

**Exoil Limited**

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RELEASE**MEO TO REASSIGN INTERST IN WA-359-P PERMIT TO EXOIL/CUE ENERGY**

MEO Australia Limited (ASX Code: MEO) advised today that its drill / drop option over WA-359-P expired unexercised at 5pm on 31st December 2009.

Consequently, MEO's 60% interest in the permit will be re-assigned in equal proportions to the original farmors Cue Energy (ASX Code: CUE) and Exoil.

Following re-assignment, the interests of the participants will become:

Cue Exploration Pty Ltd (Operator)	50%
Exoil Limited (NSX Code: EXX)	50%

By Order of the Board

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

J.G. Tuohy
Company Secretary
4 January 2010