

## Prospective Great South Basin Attracts Magellan Petroleum

Australian-based Magellan Petroleum (NZ) Ltd has been awarded the 12,210 km<sup>2</sup> permit area PEP 38222, while the other Great South Basin operator, Bounty Oil and Gas NL, has also been awarded an extension to its PEP 38215 permit granted last year.

Awarding of the two permits reflects the renewed interest in the petroleum potential of the Great South Basin, offshore from New Zealand's South Island.

Magellan Petroleum (NZ) Ltd is a wholly-owned subsidiary of publicly-listed Magellan Petroleum Australia Ltd, which has been an explorer and producer of petroleum in Australia for several decades. The Australian company was founded in 1964 by its US parent and 51 % shareholder, Magellan Petroleum Corporation.

Perth-based Bounty has been granted a 1989 km<sup>2</sup> extension along the east of its permit area in the centre of the basin, which was granted last year. This increases the area of the

PEP 38215 permit to 13,654 km<sup>2</sup>. Bounty and Hardman Resources NL, also Perth-based, each hold 43.75% interests in the permit, along with Albatross Energy Pty Ltd (10%) and McKenzie Petroleum Ltd (2.5%).

The Great South Basin covers an area of 100,000 km<sup>2</sup> containing Mid-Cretaceous to Quaternary sediments up to 8.6 km thick. No drilling has been carried out since 1984 even though hydrocarbons were recorded in four of the eight wells drilled in the previous decade.