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.


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).

<table>
<thead>
<tr>
<th>1</th>
<th>Class of securities issued or to be issued</th>
<th>UNLISTED OPTIONS EXPIRING 30 JUNE 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Number of securities issued or to be issued (if known) or maximum number which may be issued</td>
<td>1,000,000 GRANTED</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(1,000,000) CANCELLED</td>
</tr>
<tr>
<td>3</td>
<td>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)</td>
<td>UNLISTED OPTIONS EXERCISABLE ON OR BEFORE 30 JUNE 2013 AT AN EXERCISE PRICE OF $0.12 (12 CENTS) EACH</td>
</tr>
</tbody>
</table>
4 Do the securities rank equally in all respects from the date of allotment with an existing class of quoted securities?

If the additional securities do not rank equally, please state:
- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

UNLISTED OPTIONS 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

5 Issue price or consideration

GRANTED FREE

6 Purpose of the issue
(If issued as consideration for the acquisition of assets, clearly identify those assets)

1,000,000 GRANT TO EMPLOYEES / CONSULTANT

(1,000,000) CANCELLED BY AGREEMENT WITH THE OPTIONHOLDER

7 Dates of entering securities into uncertificated holdings or despatch of certificates

11 MARCH 2011

8 Number and class of all securities quoted on NSX (including the securities in clause 2 if applicable)

<table>
<thead>
<tr>
<th>Number</th>
<th>Class</th>
</tr>
</thead>
<tbody>
<tr>
<td>81,550,523</td>
<td>FULLY PAID ORDINARY SHARES</td>
</tr>
<tr>
<td>24,620,208</td>
<td>30 JUNE 2013 OPTIONS @ $0.12 (12 CENTS)</td>
</tr>
</tbody>
</table>

9 Number and class of all securities not quoted on NSX (including the securities in clause 2 if applicable)

<table>
<thead>
<tr>
<th>Number</th>
<th>Class</th>
</tr>
</thead>
<tbody>
<tr>
<td>5,500,000</td>
<td>30 JUNE 2013 OPTIONS @ $0.12 (12 CENTS)</td>
</tr>
</tbody>
</table>

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 ANNOUNCEMENT, AS THE ISSUE IS NOT A BONUS ISSUE OR PRO RATA ISSUE

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

PART 3 IS NOT APPLICABLE TO THIS ANNOUNCEMENT, AS IT IS NOT AN APPLICATION FOR QUOTATION OF SECURITIES

Sign here: Company Secretary
Print name: J. G. TUOHY

Date: 11 March 2011