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Manager Announcements
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Via electronic lodgement

Testing Commences at the Wellington Maricopa # 4 Well

Solimar Energy Limited (“Solimar Energy”) (ASX Code: SGY) is pleased to announce that the testing of the Wellington Maricopa #4 well has commenced at the Maricopa Project in the San Joaquin Basin, California. This well is located to the west and up dip of both the Wellington Maricopa #6 and #7 wells.

The testing program involves re-entering and performing a workover procedure on the Wellington Maricopa #4 well, which was drilled in about 1930 and produced oil from the Contact Sands until 1938. In this year the well was temporarily abandoned in the Contact Sands and recompleted to test the heavy oil sands further up the hole. However, the Contact Sands were never reopened after an unsuccessful test of the heavy oil sands.

The workover procedure involves moving a rig in and cementing off the existing perforations, and then cleaning out the well through the Contact Sands. A small acid stimulation procedure on the Contact Sands is then proposed before placing the well on test.

This procedure is considered a low cost way to access reserves and production rather than drilling a new third well at the Maricopa Project. The estimated cost for this procedure ranges from US\$40,000 to US\$120,000 depending on the level of success, versus US\$600,000 to drill and complete a new well. Considering the age of the well bore, there is a risk that the re-entry will fail however the risk/return equation looks attractive.

Solimar has already drilled two successful wells in the project area and has several future wells planned which include horizontal drilling.

Solimar Energy has a 50% interest and is operator of the Maricopa Project. Sunset Energy Limited (ASX Code: SEY) also has 50% interest in the project.

About the Maricopa Project

Solimar Energy currently has a 50% interest in a 120 acre lease located two miles east of the town of Maricopa within the southeast end of the Midway-Sunset Oil Field. The Midway Sunset field is one of the largest onshore oil fields in the world with reserves in excess of 3 billion barrels. The lease already contains five wells completed as producers with close to 1 million barrels being produced from the lease and some 2.2 million barrels from immediate adjoining leases since 1930.

Solimar Energy and its joint venture partner, Sunset Energy, have drilled two successful oil wells at the Maricopa Project.

The Wellington Maricopa #7 well was the first appraisal well drilled in September 2008 at the Maricopa Project and follows the discovery well, Wellington Maricopa #6, which was drilled in March 2008. Oil production from the Wellington Maricopa #6 and #7 wells has been averaging above 40 bopd. The latter #7 well has been shut-in due to high water cuts and the current low oil prices, however as more production of oil is added to the field the company has alternative plans to dispose of water in a more cost efficient manner. Production of oil from the Wellington Maricopa #6 well in February 2009 averaged about 30 bbls per day.

Additional follow-up locations in the Project have also been identified, including up to 3 vertical well locations and possibly 2 horizontal locations. A new geologic review is underway to identify further new drilling locations to increase potential production.

Yours sincerely,



Frank Petruzzelli
Chairman
Solimar Energy Limited

Forward Looking Statements

This announcement contains forward looking statements that are subject to risk factors associated with oil and gas businesses. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause the actual results to differ materially, including but not limited to: price fluctuations, actual demand, currency fluctuations, drilling and production results, reserves and resources estimates, loss of market, industry competition, environmental risks, physical risks, legislative changes, fiscal and regulatory developments, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimates.

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