

**Exoil Limited**

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RELEASE**SPIKEY BEACH-1 UPDATE****T/38P - OFFSHORE BASS BASIN**

Exoil Limited (NSX Code: EXX) reports that Beach Petroleum Limited ("Beach"), the Operator for a designated area of interest within permit T/38P and of the Spikey Beach-1 well reported today that:

"Beach Operated Bass Basin - Offshore Tasmania: Spikey Beach-1 (T/38P)

Spikey Beach-1 (Beach earning 80% in Spikey Beach Farmout Blocks) spudded on 5 September and is currently at a depth of 816 metres. Current operation is installing 13 3/8" casing."

The participants in the Spikey Beach-1 well are:

Beach Petroleum Limited	80%
Exoil Limited	10%
Galveston Mining Corporation Pty Ltd (Cue Energy Resources Ltd subsidiary)	10%

By Order of the Board

A blue ink signature, likely of J.G. Tuohy, written in a cursive style.

J.G. Tuohy
Company Secretary

9 September 2009