precipice Sandstone. Minor oil discoveries have been made in intra-Evergreen Formation sandstones; however, recoverable oil volumes typically have been modest. Alton is the largest discovery in this formation with reserves of around 2 million barrels. The modest volumes are attributed to limited lateral extent of individual sand bodies, and low energy drive mechanisms. The Conloi 1 well to the south of PL 171 is an example of such a discovery. The Hutton Sandstone is a thick fluvial sandstone with a very wide distribution. While it is not a hydrocarbon reservoir in the Surat Basin, it is the primary oil reservoir in the Eromanga Basin to the west. The Walloon Coal Measures are the youngest Surat Basin rocks in this region. This unit contains fine grained sandstone, siltstone, mudstone and coal. Enormous volumes of methane are adsorbed onto the coals of the Walloons and there are several advanced pilot projects extracting gas from these coals. Commercial developments are anticipated in the near future.

4.2.3 Exploration history

Exploration for hydrocarbons in the Bowen Surat commenced in the early 1900s. The Union Oil Development Corporation operated joint venture discovered the Moonie oil field in 1961 and the Associated Group discovered a number of gas fields in the Roma area in the 1960s. Union carried out extensive regional exploration which led to the discovery of Cabawin, Alton and Conloi oil fields. Union used a mobile drilling rig to assess the eastern flank of the Surat Basin and underlying Bowen Basin. Eight wells were drilled by Union on the Wandoan anticline, but only those of relevance to PL 171 are discussed below. There is a significant unconformity at the base of the Jurassic Precipice Sandstone, hence the structure at Precipice level is not indicative of that of the underlying Bowen Basin sequence (Figure 6)

The initial test of the anticline was Wandoan 1 in 1961, which was designed to target the Precipice Sandstone (reservoir at Moonie), on the northern end of the anticline. It reached total depth in the Permian Bandanna Formation. Numerous minor shows were recorded; however, testing only produced water.

Giligul 1 tested a closure on the southern end of the Wandoan anticline, targeting the Precipice Sandstone. It tested fresh water from several Jurassic zones and was plugged and abandoned. Cherwondah 1 tested a seismically defined closure at Bandanna level in 1964. Good gas shows and fluorescence were recorded in the Triassic section. A DST of the Clematis Sandstone (equivalent of the Showgrounds Sandstone) over the interval 1,271 –1,277m flowed gas at an estimated 0.250 mcf/d. A deeper DST over the interval 1,424 – 1,438m flowed at 0.031 mmcf/d. A subsequent DST over the interval 1,272 –1,277m, later flowed at less than 0.050 mmcf/d. This has been interpreted to

indicate that the extent of formation damage increases with the length of time that the reservoir is exposed to invasion by mud filtrate. This type of reservoir behaviour is not uncommon in relatively low permeability reservoirs sensitive to damage from mud filtrate invasion.

Golden West Hydrocarbons (GWH) drilled Cherwondah 2 in 1985 as a follow up to Cherwondah 1. The well is located 400m north of Cherwondah 1. This well was drilled with air over the prospective zones to reduce the extent of formation damage. It encountered the Clematis Sandstone updip of that in Cherwondah 1; however, initial assessment was that reservoir quality was poorer than that at Cherwondah 1. The intention at the time of drilling the well was to stimulate the gas charged Clematis Sandstone using liquid nitrogen and proppant. The cost of such an operation was prohibitive at the time and the well was completed as a water supply well from the Jurassic. Much has been learnt about fracking procedures over the past 20 years and costs have been reduced dramatically and success rates improved.

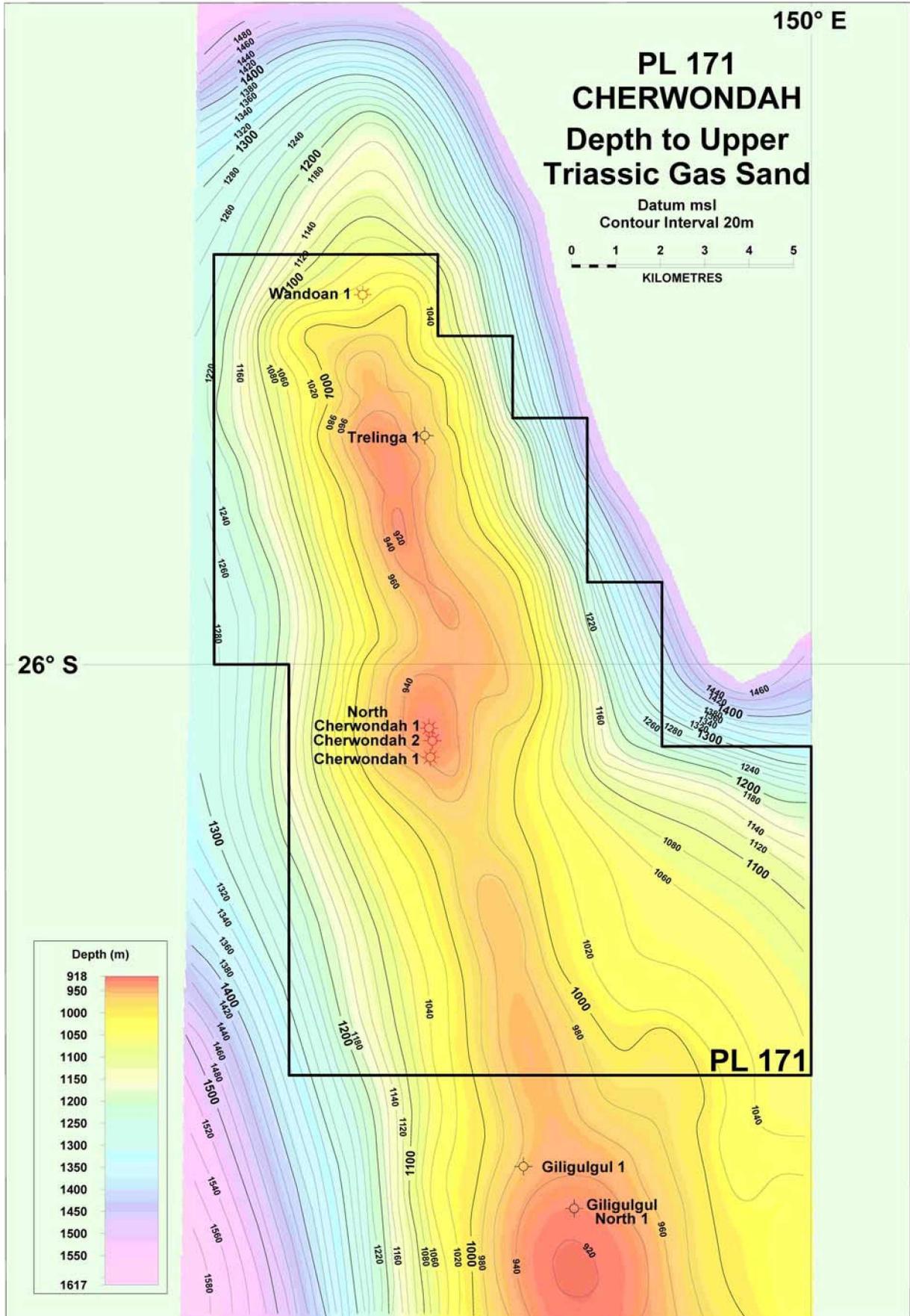


Figure 8

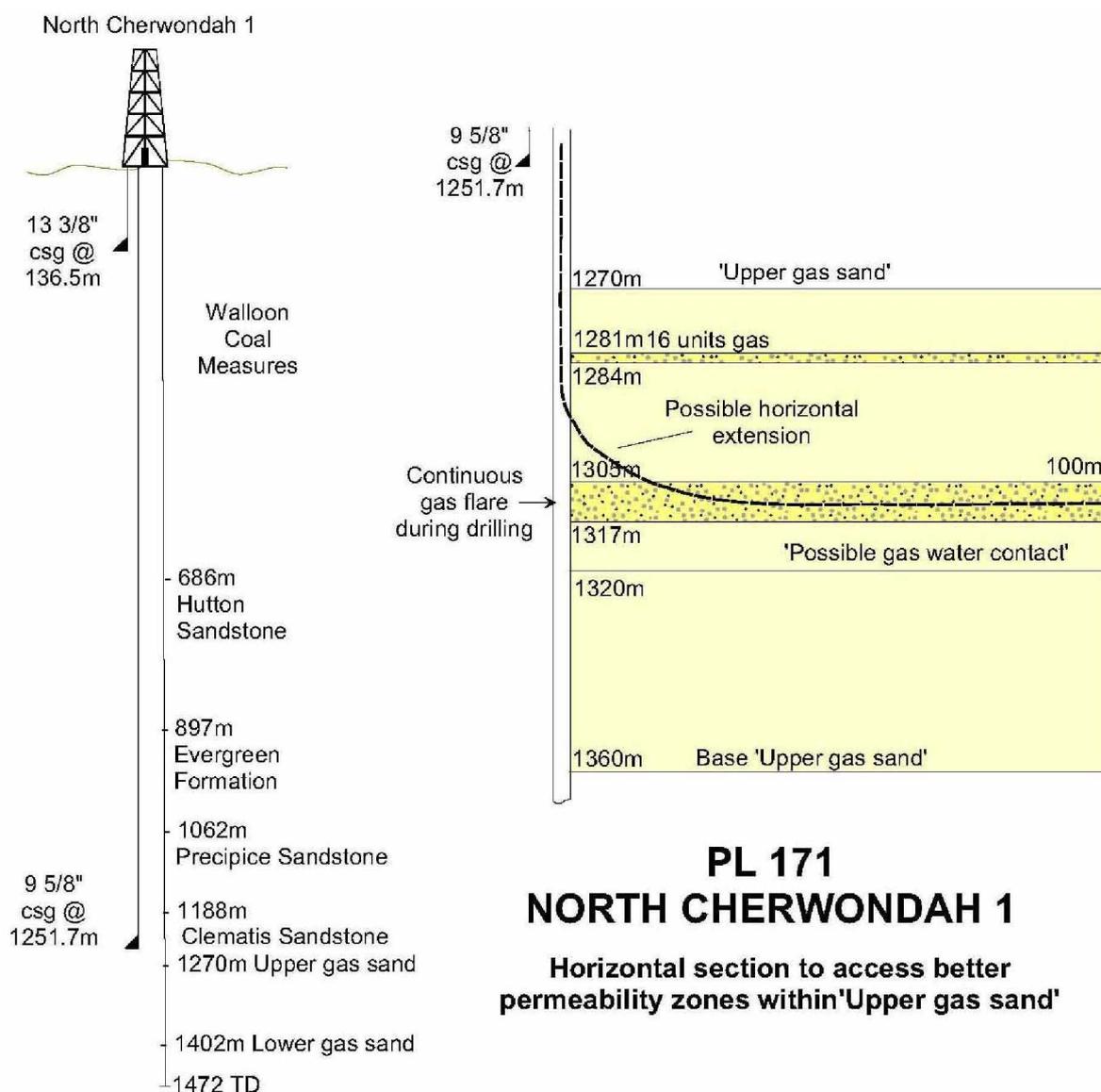


Figure 9

Trelinga 1, located on the northern part of the Wandoan anticline between Wandoan 1 and Cherwondah 2, was drilled in 1985. This well was targeting the Precipice Sandstone and sands within the Evergreen Formation. Minor gas was tested from a sand within the Evergreen, while water was tested from the Precipice. No potential reservoir sands were encountered in the Clematis Sandstone.

Roma Petroleum drilled the North Cherwondah 1 well in 1995, 400m north of Cherwondah 2. This well was air drilled in an attempt to minimise formation damage; however, water ingress resulting in the well be drilled with mist. The hole condition deteriorated and consequently it was elected not to run logs over the air drilled section. Open hole flow rates of 0.320 mmcf/d were recorded from the Clematis Sandstone. The well was cased and suspended. Due to extensive caving of siltstones within the Clematis Formation, open hole logs were not able to be run in the hole. Gas analyses of two samples taken during an open hole test showed methane content greater than 96 %, with less than 1 % inert gases. Minimal gas processing such as dehydration to remove water of condensation and compression to pipeline pressure is all that would be required prior to delivering gas into the pipeline system.

It is obvious that the Cherwondah Dome has gas charged reservoirs within the Clematis Sandstone. It is possible that these reservoirs are particularly sensitive to damage from seemingly small quantities of water causing clays to swell and reduce permeability. Careful lithological rock typing and designing drilling procedures to manage these sensitive reservoirs has the potential to unlock significant gas volumes.

Mosaic Oil has had considerable success using underbalanced drilling in the Showgrounds Sandstone and the Tinowon formation in the southern Bowen Basin. Markedly increased production rates were obtained from horizontal well sections in the Showgrounds Sandstone in the Tinker field. Tinker 3H was drilled underbalanced using nitrogen and tested at an estimated 20mmcf/d for a sand of 3 to 5 metres vertical thickness. A DST conducted over a similar interval at the time the well was drilled resulted in a flow rate of 1.3 mmcf/d. Such underbalanced technology could be appropriate in drilling the Clematis Sandstone (equivalent in age and with similar lithology to the Showgrounds) at Cherwondah.

The advantage of drilling a horizontal extension of North Cherwondah is shown in Figure 9. The zone of best permeability in North Cherwondah 1 lies in the interval 1,305m to 1,317m. It is assumed that this comprises several beds of better permeability within this 12m interval. A horizontal well has the potential to intersect a much greater portion of these better permeability zones over its proposed 100m length.

9.0 DECLARATIONS

9.1 QUALIFICATIONS

RobSearch Australia Pty Limited (previously named Robertson Australia Pty Limited and Robertson Research Australia Pty Limited) has been established for thirty five years and is one of the largest integrated independent natural resource consulting firms in Australia.

The core activities of RobSearch are in petroleum, minerals and coal exploration and development, including reserve assessment and production planning. The company has extensive experience in valuation of reserves and other assets on behalf of many international oil and mineral companies and financial institutions.

This report has been prepared for RobSearch by J. M. Blumer and G. Evans. The qualifications and experience of these personnel are set out below.

John Blumer - Chairman & Managing Director, RobSearch Australia
B. Gen Sc., MAAPG, FAusIMM (CPGeo), MMICA, MAIG, MPESA

John Blumer is one of Australia's most experienced independent petroleum consultants, with over 40 years of experience in the Australasian and international oil exploration industry. He formed his own consulting firm in 1975, and became a major shareholder and Director of RobSearch Australia in 1990. He is specifically responsible for all petroleum related activities of the company, specialising in exploration management, valuation of exploration and production interests and the preparation of statutory reports. He is a member of the VALMIN Committee of the AusIMM, advising the Australian Stock Exchange and the Australian Securities and Investments Commission with respect to mineral valuation issues, and is past-President of the Earth Resources Foundation of the University of Sydney.

Garth Evans - Associate Consultant, Petroleum Production Geology
B.Sc., MAAPG, MAIG(RPGeo), SPE, MPESA

Garth Evans is a geologist with over 30 years experience in the international petroleum industry, specialising in development and production geology.

After eleven years with AAR Limited in Australia and Indonesia, Garth joined Atlantic Richfield (Arco) in 1979, initially in Indonesia and then transferring to Arco Norway as a Staff Geologist in 1984. In 1988, Garth returned to Australia to take a position as Exploration Manager for Kundu Petroleum, and in 1989 joined Claremont Petroleum as Exploration Manager before transferring to the parent company, Beach Petroleum, as Manager, Production and Development in 1991. In that role, he was responsible primarily for oil production and gas development interests in south west Queensland, Papua New Guinea and United States.

In 1997, Garth formed Evans Energy as an independent consultancy. Since then he has carried out a variety of assignments, ranging from asset valuations to gas marketing studies.

9.2 INDEPENDENCE

RobSearch Australia Pty. Limited or any of the authors of this report have no pecuniary or professional interests which could reasonably be regarded in any way as affecting their abilities to report impartially on the petroleum exploration interests of Dome Petroleum Resources Plc.

9.3 PURPOSE OF THE REPORT

This report has been prepared solely for Dome Petroleum Resources Plc for inclusion in the Prospectus and should not be relied on for any other purpose.

9.4 CONFORMITY

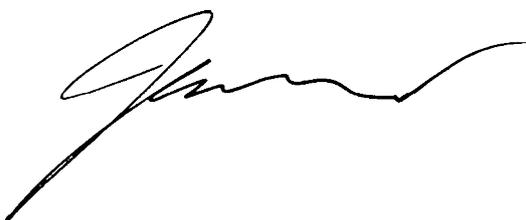
This report has been prepared in conformity with the requirements of the Australian Securities Commission and the VALMIN Code of the Australasian Institute of Mining & Metallurgy and the signatory is bound by the authority of the Ethics Committee of the AusIMM.

9.5 CONSENTS

RobSearch has given and has not, before the date of this Report, withdrawn its consent to the issue of the Prospectus with this report in the form and context in which it appears.

RobSearch was only commissioned to prepare, and has authorised only the issue of this Independent Technical Consultant's Report. RobSearch has not been involved in the preparation of, nor has authorised or caused the issue of any other part of the Prospectus in which this report is included.

RobSearch Australia Pty. Limited



J. M. Blumer
Managing Director

B. Gen Sc., MAAPG, FAusIMM (CPGeo), MMICA, MAIG, MPESA

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GLOSSARY OF TECHNICAL TERMS & ABBREVIATIONS

Terms not included in the glossary are used in accordance with their definition in the Concise Oxford Dictionary.

acreage	the area covered by petroleum exploration tenements
acre-foot	a layer of porous reservoir one foot in thickness covering an area of one acre
alluvial	a sediment formed by the action of running water
anomaly	a value higher or lower than the expected or norm. In geophysical usage, a portion of an area surveyed which is different in character from the area in general; in seismic usage, generally synonymous with structure, but also used for unexplained events or greater than normal amplitude of the seismic signal
anticline	upward-arching fold of rock strata
barrel (bbl)	a unit of volume in oil production; one barrel equals 42 U.S. gallons, 35 Imperial gallons, or approximately 159 litres
basal sand	a sand deposited at the base of a sequence
basement	non-prospective rocks underlying a sedimentary basin
basin	a segment of the earth's crust which has downwarped, and in which sediments have accumulated; such areas may contain hydrocarbons
bcf	billion cubic feet, i.e., 1,000 million cubic feet (equivalent to approximately 28.3 million cubic metres) of gas
bed	a layer of sedimentary rock, distinguishable from layers above and below
block	a petroleum tenement, permit, lease or licence
closure (structural)	in a subsurface fold, dome, fault block, or other structural trap; the vertical distance between the structure's highest point and its lowest closed structural contour; reservoirs within closure are potential sites or traps for oil or gas accumulations
condensate	hydrocarbons, often found with natural gas, which are themselves gases in the reservoir but which condense out to liquids when the pressure drops during production
control	refers to the amount or concentration of geological or seismic data available for structural mapping
cross-section	a (vertical) section drawn at right angles to the long axis of a geological feature
crude oil	a mixture of hydrocarbons occurring naturally in underground deposits; the basic feedstock for petroleum refineries
Degree API Gravity (°API)	the specific gravity of oil, measured in degrees on the American Petroleum Institute scale, in which a higher API gravity value indicates a lesser actual specific gravity
deltaic sediment	a deposit of sediment formed at the mouth of a river either in the ocean or a lake, which results in progradation of the shoreline
deposition	laying down of potential rock-forming material, i.e., sediment
dip	the angle that rock strata make with a horizontal surface, measured at right angles to the strike
drillstem test (DST)	a test carried out in an oilwell, using testing tools attached to the drillstem, in order to assess the producing possibilities of one or more formations intersected by the well
facies	the aspect, appearance and characteristics of a rock unit (e.g., member or formation), usually reflecting the conditions of deposition; sedimentary units commonly change laterally from one facies to another, such as from sandstone to shale, reflecting changes in depositional environment
farmin, farmout, farminee, farmor	descriptive of a joint venture in which an incoming farm-in partner (farminee) earns an interest in a property by funding costs of exploration, while the farm-out partner (farmor) owning the property does not contribute
fault	(to form) a break in the subsurface strata; strata on opposite sides of a fault may be displaced vertically and/or laterally relative to their original position
fault trap	hydrocarbon trap which relies on the termination of the reservoir against a seal, due to fault

	movement
fluvial	laid down by river or stream
flysch	rapidly deposited sediments derived from erosion of the Alps as they were being uplifted
fold	a bend in rock strata
formation	a (named) succession of sedimentary beds having some common characteristic
four-way dip closure	a anticlinal feature in which closure is formed by the sediments dipping in all directions
fracture	a general term for any break in a rock, whether or not it causes displacement, due to mechanical failure by stress; fractures include cracks, joints and faults
generation (of oil or gas)	process by which organic matter is transformed into hydrocarbons in a source rock
geophysics	study of the earth by quantitative physical methods
geothermal gradient	the rate at which temperature increases with increasing depth below the Earth's surface; a general average is around 30°C increase per additional kilometre of depth
graben	a downthrown block of sediments bounded by faults
gravity exploration	the precise measurement of the force of gravity at different points over an area to give an indication of thickness of sediments and of structure
group	a (named) succession of formations having some common characteristic
horst	an elongated uplifted block of sediments bounded by faults
hydrocarbon	a class of naturally-occurring organic compounds containing only carbon and hydrogen atoms (in practice, small quantities of sulphur, oxygen and nitrogen and their compounds may also be present); hydrocarbons include natural gas, liquefied petroleum gas, natural gas condensate and crude oil
km	kilometre
km ² , sq km	square kilometre
lead	a potential petroleum trap which has been identified but has not been adequately defined
limestone	a sedimentary rock composed predominantly of calcium carbonate
m	metre
maturation	the process involving time, temperature and pressure in which potential petroleum source rocks may generate hydrocarbons and attain maturity
migration	the movement of oil or gas from a source rock to a reservoir
Mmbo, mmbbl	million barrels (of oil)
mmcf	million cubic feet of gas
oil window	the levels of maturity at which source rocks are within the range of conditions favourable for oil generation
net pay	the cumulative thickness of porous and permeable reservoir beds within an overall hydrocarbon column in a structure
NPI	Net Profit Interest
operator	the member of an exploration joint venture of two or more exploration companies which has been appointed to carry out all operations on behalf of the parties
ORRI	Overriding Royalty Interest
overthrust	the result of strong compressional tectonic forces which have thrust a body of rock over an adjoining body along a fault plane
permeability	the degree to which fluids such as oil, gas and water can move through the pore spaces of a reservoir rock
permit	a petroleum tenement, lease, licence or block
petroleum	general term for all phases of naturally-occurring hydrocarbons
pinchout	where a sandstone reservoir thins to nil between two layers of impervious rocks
PJ	Petajoule

play	a geological concept which, if proved correct, could result in the discovery of hydrocarbons
prospect (petroleum)	a geological or geophysical anomaly that has been surveyed and defined, usually by seismic data, to the degree that its configuration is fairly well established, and on which further exploration such as drilling can be recommended
radar oil seep study	a technique for detecting submarine oil seeps by the use of airborne radar to detect oil slicks on the surface of the sea
RTSM	Rate Too Small to Measure
reserves	quantities of economically recoverable hydrocarbons estimated to be present within a trap, classified as proven, probable or possible
reservoir	a subsurface volume of rock of sufficient porosity and permeability to permit the accumulation of crude oil and natural gas under adequate trap conditions
salt structures	structures formed by the plastic deformation of underlying beds of salt (salt tectonics) e.g. salt anticlines, salt domes
sandstone	a sedimentary rock which is generally composed essentially of sand-sized quartz grains
satellite geological studies	the use of images obtained from satellites to interpret the surface geology of an area
seal	an impervious layer over a reservoir which prevents escape of fluids
section	a general term used to refer to a sequence of sedimentary rocks, eg “sedimentary section”, “Mesozoic section”, etc.
sediment	(rock formed from) solid material, whether mineral or organic, which has been moved from its position of origin and redeposited
sedimentary rock, sediments	a rock formed as a result of consolidation of loose sediments, often created by weathering processes, such as sandstone & shale, or deposited by chemical processes, such as salt or limestone.
seismic survey	a type of geophysical survey where the travel times of artificially created seismic waves are measured as they are reflected in a near-vertical sense back to the surface from subsurface boundaries. This data is typically used to determine the depths to the tops of stratigraphic units and in making subsurface structural contour maps and ultimately in delineating prospective structures.
seismic (2D)	a seismic survey made up of widely spaced lines of data
seismic (3D)	a seismic survey made up of very closely spaced data whereby a “3D” image can be processed
seismic reprocessing	the use of the latest computer processing technology to improve the quality of older seismic data
sequence	a succession of sedimentary rocks laid down in order
shale	fine-grained sedimentary rock characterised by finely-laminated structure
shelf	the shallower, marginal part of a sedimentary basin
source unit, source rock	a rock capable of generating oil and gas under the right conditions of temperature, pressure and time
stratigraphic trap	a type of petroleum trap which results from variations in the lithology of the reservoir rock, which cause a termination of the reservoir, usually on the up-dip extension
stratigraphy	the succession or superimposition of rock strata
structure	a discrete area of deformed sedimentary rocks, in which the resultant bed configuration is such as to form a potential trap for migrating hydrocarbons
sub-basin	a localised depression within a basin
subsidence	a sinking of a large part of the earth's crust relative to the surrounding parts
tcf	Trillion Cubic Feet
tectonic	descriptive of all movements of the Earth's crust caused by directed pressures, and the results of these movements
TJ/d	Terrajoules per day
trap	a body of reservoir rock, vertically or laterally-sealed, the attitude of which allows it to retain hydrocarbons which have migrated into it

turbidite	sediment typically deposited in deep water which have flowed off the edge of the continental shelf
unconformity	lack of parallelism between rock strata in sequential contact, caused by a time break in sedimentation
up-dip	at a structurally higher elevation within dipping strata
VALMIN Code	The “Code and Guidelines for Technical Assessment and/or Valuation of Mineral and Petroleum Assets and Mineral and Petroleum Securities for Independent Expert Reports” issued by the Australasian Institute of Mining & Metallurgy, 1998
vuggy porosity	porosity developed in carbonates where a system of holes have developed by solution

PART III

RISK FACTORS

Prospective investors should be aware that an investment in the Company involves a high degree of risk and should only be made by those with the necessary expertise to appraise the investment. The following are considered by the Board to be the main risk factors which could have a material adverse effect on the business, financial condition, results or future operations. The following list is not intended to be exhaustive but it should be considered carefully by prospective investors in evaluating whether to make an investment in the Company in addition to the other information contained in this document.

An investment in the Company is only suitable for financially sophisticated investors who are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses which may arise therefrom (which may be equal to the whole amount invested).

There can be no certainty that the Company will be able to implement successfully the strategy set out in this document. No representation is or can be made as to the future performance of the Company and there can be no assurance that the Company will achieve its objectives.

Exploration Risk

Although some oil and gas has been discovered in the areas covered by the permits, there is no certainty that the proposed new wells will also find oil or gas. Oil and gas exploration involves significant risks which even a combination of experience, knowledge and careful evaluation may not be able to overcome. There is no assurance that oil and gas will be discovered or, even if they are, that commercial quantities of oil and/or gas can be recovered from the Licences. No assurances can be given that if oil and gas are discovered the Company will be able to exploit such reserves as intended.

Future funding requirements

The Company will need to raise additional funding to undertake work beyond that being funded by the Offer. There is no certainty that this will be possible at all or on acceptable terms. In some cases, the Company may finance development by farming out or otherwise reducing its level of participation in interests which it holds. This could substantially dilute the Company's interest in the Licences, however, given the size of the Company's existing holding it would be expected, although there is no guarantee, that the Company will retain a significant equity interest in the Licences.

Drilling and Operating Risks

Oil and gas drilling activities are subject to numerous risks, many of which are beyond the Company's control. Operations in respect of the Licences may be curtailed, delayed or cancelled as a result of weather conditions, mechanical difficulties, shortage or delays in the delivery of rigs and/or other equipment and compliance with governmental requirements. Drilling may involve unprofitable efforts, not only with respect to dry wells, but also with respect to wells which, though yielding some petroleum, are not sufficiently productive to justify commercial development or cover operating and other costs.

Completion of a well does not assure a profit on the investment or recovery of drilling, completion and operating costs. Hazards incident to the exploration and development of oil and gas properties such as unusual or unexpected formations, pressures, oceanographic conditions or other factors are inherent in drilling and operating wells.

Industry operating risks include the risk of fire, explosions, blow-outs, pipe failure, abnormally pressured formations and environmental hazards such as accidental spills or leakage of petroleum liquids, gas leaks, ruptures or discharges or toxic gases, the occurrence of any of which could result in substantial losses to the Company due to injury or loss of life, severe damage to or destruction of property, natural resources and equipment, pollution or other environmental damage, clean-up responsibilities, regulatory investigation and penalties and suspension of operations. Damages occurring as a result of such risks may give rise to claims against the Company which may not be covered, in whole or part, by insurance (see below).

Market Risk

The marketability of any oil and gas discovered will be affected by numerous factors beyond the control of the Company. These factors include market fluctuations, proximity and capacity of oil and gas pipelines and processing equipment and government regulations including regulations relating to taxation, royalties, allowable production, importing and exporting of oil and gas, and environmental protection.

Insurance Risks

The insurance of the assets of the Company will be the responsibility of White Sands Petroleum as operator. It is planned that insurance of the operations will be in accordance with industry practice. Insurance cover will not be available for every risk faced by the Company. Although the Company believes that it or the operator should carry adequate insurance with respect to its operations in accordance with industry practice, in certain circumstances the Company's or the operator's insurance may not cover or be adequate to cover the consequences of such events. In addition the Company may be subject to liability for pollution, blow-outs or other hazards against which the Company or the operator may elect not to insure because of high premium costs or other reasons. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of operations of the Company. There is a risk that insurance premiums may increase to a level where the Company considers it is unreasonable or not in its interests to maintain insurance cover or not to a level of coverage which is in accordance with industry practice. In addition, the Company may, following a cost-benefit analysis, elect to not insure certain risks on the ground that the amount of premium payable for that risk is excessive when compared to the potential benefit to the Company of the insurance cover.

Ability to Exploit Successful Discoveries

It may not always be possible for the Company to participate in the exploitation of any successful discoveries which may be made in any areas in which the Company has an interest. Such exploitation will involve the need to obtain the necessary licences or clearances from the relevant authorities, which may require conditions to be satisfied and/or the exercise of discretions by such authorities. It may or may not be possible for such conditions to be satisfied. In addition, the decision to proceed to further exploitation may require the participation of other companies whose interests and objectives may not be the same as the Company. As described above, such further work may require the Company to meet or commit to financing obligations for which it may not have planned.

Commercial Risks

Even if the Company recovers quantities of oil or gas, there is a risk the Company will not achieve a commercial return. The Company may not be able to transport the oil or gas to commercially viable markets at a reasonable cost or may not be able to sell the oil or gas to customers at a price and quantity which would cover its operating and other costs.

Competition Risks

Some of the Company's competitors, including major oil companies, have greater financial and other resources than the Company and, as a result, may be in a better position to compete for future business opportunities.

Many of the Company's competitors not only explore for, and produce oil and gas, but also carry out refining operations and market their petroleum and other products on a worldwide basis. There can be no assurance that the Company can compete effectively with these companies.

Joint Venture Parties and Contractors

The Directors are unable to predict the risk of:

- (i) financial failure of non compliance with respective obligations or default by a participant in any joint venture to which the Company is, or may become, a party;
- (ii) insolvency or other managerial failure by any of the contractors used by the Company or operator (as appropriate) in its exploration and production activities; or
- (iii) insolvency or other managerial failure by any of the other service provider used by the Company or operator for any activity.

Environmental Risks

The Company's operations are subject to the environmental risks inherent in the exploration industry. The activities in which the Company has interests are subject to environmental laws and regulations. Although the Company believes that it intends to be in compliance in all material respects with all applicable environmental laws and regulations, there are certain risks inherent to its activities, such as accidental spills, leakages or other circumstances that could subject the Company to extensive liability. Further, the Company or the operator (as appropriate) may require approval from the relevant authorities before it can undertake activities which are likely to impact the environment. Failure to obtain such approvals will prevent the Company from undertaking its desired activities. The Company is unable to predict the effect of additional environmental laws and regulations which may be adopted in the future, including whether any such laws or regulations would materially increase the Company's cost of doing business or affect its operations in any area.

Payment Obligations

Under the Licences and certain other contractual agreements to which the Company is, or may in the future become, a party, including the Farm-In Agreements, the licence holder or the Company (as the case may be) is, or may become, subject to payment and other obligations. If such obligations in the Licences are not complied with, the Licences may be subject to suspension or termination or other sanctions. If such obligations of the Company in contractual agreements are not complied with when due, in addition to any other remedies which may be available to other parties, this could result in dilution or forfeiture of interests held by the Company. The Company may not have, or be able to obtain, financing for all such obligations as they arise.

Governmental regulations

Governmental approvals, licences and permits are, as a practical matter, subject to the discretion of the applicable governments or governmental offices. The holders of the Licences must comply with known standards, existing laws and regulations that may entail greater or lesser costs and delays depending on the nature of the activity to be permitted and the interpretation of the laws and regulations implemented by the permitting authority.

New laws and regulations, amendments to existing laws and regulations, or more stringent enforcement of existing laws and regulations, could have a material adverse impact on the results of operations in respect of the Licences and accordingly on the financial condition of the Company.

The exploration, mining and processing activities in respect of the Licences are dependent upon the grant of appropriate licences, concessions, leases, permits and regulatory consents which may be withdrawn or made subject to limitations. There can also be no assurance that they will be renewed or if so, on what terms. In particular, if a commercial discovery is made of gas in respect of Licence ATP 333P, it will be necessary for the holders of the Licence to make an application for a Petroleum Lease in order to enter into production.

Reserve and resource estimates

The Company has derived the gas resource figures presented in this document from the calculations and estimates prepared by White Sands Petroleum (as referred to in the Competent Person's Report) and/or reported in the Competent Persons' Report set out in Part II of this document. Resource figures are estimates and there can be no assurances that they will be recovered or that they can be brought into profitable production. Resources estimates may require revisions based on actual exploration and production experience. Furthermore, a decline in the market price of gas that the Company may discover could render gas resources of relatively lower permeability uneconomic to recover and may ultimately result in a restatement of resources. The estimates of potential resources relate entirely to resources which are undeveloped. These resources require further capital expenditure in order to prove their existence and degree of commercial recoverability, and to bring them into production. No guarantee can be given as to the success of drilling programmes in which the Company has interests. In addition, drilling, development and production may be delayed or adversely effected by factors outside the control of the Company and the companies operating those drilling programmes.

Volatility of Prices of Oil and Natural Gas

The demand for, and price of, oil and natural gas is highly dependent on a variety of factors including international supply and demand, the level of consumer product demand, weather conditions, the price and availability of alternative fuels, actions taken by governments and international cartels, and global economic and political developments. International oil prices have fluctuated widely in recent years and may continue to fluctuate significantly in the future. Fluctuations in oil and natural gas prices and, in particular, a material decline in the price of oil or natural gas may have a material adverse effect on the Company's business, financial condition and results of operations assuming production is achieved from the Licences. Oil and gas prices could affect the viability of exploring and/or developing the Company's interests.

Currency Risk

The Company will report its financial results in Sterling, while most of the potential cash flow from operations will be in Australian Dollars, and many contracts in the oil and gas industry are principally denominated in United States Dollars.

Dependence on key personnel

In common with other services and businesses in this industry sector, the Company's business is dependent on retaining the services of a small number of key personnel of the appropriate calibre as the business develops. The success of the Company is, and will continue to be to a significant extent, dependent on the expertise and experience of the Directors and senior management and the loss of one or more could have a materially adverse effect on the Company.

Economic, political, judicial, administrative, taxation or other regulatory factors

The Company may be adversely affected by changes in economic, political, judicial, administrative, taxation or other regulatory factors, in the areas in which the Company will operate and holds its major assets.

Marketability of Shares and 535X.

The Directors of the Company intend for the Company to seek to subscribe to the 535X corporate news and information service ("535X"). 535X is a news and information service designed for small capitalisation UK public companies such as the Company, and will afford the Company the opportunity to publicise (with formal approval from Ascension Securities Limited, its corporate

finance advisor) corporate news and information. In addition, members of the public will be able to subscribe free of charge to 535X to see the current indicative price at which shares in the Company have most recently traded. Please note as follows:

No guarantee is given that the Company will be entitled to subscribe to 535X or to remain entitled to use its facility. This is a matter which is in the sole discretion of the directors of 535X (UK) Limited, the Company operating the 535X service;

No guarantee is given that the Company will choose to remain a subscriber to the 535X service at all times hereafter; and the Directors reserve the right to cancel the Company's subscription at any time if they reasonably consider this to be in the Company's best interests; and

No responsibility is accepted by the Company or the Directors for any decisions that any shareholder or other person may take, concerning the shares of the Company or any other investment, as a result of information appearing on the 535X website. Users of that website are strongly recommended always to seek independent investment advice before relying upon any information appearing there.

Further details may be found at www.535X.com

Investment Risk

Prospective investors should be aware that the value of an investment in the Company may go down as well as up. In addition, there can be no certainty that the market value of an investment in the Company will fully reflect its underlying value.

PART IV
ACCOUNTANTS' REPORT

H. G. FIELD & CO.
REGISTERED AUDITORS, ACCOUNTANTS
AND FINANCIAL ADVISORS

PARTNERS _____
JONATHAN A. ENSOR, F.C.A.
PETER J. FIELD, F.F.A

FOUNDERS _____
HENRY G. FIELD, F.C.A.
JOHN E. FIELD, F.C.A.

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2, GUILDFORD STREET,
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The Directors
Dome Petroleum Resources plc

Our ref:PJF/781/JW

27th June 2005

Dear Sirs,

Dome Petroleum Resources plc ('the Company')

Introduction

We report on the financial information set out below relating to the Company. This information has been prepared in connection with the prospectus of the company 27th June 2005.

Basis of Preparation

The financial information set out below has been extracted from the financial statements of the Company for the period from incorporation to 31st May 2005 to which no adjustments were considered necessary.

Responsibility

Such financial statements are the responsibility of the Company's directors who approved their issue. The directors of the Company are responsible for the contents of the Prospectus in which this report is included. It is our responsibility to compile the financial information set out in this report from the financial statements, to form an opinion on the financial information and to report our opinion to you.

Basis of Opinion

We conducted our work in accordance with Statements of Investment Circular Reporting Standards issued by the Auditing Practices Board. Our work included an assessment of evidence relevant to the amounts and disclosures in the financial information. It also included an assessment of the significant estimates and judgements made by those responsible for the preparation of the financial statements underlying the financial information and whether the accounting policies are appropriate to the Company's circumstances, consistently underlying the financial information and whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial information is free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of the financial information.

Opinion

In our opinion the financial information set out below gives, for the purposes of the Prospectus, a true and fair view of the state of the Company's affairs as at 31st May 2005.

Consent

We consent to the inclusion of this report in the Prospectus and accept responsibility for this report for the purposes of paragraph 45(1)(b)(iii) of Schedule 1 to the Public Offers of Securities Regulations 1995.

BALANCE SHEET

As At 31st May 2005

	Note	£
<u>Current Assets</u>		
Preliminary Expenses		50
Cash at bank & In Hand		<u>12,500</u>
		12,550
<u>Current Liabilities</u>		
		<u>50</u>
Net Current Assets		<u>12,500</u>
		<u>12,500</u>
<u>Capital & Reserves</u>		
Called Up & Paid Up Share Capital	3	<u>12,500</u>

Notes to the Financial Information

1. Accounting Convention

The financial information is prepared under the historical cost convention and in accordance with applicable Accounting Standards.

2. Incorporation

The Company was incorporated with the registered number 5454245 on 17th May 2005 as Dome Petroleum Resources plc. No profit and loss account or cash flow statement has been prepared as the Company neither received any income nor incurred any expenditure during the period from incorporation to 31st May 2005 apart from preliminary expenditure of £50.

3. Share Capital

	£
Authorised	
1,000,000,000 ordinary shares of £0.01 each	<u>10,000,000</u>
Allotted, issued and partly paid	
5,000,000 ordinary shares of £0.01 each	
25% paid up	<u>12,500</u>

**Yours
faithfully,**

**H. G. Field &
Co.**

PART V

SUMMARY OF CERTAIN AUSTRALIAN AND QUEENSLAND LEGISLATION, THE LICENCES AND THE FARM-IN AGREEMENTS

A LEGISLATION

In this Section the following words and terms have the following meanings:

"ACH Act"	Aboriginal Cultural Heritage Act 2003 (Qld)
"Act"	Petroleum and Gas (Production and Safety) Act 2004 (Qld)
"ATP"	Authority to Prospect
"EA"	environmental authority
"EP Act"	Environmental Protection Act 1994 (Qld)
"ERAs"	environmentally relevant activities
"1923 Act"	Petroleum Act 1923 (Qld)
"NTA"	Native Title Act 1993 (Ch)
"PL"	Petroleum Lease
"QNAT"	Native Title Act 1993 (Qld)

1 Commonwealth Legislation

"Native title" is the name given by the High Court to Indigenous property rights recognised by the court in the Mabo judgment (3 June 1992). It is the rights and interests of Aboriginal and Torres Strait Islander people in land and waters according to their traditional laws and customs that are recognised under Australian law.

The NTA establishes a legislative framework for:

- 1.1.1 Providing recognition and protection of native title;
- 1.1.2 Determining when and how native title is established and validly extinguished;
- 1.1.3 Validating past acts and intermediate period acts in relation to native title lands;
- 1.1.4 Determining the negotiation process to be carried out between Government, native title and non-native title parties for the future use of native title lands;
- 1.1.5 Determining compensation for acts affecting native title;

And in addition to the QNTA (see section 2), the NTA governs how persons who believe that they have a valid native title may lodge a claim to that effect.

2 Queensland Legislation

The key legislation governing tenements for petroleum and gas exploration and production in the State of Queensland are referred to collectively as the Petroleum Legislation. The Petroleum and Gas (Production and Safety) Act 2004 (Qld) and the Petroleum and Other Legislation Amendment Act 2004 (Qld) are now to be read in association with the 1923 Act to regulate petroleum tenements in Queensland.

The EP Act requires petroleum tenement holders to hold environmental authorities to conduct the relevant activity and to comply with the project specific terms of that authority including, the protection and rehabilitation of the land.

As the NTA only provides for the validation and extinguishment of native title by the Commonwealth, each Australian State and Territory has enacted its own complementary native title legislation adopting the provisions of the NTA. The QNTA is Queensland State based legislation that overlaps with the Commonwealth legislation to provide a regime for the determination of native title rights and provide for the compensation, negotiation and mediation of competing native title rights with other land uses.

In addition to the QNAT, the ACH Act was enacted to protect Aboriginal areas and objects of cultural significance irrespective of the underlying tenure in the land. Areas and places of significance include burial, camp or rock art sites, sacred trees, stone quarries and coastal shell middens. Objects might include a range of stone artefacts such as hammerstones, flakes or grinding stones.

3 Petroleum Legislation Summary

There are various types of tenements, which attach different land use rights. Relevant for these purposes are Authorities to Prospect and Petroleum Leases.

Authority to Prospect

An ATP, is subject to various conditions prescribed by the legislation including payments of the petroleum royalty and annual rent, work programs, relinquishment, expenditure, reporting requirements and environmental conditions. The conditions of the tenement are fixed by the Minister.

An ATP holder, is entitled to undertake exploration, prospecting, or geological or geophysical investigation and generally to do all things in respect of the search for and discovery of petroleum during the term of such authority.

An ATP has a maximum term of 12 years unless the Minister declares the area to be a "potential commercial area", in which case, the term may be extended to 15 years.

It is a condition (the relinquishment condition) of each ATP that its holder must relinquish part of its area at a rate equivalent to 8.33% per annum over a 12-year term. The first relinquishment day must not be later than 4 years after the day the ATP is to take effect.

An ATP can not be surrendered.

The ATP holder may carry out the authorised activities notwithstanding the rights of an owner or occupier of land on which they are exercised. The owner or occupier of the land should be consulted on the proposed authorised activities and is entitled to receive compensation under a compensation agreement.

Petroleum Leases

A petroleum royalty is payable to the State by the petroleum producer on the well head value of petroleum (10% at time of writing).

An ATP holder may apply for a petroleum lease (PL) over all or part of the area.

The grant of a PL authorises the holder to begin commercial petroleum production operations. Therefore, the lease holder may:

- explore for and produce petroleum;
- test for and evaluate the feasibility of petroleum production,
- evaluate, develop and use natural underground reservoirs for petroleum storage, and
- carry out any incidental activity in the area of the lease if reasonably necessary.

Where an ATP holder seeks to obtaining a PL over an area that overlaps a coal or oil shale exploration tenement other than by or jointly with, or with the consent of, a coal or oil shale exploration tenement holder and failing agreement by the parties, the ATP holder may apply to the relevant Minister for a determination as to which resource receives preference for extraction.

The maximum term of a PL is 30 years after the lease takes effect.

A PL may also be granted by way of a competitive tender.

Petroleum production must commence no later than 2 years of the PL taking effect unless otherwise approved by the Minister.

4 EP Act Summary

The EP Act and regulation introduces an integrated management program that is consistent with the principles of ecologically sustainable development. As such it regulates those activities which may impact on the environment, in particular ERAs. Relevant petroleum activities are ERAs and must obtain and comply with an EA.

The Minister may direct the tenement holder to take specified action to prevent or minimise environment damage, and direct the licensee or former licensee to rehabilitate the land.

Many EA have specified expiration dates or will lapse on the occurrence of certain events, i.e. the relevant petroleum tenement is either renewed, transferred surrendered or cancelled or until the environmental authority is transferred, surrendered, cancelled or suspended.

An Environmental Impact Statement (EIS) may be required in relation to petroleum activities – being a petroleum tenure (i.e. PL) or authority (i.e. ATP) granted under Petroleum Legislation depending upon the determination as to whether the application of the EA is code compliant or whether it is likely to be an ERA. New regulations are being introduced into Queensland regulating this.

It is an offence under the EP Act to carry out a petroleum activity without the prescribed EA for the petroleum activity.

5 Native Title

The possibility of native title existing over the land upon which the tenure is located will depend upon whether the land is registered as freehold under the Torrens title system, or is leasehold, usually a pastoral lease granted by the government. It will also depend upon the date of grant, and whether subsequent activities have alienated the native title rights.

The valid grant of a freehold estate (other than certain types of Aboriginal and Torres Strait Islander land) on or before 1 January 1994 is known as a 'previous exclusive possession act'. This means that native title has been extinguished over the area.

Native title claimants are not allowed to include land and waters covered by previous exclusive possession acts such as freehold leases. Validly granted petroleum tenements that are to be granted solely over such freehold tenures are not subject to native title considerations.

The grant of an interest in land after 1 January 1994 (e.g. such as a right to extract gas or petroleum from the land) will generally be deemed to be a "future act" if it affects native title. The Government, native title and non-native title parties would then need to begin the "right to negotiate" process (unless exempt under the NTA or native title has been found to have been extinguished), before the proposed future act can proceed as the future act has the potential to affect native title. Where there is no previous right to have a tenement granted (such as exercising a right that may be given under a previous exploration tenement initially granted before 23 Dec. 1996), the prescribed 'right to negotiation' procedure must be undertaken to attain validation.

Petroleum tenements created on or before 1 January 1994 are validated by State legislation. So long as the tenement holder operates in accordance with the conditions of the tenement they will not be subject to any right to negotiate with native title holders.

Petroleum tenements created on or before 1 January 1994 and which are renewed on the same terms as those that previously existed are not effected by a native title holders right to negotiate.

Tenures which may co-exist with native title (i.e. do not extinguish native title) are generally leases which grant non-exclusive rights to use or occupy the land.

6 Aboriginal Cultural Heritage

The ACH Act defines "Aboriginal cultural heritage" as anything that is:

- 6.1.1 a significant Aboriginal area in Queensland; or
- 6.1.2 a significant Aboriginal object; or
- 6.1.3 evidence, of archaeological or historic significance, of Aboriginal occupation of an area of Queensland.

A "significant Aboriginal area" is an area of particular significance to Aboriginal people because of either or both of the following:

- Aboriginal tradition;
- the history, including contemporary history, of any Aboriginal party for the area.

A person who carries out an activity must take all reasonable and practicable measures to ensure the activity does not harm Aboriginal cultural heritage.

When deciding whether a person has complied with the cultural heritage duty of care in carrying out an activity, it is necessary to consider the following:

the nature of the activity, and the likelihood of its causing harm to Aboriginal cultural heritage;

the nature of the Aboriginal cultural heritage likely to be harmed by the activity;

the extent to which the person consulted with Aboriginal parties about the carrying out of the activity, and the results of the consultation;

whether the person carried out a study or survey, of any type, of the area affected by the activity to find out the location and extent of Aboriginal cultural heritage, and the extent of the study or survey;

whether the person searched the database and register for information about the area affected by the activity;

the extent to which the person has complied with cultural heritage duty of care guidelines;

the nature and extent of past uses in the area affected by the activity.

If there is harm to Aboriginal cultural heritage, the Minister may order the activity to be stopped.

B LICENCES

TENEMENT	ATP 333P	PL 171
REGISTERED HOLDER /APPLICANT	Victoria International Petroleum NL (64%) Victoria Oil Ltd (36%)	Roma Petroleum NL (80%) Victoria Petroleum NL (20%)
FARM IN AGREEMENTS	(i) Pursuant to a Farm In Agreement dated 24 March 2005, WSP has been granted the right to earn a working interest of 60%. The interest will be earned by funding the costs of drilling a well (and completing it for production in the event of the discovery of commercial hydrocarbons), with the drilling of a well to commence no later than 1 September 2005. It is a term of this agreement that any assignment by WSP is subject to the prior consent of the other parties. A 7% overriding royalty is payable to Victoria Petroleum in addition to all state government royalties. (ii) The Farm In Agreement to which Dome is a party as summarised in Section C below.	(i) Pursuant to a Farm In Agreement dated 21 March 2005, WSP has been granted the right to earn a working interest of 60% for the exploration and exploitation of North Chewondah-1 ("the Earning Well"). The interest will be earned by funding the costs of all drilling activities, with the drilling of the well to commence no later than 1 November 2005. It is a term of this agreement that any assignment by WSP is subject to the prior consent of the other parties. A 5% overriding royalty is payable to certain third parties in addition to all state government royalties. (ii) The Farm In Agreement to which Dome is a party as summarised in Section C below.
BASIN	Bowen/Surat	Bowen
STATUS	Granted	Granted
GRANT DATE	01/6/83	30/9/04
EXPIRY DATE	31/05/05	29/9/34
AREA (BLOCK)	5	4
EXPENDITURE COMMITMENTS	\$125,000 – Drill one new well	None
SECURITY	\$4000 (deposit)	None
NATIVE TITLE CLAIMS	QG6162/98 QG6004/99 QG6005/99	QG6156/98
NOTES	The application for renewal of ATP 333P and application fee are with the Department of Natural Resources and Mines, and is now subject to Ministerial approval.	This PL cannot be renewed pursuant to the Petroleum Act 1923. If the holder wishes the PL to continue past its current term, the holder must apply for a replacement lease

	subject to Ministerial approval.	under the Petroleum and Gas (Productions and Safety) Act 2004
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PL 171 has been held to totally extinguish Native Title because it is wholly within ATP 465P, which was originally granted prior to 23/12/96 and therefore the NTA holds this to be a valid past act and thus can proceed to grant as a legally enforceable right. PL 171 was granted on 30 September 2004 to Roma Petroleum NL (80%) and Victoria Petroleum NL (20%).

ATP 333P is held over an area of 5 Blocks. The underlying land titles in these Blocks are held as either Estate in Fee Simple (i.e. freehold land under the Torrens title system) or as granted pursuant to a State Lease. As ATP 333P was granted before 1 January 1994 (actual grant date is 13 May 1983), the grant of a petroleum tenement affecting native title is validated by the QNTA and when validated, the native title is taken to have been extinguished (to the extent that there is any inconsistency between the two). Therefore, the tenement holder will have acquired the immediate right to undertake petroleum operations pursuant to the tenement's terms and conditions attaching to the grant of the tenement.

C FARM-IN AGREEMENTS

ATP 333P

PARTIES:	While Sands Petroleum (WSP) Pty Ltd and Dome Petroleum Resources (Dome) Plc
DATE:	19 May 2005
SUBJECT MATTER OF AGREEMENT:	The Farm-Out of up to a 40% interest in ATP 333P from WSP to Dome for the exploration and exploitation of petroleum at the Bowen/Surat Basin known as Reids Dome North-1 ("the Earning Well").
CONSIDERATION and WORKING INTERESTS:	Dome is to provide funding of up to £621,000 towards the costs drilling the Earning Well. In the event that Dome provides funding of £400,000 prior to 15 August 2005, it will earn a working interest of 26%. If it provides additional funding of £221,000 prior to the commencement of drilling, it will earn an aggregate working interest of 40%.
TERM:	No term specified (i.e. until the parties agree to terminate this agreement)
JOINT OPERATING AGREEMENT (JOA)	Operations will be carried out in accordance with the Joint Operating Agreement details of which are summarised below. WSP will become the Operator under the JOA on earning its working interest.
EXPENDITURE COMMITMENT:	Dome, WSP and Victoria will share the costs of production facilities required to establish commercial gas production in accordance with the JOA.
CONDITIONS:	The Farm-in Agreement is subject to and conditional upon WSP and/or Dome obtaining any necessary approvals and consents that may be required, including any approval required under the JOA
WARRANTIES:	None specified
ROYALTIES:	Dome will assume its pro-rata share of all existing royalties in ATP 333P which consists of a 7% royalty payable to third parties as well as the State royalty.

LIMITATION ON CLAIMS:	Dome's drilling liabilities under the Farm-in Agreement are to be limited to a total of £621,000
INDEMNITY:	No specific indemnities are given but Dome is required to use its best endeavors to make sure WSP suffers no loss, claims, damages or actions arising in connection with any failure or delay by Dome to perform the obligations, fund the costs and provide the money in accordance with the Farm-in Agreement as required by WSP.
GOVERNING LAW:	Laws of the State of Queensland.

Joint Operating Agreement relating to ATP 333P

PARTIES:	Victoria International Petroleum (VIP) NL and Victoria Oil (Vic Oil) Pty Ltd
DATE:	1 July 2003 is the date on the face of the document
SUBJECT MATTER OF AGREEMENT:	Exploration for and, if appropriate, the development and production of Petroleum within the ATP Area.
TERM:	The JOA shall remain in force for so long as the ATP remains in force in the names of the parties to the JOA or until the property held under the JOA has been disposed of and final settlement has been made between the parties.
PERCENTAGE INTERESTS:	VIP 64% and Vic Pet 36% (pending further farm-in)
COSTS AND EXPENDITURES:	Subject to the JOA, all costs, obligations, claims, liabilities and all joint petroleum and credits incurred or arising in the conduct of the joint operators shall be borne by and accrue to the parties in proportion to their respective percentage interests
SOLE RISK DRILLING:	Any party to the JOA may undertake Sole Risk Drilling if it is not substantially similar to or in conflict with any program approved by the Operating Committee under the JOA and is within the JOA
DISPOSAL OF PETROLEUM:	The parties, if not in default, can dispose of its percentage interest share of the joint petroleum produced under the JOA, and subject to the right of the Operator to use quantities of the joint petroleum.
ROYALTIES:	No specific provision for royalties.
ASSIGNMENTS:	There is a general restriction on assignment except as specifically provided for in the JOA and subject to any appropriate government consent.
LIMITATION ON CLAIMS:	Subject to the JOA, all costs, obligations, claims, liabilities and all joint petroleum and credits incurred or arising in the conduct of the joint operators shall be borne by and accrue to the parties in proportion to their respective percentage interests
INDEMNITY:	Where a single party carries out any Sole Risk Drilling, such party shall indemnify the party not participating in the Sole Risk Drilling against all claims, demands and proceedings brought by a third party arising out of or in connection with the Sole Risk Drilling
GOVERNING LAW:	Laws of the State of Queensland.

PL 171

PARTIES:	While Sands Petroleum (WSP) Pty Ltd and Dome Petroleum Resources (Dome) Plc
DATE:	19 May 2005
SUBJECT MATTER OF AGREEMENT:	The Farm-Out of up to a 40% interest in PL 171 from WSP to Dome for the exploration and exploitation of petroleum in the Triassic Clematis zone of the North Cherwondah-1 well located in the Bowen Basin.

CONSIDERATION and WORKING INTERESTS:	Dome is to provide funding of up to £497,000 towards the costs of the re-entering of North Cherwondah-1 In the event that Dome provides funding of £400,000 prior to 10 October 2005, it will earn a working interest of 32%. If it provides additional funding of £97,000 prior to the commencement of drilling, it will earn an aggregate working interest of 40%.
TERM:	No term specified (i.e. until the parties agree to terminate this agreement)
JOINT OPERATING AGREEMENT (JOA)	Operations will be carried out in accordance with the Joint Operating Agreement details of which are summarised below. WSP will become the Operator under the JOA on earning its working interest.
EXPENDITURE COMMITMENT:	If the re-entry of North Cherwondah-1 and horizontal drilling is deemed by WSP and Dome to be economically viable for production of gas, then WSP and Dome will fund their pro-rata share and WSP will carry out in accordance with good oil field practice reservoir production optimisation and analyses as required for the North Cherwondah-1 Triassic Clematis well.
CONDITIONS:	The farm-in agreement is subject to and conditional upon WSP and/or Dome obtaining any necessary approvals and consents that may be required, including any approval required under the Joint Operating Agreement.
WARRANTIES:	Not specified
ROYALTIES:	Dome will assume its pro-rata share of all existing royalties in PL-171 which consists of a 5% royalty payable to third parties as well as the State royalty
LIMITATION ON CLAIMS:	Dome's drilling liabilities under this agreement are to be limited to a total of £497,000.
INDEMNITY:	No specific indemnities are given but Dome is required to use its best endeavors to make sure WSP suffers no loss, claims, damages or actions arising in connection with any failure or delay by Dome to perform the obligations, fund the costs and provide the money in accordance with the agreement as required by WSP.
GOVERNING LAW:	Laws of the State of Queensland.

Joint Operating Agreement relating to PL 171

PARTIES:	Roma Petroleum (Roma) NL and Victoria Petroleum NL (Vic Pet)
DATE:	25 August 1995 (noted on register 26 October 1995)
SUBJECT MATTER OF AGREEMENT:	Exploration for and production, processing, transportation and sale of petroleum from the area subject to ATP 465P.
TERM:	Term of the ATP 465P as granted, including any renewals, extensions, etc. affecting the grant.
PARTICIPATING INTERESTS:	Roma 80% and Vic Pet 20%
COSTS AND EXPENDITURES:	Borne by the parties in proportion to their relative participating interests.
SOLE RISK OPERATIONS:	Where any or all of the drilling, completing and equipping of a well proposed by one or more of the parties but in which less than all parties participate then a participating party will bear the cost, risks and liability from entering the Sole Risk Operation (SRO) in proportion to their relative participating interest in the SRO.
PRODUCTION:	The parties can dispose of an amount of petroleum produced equivalent to the proportion of their relative participating interest except as may be required by the Operator in connection with the conduction of operations.
ROYALTIES:	Subject to the royalties and levies payable to the Government, the parties have entered into a Royalty Agreement with GFK Investments Pty. Ltd. (GFK) and QGAS Pty Ltd (QGAS) whereby GFK and QGAS is to receive a royalty interest of 2.5% of the wellhead value of all petroleum produces and sold from the area.
ASSIGNMENTS:	Except as otherwise provided, the rights under this Agreement cannot be assigned.
LIMITATION ON CLAIMS:	Each party will indemnify each other party from every claim, loss etc, resulting from the breach or default of the indemnified party of any of its obligations under the Agreement.

INDEMNITY:	Both parties are indemnified for any liabilities (except for the obligation to make monetary payments) caused by force majeure
GOVERNING LAW:	Laws of the State of Queensland.

Part VI

STATUTORY AND GENERAL INFORMATION

1 Incorporation and principal activities

- 1.1 The Company was incorporated on 17 May 2005 in England and Wales under the Companies Act 1985 to 1989, with registered number 05454245, under the name Dome Petroleum Resources Plc.
- 1.2 The principal legislation under which the Company operates is the Act.
- 1.3 The Company's principal place of business Park House 22 Park Street Croydon CR0 1YE
- 1.4 The liability of the members of the Company is limited.
- 1.5 As at the date hereof, the Company does not have any subsidiary undertakings within the meaning of section 736 of the Act.

2 Share capital

- 2.1 The Company was incorporated with a share capital of £10,000,000 divided into 1,000,000,000 ordinary shares of 1p each of which 2 were issued, fully paid, to the subscribers to the Memorandum of Association of the Company.
- 2.2 At an Extraordinary General Meeting held on 1 June 2005, the following resolutions were passed:
 - 2.2.1 the issued and unissued shares in the capital of the Company were subdivided into ordinary shares of 0.1p each
 - 2.2.2 the Directors were generally and unconditionally authorised for the purposes of section 80 of the Act to exercise all the powers of the Company to allot relevant securities up to an aggregate nominal amount of £999,999.98 provided that such authority shall expire on the day before the 5th anniversary of the passing of the resolution and that the Company may before such expiry make offers or agreements which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities in pursuance of such offers or agreements notwithstanding that the authority conferred hereby has expired. In the resolution the expression "relevant securities" and references to the allotment of relevant securities shall bear the same respective meanings as in section 80 of the Act. All the authorities and powers previously conferred under Section 80 of the Act were revoked provided that such revocation did not have retrospective effect.
 - 2.2.3 subject to the passing of the Resolution referred to in paragraph 2.2.1 above, the Directors were empowered pursuant to section 95 of the Act to allot equity securities (as defined below) for cash pursuant to the authority conferred by the resolution referred to in paragraph 2.2.1 above as if section 89(1) of the Act did not apply to any such allotment provided that the authority contained in this paragraph shall expire on the day before the 5th anniversary of the passing of the resolution. The Company was permitted by the resolution before its expiry to make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred thereby has expired. In the resolution the expression "equity securities" and references to the allotment of equity securities bear the same respective meanings as in section 94 of the Act. All the authorities and powers previously conferred under Section 95 of the Act were revoked, provided that such revocation shall not have retrospective effect.
- 2.3 The authorised and issued share capital of the Company as it will be immediately following completion of the Offer (assuming full subscription and no exercise of the Warrants) are as follows:

	Authorised		Issued and fully paid	
	Amount	Number	Amount	Number
Ordinary Shares of 0.1p each	£10,000,000	10,000,000,000	£65,000	65,000,000

- 2.4 The Offer Shares will rank pari passu in all respects including the right to receive all dividends and other distributions declared, made or paid on the Ordinary Shares from the date of this document.
- 2.5 Save as disclosed in this document:
- 2.5.1 no share or loan capital of the Company has been issued or is proposed to be issued;
- 2.5.2 no person has any preferential subscription rights for any share capital of the Company;
- 2.5.3 save in connection with engagement letter with Ascension Securities referred to in paragraph 6.1 below, no share or loan capital of the Company is under option or agreed conditionally or unconditionally to be put under option; and
- 2.5.4 save for commissions payable to Ascension Securities pursuant to the engagement letter referred to in paragraph 6.1 below, no commissions, discounts, brokerages or other special terms have been granted by the Company since its incorporation in connection with the issue or sale of any share or loan capital of the Company.
- 2.6 The Shares have not been admitted to dealings on any recognised investment exchange or other trading facility nor has any application for such admission been made, and it is not intended to make any other arrangements for dealings in the Shares on any such exchange.

3 Memorandum and Articles of Association

- 3.1 In this paragraph 3, references to the "Statutes" are references to the Act and every other Act for the time being in force concerning companies and affecting the Company.
- 3.2 The principal objects of the Company are set out in full in clause 4 of the Memorandum of Association and include carrying on the business of a general commercial company.
- 3.3 The Articles of Association of the Company (the "Articles") contain, inter alia, provisions to the following effect:

3.3.1 Voting rights

Subject to any rights or restrictions as to voting attaching to any shares on a show of hands every member who is present in person shall have one vote and, on a poll, every member present in person or by proxy shall have one vote for every share of which he is the holder.

3.3.2 Dividends

Subject to the provisions of the Act, the Company may by ordinary resolution declare dividends in accordance with the respective rights of the Members, provided that no dividend shall exceed the amount recommended by the Board.

Except as provided by the rights attached to shares, all dividends shall be declared and paid according to the amounts paid up on the shares on which the dividend is paid. Except as otherwise provided by the rights attached to shares, all dividends shall be apportioned and paid proportionately according to the amounts paid up on the shares during any portion of the period in respect of which the dividend is paid.

Subject to the provisions of the Act, the Board may pay interim dividends and also any fixed rate dividend, if it appears to the Board to be justified by the profits of the Company available for distribution. If the Board acts in good faith, it is not liable to holders of shares with preferred rights for any loss arising from the payment of interim dividends on other shares. No dividend or other monies payable in respect of a share shall bear interest against the Company unless otherwise provided by the rights attached to the share. There are no fixed dates on which entitlements to dividends arise.

3.3.3 Variation of rights

If at any time the share capital is divided into different classes of shares the rights attached to any class of shares may be varied or abrogated with the consent in writing of the holders of three fourths in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of the issued shares of that class, but not otherwise. The special rights attaching to any class of shares will not unless otherwise expressly provided by the terms of issue thereof be deemed to be varied by the creation or issue of further shares ranking pari passu therewith or subordinate thereto.

3.3.4 Return of capital

On a winding up of the Company, with the sanction of an extraordinary resolution, and subject to any provision sanctioned in accordance with the Act and any other sanction required by the Insolvency Act 1986, the liquidator may divide amongst the Members in specie the whole or any part of the assets of the Company in such manner as he may determine or vest the whole or any part of the assets in trustees upon such trusts for the benefit of the Members as he, with like sanction, determines. No member shall be compelled to accept any shares on which there is a liability.

3.3.5 Transfer of shares

Shares in the Company may be transferred by instrument of transfer in any usual or common form, or in such other form as shall be approved by the Board. The instrument of transfer will be signed by or on behalf of the transferor who is deemed to remain holder of the share until the name of the transferee is entered in the Register provided that if the share is not fully paid the instrument of transfer shall also be executed by or on behalf of the transferee. The Board may, in its absolute discretion and without giving any reason, refuse to register a transfer of any share that: is not fully paid (provided that where any such shares are admitted to the Official List of the UK Listing Authority such discretion may not be exercised in such a way as to prevent dealings in the shares of that class from taking place on an open and proper basis), relates to more than one class of share, is in favour of more than four joint holders as transferees or is subject to restriction, is in favour of a minor, bankrupt or person of mental ill health, in the case of shares held in certificated form if

it is not lodged duly stamped (if necessary) at the Registered Office or at such other place as the Board may appoint and accompanied by the certificate for the shares to which it relates (where a certificate has been issued in respect of the shares) and such other evidence as the board may require to show the right of the transferor to make the transfer, in the case of shares held in uncertificated form, in any other circumstances permitted by the Uncertificated Securities Regulations 2001 ("the Regulations") or where the Board is obliged or entitled to refuse to do so as a result of any failure to comply with a notice under section 212 of the Companies Act 1985 (as amended). There is no fee for registration of a transfer. If the Board refuses to register a transfer it shall, in the case of shares held in certificated form, within two months after the date on which the transfer was lodged and in the case of shares held in uncertificated form, within two months after the date on which the relevant operator instruction was received by or on behalf of the Company. Notwithstanding the provisions of the Articles, title to any shares in the Company may also be evidenced and transferred without a written instrument in accordance with statutory regulations made from time to time under section 207 of the Companies Act, 1989 or under any regulations having similar effect.

3.3.6 Failure to disclose interests in shares

If any person interested in shares of the Company fails to comply with any notice given by the Company ("Information Notice") requiring him to indicate his interest in shares that person may be served with a "Disenfranchisement Notice" meaning that he will have no right to attend or vote at general meetings or separate meetings of a class of shares of the Company. The Disenfranchisement Notice may be withdrawn on compliance with the Information Notice.

3.3.7 Borrowing powers

The Directors may exercise all the powers of the Company including the power as set out in the memorandum of association of the Company to borrow or raise money and to mortgage or charge its undertaking, property, assets, and uncalled capital or any part thereof subject to the provisions of the Statutes (as defined therein) and to create or issue debentures, and other securities whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party, without any limitation as to the amount.

3.3.8 Alteration of share capital

The Company may from time to time, by ordinary resolution, increase its share capital, consolidate and divide all or any of its share capital into shares of a larger nominal amount than its existing shares, sub-divide (subject to the Act) its shares (or any of them) into shares of smaller amounts, determine that, as between the shares resulting from such a sub-division, any of them may have any preference or advantage as compared with the others, cancel shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled. Subject to the Act, the Company may by special resolution reduce its share capital, any capital redemption reserve, share premium account or other distribution reserve in any manner.

Subject to the Act and the requirements of the UK Listing Authority or the London Stock Exchange, the Company may purchase its own shares (including redeemable shares).

3.3.9 Issue of shares

The Directors may, subject to the provisions of the Act and the Articles of Association, allot, grant options over or otherwise dispose of the un-issued shares in the capital of the Company to such persons, on such terms and conditions and at such times as they may determine.

3.3.10 Directors

- (i) Save as set out in the Articles, a director shall not vote at a meeting of the Board on any resolution of the Board concerning a matter in which he has an interest otherwise than by virtue of his interest in shares, debentures or other securities of, or otherwise through, the Company or in respect of which he has any duty which conflicts with his duty to the Company but shall be entitled to vote on certain resolution including any of the following:
 - the giving of any guarantee, security or indemnity in respect of money lent by him at the request of the Company or any debt of the Company of which he has assumed responsibility;
 - the subscribing or agreeing to subscribe for of the purchasing of any shares of the Company;
 - any contract concerning any company in which he is interested.
- (ii) The ordinary remuneration of the directors who do not hold executive office for their services (excluding amounts payable under any other provisions of the Articles described below) shall be determined by the Board. Any director who is appointed to any executive office shall be entitled to receive such extra remuneration as the Board may determine.
- (iii) The directors may be paid by the Company all traveling, hotel and other expenses properly incurred in attending meetings of the directors or committees of the Board or general meetings or otherwise in connection with the discharge of their duties.
- (iv) Directors may be appointed by the Company by ordinary resolution or by the Board. A director appointed by the Board holds office only until the next annual general meeting when he shall retire but shall then be eligible for re-election. A director so retiring is not taken into account in determining the directors who are to retire by rotation at the meeting. Unless and until otherwise determined by ordinary resolution, the number of directors shall be not less than two and shall not be more than ten.
- (v) At every annual general meeting of the Company, all the directors will retire and be eligible for re-election.

- (vi) The quorum necessary for the transaction of the business of the Directors may be fixed by the Directors and unless so fixed shall be two.
- (vii) A Director shall not require a share qualification.
- (viii) The Directors are not required to retire under any age limit.
- (ix) The number of Directors shall not be less than two but shall be subject to any maximum of 10.

3.3.11 Notices

A member whose registered address is not within the United Kingdom and who has not provided the Company with an address within the United Kingdom to which notices may be sent shall not be entitled to receive any notice from the Company.

4 Directors' and other interests

- 4.1 The interests (all of which are beneficial unless otherwise stated) of the Directors and their immediate families and the persons connected with them (within the meaning of Section 346 of the Act) which have been notified to the Company pursuant to Sections 324 and 328 of the Act or are required to be disclosed in the Register of Directors' Interests pursuant to Section 325 of the Act in the issued share capital of the Company and the existence of which is known to, or could with reasonable due diligence be ascertained by, any Director as at the date of this document are as follows:

Name	Number of Ordinary Shares	Percentage of issued share capital before the Offer	Percentage of issued share capital following the Offer assuming full subscription and no exercise of the Warrants
Ben Dhesi	48,500,000	97%	74.62%
Bruno Denantes	1,500,000	3%	2.31%
Judith Lentin	Nil	-	-
Peter Jones	Nil	-	-

- 4.2 Save as disclosed above, none of the Directors nor any member of their respective immediate families nor any person connected with the Directors (within the meaning of Section 346 of the Act) has any interest, whether beneficial or non-beneficial, in any share capital of the Company.
- 4.3 There are no outstanding loans granted or guarantees provided by the Company to or for the benefit of any of the Directors.
- 4.4 Save as described above, the Directors are not aware of any person who, directly or indirectly, jointly or severally, exercises or could exercise control over the Company
- 4.5 Save as otherwise disclosed in this document, no Director has any interest, whether direct or indirect, in any transaction which is or was unusual in its nature or conditions or significant to the business of the Company taken as a whole and which was effected by the Company since its incorporation and which remains in any respect outstanding or unperformed.
- 4.6 Save as disclosed in paragraph 4.1, the Directors are not aware of any person who is as at 27 June 2005 being the date of this document or who will be interested (within the meaning of the Act) directly or indirectly in 3 % or more of the issued share capital of the Company or who directly or indirectly, jointly or severally, exercises or could exercise control over the Company.

5 Directors Service Contracts and Emoluments

- 5.1 Each of Bruno Denantes and Ben Dhesi entered into a service contract with the Company on May 2005. The principal terms of these agreements, which are the same for all of them save as specified below, are as follows:
- 5.1.1 Mr Denantes is appointed as Managing Director. Mr Dhesi as an Executive Director with responsibility for commercial management.
- 5.1.2 terminable on 3 months' notice.
- 5.1.3 each has a basic salary of £100,000 per annum.
- 5.1.4 The Director is required to devote such of his time to the performance of his duties as is reasonably required;
- 5.1.5 The Director is subject to certain restrictive covenants including 6 months post termination against (i) competing with the business of the Company (ii) solicitation of customers, clients and agents and (iii) solicitation of employees.

6 Material Contracts

In addition to the Farm-In Agreement, the terms of which are summarised in Part V of this document, the following contracts, not being contracts entered into in the ordinary course of business of the Company, have been entered into by the Company and are or may be material:

6.1 by letter dated 3 June 2005 from Ascension Securities Limited to the Company, the Company appointed Ascension Securities Limited to act as corporate finance adviser to the Company for the purposes of the Offer. Ascension Securities Limited has also undertaken to assist to procure subscribers for the Offer. The Company has agreed to pay the following fees:

6.1.1 a corporate finance fee of £300,000 payable pro rata against sales proceeds once the minimum subscription is received;

6.1.2 a commission of 10 per cent of the aggregate gross subscription monies in respect of new Shares issued to New Investors;

6.1.3 reimbursement of Ascension Securities Limited agreed disbursements and expenses.

6.1.4 warrants to subscribe for up to 2,500,000 Shares (equal to 5% of the issued share capital of the Company disregarding the Offer (3.66% post Offer)) at the Issue Price exercisable at any time within 2 years of the Closing Date.

The letter contains certain undertakings by the Company and its Directors and indemnities given by the Company in respect of, inter alia, compliance with applicable laws and regulations.

6.2 Each of Judith Lentin and Peter Jones have been entered into consultancy agreements pursuant to which they will each be paid £70,000 per annum by way of consultancy fees for consultancy work of up to 250 days per annum.

6.3

7 Litigation

There are no legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) against, or being brought by the Company that are having or may have a significant effect on the Company's financial position.

8 Commissions

Qualified Intermediaries may be able to negotiate commission no higher than 5% on all applications bearing their stamp. Ascension Securities Ltd will receive fees for services rendered in association with the Offer.

9 Auditors

H G Field are the auditors of the Company and have given and have not withdrawn their written consent to the inclusion of their reports in this document and accept responsibility for them and have stated that they have not become aware, since the date of any report, of any matter affecting the validity of that report at that date.

10 TAXATION

The following statements are intended only as a general guide to current UK tax legislation and to the current practice of the UK Inland Revenue (the "Inland Revenue") and may not apply to certain Shareholders, such as dealers in securities. They relate to persons who are resident and ordinarily resident in the UK for UK tax purposes (except where otherwise stated), who are beneficial owners of Ordinary Shares and who hold their Ordinary Shares as an investment. Any person who is in any doubt as to his tax position, or who is subject to taxation in any jurisdiction other than the UK, should consult his professional advisers immediately.

Dividends

Under current UK tax legislation the Company is not required to withhold tax at source from dividend payments it makes. Individual Shareholders resident for tax purposes in the UK should generally be entitled to a tax credit in respect of any dividend received equal to one-ninth of the amount of the dividend. Such an individual Shareholder's liability to UK income tax is calculated on the sum of the dividend and the tax credit (the "gross dividend") which, with certain other investment income, will be regarded as the top slice of the individual's income and which will be subject to UK income tax at special rates of tax as described below. The tax credit therefore equals 10 per cent of the gross dividend. The tax credit will be available to offset such Shareholder's liability (if any) to income tax on the gross dividend.

Individual Shareholders liable to tax at a rate equal to or lower than the basic rate will be liable to tax on dividend income received at the rate of 10 per cent. This means that the tax credit will satisfy the income tax liability of a UK resident individual Shareholder liable to pay income tax at a rate equal to or lower than the basic rate. The rate of income tax applied to UK company dividends received by UK resident individuals liable to income tax at the higher rate will be 32.5 per cent. After taking into account the 10 per cent tax credit, a higher rate taxpayer will be liable to additional income tax of 22.5 per cent of the gross dividend, equal to 25 per cent of the net dividend. With limited exceptions (relating to shares held in individual savings accounts or personal equity plans prior to 5 April 2004) individual Shareholders who are resident in the UK cannot claim repayment of the tax credit from the Inland Revenue.

UK resident trustees of discretionary or accumulation trusts are liable to income tax on company dividends received at the rate of 25 per cent of the gross dividend. After taking into account the 10 per cent tax credit such a trustee will be liable for additional income tax of 15 per cent of the gross dividend (equal to 16.67 per cent of the net dividend). A corporate Shareholder resident for tax purposes in the UK will not normally be liable to corporation tax on any dividend received. Tax-exempt pension funds cannot reclaim from the Inland Revenue tax credits attaching to dividend payments on UK equities. Charities may be entitled to a payment from the Inland Revenue of a specified proportion of any dividend paid by the Company on or before 5 April 2004, that proportion declining on a year by year basis.

Shareholders who are resident for tax purposes in countries other than the UK should consult their own tax advisers concerning their tax liabilities on dividends received. They should note that, following the reduction in the rate of the UK tax credit to 10 per cent of the gross dividend from 6 April 1999, they are unlikely to be entitled to any repayment of the tax credit from the Inland Revenue under any double tax treaty.

Stamp Duty and Stamp Duty Reserve Tax

In relation to stamp duty and stamp duty reserve tax:

The allocation and issue of Ordinary Shares will not give rise to a liability to stamp duty or stamp duty reserve tax. Any subsequent conveyance or transfer on sale of the Ordinary Shares will usually be subject to stamp duty on the instrument of transfer, generally at a rate of 0.5 per cent of the amount or value of the consideration payable by the purchaser. A charge to stamp duty reserve tax at the rate of 0.5 per cent of the value of the consideration will arise in relation to an unconditional agreement to transfer such Ordinary Shares.

11 General

- 11.1 In the Directors' opinion, the minimum amount which must be raised by the Company pursuant to the Placing in order to provide the sums required pursuant to paragraph 21(a) of Schedule 1 to the POS Regulations is £550,000 comprising:

Issue expenses and commissions	£130,000
Drilling of well on Reid's Dome (ATP 333P)	£400,000
Working Capital	£20,000

- 11.2 The total proceeds which will be raised by the Offer assuming full subscription are £3,000,000 and the net proceeds after deduction of expenses, excluding VAT, are estimated at £2,350,000.
- 11.3 The accounting reference date of the Company is 31 May and the first audited accounts will be made up to 31 May 2006.
- 11.4 The expenses of and incidental to the Offer are estimated to amount to approximately £650,000 (excluding VAT), all of which will be payable by the Company.
- 11.5 The financial information contained in Part V of this Prospectus does not constitute full statutory accounts as referred to in Section 240 of the Act.
- 11.6 Ascension Securities has given and not withdrawn its written consent to the issue of this document with the inclusion of its name and references to its name in the form and context in which it appears.
- 11.7 H.G. Field & Co have given and have not withdrawn their written consent to the inclusion of their report in Part V of this document and have accepted responsibility for their report for the purposes of paragraph 45(1) (b) (iii) of Schedule 1 to the POS Regulations and have stated that they have not become aware, since the date of any report, of any matter affecting the validity of that report at that time.
- 11.8 RobSearch Australia Pty Ltd has given and not withdrawn its written consent to the issue of this document with the inclusion of the Competent Person's Report and references to its name in the form and context in which it appears.

- 11.9 Save as set out in this document, the Directors are not aware of any exceptional factors that have influenced the Company's activities.
- 11.10 The Offer has not be underwritten or guaranteed by any person.
- 11.11 Save as set out in this document, no commission is payable by the Company to any person in consideration of his agreeing to subscribe for securities to which this document relates or of his procuring or agreeing to procure subscriptions for such securities.
- 11.12 No paying agent has been appointed by the Company.
- 11.13 The Offer Shares will be issued at 20p per share, a premium of 19.9p per Share above nominal value.
- 11.14 Save as disclosed in this document, no payment (including commissions) or other benefit has been or is to be paid or given to any promoter of the Company.
- 11.15 Save as disclosed in this document, there are no patents or other intellectual property rights, licences or particular contracts which are, or may be, of fundamental importance to the business of the Company.
- 11.16 Save as disclosed in this document, there are no investments in progress which are significant.

12 Publication of Prospectus

Copies of this document will be available free of charge to the public at the offices of Ascension Securities from the date of this document until at least the end of the period during which the Offer for Subscription remains open.

27 June 2005

Part VII

Terms and Conditions of the Offer

1 Completion of Application Form

Any prospective investor wishing to apply for Shares must complete an Application Form in accordance with the instructions accompanying that form.

2 Allocation of Shares

The Company in its absolute discretion will determine the basis of allocation. The right is reserved to reject in whole or in part and/or scale down any application or any part thereof. The right is also reserved to treat as valid any application not in all respects completed in accordance with the instructions relating to the Application Form including if the accompanying cheque or banker's draft is for the wrong amount.

3 Expected dispatch of definitive share certificate.

The expected date for dispatch of definitive share certificates in respect of the Shares is thirty days after the closing of the subscription list.

4 Application monies

The right is reserved by the Company to present all cheques and banker's drafts for payment on receipt and to retain share certificates and surplus application monies pending clearance of successful applicants' cheques and banker's drafts. If any application is not accepted (either in whole or in part) or if any contract created by acceptance does not become fully unconditional, the application monies or, as the case may be, the balance thereof will be returned (without interest) within 7 days of the closing date of the Offer by returning each relevant applicant's cheque or banker's draft by crossed cheque in favour of the first-named applicant, through the post at the risk of the person(s) entitled thereto.

5 Money Laundering Regulations

It is a term of the Offer that, to ensure compliance with the Money Laundering Regulations the Company is entitled to require, at its absolute discretion, verification of identity from any applicant. Pending the provision of evidence satisfactory to the Company as to the identity of the applicant and/or the cheque or other remittance relating thereto and the Company reserves the right not to enter the applicant on the register of members or issue any certificate in respect of Shares allotted to the applicant.

If verification of identity is required, this may result in a delay in dealing with an application and in rejection of the application. The Company reserves the right, in its absolute discretion, for it to reject any application in respect of which the Company considers that, having requested verification of identity, it has not received evidence of such identity satisfactory to it by such time as may be specified in the request for verification of identity or in any event within a reasonable period. In the event of an application being rejected in any such circumstances, the Company reserves the right in its absolute discretion, but shall have no obligation, to terminate any contract of allotment in relation to or constituted by the Application Form (in which event the money payable or paid in respect of the application will be returned (without interest) to the account of the bank from which such sums were originally debited) and/or to endeavour to procure other subscribers for the Shares in question (but in each case without prejudice to any rights the Company may have to take proceedings to recover in respect of loss or damage suffered or incurred by it as a result of the failure to produce satisfactory evidence as aforesaid). The submission of an Application Form will constitute a warranty and undertaking by the applicant to provide promptly to the Company such information as may be specified by it as being required for the purpose of Money Laundering Regulations.

The Company will not be responsible or have any liability for loss or damage (whether actual or alleged) arising from the election by the Company to treat an application in respect of Shares lodged by any applicant as invalid or to terminate the contract of allotment as a result of the Company not having received evidence as to the identity of the applicant reasonably satisfactory to it within a reasonable time of having requested such information.

6 General Terms

By completing and delivering an Application Form, prospective investors:

- 6.1 offer to subscribe for the number of Shares specified in the Application Form (or such lesser number for which the application is accepted) at the Offer Price on the terms of and subject to the document;
- 6.2 warrant that their cheque or banker's draft will be honored on first presentation and agree that if it is not so honored they will not be entitled to receive a share certificate in respect of the Shares applied for or to enjoy or receive any rights or distributions in respect of such Shares unless and until they make payment in cleared funds for such Shares and such payment is accepted by the Company in its absolute discretion (which acceptance shall be on the basis that they indemnify the Company against all costs, damages, losses, expenses and liabilities arising out of or in connection with the failure of their remittance to be honored on first presentation) and prospective investors agree that, at any time prior to the unconditional acceptance by the Company of such later payment, the Company may (without prejudice to its other rights) avoid the agreement to subscribe such Shares and may allot such Shares to some other person, in which case prospective investors will not be entitled to any payment in respect of such Shares other than the refund to them at their risk of any proceeds of the cheque or banker's draft accompanying their application, without interest;
- 6.3 agree that, in respect of those Shares for which prospective investors applications have been received and are not rejected, acceptance of their application shall be constituted by notification of acceptance thereof to the Company;
- 6.4 agree that any monies returnable to them may be retained by the Company pending clearance of their remittance and that such monies will not bear interest;
- 6.5 authorise the Company to send share or warrant certificate(s) in respect of the Shares for which their application is accepted and/or a crossed cheque for any monies returnable, by post, without interest, at the risk of the person(s) entitled thereto, to the address of the person (or in the case of joint holders the first-named person) named as an applicant in the Application Form and to procure that their name is placed on the register of members of the Company in respect of such Shares;
- 6.6 warrant that, if they sign the Application form on behalf of somebody else or on behalf of a corporation, they have due authority to do so on behalf of that person or corporation, and such person or corporation will also be bound accordingly and will be deemed also to have given the confirmations, warranties and undertakings contained herein and undertake to enclose their power of attorney or a copy thereof duly certified by a solicitor with the Application Form;
- 6.7 agree that all applications, acceptances of applications and contracts resulting there from under the Offer shall be governed by and construed in accordance with English law, and that they submit to the jurisdiction of the English Courts and agree that nothing shall limit the right of the Company to bring any action, suit or proceeding arising out of or in connection with any such applications, acceptances of applications and contracts in any other manner permitted by law or in any court of competent jurisdiction;
- 6.8 confirm that, in making such application, neither they nor any person on whose behalf they are applying are relying on any information or representation in relation to the Company other than the information contained in the Offer Prospectus;
- 6.9 authorise the Company or any person authorised by it, as their agent, to do all things necessary to effect registration of any Shares subscribed for by them into their name(s) or into the name(s) of any person(s) in whose favour the entitlement to any such Shares has been transferred and authorise any director of the Company to execute any document required therefore;
- 6.10 agree that, having had the opportunity to read this document, they shall be deemed to have had notice of all information and representations concerning the Company and the Shares contained therein;
- 6.11 confirm and warrant that they have read and complied with paragraph 7 below;
- 6.12 confirm that they have reviewed and understood the warnings and other matters contained in paragraph 9 below ;
- 6.13 confirm that they are not under the age of 18;
- 6.14 agree that all documents and cheques sent by post to, by or on behalf of the Company will be sent at the risk of the person(s) entitled thereto;
- 6.15 agree, on request by the Company or at its discretion on behalf of the Company, to disclose promptly in writing to it, any connection with their application and authorise it to disclose any information relating to their application as it considers appropriate;
- 6.16 warrant that no other application has been made by them for their own account or by another person on their behalf or for their benefit and with their knowledge for such purpose or, if they are applying as agent or nominee of another person, that no other application is being made by them (not being an application as aforesaid) as an agent or nominee for another person and that such other person is not, to their knowledge, acting in concert with any other person or persons as aforesaid.
- 6.17 agree that if they include an email in the application form, the Company may communicate by email including the delivery of Annual and interims accounts provided such communications are sent to such email address or such other email address as maybe notified in writing to the Company from time to time.

7 Non-UK applicants

No person receiving a copy of this Prospectus or an Application Form in any territory other than the UK may treat the same as constituting an invitation or offer to him, nor should he in any event use such Application Form unless, in the relevant territory, such an invitation or offer could lawfully be made to him or such Application Form could lawfully be used without contravention of any registration or other legal requirements. It is the responsibility of any person outside the UK wishing to make an application hereunder to satisfy himself as to full observance of the laws of any relevant territory in connection therewith,

including obtaining any requisite governmental or other consent, observing any other formalities requiring to be observed in such territory and paying any issue, transfer or other taxes required to be paid in such territory.

8 Definitions

Save where the context otherwise requires, words and expressions defined in the Prospectus have the same meanings when used in the Application Form and any other explanatory notes in relation thereto.

9 General

The information presented herein was prepared by the Company and is being furnished by the Company solely for use by prospective investors in connection with this Offer. The Company is not making any representation as to its future performance. This document (together with any supplementary prospectus that may be issued) contains or may contain certain statements, estimates and forward looking projections of the Company with respect to the anticipated future financial performance of the Company. Such statements, estimates and forward looking projections are based on various assumptions of management about future events and circumstances, many of which will not be within the control of the Company and its management and may or may not prove to be correct. The Company believes that such estimates and other assumptions are reasonable under the circumstances, but no representation, warranty or other assurance is given that such statements, estimates and projections will be realised. There will be variances between such projections and actual events and results and such variations will likely be material. Each prospective investor must rely on his or her own examination of the Company and the terms of the Offer, including the merits and risks involved in making an investment decision with respect to the shares. Prospective investors are not to construe the contents of this document as legal or tax advice. Each investor should consult his or her personal counsel, accountant and other advisor(s) as to legal, tax, economic and related aspects of the investment described herein and its suitability for such investor.

APPLICATION FORM

You must send your completed Application Form by post, or post it or deliver it by hand to CAPITA REGISTRARS, CORPORATE ACTIONS, PO BOX 166, THE REGISTRY, 34 BECKENHAM ROAD, BECKENHAM, KENT, BR3 4TH. The subscription list will open at 9.00 am on 30 June 2005 and may be closed any time thereafter or when the Offer is fully subscribed, but in any event not later than 5.00pm on 20 July 2005, unless previously extended by the Directors, pursuant to the terms of the Offer.

Offer by Dome Petroleum Resources Plc by way of a public offer of securities for 15,000,000 Shares of 0.1p each in the Company at 20p per Ordinary Share. Before making any application you are recommended to consult an independent financial adviser authorised under the Financial Services and Markets Act 2000

You may only apply for Ordinary Shares in the multiples stated in note 1 of the Guide to the Application Form.

1. I/We offer to acquire _____ shares in respect of which this application may be accepted at 20p per Ordinary Share on the terms and subject to the conditions of the Prospectus dated 27 June 2005 and subject to the memorandum and articles of association of the Company.
2. I/We attach a cheque or banker's draft for the amount payable of £_____ (20p multiplied by the number of Ordinary Shares inserted above) made payable to Capita IRG plc – Dome Petroleum Resources Plc A/C
3. I/We request that you send me/us a share certificate for the number of Ordinary Shares in respect of which this application may be accepted together with a cheque for any surplus application money (without interest) by post at my/our risk, to the address given below. I/We understand that the completion and delivery of the Application Form accompanied by a cheque constitutes an undertaking that the cheque will be honored on first presentation. I/We understand that no application will be accepted unless and until payment in full for the Ordinary Shares has been made.
4. I/We confirm that I am/we are applying on my/our behalf, that I/we have read, accepted and understood the terms and conditions set out in the memorandum, that I/we have taken appropriate professional advice before submitting this Application Form and that I am/we are aware of the risks involved in investing in the Ordinary Shares subject to the Offer. I/We further confirm that I am/we are investing in the Company on the basis only of the information contained in the memorandum which supersedes all other information (whether written or oral) concerning the Company and the Ordinary Shares or otherwise prior to the date of the memorandum and any such other information or representations must not be relied upon in subscribing for Ordinary Shares.
5. Please register any Ordinary Shares allotted to me/us in my/our name(s).

Please complete using BLOCK CAPITALS:	(Name of joint applicant if necessary)
Name (in full – no initials):	Name(in full – no initials):
Address:	Address:
Postcode:	Postcode:
Home Telephone:	Home Telephone:
Email:	Email:
Mobile:	Mobile:

6. Signature Requirements:

Signature:	Signature:
Date:	Date:

7. We authorise the Directors of the Company to contact me/us by telephone in connection with queries arising on my/our behalf.

GUIDANCE NOTES TO THE APPLICATION FORM

The following should be read in conjunction with the Application Form.

1. Insert in the first space provided in paragraph 1 (in figures) the number of Offer Shares for which you would like to apply at 20p per share. Applications must be for a minimum of £5000 (25,000 Offer Shares and thereafter in multiples of £500 (2,500 Offer Shares).
2. Insert in the space provided in paragraph 2 (in figures) the amount of your cheque or banker's draft. The amount of your cheque or banker's draft should be the Issue Price of 20p per Share multiplied by the number of Shares inserted in the first space in paragraph 1.
3. Insert your full name and address in BLOCK CAPITALS in the space provided in paragraph 5.
4. Date and sign the Application Form in the space provided in paragraph 6. The Application Form may be signed by someone else on your behalf (and/or on behalf of any joint applicant(s)) if duly authorised to do so, but the power(s) of attorney or a duly certified copy of them must be enclosed for inspection. A corporation should sign under the hand of a duly authorised official whose representative capacity must be stated. Applications may not be made by anyone aged under 18.
5. Attach a single cheque or banker's draft to your completed Application Form. Your cheque or banker's draft must be payable to: **Capita IRG plc - Dome Petroleum Resources Plc A/C** for the amount payable on application as inserted in paragraph 2, and should be crossed "A/C Payee".
6. Acknowledgements of acceptance of investors' applications will be dispatched as soon as reasonably practicable.
7. In each case the cheque must be drawn in pounds sterling and bear a UK bank sort code number in the top right hand corner. Applications may be accompanied by a cheque drawn by someone other than the applicant(s), but any monies to be returned will be done so by returning the cheque to the applicant or by sending a cheque crossed "Account Payee" in favour of the person named in paragraph 5. An application will be accepted by the Company (either in whole or in part) immediately upon the board of Directors of the Company (or a committee of it) passing a resolution allotting the Ordinary Shares to the applicant(s). If any application is not accepted the amount paid will be returned by cheque sent by post at the risk of the applicant(s). The Company reserves the right:
 - 7.1. to present all cheques for payment and to retain share certificates and surplus application monies pending clearance of applicants' cheques;
 - 7.2. to reject any application or to accept any application in part only on any basis it sees fit; and
 - 7.3. to accept an application not complying with the requirements specified herein or in the Application Form.
8. All cheques, certificates and other Documents will be dispatched by post at the risk of the person(s) entitled thereto.
9. You may apply jointly with other persons. You must then arrange for the Application Form to be completed by or on behalf of each other joint applicant (up to a maximum of one other person). Their full names should be inserted in BLOCK CAPITALS in the space provided in paragraph 5. and signatures in paragraph 6. If anyone is signing on behalf of any joint applicant(s), the power(s) of attorney or a duly certified copy thereof must be enclosed for inspection.
10. You must send your completed Application Form by post, or deliver it by hand, to:

**CORPORATE ACTIONS
CAPITA REGISTRARS
PO BOX 166, THE REGISTRY
34 BECKENHAM ROAD
BECKENHAM
KENT
BR3 4TH**

so as to be received not later than 5.00pm on the 20 July 2005 (unless extended by the Directors)

If you post your Application Form, you are recommended to use first-class post and allow at least two days for delivery. Photocopies of your Application Form are not acceptable.



Dome Petroleum Resources PLC
Ludwell House, 2 Guilford Street,
Chertsey, Surrey, KT16 9BQ
Tel: 0208 688 2217 Fax: 0208 688 4336
Email: info@domepetroleum.org
Web: www.domepetroleum.org
Company Reg No: 05454245
Company Reg No: 05454245