



ASX Announcement

22nd February 2012

Notice under Section 708A (5) (e) of the Corporations Act 2001 (Cth)

Dear Sir,

The notice is given by Verus Investments Limited (**Company**) under section 708A (5) (e) of the *Corporations Act 2001* (Cth) (**Act**).

The Company advises that on 14 February 2012, it issued 245,750,000 fully paid ordinary shares (**Shares**) in the Company to sophisticated investors as defined in the Act.

Secondary Trading Exemption

The Act restricts the on-sale of securities issued without disclosure, unless the sale is exempt under section 708 or 708A of the Act. By the Company giving this notice, sale of the Shares noted above will fall within the exemption in Section 708(5) of the Act.

The Company hereby notifies ASX under section 708A (5) (e) of the Act that:

- a) it issued the securities without disclosure to investors under Part 6D.2 of Act;
- b) as at today's date, the Company has complied with:
 - (i) the provisions of Chapter 2M of the Act as they apply to the Company; and
 - (ii) section 674 of the Act; and
- c) as at today's date there is no other information, other than disclosed below, that is excluded information which is required to be set out in this notice pursuant to section 708A(6)(e) of the Act, except as announced today with respect to the sale of its 9.375% interest in the Bongo Prospect.

Sale of Bongo

The Company is presently in discussions to dispose of its 9.375% interest in the Bongo Prospect including the two producing wells OB Ranch #1 and OB Ranch #2. As announced in a market update on 7 February 2012, oil and gas production rates from both OB Ranch #1 and #2 have been minimal and continue to slowly decline. Intervention efforts to date to improve flow rates have been unsuccessful, in addition there are no immediate plans by the operator to assess or develop the Yegua or Frio opportunity.

Yours faithfully,

A handwritten signature in black ink, appearing to read "Craig Nelmes", is written over a horizontal line.

Craig Nelmes
Company Secretary

For further information regarding the Company's activities, please contact:

Mr. Gregory Lee
Executive Director
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