



Mauro Paccini
ASX Limited
2 The Esplanade
PERTH WA 6000

6 December 2010

UPDATE ON ACTIVITIES AND STATUS OF SUSPENSION

Australian oil and gas company Monitor Energy Limited (ASX: MHL) (“Monitor” or “the Company”) is pleased to provide this update to its shareholders on its planned acquisition of an interest in oil production licences in Trinidad and the status of its voluntary suspension.

Monitor is pleased to confirm that it has now successfully completed the majority of its legal and technical due diligence necessary to complete the acquisition, through SOCA Petroleum (“SOCA”), of up to a maximum 90% interest in holding companies whose subsidiaries hold production licences in producing onshore oilfields in Trinidad and associated drilling equipment and infrastructure. Please refer to ASX announcement dated 30 July 2010 for full details of this transaction.

The findings of the due diligence review has supported the Company’s initial assessment of the attractiveness of the opportunity and as such Monitor is now proceeding towards finalisation of a binding Share Purchase Agreement (“SPA”) with SOCA Petroleum, which will enable final due diligence to be completed and importantly allow the Company to complete the associated capital raising to fund the acquisition and working capital requirements to increase production on the licenses from the current 700 bopd to forecasted production rates of over 3,600bopd.

In addition, the Company is pleased to confirm that with the support of its corporate advisor Komodo Capital, has undertaken a number of road shows to European and Australasian funds and institutions in recent weeks and will be shortly announcing both the capital raising structure that will be implemented by the Company to complete this transaction and the appointment of a major global investment bank focussed on the oil and gas sector who will lead manage the transaction.

Monitor’s voluntary suspension from quotation will continue until such time as it is in a position to make a formal announcement in relation to the planned capital raising, appointment of the major global investment bank and finalisation of the binding SPA. This is anticipated to occur prior to 21 December 2010.

Ends

For more information please contact:

Jon Roestenburg BSc, GBQ, MLM, CC,
MAAPG, MAIG
Managing Director
Monitor Energy Limited
Tel: +61 8 9211 1555
Email: jon@monitorenergy.com.au
www.monitorenergy.com.au

David Tasker
Professional Public Relations
Tel: +61 8 9388 0944/ +61 433 112 936
Email: david.tasker@ppr.com.au

35 Richardson Street West Perth WA 6005 Australia
PO Box 1440 West Perth WA 6872 Australia
Ph: +61 8 9211 1555 Fx: +61 8 9211 1500
ABN 25 009 121 644