



Exoil Limited

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RELEASE

BRAVEHEART-1, WA-333-P – BROWSE BASIN - PROGRESS REPORT No. 7

Exoil Limited (**NSX Code: EXX**) provides the following update on the status of drilling operations regarding the Braveheart-1 well spudded 29 December 2009 by the Songa Venus semi-submersible drilling rig.

Since the date of the last report on 12 January 2009, drilling operations have continued. Overnight it became necessary to partially pull out of the hole to correct a relatively minor drilling issue but drilling operations resumed early this morning. As of 8.30 am Melbourne time the well was at 1665 metres and drilling ahead. The target intervals are expected to be penetrated during the course of the day.

Braveheart-1 is situated in the Browse Basin permit WA-333-P, offshore Western Australia and is being drilled into the Braveheart Prospect that straddles the WA-332-P and WA-333-P permits.

The participants in the Braveheart-1 well and the Braveheart Joint Venture are:

Braveheart Resource Pty Ltd (subsidiary of Exoil Limited) (NSX Code: EXX)	25.3750%
Moby Oil & Gas Limited (ASX Code: MOG)	26.4375%
Braveheart Oil & Gas Pty Ltd (subsidiary of Australian Oil & Gas Corporation)	14.5000%
Braveheart Energy Pty Ltd (subsidiary of Goldsborough Limited)	7.2500%
Private Interests	26.4375%

The Operator of the Braveheart Joint Venture is Hawkestone Oil Pty Ltd, a wholly-owned subsidiary of Exoil Limited.

By Order of the Board

J.G. Tuohy
Company Secretary

13 January 2010