



BANDANNA ENERGY LIMITED

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10 March 2009

ASX RELEASE

General Manager,
The Company Announcements Office
Australian Stock Exchange Limited
Electronic Lodgement System

Dear Sir,

Planet Downs-1 well – Plugged and Abandoned
ATP 539P- SW Queensland, Cooper-Eromanga

Bandanna Energy Limited (ASX “BND”) wishes to advise that a decision was made, in conjunction with the Operator Drillsearch Energy Limited, to plug and abandon the Planet Downs-1 exploration well. Planet Downs-1 was a test of a local culmination on the Curalle Anticline, a large regional structure dominating the western flank of the Cooper Basin within ATP 539. Planet Downs-1 was an important well and encountered encouraging oil shows in the Murta, Westbourne, basal-Birkhead formations and Hutton Sandstone. Although subsequent wireline logs confirmed probable oil in place within several zones, pressure and sidewall core data indicated only poor reservoir permeability and limited column height. On this basis it was decided not to conduct any further tests and to plug and abandon the well.

Planet Downs-1, reached its total depth of 1444 m on 2 March 2009. Because of lost circulation problems within the lower Hutton Sandstone the well was not drilled to the planned total depth of 1880m, having already tested the primary basal-Birkhead Formations and Hutton sandstone objectives.

Despite the outcome, the ATP539P Joint Venture parties are encouraged by the oil shows encountered in the Planet Downs-1 well.

Participating interests in the well are:

Drillsearch Energy Limited	50% Operator
Bandanna Energy Limited	50% (earning)

Yours faithfully,

BANDANNA ENERGY LIMITED

Dr Kay Shaw

Managing Director

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