

**Exoil Limited**

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RELEASE**SPIKEY BEACH 1 – WEST TRITON JACK-UP RIG**

Exoil Limited (NSX Code: EXX) reports that it has been advised by the farminee, Beach Petroleum Ltd, that the West Triton jack-up rig was unable to successfully jack up at the Spikey Beach 1 well location in T/38P in the Bass Basin. Beach has made the decision to move the rig to the Fermat 1 location in Vic/P46, offshore Otway Basin. Exoil has no interest in the Vic/P46 permit. Beach is currently considering alternative options for a return to Spikey Beach 1 after Fermat 1.

Interests in Spikey Beach 1 are:

Beach Petroleum Ltd (ASX Code: BPT)	80%
Cue Energy Resources Ltd (ASX Code: CUE)	10%
Exoil Limited (NSX Code: EXX)	10%

By Order of the Board

A handwritten signature in blue ink, appearing to read "J.G. Tuohy".

J.G. Tuohy
Company Secretary

10 December 2008