

CONCENTRATED CAPITAL LIMITED

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COMPANY ANNOUNCEMENT 20 NOVEMBER 2002

Concentrated Capital Limited: CCT

Acquisition of Interest in the Avalon Oil Company

The Company has negotiated to acquire an approximate 1% direct interest in the oil and gas assets of the Avalon Oil Company, a Texas general partnership, for approximately AUD\$39,000.

The Company is in negotiations to acquire upto a further 3% interest in the Avalon Oil Company, thereby providing the Company with a direct partnership interest in a portfolio of producing and prospective leases.

This investment is consistent with the Company's objective of developing other oil and gas interests in the United States.

The Avalon Oil Company is forecast to have revenues in excess of USD\$150,000 per month by February 2003 (currently USD\$100,000 per month) and those revenues after management expenses and overheads are to be re-invested in the development of various prospective leases that are within the portfolio of the Avalon Oil Company. Such re-investment is projected to exceed USD\$1,300,000 in calendar year 2003.

The Avalon Oil Company purchase was in part determined by a bank valuation as at May 2002 when its revenues per month were USD\$42,000.

The Company does not expect cashflows to be generated from this investment but rather, secures the Company's asset portfolio.

The Avalon Oil Company is an unrestricted partnership operating in the United States and the investment by the Company has been undertaken through one of its wholly owned subsidiaries. The Avalon Oil Company holds a portfolio of producing and prospective oil and gas interests and has in the past 7 years sold interests in excess of USD\$70,000,000 which have previously been consolidated, produced from and then sold.

The Avalon Oil Company undertakes an investment strategy based on capital growth which incorporates the consolidation of prospective areas, farming out prospective areas in order to mitigate risk, drilling the areas and proving the areas up before selling to oil and gas majors in the United States.

This investment will allow the Company to directly participate in a number of oil and gas producing assets within the portfolio of the Avalon Oil Company and also increases the Company's interest in the West Pine Ridge Project.

About Concentrated Capital Limited

The Company undertakes Oil and Gas Exploration activities, predominantly in the United States of America in partnership with long-term industry specialists. The Company's investment strategy is to invest its funds in a risk averse manner acquiring up to a 25% interest in the projects in which it invests.

Further details:

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