

**ASX ANNOUNCEMENT  
FOR IMMEDIATE RELEASE**

**8 June 2007**

**UPDATE ON STAGE TWO DRILLING OPERATIONS IN TASMANIA**

The Directors of Pure Energy Resources Ltd (Pure) are pleased to provide the following update on the stage two drilling operations to twin the Fingal –55B and Fingal –41B wells located within the Fingal-Dalmyne area in the northeast of its Tasmania tenement SEL 32/2003.

**Background**

Pure has taken the first step in a twelve well exploration campaign to assess nine Coal Seam Gas (CSG) prospects in both Queensland and Tasmania. The wells are to be drilled by both Pure and its farmin partner, Arrow Energy NL, over the next six months. The Company believes that each of these prospects has the potential to become a significant CSG development.

The Fingal-Dalmyne Coalfield in Tasmania is Pure's first CSG target. Pure is twinning two existing boreholes, Fingal-55B and Fingal-41B. The drilling of Fingal-55B is currently in progress.

If the core holes prove gas content and permeability, Pure plans to quickly move into pilot and production, leveraging the existing boreholes to fast-track reserves certification.

**Progress to date on Fingal- 55B**

The Fingal coals consist of up to eight major coal seams, A through H. The coal seams of greatest interest for CSG are the Duncan Seam (F), the East Fingal Seam (G), and the D Seam. The Duncan F Seam is currently being mined at the Duncan Colliery, five kilometres from Pure's drilling program.

Coal Seams A though D have now been drilled and cored. A total net coal thickness of twelve meters has been encountered, and nine coal samples taken for gas desorption testing. Permeability testing and evaluation of other test data is in progress.

## **Operations Plan for the following week**

Coring operations will continue through the F and G seams in Fingal-55B. Further tests will be conducted for permeability, and coal samples will be taken for gas desorption.

Upon completion of operations at Fingal-55B, the rig will move to Fingal-41B.

## **For and on behalf of the Board of Directors**

**Geoff Hewett**  
**Company Secretary**

**For further information contact:**  
**Mr Steve Beardsall**  
**Managing Director**  
**Level 17, 80 Albert Street Brisbane Qld 4002**  
**Ph: 07 3503 8300 Fax: 07 3503 8399**  
**Mobile: 0409 858 329**  
**Email: [sbeardsall@per.com.au](mailto:sbeardsall@per.com.au)**