

PETROLEUM IN MAURITANIA 2002

1. HARDMAN RESOURCES AND WOODSIDE SECURE DRILLING CONTRACT FOR OFFSHORE MAURITANEAN WELLS

Hardman Resources Ltd ("Hardman") is pleased to advise that Joint Venture Operator Woodside Mauritania Pty Ltd ("Woodside") has signed a rig contract for the drilling ship Deep Water Discovery to drill in offshore Mauritania during 2002.

The contract allows for the drilling of two firm wells plus options for two additional wells commencing in the third quarter 2002. The rig is contracted to arrive in Mauritania within a two month window of August/September 2002 with the exact date to be determined by the completion of the rig's current programme in West Africa.

As previously announced, the Joint Venture participants and the Mauritanian authorities have agreed on the 2002 work programme, which includes the acquisition of extensive 3D seismic and the drilling of up to four deep water wells (two firm and two contingent) as follows:

Chinguetti Oil Field Appraisal (Block 4, PSC Area B) - Hardman equity 21.6%: one firm step-out exploration well on the field is planned as the first well in the programme. A second contingent well may be drilled as the third well in the field to fully delineate the size and scope for oil production in the Chinguetti Field. Testing equipment will be available to conduct an oil production test on one of the appraisal wells as warranted.

- PSC Block 6 (Area C) Exploration Well - Hardman equity 35.5%.- a firm well is to be drilled to test the Lead 4 structure in Block 6, to the north of Area B. The primary target at Lead 4 comprises a sand channel system of Cretaceous age interpreted from 3D seismic. The flank of this prospect was partially tested by Shell in the 1970s with small quantities of oil recovered from wireline testing.
- PSC Area B Exploration Well (Chinguetti vicinity) - Hardman equity 21.6%: the intention is to drill one of the identified exploration prospects that are located within 25 kilometres of the Chinguetti oil discovery. Currently two prospects are being considered, pending completion of further seismic acquisition and interpretation. This well is therefore being carried as contingent pending the completion of this work and a decision by the Joint Venture to drill one of the prospects in the 2002 drilling programme. Prospects being considered have similar aged reservoir sands to Chinguetti.

If the new exploration well is a discovery, it could be linked to the Chinguetti production facility, thus enhancing the project economics.

- 3D Seismic Acquisition: acquisition of large 3D seismic is currently in progress as follows:
 - PSC Area A : 900 square kilometres
 - PSC Area B : 515 square kilometres
 - PSC Area C (Block 2): 1,000 square kilometers

This new seismic data will further delineate the petroleum prospectivity of the deep water basin in areas adjacent to the existing 3D seismic data, and identify additional prospects for drilling in 2003 and beyond. Under a farming agreement signed with Energy Africa in January 2002, the bulk of the 3D survey in Block 2 is to be funded by Energy Africa which will earn 20% interest in that area. Hardman will retain a 28.8% interest in Block 2.

The 2002 work programme will add considerably to the understanding of the Mauritanian deep water basin and is aimed at upgrading the prospectivity of this new oil province. In particular, additional drilling of the Chinguetti Field will allow an accurate estimation of the recoverable oil volumes in the structure and the economic viability of the project.

In January 2002, Woodside advised that the Scope For Recovery reserves based on the results of only the Chinguetti-1 well were 65 million barrels (recoverable). It should be emphasised that this estimate is based on a risked reserve estimate, whereby parts of the field which have not yet been evaluated by drilling have had a risk factor applied, thereby reducing the volume estimates.

Studies of the Chinguetti Field by Hardman have indicated that the Most Likely (P50) technically recoverable volume for the primary reservoir target only (A Sand) is in excess of 100 million barrels. There may also be further potential in deeper Tertiary sands below the A Sand, which was not encountered in the Chinguetti-1 well, and also in the B Sands which contained a 7 metre gas column in Chinguetti-1.

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COMPANY SECRETARY AND
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