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RELEASE

DRILLING PLANS AND NEW ISSUE UPDATE

KEY POINTS:

- **Songa Venus rig handover to Cornea JV expected Tuesday, 8 December 2009.**
- **Following two day tow, and anchoring operations, Cornea-3 expected to spud 14 December.**
- **Braveheart-1 to follow the Cornea-3 drilling program.**
- **New Share Issue to close 14 December 2009.**

Exoil Limited ("**Exoil**") (NSX Code: EXX) advises that the Cornea Joint Venture expects the Songa Venus semi-submersible drilling rig to be handed over to the Cornea Joint Venture on or about 8 December 2009. The rig will then be towed to the planned drilling location for the Cornea-3 well. It is expected that the Cornea-3 well will spud on or about 14 December 2009.

Success at Cornea, in WA-342-P, where we have a 16.75% interest, would provide Exoil with a platform for being part of a future oil field development. See Figure 1 – Greater Cornea Region Map. It is a low risk oil play in a known accumulation.

Exoil will have a 25.375% interest in the Braveheart well in WA-333-P, which will follow the drilling of Cornea-3. The well's target is a potentially large hydrocarbon accumulation. See Figure 2 – Amplitude Map. This is explained in full in the reports forwarded to you. Success with the drill bit at Braveheart could have a profound and transformational financial impact on Exoil.

We advise that the pro-rata share entitlement issue will close on Monday, 14 December 2009, as planned. If you have mislaid your Offer Information Statement document, please contact us on (03) 8610 4700 for a replacement.

Oil exploration is a high risk business, but it is only by drilling wells that discoveries are made and lasting wealth created. When the prize is as attractive as represented by our drilling program, then those risks are worth taking. We encourage shareholders to participate in what can be expected to be a most exciting upcoming drilling program.

Further updates will be provided when the rig has been handed over and when the expected spud data becomes more certain.

By Order of the Board

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

J.G. Tuohy
Company Secretary
4 December 2009

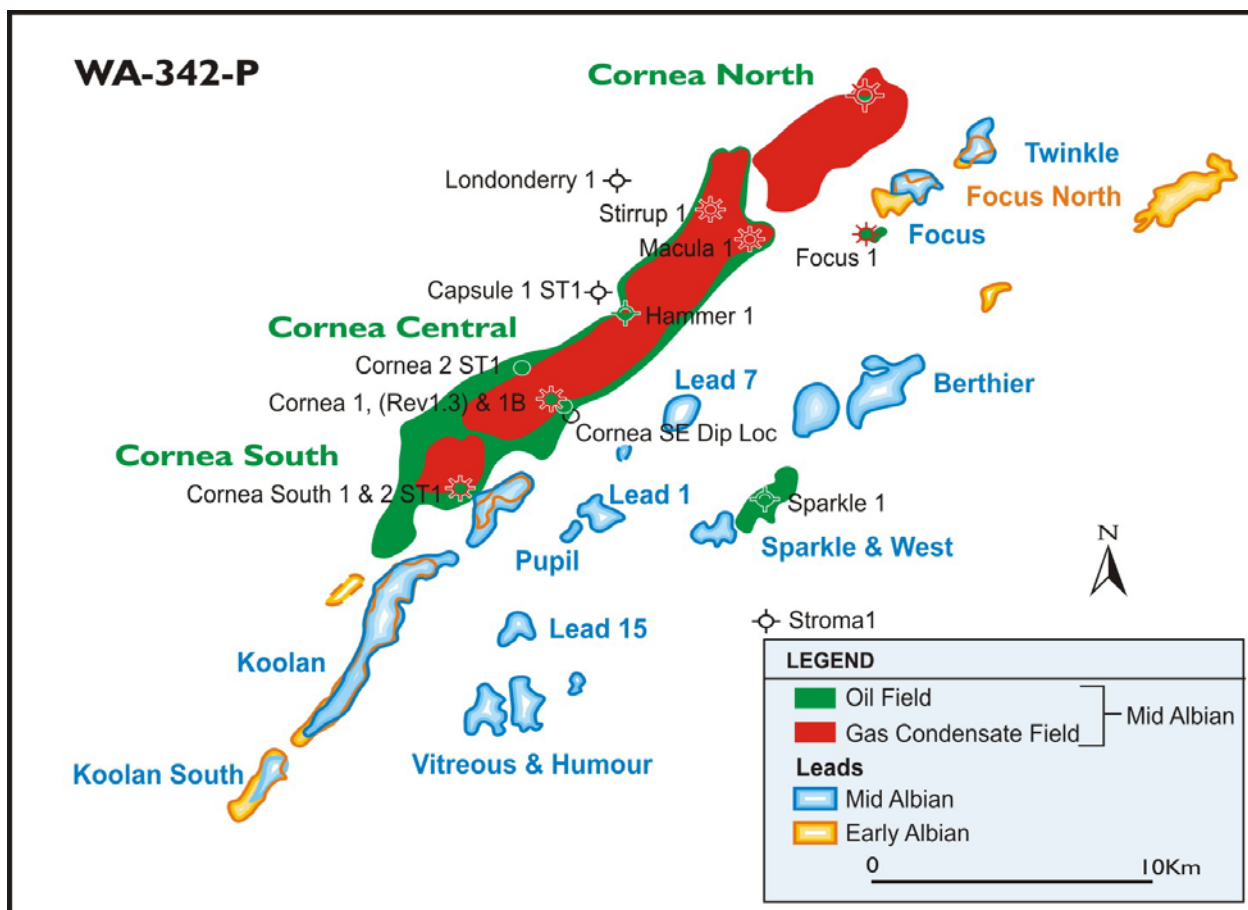


Figure 1 – Greater Cornea Region – Leads and Prospects

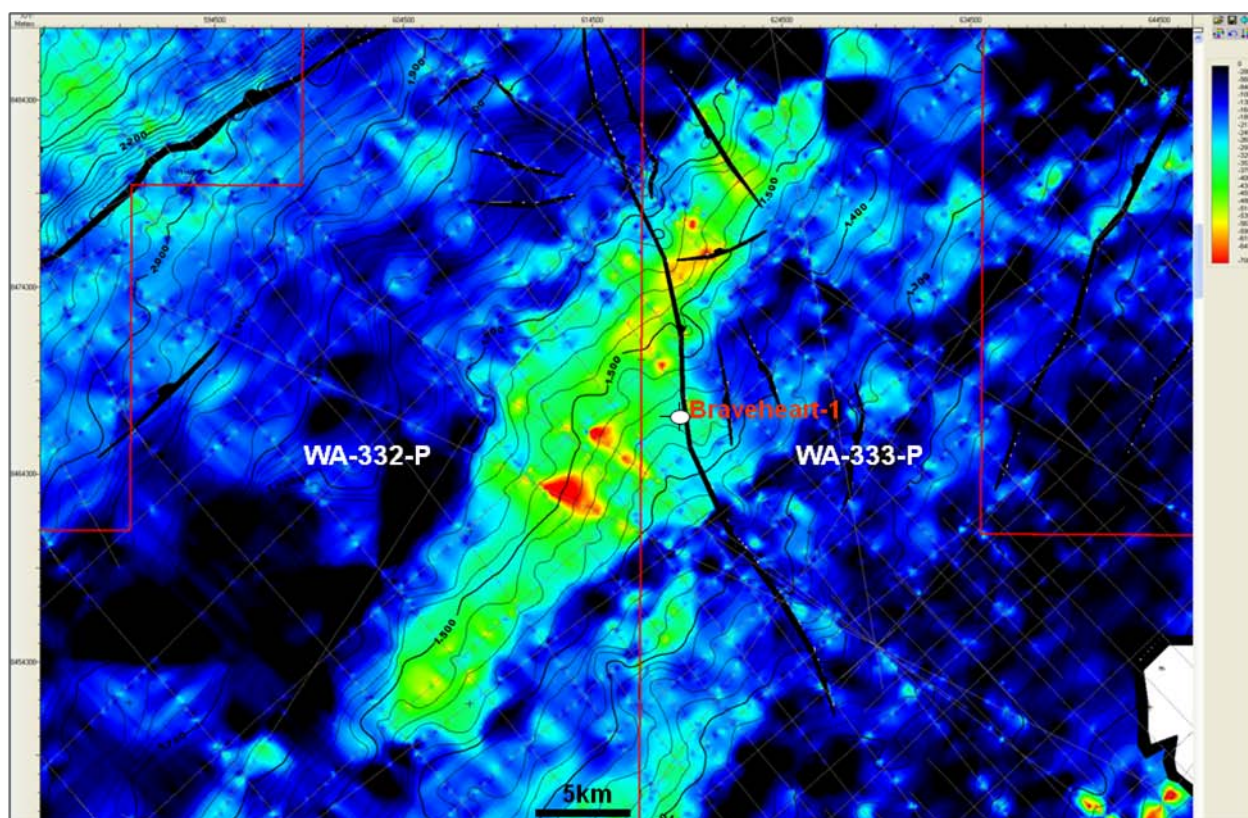


Figure 2 - Illustrating the Braveheart - *M. australis* submarine fan deposit as it is imaged in the Prudhoe Terrace seismic data set. The higher amplitude response illustrated in this data set is shown in green on the figure above.