

**Exoil Limited**

ABN 40 005 572 798

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Melbourne Victoria 3000 Australia

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**RELEASE****RECONSTRUCTION OF THE CAPITAL OF THE COMPANY**

Exoil Limited ("the Company") (*NSX Code: EXX*) confirms that, as advised immediately following the Annual General Meeting on 22 October 2009, the resolution passed by the Shareholders approving the reconstruction of the capital of the Company has been effected. Specific notification of this to NSX is attached to and forms part of this release.

The reconstruction sees a reduction in the number of fully paid ordinary shares on issue on the basis that for every two (2) shares currently held, one (1) new share has been issued.

In the same way, the number of unlisted options on issue has been halved and this requires their exercise prices to be doubled.

Following the reconstruction, the number of shares and unlisted options on issue are as follows:

Fully paid ordinary shares	50,775,263
31 December 2009 unlisted options exercisable at \$0.30 (30 cents)	1,175,000
31 December 2009 unlisted options exercisable at \$0.40 (40 cents)	975,000

By Order of the Board

**J.G. Tuohy**  
Company Secretary

5 November 2009

# New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to NSX as soon as available. Information and documents given to NSX become NSX's property and may be made public.*

Introduced 11 March 2004.

Name of entity

**EXOIL LIMITED**

ABN

40 005 572 798

We, **EXOIL LIMITED**, give NSX the following information.

## Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |  |
|---|--|
| <p><b>1</b> Class of securities issued or to be issued</p>  | <p>REDUCTION OF ORDINARY SHARES ON THE BASIS OF ONE (1) NEW SHARE FOR EVERY TWO (2) EXISTING SHARES HELD</p><br><p>REDUCTION OF 31 DECEMBER 2009 OPTIONS ON THE BASIS OF ONE (1) NEW OPTION FOR EVERY TWO (2) EXISTING OPTIONS HELD</p>  |
| <p><b>2</b> Number of securities issued or to be issued (if known) or maximum number which may be issued</p>  | <p>- 50,775,263 ORDINARY SHARES</p><br><p>- 1,175,000 31 DECEMBER 2009 OPTIONS (EXERCISE PRICE \$0.15 (15 CENTS))</p><br><p>- 975,000 31 DECEMBER 2009 OPTIONS (EXERCISE PRICE \$0.20 (20 CENTS))</p>  |
| <p><b>3</b> Principal terms of the securities (eg, if options, exercise price and expiry date; if partly paid securities, the amount outstanding and due dates for payment; if convertible securities, the conversion price and dates for conversion)</p> | <p>50,775,263 NEW FULLY PAID ORDINARY SHARES</p><br><p>1,175,000 NEW OPTIONS EXERCISABLE ON OR BEFORE 31 DECEMBER 2009 NOW AT AN EXERCISE PRICE OF \$0.30 (30 CENTS)</p><br><p>975,000 NEW OPTIONS EXERCISABLE ON OR BEFORE 31 DECEMBER 2009 NOW AT AN EXERCISE PRICE OF \$0.40 (40 CENTS)</p> |

<p>4 Do the securities rank equally in all respects from the date of allotment with an existing class of quoted securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<p>NO NEW ORDINARY SHARES ISSUED</p> <p>OPTIONS EXERCISABLE BY 31 DECEMBER 2009 DO NOT RANK UNTIL EXERCISED FOR ORDINARY SHARES AND WILL THEN RANK PARI PASSU IN ALL RESPECTS WITH THE EXISTING FULLY PAID ORDINARY SHARES ON ISSUE FROM THE DATE OF ALLOTMENT</p>						
<p>5 Issue price or consideration</p>	<p>NOT APPLICABLE</p>						
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>CAPITAL RECONSTRUCTION PURSUANT TO A RESOLUTION OF SHAREHOLDERS REDUCING THE ORDINARY SHARES ON THE BASIS OF ONE (1) NEW SHARE FOR EVERY TWO (2) EXISTING SHARES HELD AND REDUCING THE 31 DECEMBER 2009 OPTIONS ON THE SAME BASIS WITH A COMENSURATE DOUBLING OF THEIR EXERCISE PRICES TO \$0.30 (30CENTS) AND \$0.40 (40 CENTS)</p>						
<p>7 Dates of entering securities into uncertificated holdings or despatch of certificates</p>	<p>ORDINARY SHARES – 5 NOVEMBER 2009</p> <p>31 DECEMBER 2009 OPTIONS – 5 NOVEMBER 2009</p>						
<p>8 Number and class of all securities quoted on NSX (<i>including</i> the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th>Number</th><th>Class</th></tr> </thead> <tbody> <tr> <td>50,775,263</td><td>FULLY PAID ORDINARY SHARES</td></tr> </tbody> </table>	Number	Class	50,775,263	FULLY PAID ORDINARY SHARES		
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<p>9 Number and class of all securities not quoted on NSX (<i>including</i> the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th>Number</th><th>Class</th></tr> </thead> <tbody> <tr> <td>1,175,000</td><td>31 DECEMBER 2009 OPTIONS @ \$0.30 (30 CENTS)</td></tr> <tr> <td>975,000</td><td>31 DECEMBER 2009 OPTIONS @ \$0.40 (40 CENTS)</td></tr> </tbody> </table>	Number	Class	1,175,000	31 DECEMBER 2009 OPTIONS @ \$0.30 (30 CENTS)	975,000	31 DECEMBER 2009 OPTIONS @ \$0.40 (40 CENTS)
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- 10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)

THERE IS NO CURRENT EXPECTATION THAT DIVIDENDS WILL BE PAID IN THE FORESEEABLE FUTURE, WITH CASH RESOURCES TO BE RETAINED TO MEET EXPLORATION COSTS OR INVESTED IN STRATEGIC ASSETS OR TO MAKE CORPORATE ACQUISITIONS

## Part 2 - Bonus issue or pro rata issue

Part 2 is not applicable to this application

## Part 3 - Quotation of securities

Part 3 is not applicable to this application



Sign here:

Company Secretary

Date: 5 November 2009

Print name: J. G. TUOHY