NPD – exploration drilling result

02/02/2006 Press Release 4/2006: Paladin Resources Norge AS, operator of Production Licence 143 CS, has completed drilling of exploration well 1/2-2.

The target for the well was a sandstone prospect from the Early Tertiary, called "Hummer". The prospect is situated just north of the Blane discovery in the North Sea.

Exploration well 1/2-2 was drilled to a total depth of 3434 metres into rocks from the Late Cretaceous Age. The drilling activity showed indications of hydrocarbons from about 3145 m below the sea surface in Early Tertiary sandstone.

The operator has implemented a program to collect data that will be used as a basis for further analysis to clarify the remaining potential in the production licence. The well will now be permanently plugged and abandoned.

The well was drilled with the jack-up facility Mærsk Giant. After completing this well, the facility will be moved to block 15/12 to drill appraisal well 15/12-16 in Production Licence 038 on the Varg Sør discovery in the North Sea.

The licensees in PL 143 CS are:

Paladin Resources Norge AS 45%
Det Norske Oljeselskap AS 35%
BG Norge AS 20%

See Factpages for more information about this wellbore.

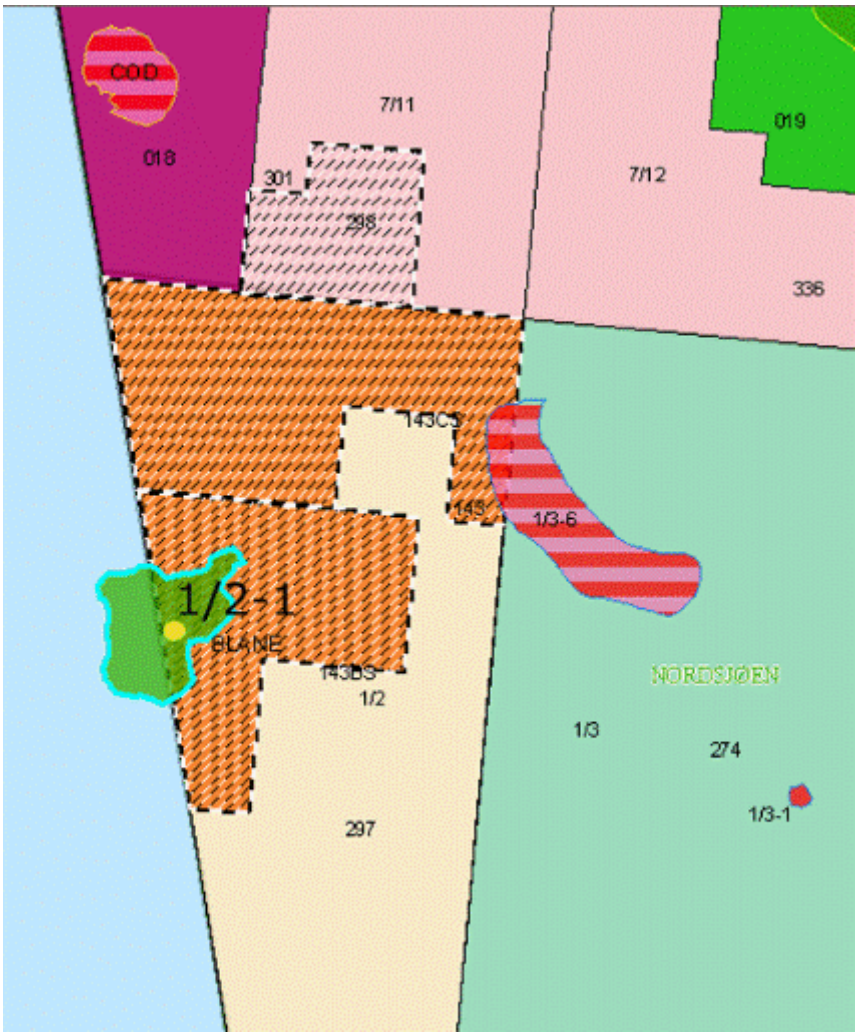
1/2-2

25/11/2006 The Norwegian Petroleum Directorate has granted Paladin Resources Norge AS a drilling permit for well path 1/2-2 pursuant to Section 8 of the Resource Regulations.

Well path 1/2-2 will be drilled from the Mærsk Giant drilling facility in position 560 59' 32.022'' North and 020 29' 47.742'' East.

The drilling program for well path 1/2-2 concerns drilling of a wildcat well in production licence 143 CS. Talisman and BG are the other licensees, with ownership interests of 35 and 20 per cent respectively. The area in this licence consists of the northern part of block 1/2, directly north of the Blane oil discovery. The area was awarded as a supplement to the 12th licensing round in 2003. Only one wildcat well has previously been drilled in the block, when Blane was discovered.

Mærsk Giant is currently drilling well 9/3-2 for Paladin.
The permit is based on the condition that all other permits and consents required from other authorities are secured before the drilling activity commences.


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