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## Juniors' shares surge as Xanadu hits oil

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An Enerdrill

rig on location at Xanadu on September 2. Picture: supplied

The share prices of three Perth oil and gas juniors have soared after drilling of their Xanadu-1 well off the Mid West hit oil.

Operator Norwest Energy, a 25 per stakeholder, said testing would be conducted and the joint venture had extended drilling at the site in shallow waters 40km south of Dongara.

“Xanadu-1 has intersected hydrocarbon bearing reservoirs demonstrated by elevated gas readings, oil shows, fluorescence and cut fluorescence whilst drilling reservoir sections,” Norwest said.

“Norwest chief executive Shelley Robertson said: “Although further evaluation is required to understand the full potential, these are excellent first results.”

The company shares were up 0.2¢, or 50 per cent, to 0.6¢ at 11.55am.

Thirty per cent Xanadu stakeholder Triangle Energy's stock was up 5.5¢, or 41 per cent, to 19¢, while the shares of Whitebark Energy (15 per cent) were up 0.4¢, or 40 per cent, to 1.4¢.

UK investment company 3C Group IC holds 30 per cent of the joint venture and is contributing 40 per cent of the costs.

Xanadu-1 was drilled as a conventional oil exploration well to test for hydrocarbons. Norwest estimates the Xanadu prospect to have an un-risked recoverable resource of 160 million barrels of oil.

Triangle managing director Rob Towner said the results had given the joint venture confidence to immediately commit to further work progressing the well.

Whitebark CEO David Messina said: "Xanadu-1 was a high risk, high impact exploration well which has found hydrocarbons over a significant interval.

"We are looking forward to undertaking further testing to fully quantify the field over the coming days and months," Mr Messina said.