



**ELK PETROLEUM**  
L I M I T E D

## ASX Release

---

Tuesday 6 September 2005

### ELK PETROLEUM LIMITED

Level 2 / 675 Murray Street  
WEST PERTH  
Australia

Tel: +61 8 9226 3270

Fax: +61 8 9226 2027

---

#### Contact:

Robert Cook  
Managing Director

E-mail: [info@elkpet.com](mailto:info@elkpet.com)

Tel: +61 8 9226 3270

---

For the latest news:

<http://www.elkpet.com>

#### Directors / Officers:

Richard Wood  
Robert Cook  
Matthew Wood  
Glenda McLoughlin  
Timothy Flavel  
Bryant Mook

#### Issued Capital:

38,060,503 shares

ASX Symbol: ELK

## ELK RAISES \$2M TO FUND SAND DRAW SOUTH OIL FIELD ACQUISITION & REDEVELOPMENT AND FUND FURTHER ACQUISITION OPPORTUNITIES

The Company is pleased to announce an in-principle agreement with Hartleys Limited for the issue of up to 4,650,000 shares at an issue price of 43 cents per share to raise up to \$2 million to institutional and retail clients of Hartleys. The placement is being made pursuant to a prospectus lodged with ASIC earlier today. The placement will be made within Elk's 15% capacity under ASX Listing Rule 7.1.

Funds raised under the placement will be used to:

- Replenish the Company's working capital following the cash acquisition of the Sand Draw South Oil Field. The acquisition cost was not contemplated in the May 2005 Prospectus.
- Fast track the redevelopment of the Sand Draw South Oil Field, by installing higher volume pumps in current producing wells and re-entering two additional and installing high volume pumps.
- Fund future acquisition opportunities, and expenses of the placement.

The strategic redevelopment of the Grieve and South Sand Draw Oil fields in Wyoming, both within the next 12 months, are aimed at increasing daily production accredited to the Company to over 500 BOPD. This will provide the Company with a strong platform for growth and positive cash flow.

**Robert Cook**  
Managing Director