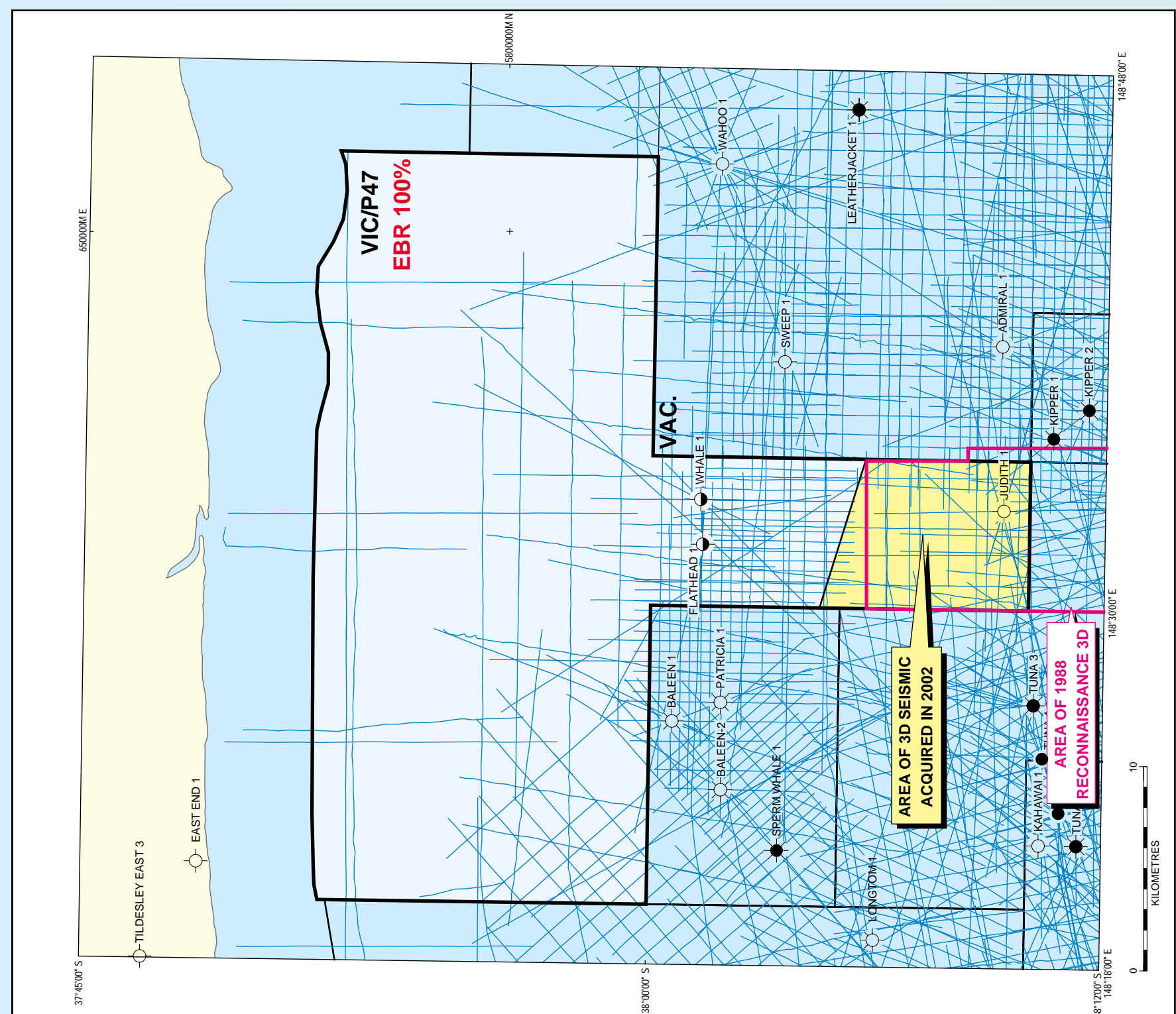
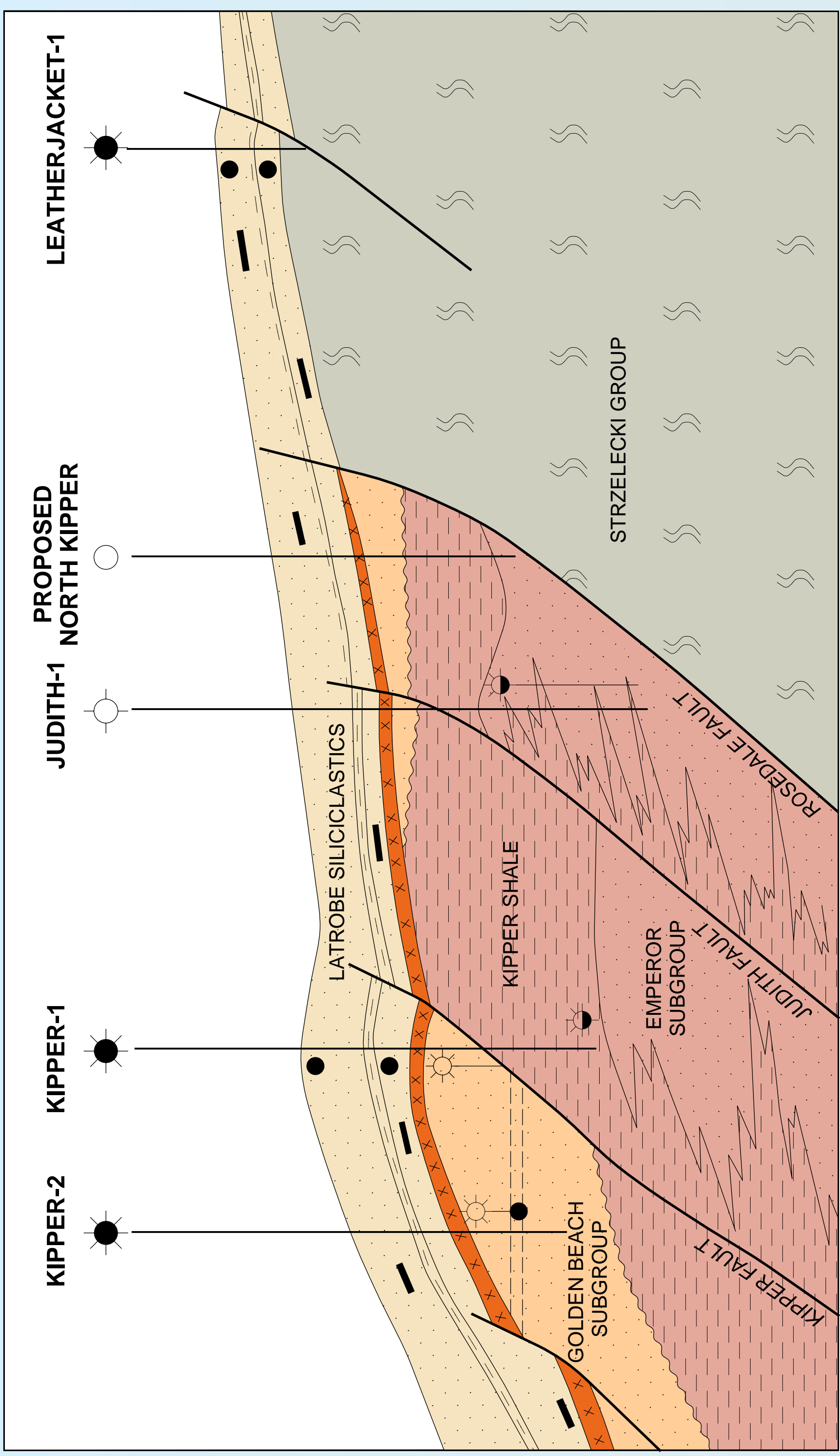


Eagle Bay Resources N.L. NORTH KIPPER AREA - VIC/P47 - GIPPSLAND BASIN

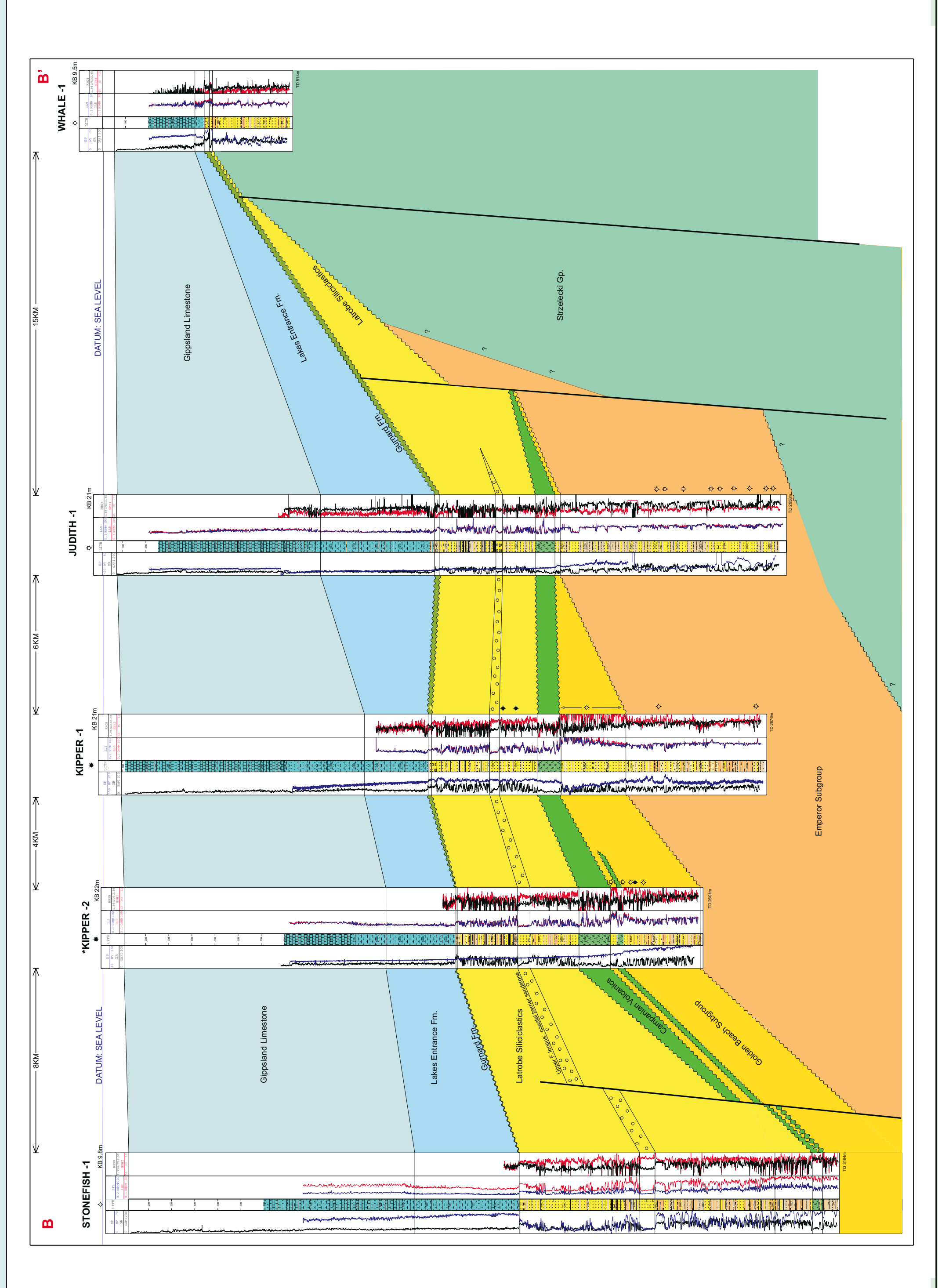
VIC/P47 SEISMIC COVER



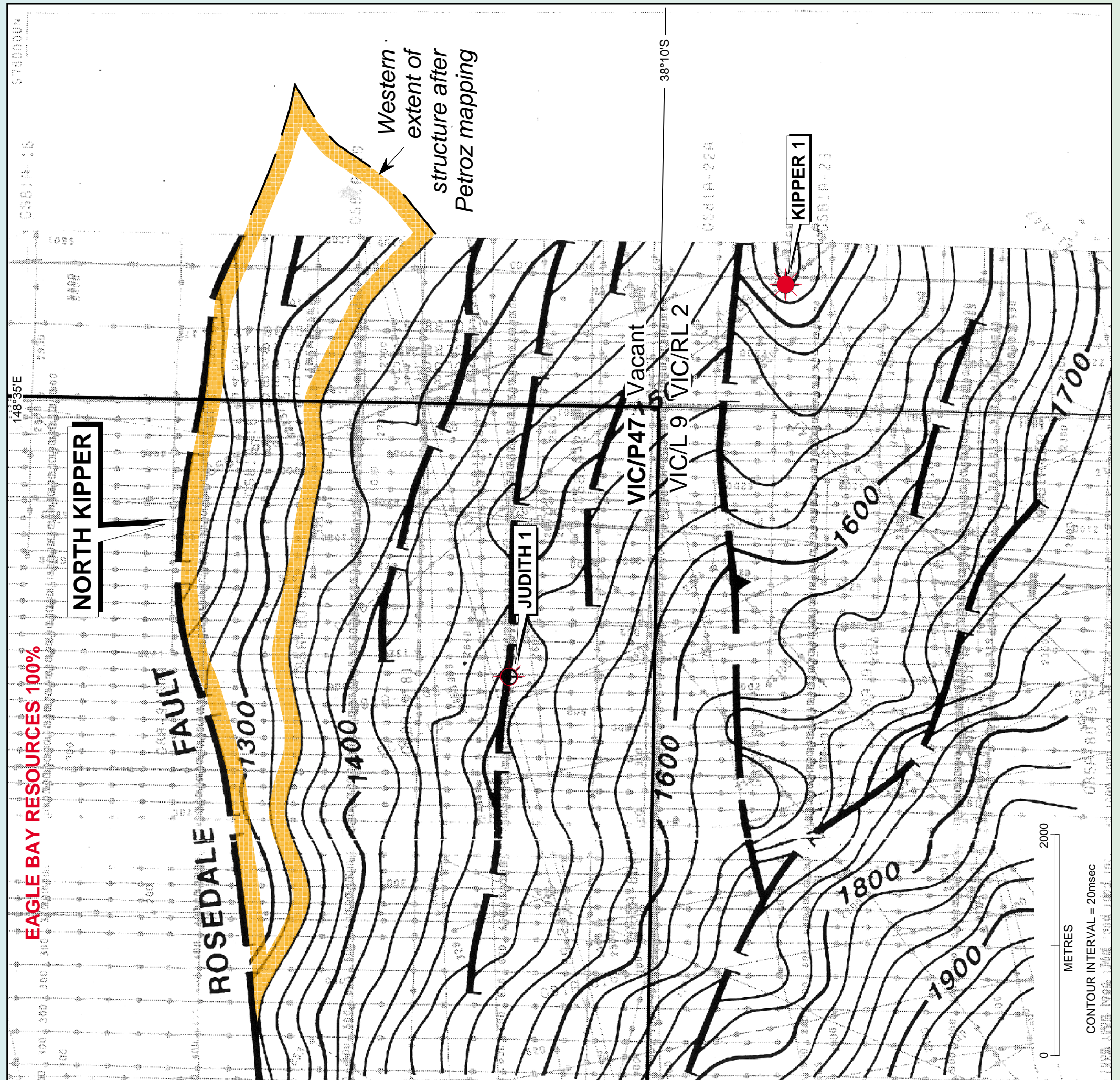
CONCEPTUAL GEOLOGICAL CROSS-SECTION



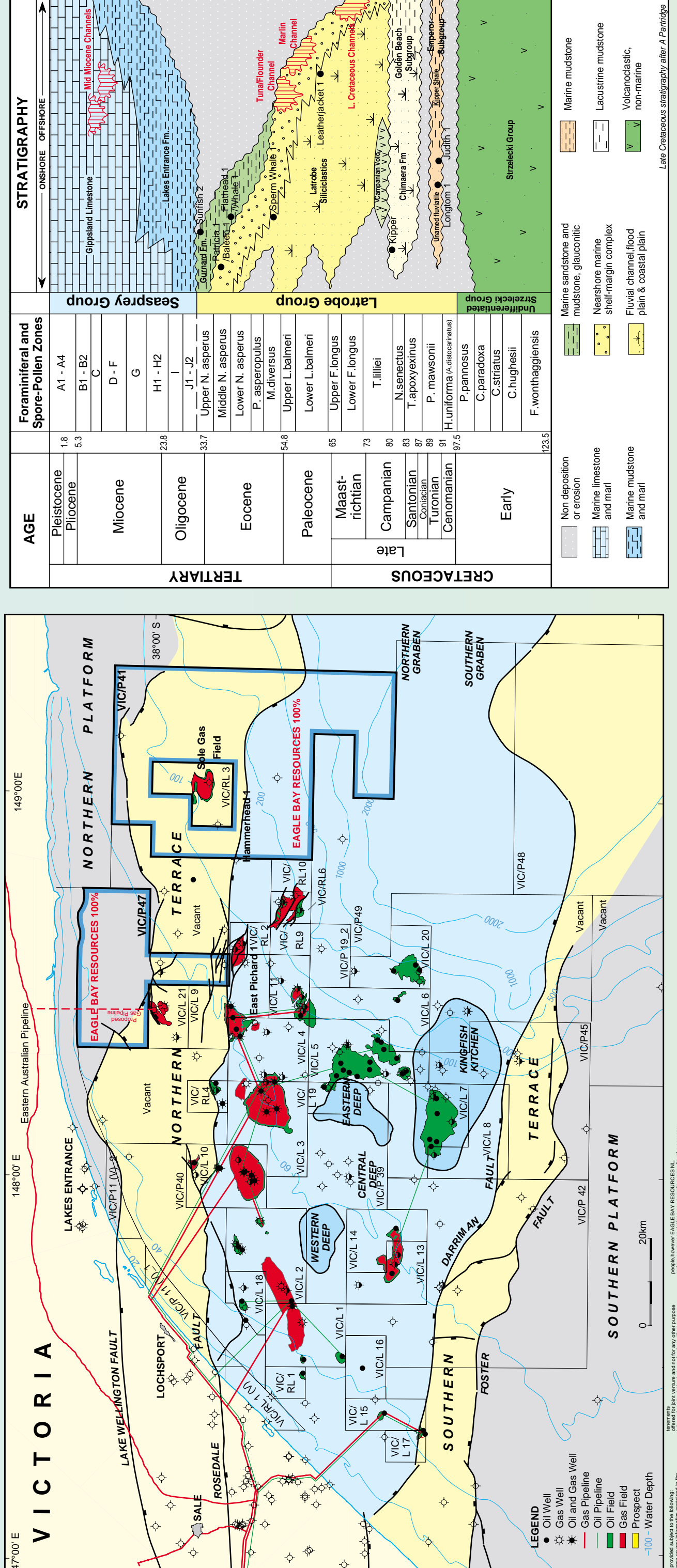
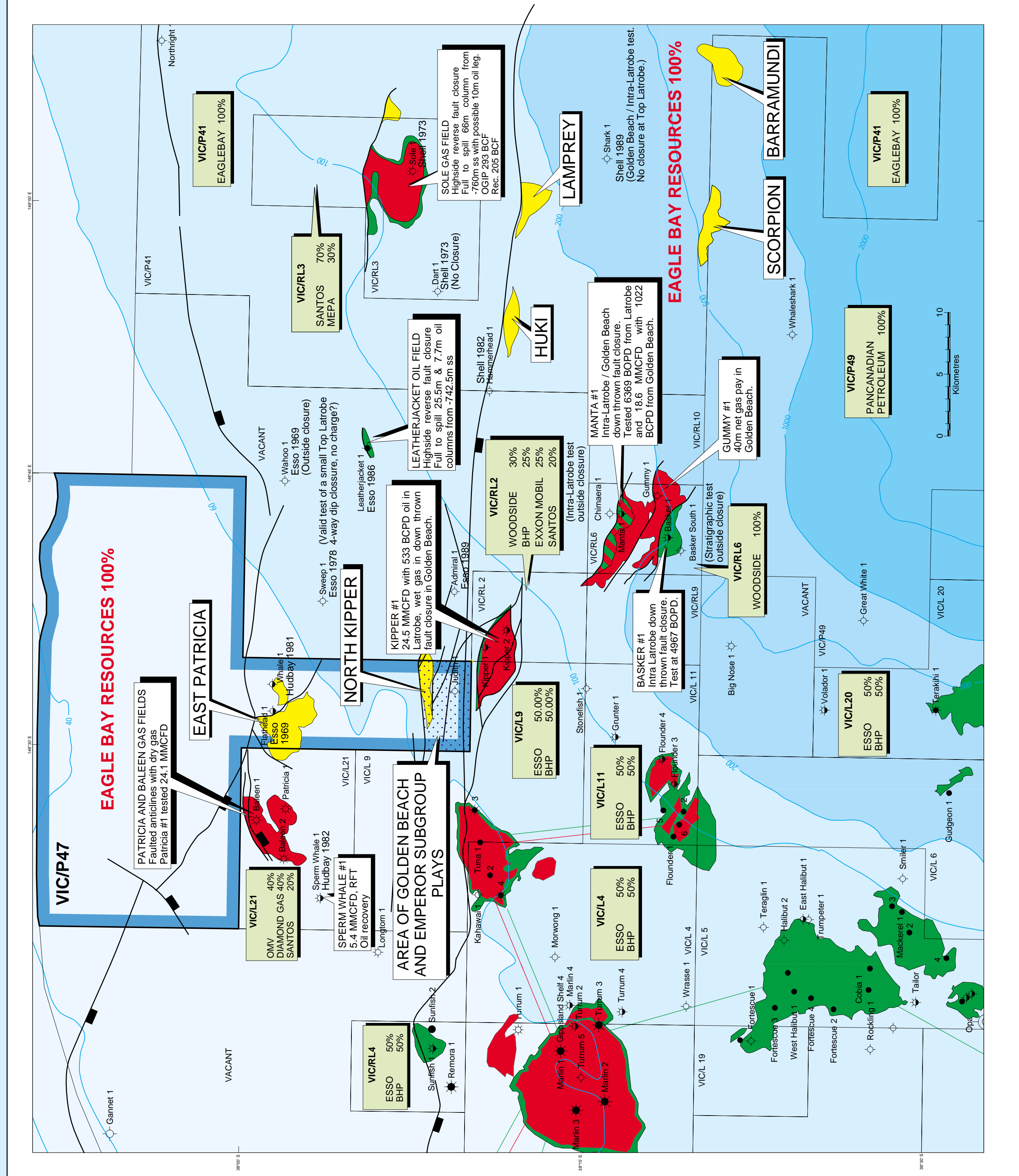
GEOLOGICAL CROSS-SECTION STONEFISH-1 to WHALE-1



TOP GOLDEN BEACH MIGRATED TIME CONTOUR MAP



LOCATION MAP



VIC/P47
The North Kipper area is located in the southern portion of VIC/P47 in which Eagle Bay Resources has 100% equity. One strong lead in the area is estimated to have the potential for approximately 167 BCF of recoverable gas or 100 MMSTB of recoverable oil. Other closures in the area are expected to be identified by a 3D survey that will be acquired in 2002.

The offshore Gippsland Basin is one of Australia's premier petroleum provinces that has produced 3.6 billion barrels of crude oil and condensate and 5.2 TCF of natural gas. At its current production rate it still meets 25% of Australia's hydrocarbon liquid and gas requirements. The basin has a high exploration success rate and remains prospective at both the basin margins and in deeper water areas.

VIC/P47 covers an area of approximately 719 sq km. Water depths across the permit vary from 200 to 1000 metres. The permit covers a large area of the Gippsland Basin and includes several of the most prolific oil and gas fields in the basin. The permit also includes several of the most prolific oil and gas fields in the basin. The permit also includes several of the most prolific oil and gas fields in the basin.

The central and southern portions of the permit are covered by a closely spaced 2D seismic grid. A new 3D survey in the northern gas-bearing block of VIC/P47 will be acquired in 2002. Although this 3D survey is expected to be completed in 2002, it is expected that the 3D survey will be completed in 2002. Although this 3D survey is expected to be completed in 2002, it is expected that the 3D survey will be completed in 2002.

KIPPER OIL AND GAS FIELD

The Kipper 1 discovery well was drilled by Esso in 1986 approximately 1.5 km from the southern corner of VIC/P47. Kipper 2 was drilled in 1987. The field has several oil bearing sandstones and is bounded to the north by the Latrobe Shale and to the south by the Kipper Shale. The field is bounded to the east by the Kipper Shale and to the west by the Kipper Shale. The field is bounded to the east by the Kipper Shale and to the west by the Kipper Shale.

NORTH KIPPER AREA PLAYS

The North Kipper area is controlled by a number of faults associated with the Rosedale Fault system. However, present seismic data within the area are of poor quality and consequently the faults cannot be reliably mapped. One strong lead has been mapped and others are expected to be identified with better data. Regional dip prevails at top Latrobe level.

The primary reservoirs are the sandstones of the Golden Beach Subgroup and the Emperor Subgroup. The Golden Beach Subgroup is the reservoir for the Kipper accumulation where it has been mapped. The Emperor Subgroup is the reservoir for the Judith accumulation where it has been mapped. The Emperor Subgroup is the reservoir for the Judith accumulation where it has been mapped.

Vicopac provides the vertical seal for the Golden Beach reservoirs. The primary accumulation at Kipper is sealed by a section of extensive flows and accumulations and shows are also present in the Tina, Mena and Sunfish fields in similar circumstances. The vertical seal for the Emperor Subgroup reservoirs is the Kipper Shale. Lateral seal may be by fault juxtaposition with either the Kipper Shale or the Strzelecki Group.

The sources for the North Kipper plays are expected to be from both the basal Latrobe Shale and the Golden Beach Subgroup, as they are on the Kipper Field. Accumulations at Stonefish-1, Kipper-1, Kipper-2, Judith-1 and Whale-1 are expected to be from the same source. Long distance migration from the kitchen to the south of VIC/P47.

North Kipper most likely volumetric estimates assume the following parameters:

Area	9 sq km
Vertical Relief	100 metres
Geometric Factor	0.45
Net/Gross	70%
Hydrocarbon Saturation	70%
B _g	1.60
Bo	1.4
Recovery Factor (Gas)	72%
Recovery Factor (Oil)	54%
Recoverable Gas	167 BCF
Recoverable Oil	100 MMSTB

LICENCE COMMITMENTS

Permit	Date	Work Commitment	Expenditure Capex
Year 1	28/5/01 to 27/5/02	Data review, seismic studies (PSDM, AVO), 500 km 2D seismic survey.	\$700,000
2	28/5/02 to 27/5/03	1 Well	\$5,000,000
3	28/5/03 to 27/5/04	1 Well	\$5,000,000
4	28/5/04 to 27/5/05	200 km 2D seismic survey	\$300,000
5	28/5/05 to 27/5/06	1 well, geological and geophysical review	\$5,000,000
6	28/5/06 to 27/5/07	Geological and geophysical review	\$200,000