

3 March 2006

Centralised Company Announcements Office
Australian Stock Exchange Limited
10th Floor, 20 Bond Street
SYDNEY NSW 2000

Dear Sir,

COMMERCIAL GAS SALE FROM SMEGSY FIELD COMMENCES

Great Artesian Oil and Gas Limited ("Great Artesian", ASX Code : GOG), as operator for the Smegsy Block Joint Venture, is pleased to advise that gas and condensate sales commenced on 1 March 2006 following commissioning of the Smegsy tie-in pipeline.

Initial production of gas was between 4 and 5 million cubic feet of raw gas per day. Associated condensate production is anticipated to be approximately 120 and 150 barrels per day.

This is a significant milestone for the Smegsy Block Joint Venture and represents the first commercialisation of third-party gas production in the Cooper Basin.

Smegsy Block Joint Venture Interest Holders are :

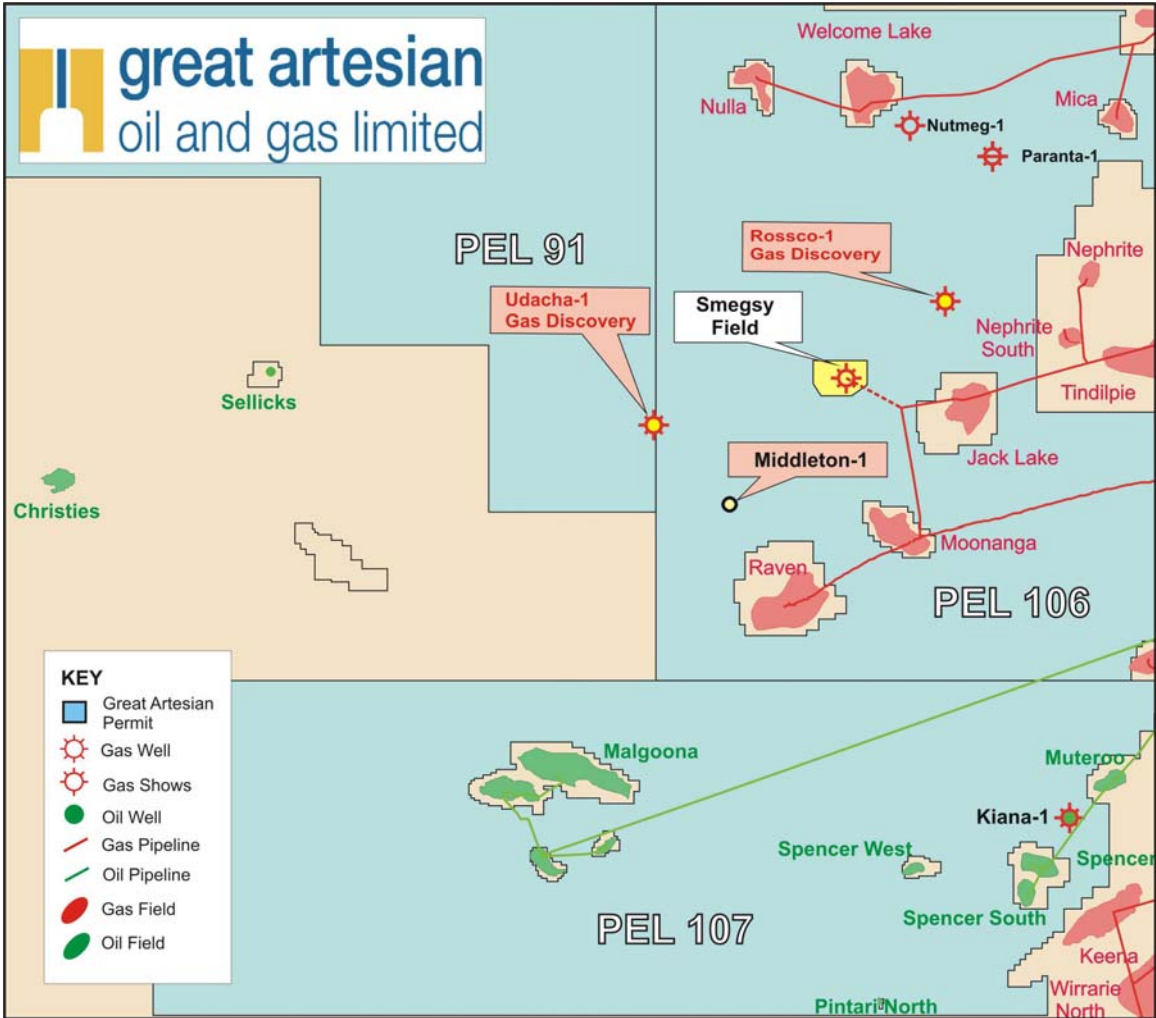
Great Artesian Oil and Gas Limited	75%
Traditional Oil Exploration NL (a wholly owned subsidiary of Enterprise Energy NL)	25%.

A location map is attached hereto.

Yours faithfully,



Dr Raymond D. Shaw
Managing Director



KEY	
	Great Artesian Permit
	Gas Well
	Gas Shows
	Oil Well
	Gas Pipeline
	Oil Pipeline
	Gas Field
	Oil Field