

# VERUS INVESTMENTS LIMITED

ABN 59 009 575 035

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10 December 2007

Company Announcement Office  
Australia Securities Exchange Limited  
Exchange Centre  
Level 4, 20 Bridge Street  
SYDNEY NSW 2000

Dear Sir / Ms

**RE: ST GABRIEL 1 WELL**

Drillmar Oil & Gas, Inc. ("Drillmar or the Operator") has reported that the St Gabriel 1 well reached a total depth of 10,790' at approximately 2300 hours Sunday 9 December 2007 (EDST).

It is the Operators opinion that based upon a drilling break at 10,640' the total depth of 10,790' was sufficient to test the W sands which were the main objective of the well. The Operator reports that prior to the drilling break background gas was consistently 400 units, after the drilling break background gas increased to 800-1000 units.

The Operator has recommended cementing the 4.5" casing to total depth. The rig will then be released to run logs to total depth to evaluate the newly drilled portion of the well.

The Company has a 12.0% Working Interest in this well.

Yours sincerely



**Dean L Gallegos**  
Chairman

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