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Company Announcements Platform
Australian Stock Exchange Limited
Exchange Centre
20 Bond Street
SYDNEY NSW 2000

Via ASX Online

SUGARLOAF OPERATIONS UPDATE

Adelphi Energy Limited ("Adelphi") is pleased to provide the following update on Sugarloaf AMI operations.

Operatorship

Adelphi has been advised by Texas Crude Energy Inc ("TCEI"), that Hilcorp Energy ("Hilcorp") have exercised their right under the farmout agreement to assume operatorship of activity within the Sugarloaf AMI effective from 1 February 2010.

Adelphi welcomes this development but would also like to acknowledge and thank TCEI for the significant role they have played to date in maturing the project to its present status. TCEI remain very actively involved and in particular will continue to manage land related issues

Easley #1H

The well has reached a depth of 11,350ft having run and cemented the intermediate casing string. This hole section will now drill down to the Austin Chalk and Eagle Ford Shale targets with a vertical pilot hole to a planned depth of 11,800ft. The pilot hole will be logged before sidetracking as a horizontal production well.

Weston #1H

Adelphi has been advised by the Operator, Hilcorp, that fracture stimulation operations commenced at the Weston #1H well on 4 February 2010. It is expected to take approximately two weeks to stimulate the 3,000 ft of horizontal liner in a number of stages. The fracture design is similar to that recently successfully applied to the Kennedy #1H well. Process equipment and flow lines have already been installed and the well will be flowed to sales during the clean up.

Kennedy #1H

The well continues to clean up with production performance in line with expectation after the recently reported IP rates of 4.4 mmscf/d and 1,130 bcpd. Production tubing will be installed in this well in due course.

With regard to ASX releases in particular but all other relevant disclosures, Adelphi and its listed joint venture partners follow a formal review and approval process with the operator to ensure that commercially sensitive information remains confidential. Adelphi will continue to make releases as and when required and in accordance with ASX disclosure obligations. However, with the increase in field activity currently under way and planned going forward, Adelphi intends to make regular releases updating the market but when appropriate rather than strictly on a weekly basis on a particular day.

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Adelphi currently (pre-farmout) has a 20% working interest in the Sugarloaf AMI.

Other ASX listed participants in the Sugarloaf AMI, and their respective pre-farm-out working interests are:

Aurora Oil and Gas Limited	20.0%
Eureka Energy Limited	12.5%

For inquiries please contact:

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Yours faithfully



CHRIS HODGE
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