

HEALTH & SAFETY POLICY

PT. ASIADRILL BARA UTAMA is a wholly Indonesian owned drilling company operating primarily in the mining and petroleum industries, especially prominent in the fields of mineral & coal exploration and mine site dewatering. We are committed to providing a work environment free from hazards and providing a safe work environment for our employees.

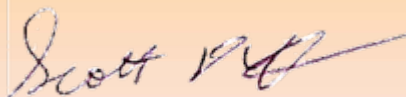
Asiadrill's prime objective is to establish safety requirements and protection procedures to minimize the potential for exposure and injuries to any field personnel working on or in the vicinity of any Asiadrill work site.

Safety is a basic responsibility of all employees, and must be strictly adhered to in order to minimize risk and allow all to work in a safer environment. ASIADRILL will conduct all activities in compliance with any applicable standards, procedures, regulations and laws.

ASIADRILL will ensure that:

- Each employee adheres to any and all health and safety requirements, policies, procedures, programs and performs his/her duties in a safe manner
- An effective Safety program is in place and the management conducts training according to Safety Procedures and Job Safety Analysis.
- Investigations are conducted on each and every incident, accident, hazard and near miss, with a view to minimizing danger within all workplaces thereby protecting any workers in or around any workplace.
- Routine monitoring is conducted and hazard potential analysis is carried out in order to achieve a safer working environment
- Provide appropriate personal protective equipment to all employees.

Balikpapan, June 2006



Scott Horseman
Operations Manager

ENVIRONMENTAL POLICY

PT. ASIADRILL BARA UTAMA recognizes the need to protect the environment in order to allow sustained economic development for the long-term benefit of the community. The company is committed to ensuring that the environmental responsibility be incorporated as part of their normal business practice.

It is the duty of all employees to exercise care in their work to ensure this commitment is achieved. Therefore, all employees must make themselves aware of the below listed requirements :

➤ Client requests with regard to the treatment of sites and leases must be taken into account prior to the commencement of operations.

➤ While on site, authorized company vehicles and equipment are only to be driven on designated roads unless the client has authorized alternate agreements.

➤ Areas of undisturbed bush and environmentally sensitive areas are to be accessed only with the consent of the client.

➤ All waste goods, foods, tires and discarded equipment are to be disposed of at a designated waste facility. Used oils must be collected and disposed of properly.

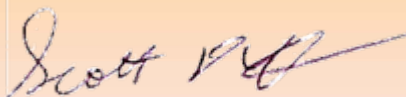
➤ The use of chemicals, salt water or any other fluids must be controlled in the correct manner. This particularly applies to immediately cleaning up and containing any fuel, oil, grease or chemical spills that may contaminate the ground or surrounding waterways. Whenever possible, biodegradable products will be used by the company.

➤ It is the crew's responsibility to report any and all spills to their supervisor.

➤ All legislative requirements must be fully complied with and updates or changes in legislation must be communicated to all employees.

➤ On completion of each drilling program the work site should be left as clean and tidy, and as close as possible to its original condition.

Balikpapan, June 2006



Scott Horseman
Operations Manager