



22 March 2006

ASX Announcement

**AC/P22 - Drilling Progress Report No 2- PUFFIN-9  
Intersection of Hydrocarbons**

AED Oil Limited as Operator of AC/P22 reports that the Puffin-9 exploration well is currently drilling ahead at 2225 metres in 8-1/2" hole after setting and cementing 9-5/8" casing at 2036 metres.

The well intersected hydrocarbons in the first two of the four target intervals.

- The UK1a from 2078-2083 metres and
- The LK1a from 2121-2124 metres based on LWD (Logging While Drilling) measurements and on cuttings and fluorescence.

The upper interval appears to be oil that correlates with the same sandstone interval that tested oil at Puffin-2, 1.8 km to the north.

These depths and interpretations are preliminary to be confirmed by wireline testing once total depth of 3100 metres in the Triassic is reached.

The well is being drilled by the Stena Clyde semi-submersible rig. Water depth at the location is 78 metres. All reported depths except water depth are measured depths referenced to the rotary table.

Norwest has an overriding royalty interest of 1.25% in AC/P22.

Jonathan Salomon  
**CEO**