

## **SECTION 2: IMPORTANT INFORMATION**

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### **STATUS AND NATURE OF THIS INFORMATION MEMORANDUM**

No offer of securities is being made pursuant to this Information Memorandum. This Information Memorandum is for information purposes only. A copy will be lodged with NSX and a copy will be placed on the Company's website [www.exoil.net](http://www.exoil.net) to enable interested parties to access same.

### **ASIC**

No copy of this Information Memorandum has been lodged with the Australian Securities and Investments Commission ("ASIC").

This Information Memorandum is not a prospectus nor is it an Offer Information Statement ("OIS"); both of which are disclosure documents under the Corporations Act 2001 ("Act") and which must be lodged with ASIC.

Consequently, this Information Memorandum should be regarded as having a lower level of disclosure than a prospectus or an OIS.

ASIC takes no responsibility for the contents of this Information Memorandum.

### **APPLICATION FOR LISTING**

The Company will apply to **National Stock Exchange of Australia Limited ("NSX")** within 7 Business Days of the date of this Information Memorandum for admission to the Official List and for Official Quotation of its securities on NSX.

**The fact that NSX may list the securities of the Company is not to be taken in any way as an indication of the merits of the Company or the listed securities.**

**NSX takes no responsibility for the contents of the Information Memorandum, makes no representations as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss arising from or in reliance upon any part of the content of the Information Memorandum.**

It is expected that trading of the Shares on the stock market conducted by NSX will commence as soon as practicable after approval for admission to the Official List of NSX is granted and all conditions (if any) applicable thereto have been satisfied for Official Quotation.

### **FORWARD LOOKING STATEMENTS**

Various statements in this Information Memorandum constitute statements relating to intentions, future acts and events. Such statements are generally classified as forward looking statements and involve known and unknown risks, uncertainties and other important factors that could cause those future acts, events and circumstances to differ from the way or manner in which they are expressly or implicitly portrayed herein.

### **SUITABILITY OF INVESTMENT AND RISK FACTORS**

Before deciding to invest in the Company by purchase of Shares on market, following admission of the Company to the Official List of NSX, Proposing Investors should read this entire Information Memorandum and, in particular, the summary of the Company's business activities contained in Section 4, the Independent Expert's report from Michael J. Martin, Consultant Petroleum Geologist, relating to the Company's Permits which is contained in Section 7, the financial information contained in Section 5, the audited accounts of the Company as at 30 June 2008 with the Auditor's Report thereon contained in Section 9 together with the unaudited management accounts of Exoil as at 30 September 2008 together with the risk factors contained in Section 8.

Proposing Investors should carefully consider all these factors in the light of their personal circumstances (including financial and taxation issues) and seek professional advice from their accountant, stockbroker, lawyer or other professional advisor before deciding to invest. They should

understand that exploration for oil and gas is both speculative and subject to a wide range of risks and that, unless the Company makes a commercial discovery, they may lose the entire value of their investment.

The Company is unable to advise any Proposing Investor on the suitability or otherwise of an investment in the Company. For such advice each Proposing Investor must contact their own independent professional adviser(s).

## **ELECTRONIC INFORMATION MEMORANDUM**

This Information Memorandum may be viewed and downloaded online at the Company's website [www.exoil.net](http://www.exoil.net).

## **NATIONAL STOCK EXCHANGE OF AUSTRALIA LIMITED**

NSX was the second stock exchange approved under the then Corporations Law in Australia (February 2000) and is licensed under the Financial Services Reform Act 2001, which came into effect on 11 March 2002. NSX is a fully operational and fully regulated stock exchange. NSX publishes substantial information about itself and the market on its website [www.nsx.com.au](http://www.nsx.com.au).

NSX creates a market for a wide range of interests including alternative investments and traditional equity securities based on corporate listings. The investments listed by NSX cover various areas of the economy that require a market platform. NSX is focused on listing small to medium enterprises, as there is a great need for growth entities to have a capital market where they can raise further capital and provide a mechanism for the transferability of shares or other listed interests.

### **Brokers dealing on NSX**

There are 14 member brokers registered as Participant Brokers of NSX - they are the only brokers who can execute trades on NSX. Full profiles of each Participant Broker are available on the NSX website under the 'For Brokers' tab. The Participant Broker network offers access to, and promotion of, stocks on NSX.

### **Availability of CHESS reports about holdings**

Presently all NSX securities are registered in CHESS (see below for explanation of CHESS) and standard CHESS reports are available for securityholders.

### **Obtaining share prices for NSX quoted securities**

Share prices are available from a variety of sources. Participating Brokers can obtain full market information from the NETS screens, plus IRESS and AAPO carry end of day information as part of their news services. For investors, the NSX website carries price updates every 20 minutes as well as daily and monthly price histories on each stock. The Australian Financial Review carries daily trading information and month to date summaries are published each Monday in the Market Wrap section.

### **Status of NSX**

NSX is a full main board exchange. NSX concentrates on listing small to medium enterprises and has Listing and Business Rules approved by ASIC (see the ASIC website [www.asic.gov.au](http://www.asic.gov.au)). All entities listed on NSX must comply with these rules. NSX is not the same as the Second Board that existed in Australia in the late 1980's and early 1990's

### **The role of Nominated Advisers**

Companies intending to list on NSX are required to have a Nominated Adviser and a Sponsoring Broker. It is contemplated that, with a Nominated Adviser for each entity, investors will be offered better protection because Nominated Advisers are required to make sure that companies meet the on-going requirements for listing and the requirements of the Act. The Company has appointed Pritchard & Partners Pty. Limited (AFS) Licence Number 246712 as Nominated Advisor and Sponsoring Broker.

## **CHESS**

The Company will apply to participate in the Clearing House Electronic Sub-register System known as CHESS. ASX Settlement and Transfer Corporation Pty Ltd, a wholly owned subsidiary of ASX Limited, operates CHESS in accordance with the Listing Rules and Shares Clearing House Business Rules.

On admission to CHESS, the Company will operate an electronic issuer-sponsored sub-register and electronic CHESS sub-register. The two sub-registers together will make up the Company's principal register of shares.

The Company will not issue certificates to securityholders.

A CHESS Holding Statement or Issuer Sponsored Holding Statement will routinely be sent to securityholders at the end of any calendar month during which the balance of their holding changes. A securityholder may request a holding statement at any other time, although a charge may be made by the Share Registry, Link Market Services Limited, for additional statements.

## **INFORMATION**

No person is authorized to give any information or to make any representation in connection with this Information Memorandum which is not contained in this Information Memorandum. Any information or representation not so contained may not be relied upon as having been authorized by the Company for any purpose and may not be relied upon for any purpose whatsoever.

## **JURISDICTION**

This Information Memorandum does not constitute an offer or invitation to buy or sell shares or other marketable securities of the Company, whether in Australia or in any other jurisdiction.

## **PROPERTY OF THE COMPANY**

Unless otherwise stated, assets and property portrayed in photographs in this Information Memorandum are not owned by the Company.

## **DATE OF INFORMATION MEMORANDUM**

This Information Memorandum is dated 12 November 2008.