

ASX RELEASE

3 December 2008

UPDATE ON OPERATIONS AT WESTON - 1H

Eureka Energy Limited ("Eureka") is pleased to provide the market with an update on operations at the Weston - 1H well which is within the Sugarloaf AMI and is part of the Sugarkane Gas and Condensate Field.

Weston - 1H

Eureka has been advised by the Operator Texas Crude Energy Inc ("TCEI") that at 06:00 hrs 02/12/08 (US CST) the well was at a depth of 12,480 ft with the build section now complete and the well is at an inclination of 70 degrees. The well will now be drilled down into the chalk and the final casing string set before commencing the horizontal section.

The well is targeting the upper chalk interval which has produced gas and condensate in three wells in the adjacent acreage and is currently on production at the Kowalik - 1H well. The well design continues to build upon the knowledge gained from recent operations and offset data.

Eureka has a 12.5% working interest in the Sugarloaf AMI. Other ASX listed participants in the Sugarloaf JV, and their respective working interests are:

Aurora Oil & Gas Limited	20%
Adelphi Energy Limited	20%

Further information on Eureka and its projects is available on our website at www.eurekaenergy.com.au.

Yours faithfully
EUREKA ENERGY LIMITED

Graham Dowland
Chairman