

# *ANTARES ENERGY COMPANY*

## RIU GoodOilConference

1-2 September 2009

Presented by:

James Cruickshank  
Managing Director & CEO  
Antares Energy Limited



*This presentation may include forward-looking statements within the meaning of section 27a of the United States securities act of 1933, as amended, and section 21e of the United States securities and exchange act of 1934, as amended, with respect to achieving corporate objectives, developing additional project interests, the company's analysis of opportunities in the acquisition and development of various project interests and certain other matters. These statements involve risks and uncertainties which could cause actual results to differ materially from those in the forward-looking statements contained herein. Given these uncertainties, undue reliance should not be placed on forward-looking statements.*



- 224.24 million ordinary shares (AZZ)
- \$11.0 million cash as per 30 June 2009 Quarterly Report
- 9.3 million convertible notes @ \$A2.00/note (AZZG)
- Operational focus Eagle Ford shale onshore Gulf Coast, Texas, USA
- Attractive, large Eagle Ford shale acreage position >25,000 acres
- Initial AEC Eagle Ford shale horizontal operation underway
- Petrohawk Donnell 457 No. 1H Eagle Ford shale development well being completed (first term assignment well)
- Managing Director and Technical team based in Houston, Texas, USA
- Corporate office in Perth, Western Australia

## *A Sound Corporate Foundation for Eagle Ford Success*

- Net Profit After Tax of \$601,000, previous year was a Net Loss of \$37,386,000.
- Revenue increased by 220% to \$8,340,000 from the previous year of \$3,763,000.
- Earnings per share for the year of 0.4 cents, previous year was a loss of 23.6 cents.
- Net Assets of \$2,516,000, previous year was a deficiency of \$4,973,000.
- Debt face value of the notes was reduced by \$2,104,892 during the year.
- 1,052,446 \$2.00 convertible notes were bought back at an average price of \$0.94.
- General & Administrative Expenses were reduced to \$976,000 from \$2,125,000.
- Total Employee Benefits were reduced to \$990,000 from \$2,431,000.
- Net Cash Operating Inflow of \$3,271,000, previous year an Outflow of \$2,639,000.
- All exploration now self funded through Net Cash inflows from operating activities.



# Top 20 Shareholders

AS AT 31 JULY 2009

<b>Twenty Largest Shareholders</b>		<b>Number of Shares</b>	<b>% of Issued Shares</b>
1	Hep Oil GP LLC	24,000,000	13.01%
2	Yandal Inv PL	10,000,000	5.42%
3	Newport Securities Pty Ltd	9,074,771	4.92%
4	HSBC Custody Nominees (Australia) Limited	7,611,198	4.12%
5	James Andrew Cruickshank	7,250,000	3.93%
6	National Nominees Limited	6,001,768	3.25%
7	Link Enterprises (International) Pty Ltd	4,450,000	2.41%
8	Athabasca Pty Ltd	4,000,000	2.17%
9	Rodney Alexander Shea	3,313,000	1.79%
10	ANZ Nominees Limited	2,525,963	1.37%
11	Metro West Investments Pty Ltd	2,500,000	1.35%
12	Mark Clohessy	2,200,000	1.19%
13	Citicorp Nominees Pty Ltd	2,167,988	1.17%
14	Essential Faith Pty Ltd	2,000,000	1.08%
15	Howard McLaughlin	1,756,000	0.95%
16	Johjam Pty Ltd	1,600,000	0.87%
17	Takhar Jaswinder	1,379,009	0.75%
18	Kieran James Mann	1,321,000	0.72%
19	Jonathan Kerr-Sheppard	1,250,000	0.68%
20	Naisos Holdings Pty Ltd	1,020,000	0.55%
<b>Totals</b>		<b>95,420,697</b>	<b>51.70%</b>

## Top 20 Shareholders

95,420,697 51.70%

## Substantial shareholders

1.) Hep Oil GP LLC

24,000,000 13.01%

2.) Yandal Investments Pty Ltd

10,000,000 5.42%

3.) Newport Sec PL

9,074,771 4.92%

## Director Participation

9,598,979 5.3%

# Top 20 Note Holders

AS AT 31 JULY 2009

## Twenty Largest Convertible Note Holders

	Number of Convertible Notes	% of issued Convertible Notes
1 HSBC Custody Nominees (Australia) Limited	5,433,200	58.13%
2 Metro West Investments Pty Ltd	670,012	7.17%
3 Link Enterprises (International) Pty Ltd	596,749	6.39%
4 Naisos Holdings Pty Limited	235,000	2.51%
5 Kaysu Holdings No.2 Pty Ltd	231,500	2.48%
6 Michael Edward Constable	158,000	1.60%
7 Dorran Pty Ltd	150,000	1.60%
8 Kampar Pty Ltd	116,870	1.25%
9 Gimbala Pty Ltd	100,000	1.07%
10 ANZ Nominees Limited	90,500	0.97%
11 David J & Betty L Le Cornu	76,000	0.81%
12 Jason Yardi	68,000	0.73%
13 Gabriel Berger	63,124	0.68%
14 Keith Raymond Barnard	62,000	0.66%
15 Capital Enterprises (WA) Pty Ltd	54,000	0.58%
16 RBC Dexia Investor Services Australia Nom. Pty Limited	50,000	0.53%
17 Jocelyn Newman & John A Holman	50,000	0.53%
18 Duncan O'Brien	50,000	0.53%
19 Robos Pty Ltd	35,000	0.37%
20 Kaysu Holdings No2 Pty Ltd	35,000	0.37%
<b>Totals</b>	<b>8,324,955</b>	<b>89.05%</b>

## Top 20 Note Holders

8,324,955 89.05%

## Significant Note Holders

1.) HSBC Custody Nominees

5,433,200 58.13%

2.) Metro West Investment

670,012 7.17%

3.) Link Enterprises

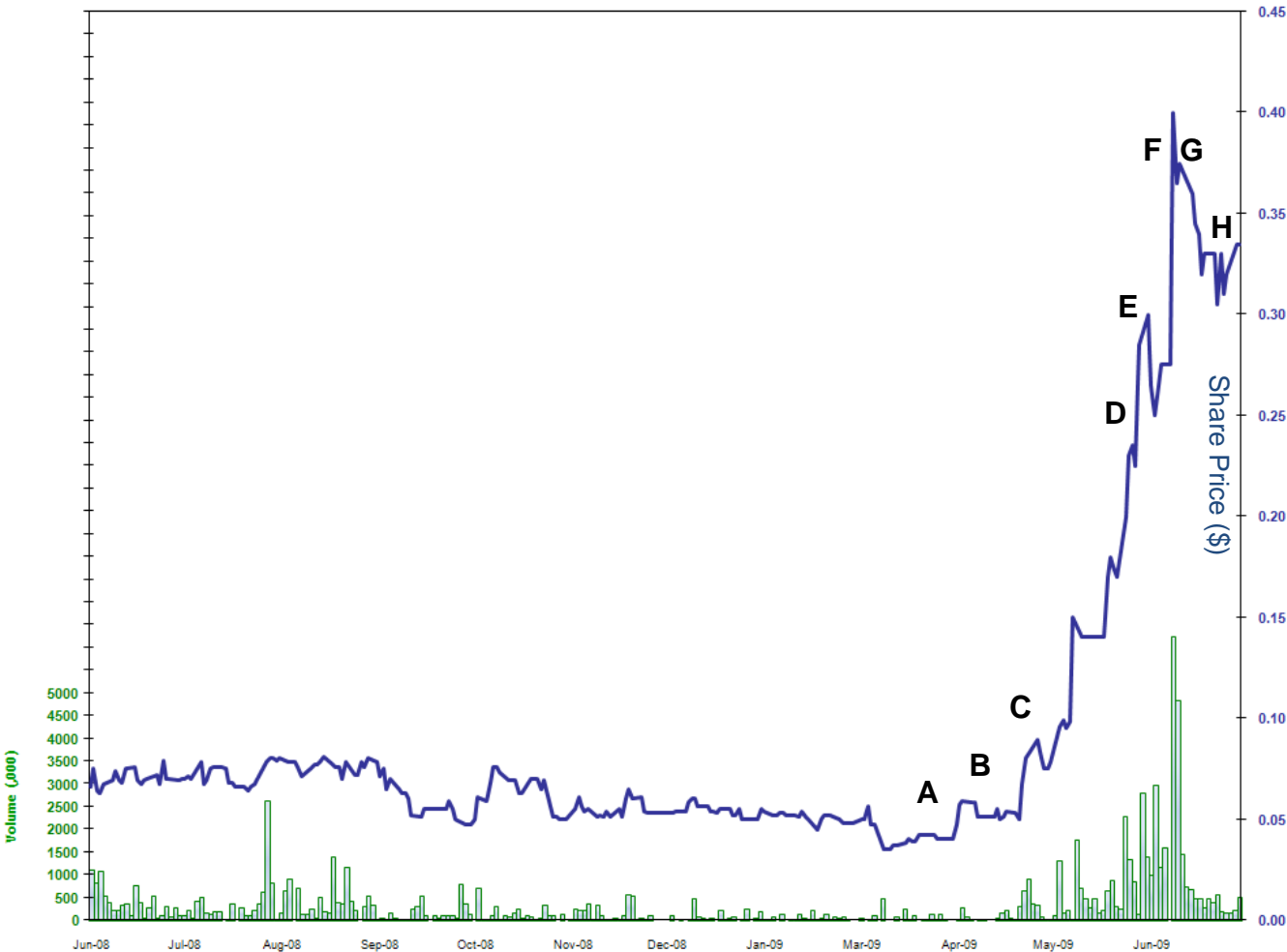
596,749 6.39%

## Director Participation

690,012 7.4%

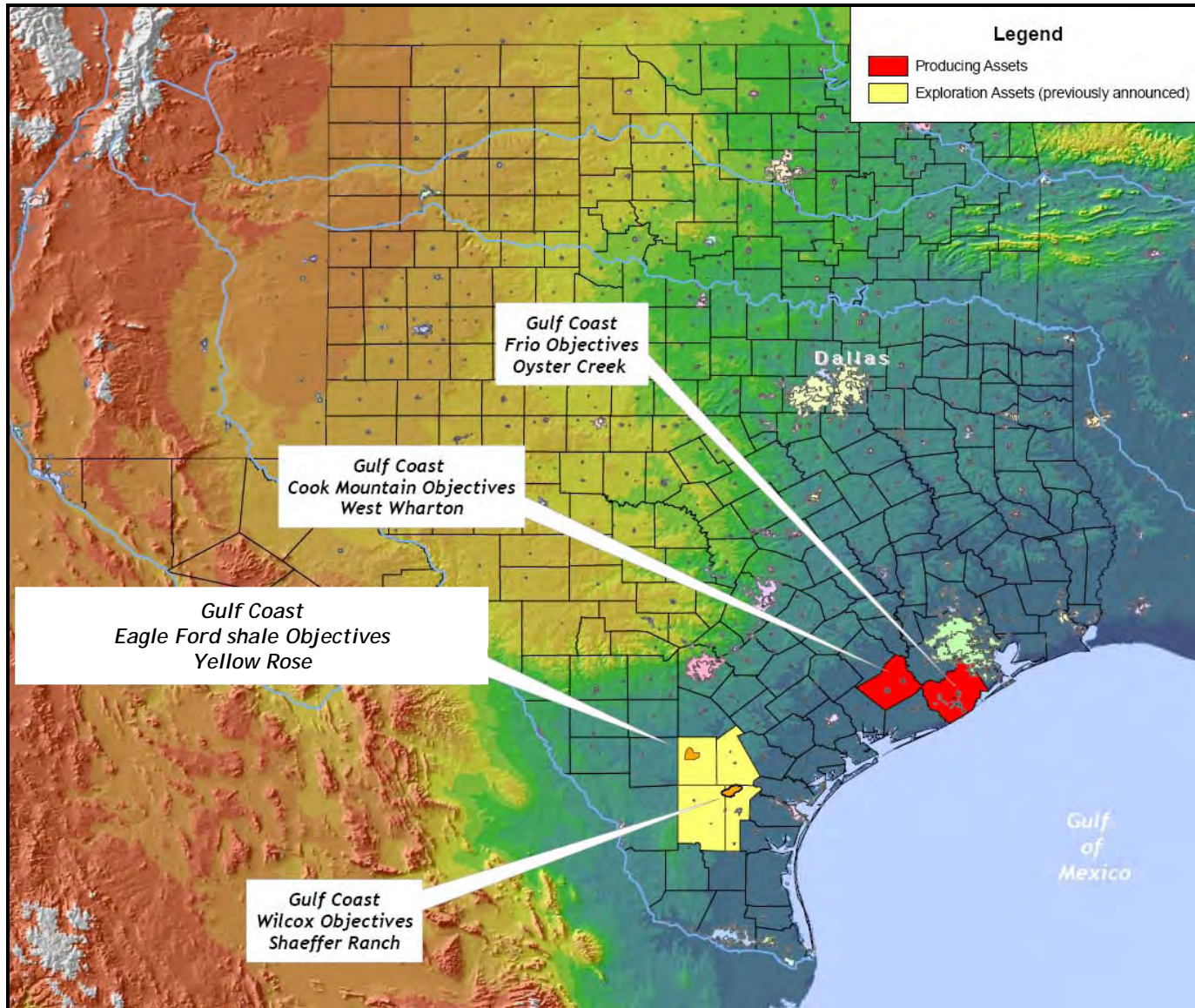
# Share Price Performance

30 June 2008 through 30 June 2009



- A. [2008 Annual Report](#)
- B. [Petrohawk term assignment agreement reached.](#)
- C. [Drilling operations commence at Yellow Rose.](#)
- D. [Annual General Meeting](#)
- E. [Frances Dilworth No. 2 reaches total depth with significant Eagle Ford mudlog shows.](#)
- F. [Frances Dilworth No. 2 finds Eagle Ford pay.](#)
- G. [Petrohawk files for permit to drill an Eagle Ford well on term assignment acreage.](#)
- H. [AEC acquires an additional 3,336 acres in the YR project area.](#)

# Active Projects



# West Wharton - Wharton County, Texas

## *Outlar-1*

Project : West Wharton  
Well name: Outlar-1  
Spud: 12 August 07  
Total depth: 11,911 feet  
Primary target: Cook Mt.  
Operator: CICO Oil & Gas  
Antares Energy: 26.25% WI  
Acreage: 1,500 acres  
Current production: 2.0 MMcf/d  
110 Bbls/d  
Size (GIP): 5+ BCFe  
In production: 15 Dec. 2007

### COMMENTS

Better than expected performance from this wellbore. Each reserve report has lead to an upward reserve revision of recoverable reserves!



# Oyster Creek

## Harrison-2

Project: Oyster Creek  
Well name: Harrison-2  
Spud: 30 December 2007  
Total depth: 13,040 feet  
Slawson Exp'n : 25% WI(operator)  
Antares Energy: 75% WI  
Log Analysis: 164 feet gross pay  
67 feet net pay

First sand tested: F-41  
Gross sand thickness: 28 feet  
Perforation interval: 12,878-12,883 ft  
Current Production: 100 Bbls/d & 600 Mcf/d  
Size: 100+ Mboe  
In production: 20 May 2008

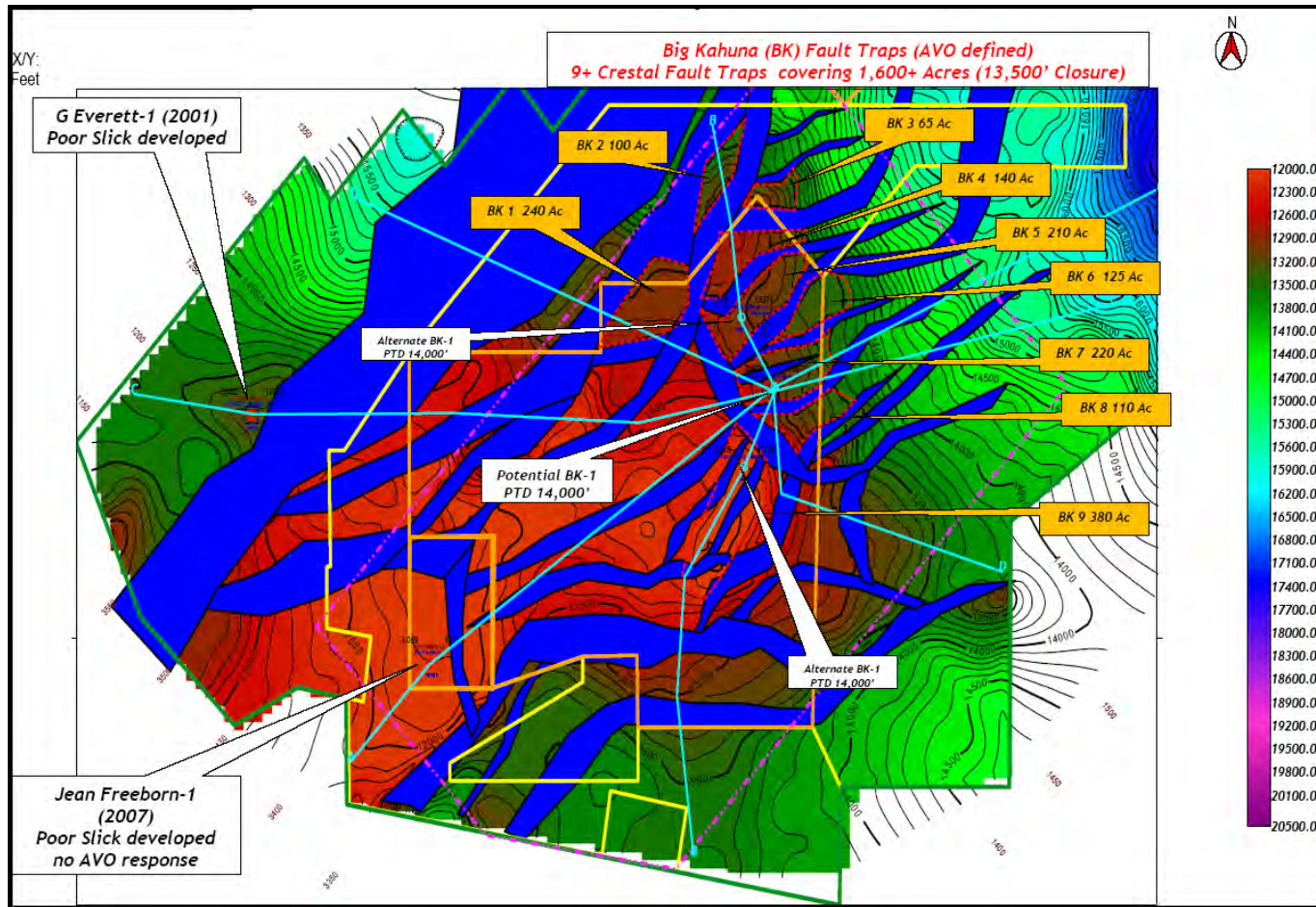


Yes, the F-41 keeps going and going. Once the F-41 depletes, the Anomalina "C" sand will be perforated and put in to production. Updip Anomalina "C" sands have produced in excess of 5 Bcf/well.



# Big Kahuna

## Jim Wells County, Texas



Farmout efforts continue at the 7,400 acre Shaeffer Ranch. Results from Jean H. Freeborn illuminated a series of very attractive fault compartments on the northeast flank of the large Rowena Deep structure. This new prospect is called Big Kahuna as it represents a 100+ Bcf opportunity. It is hoped that a well is drilled next year.

# The Eagle Ford Shale

## *Value Significance*

- Organic rich calcareous shale - source rock for the prolific Austin chalk
- Rock properties very similar to the Barnett & Haynesville shales
- Net pay/gross shale interval of near 100%
- Gas Saturations in excess of 80%
- Above normal pressure gradient (~0.65 psi/ft) – leads to greater gas recovery
- Strong gas shows seen in all wells drilled within AEC acreage
- Well costs of between \$4 - \$5 MM USD
- Estimated ultimate recovery of between 4 – 7 Bcfe/well
- Proposed field rules would lead to up to 8 wells per section (640 acres)
- Petrohawk to exit 2009 with 6 Eagle Ford operated rigs
- Petrohawk's Eagle Ford capital budget for 2009 is \$120 MM USD
- Petrohawk plans on having 29 operated wells by year end 2009
- Petrohawk has amassed 210,000 net acres representing 1,600 drilling locations and a resource potential of 7 Tcfe

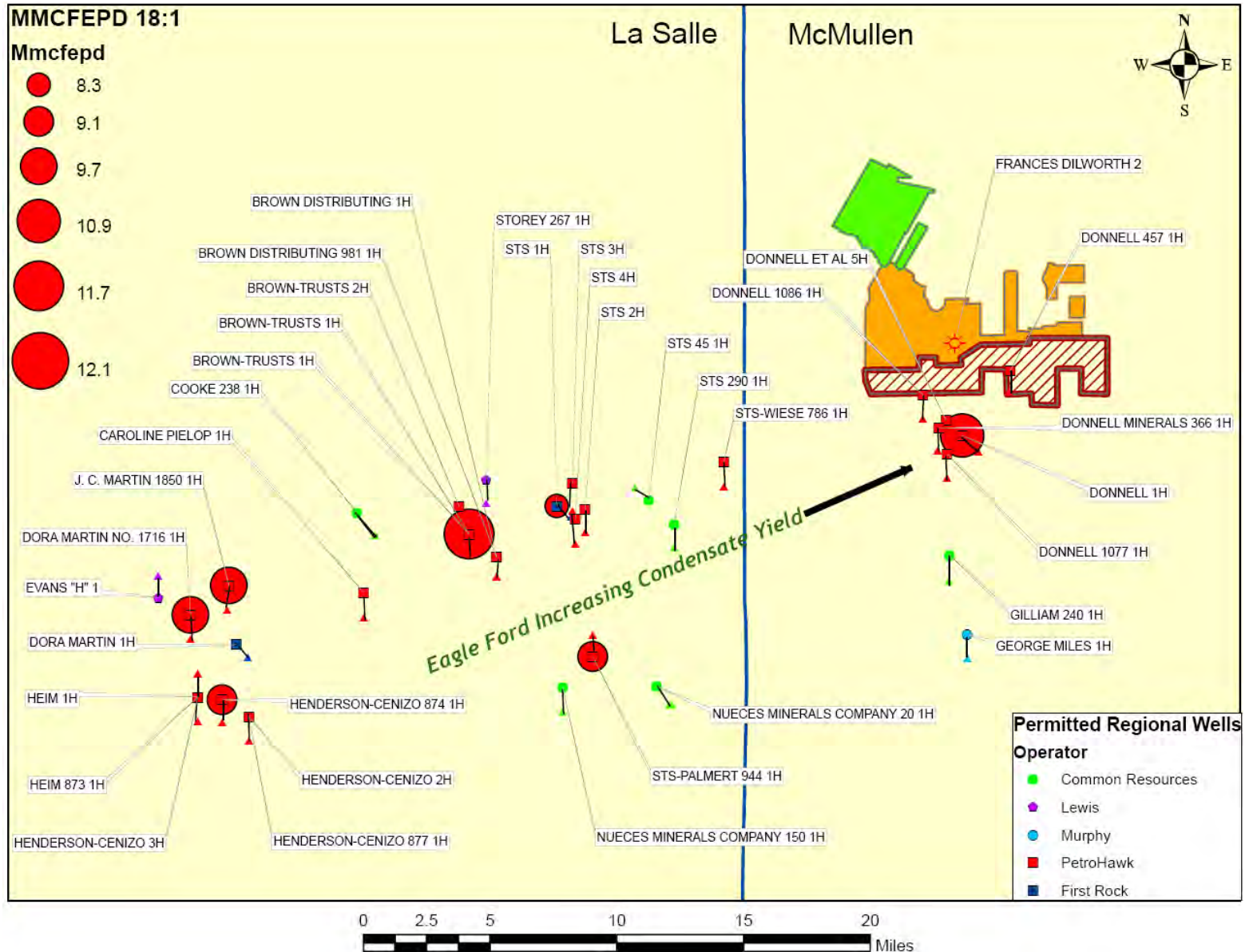
# The Eagle Ford Shale

## *Running with the Big Dogs*

Company	Ticker	Market Cap	Eagle Ford Acreage	Stated Resource Potential	Eagle Ford Presentation
ConocoPhillips	NYSE:COP	\$64B	300,000	Not disclosed	<a href="#">E&amp;P Overview</a>
Apache	NYSE:APA	\$29B	450,000	Not disclosed	<a href="#">Annual Report</a>
Anadarko	NYSE:APC	\$25B	350,000	6 Tcfe	<a href="#">EnerCom Conference</a>
Murphy Oil	NYSE:MUR	\$11B	100,000+	3.4 Tcfe	<a href="#">Annual Meeting</a>
Petrohawk	NYSE:HK	\$6B	210,000	7 Tcfe	<a href="#">2<sup>nd</sup> Quarter Results</a>
Pioneer Natural Resources	NYSE:PXD	\$3B	310,000	Not disclosed	<a href="#">2<sup>nd</sup> Quarter Results</a>
St. Mary Land & Exploration	NYSE:SM	\$2B	225,000	3.2 Tcfe	<a href="#">EnerCom Conference</a>
Swift Energy	NYSE:SFY	\$600M	82,000	Not disclosed	<a href="#">IPAA Conference</a>
Rosetta Resources	NASDAQ:ROSE	\$600M	35,000	650 Bcfe	<a href="#">EnerCom Conference</a>

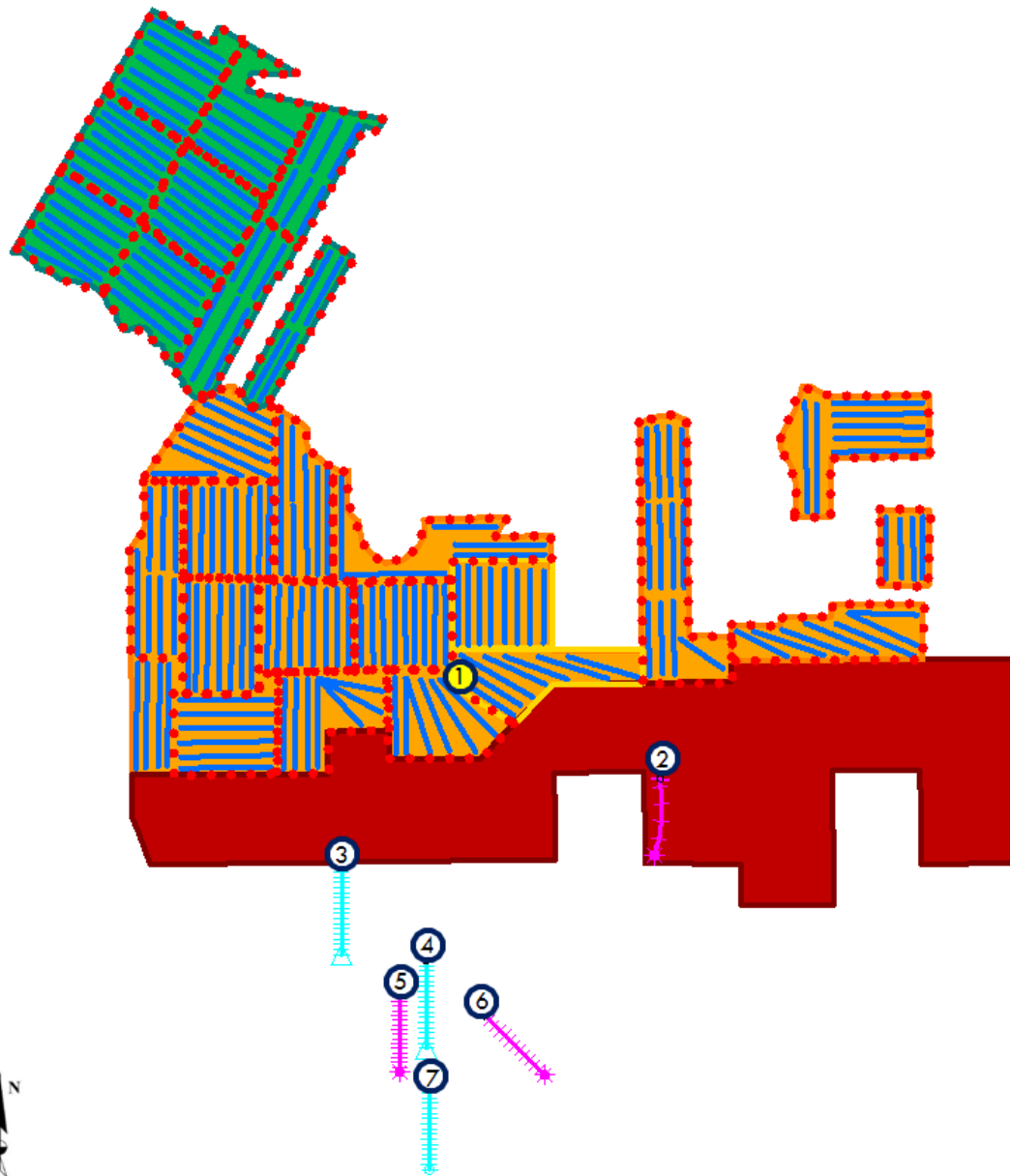
# The Eagle Ford Shale Regional Play Map

*Seven wells completed : 8.3-12.1 Mmcfepd - 100% success*
















# The Eagle Ford Shale

## Notional Field Development Plan



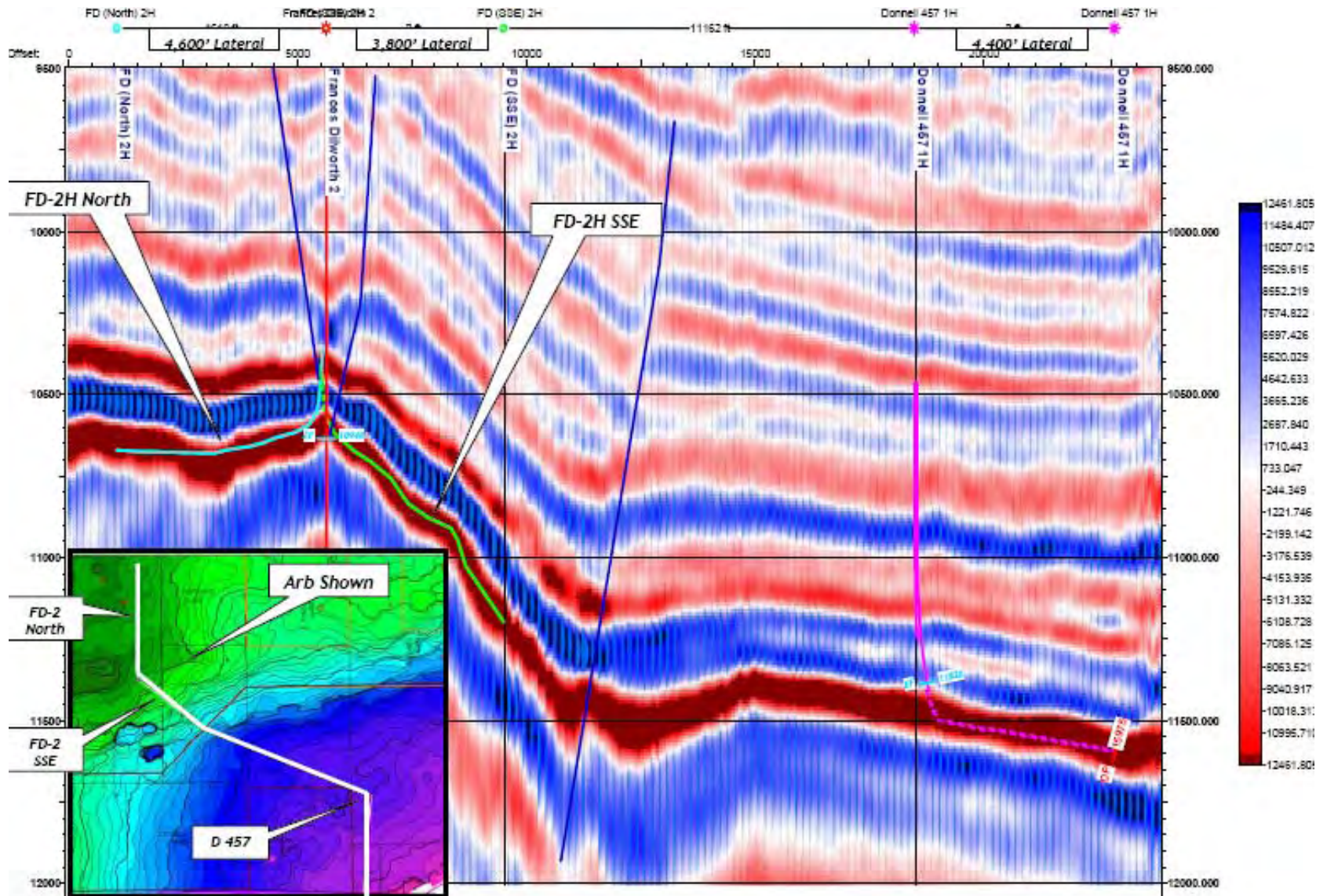
### Legend

-  Horizontal Well Path
-  640 Acre Drilling Unit
-  5,387 acre Mulholland Ranch  
**56 horizontal wells**
-  10,633 acre original YR area  
**110 horizontal wells**
-  1,280 acre 75% working interest  
**15 horizontal wells**
-  8,558 acre additional Petrohawk term assignment area
-  Frances Dilworth No. 2H
-  Donnell 457 No. 1H - *Completing*
-  Donnell 1086 No. 1H - *To be drilled*
-  Donnell No. 5H - *To be drilled*
-  Donnell 366 No. 1H - *Flowing to sales*
-  Donnell No. 1H - 3.8 Mmcf/d & 395 Bo/d IP  
10.9 Mmcf/d on 18:1 basis
-  Donnell 1077 No. 1H - *Drilling*



# The Eagle Ford Shale

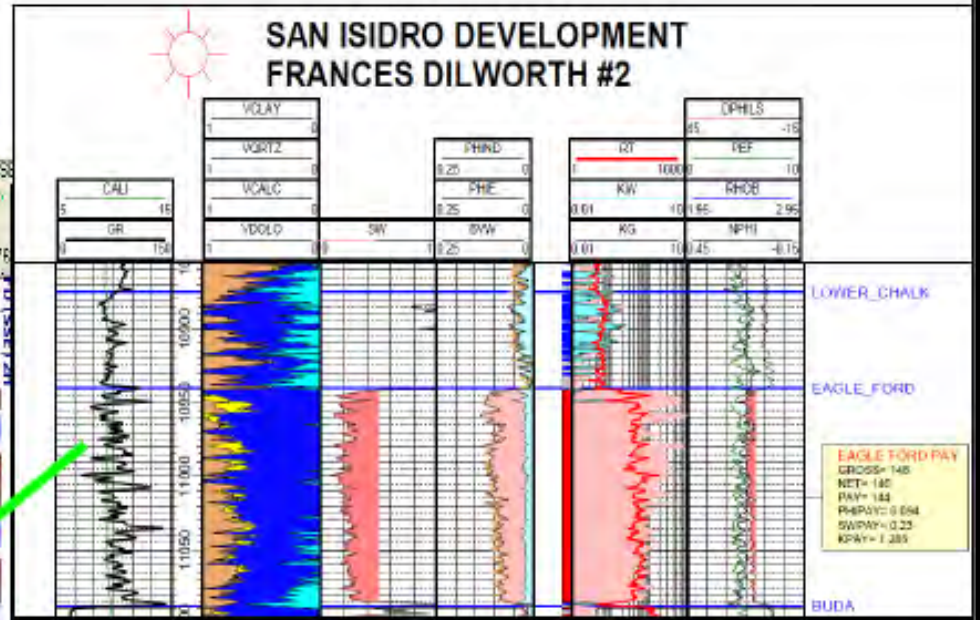
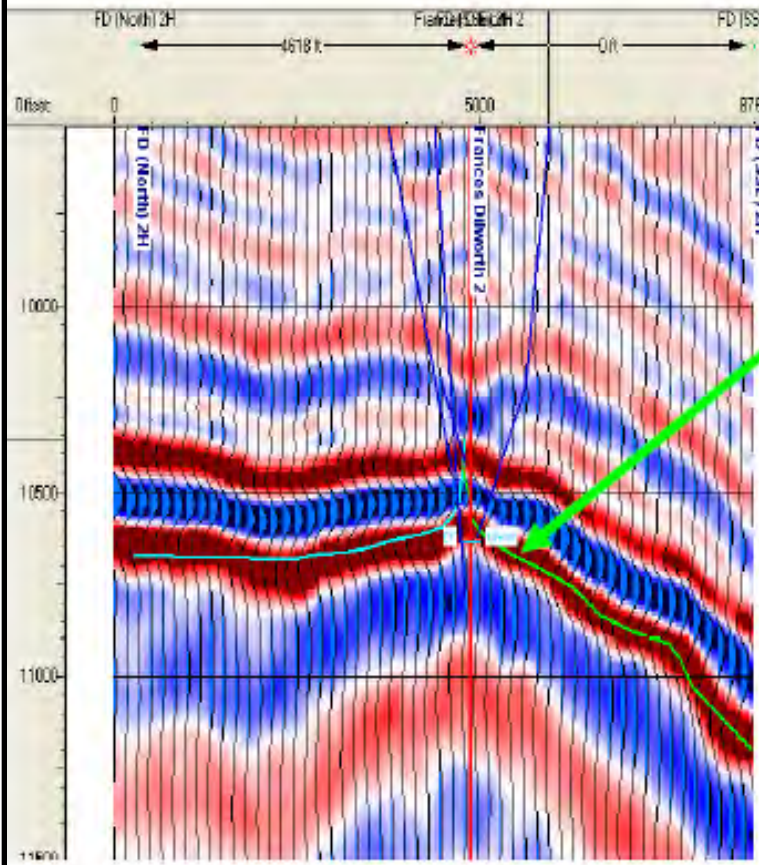
*Two potential horizontal well directions in FD2*



# The Eagle Ford Shale

## Mudlog and Petrophysical Properties – Frances Dilworth No. 2

- Mudlog shows throughout interval
- 146' net pay in 148' gross interval
- > 10 % porosity throughout

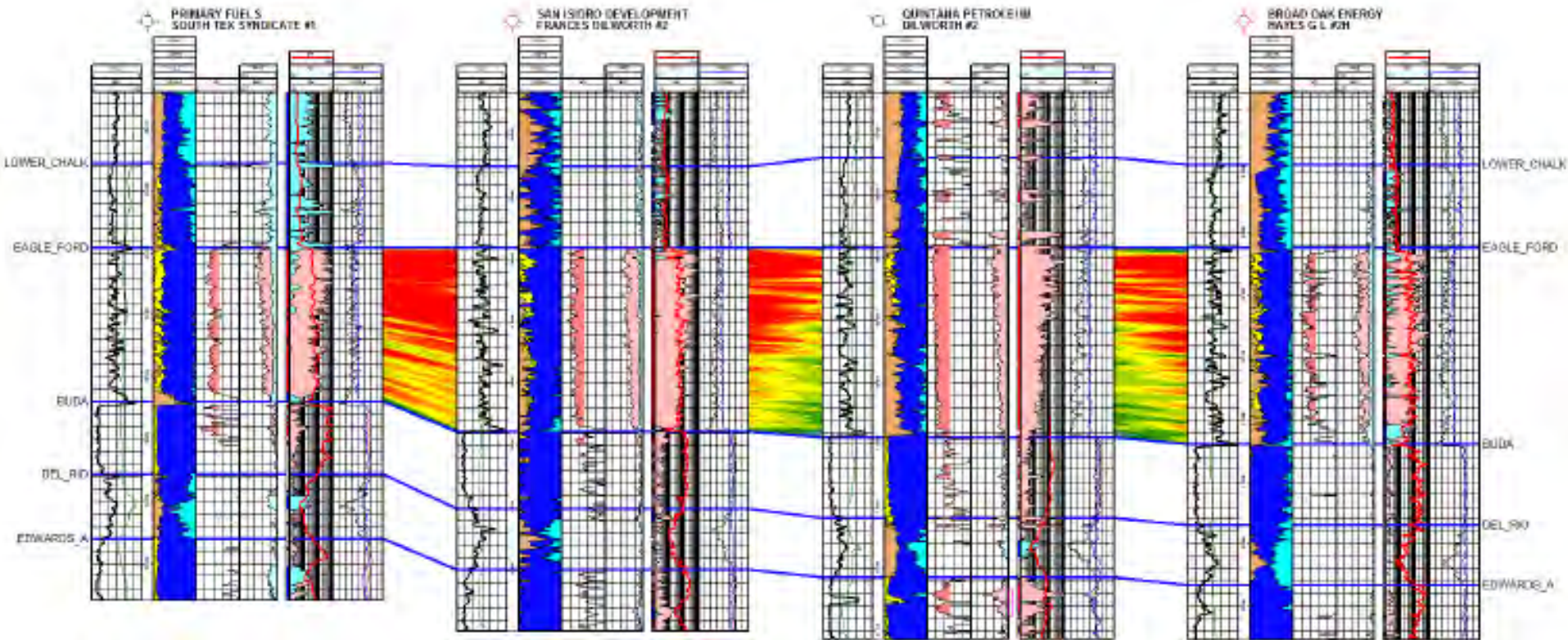


Company: San Isidro Development Company LC Well: Frances Dilworth #2 County: McMullen Spud Date: 5-7-09

Rate of Penetration (ft/hr)	Lithology	Depth	Total Gas In Units (1% ME=50 Units)	Remarks
	Shale	Depth: 10900 OffTop: >117	<ul style="list-style-type: none"> <li>C1 in Units (IU=200ppm)</li> <li>C2 in Units (IU=200ppm)</li> <li>C3 in Units (IU=200ppm)</li> <li>C4 in Units (IU=200ppm)</li> <li>C5 in Units (IU=200ppm)</li> <li>REF in Units (IU=200ppm)</li> </ul>	
POCH to LD directional tools		10900		Shaly sandstone, blocky bed ls.
PIU dirg assembly, NB bit				SH Blk blkly-chinky
YTD-516 H.7 x 11'S.				hd smth bit, org/calc calc
Geo: WOB 15.16K		11000		05-23-2009 - 11028
RPM 105				SH Blk blkly chinky
PP 1800				fm-hd smth bit, calc
GPM 300 -SCALE CHANGE				

# The Eagle Ford Shale

## Cross Section through AEC Eagle Ford acreage position



- AEC acreage positioned blanketed by 150 – 200+ feet of Eagle Ford shale
- Porosity between 10-15%; Gas saturations in excess of 85%
- Total organic carbon in excess of 5% in the Frances Dilworth No. 2 well
- Gas shows have been observed in every Eagle Ford well within acreage
- Calcite/quartz content in excess of 75%; leads to greater frac efficiency<sup>18</sup>

# The Eagle Ford Shale

## Resource Potential

- Resource potential of over **990 Bcfe** and over **180 well locations**.
- The following table summarizes the undiscounted and unrisks per share value of Antares' 17,300 acre, 50% working interest in the Eagle Ford shale:

### *Eagle Ford shale*

Recoverable Gas (Bcfe)	AZZ Net Gas (Bcfe)	Net Value (\$MM USD)	Number Wells	Total AZZ Net Well Cost (\$MM USD)	Net Gain (\$MM USD)	Per Share Value (\$AUD)
770	288.8	1444.00	140	350.00	1094.00	6.10
825	309.4	1547.00	150	375.00	1172.00	6.53
880	330.0	1650.00	160	400.00	1250.00	6.97
935	350.6	1753.00	170	425.00	1328.00	7.40
990	371.3	1856.50	180	450.00	1406.00	7.84

*Based on 224.24M outstanding shares and 0.80 USD = 1.00 AUD*

### Assumptions

- per well ultimate recovery of 5.5 Bcfe
- a completed well cost of \$5.0 MM USD
- gas price of \$5.00/mcfe through the life of the project

# *It's all about the Eagle Ford!!!*

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