

22 August 2011

Exoma Energy Limited

Shale Gas & Conventional Oil Well Spuds – Katherine -1

Exoma Energy Limited (ASX: EXE) is pleased to announce that the fifth well of its 2011 exploration campaign, Katherine-1, has spudded. The primary target of this well will be Shale Gas in the Toolebuc Formation of the Eromanga Basin in Central Queensland.

After coring the shale, this well will be deepened to test a potential conventional oil play in the underlying Hutton sandstone. The Katherine-1 oil test is a follow up to Toobrac-1, a well drilled in 1985 that discovered oil shows in a thin sand onlapping a basement high. The well is located down-dip on the structure and tests a potential thickening of the reservoir sand observed in the seismic data.

Well Name:	Katherine-1
Permit:	ATP 999P
Location:	Eromanga Basin, approximately 60km SSW of Longreach, Queensland. Details are shown on the attached map.
Target:	<p>Primary Target: shale gas in the Toolebuc Formation. The carbonaceous Toolebuc Shale will be cored and the well logged. The shale core will be subject to laboratory analysis to identify source maturity, hydrocarbon type and content, detailed mineralogy, rock properties and permeability.</p> <p>Secondary Target: conventional oil in the Hutton sandstone. The Hutton sandstone section will be rotary drilled and logged. If any hydrocarbons are present, the reservoir will be drill stem tested.</p>
Planned Depth:	Toolebuc Formation 590 metres; Hutton Sandstone 1189 metres.

Exoma has a 50% beneficial interest in both ATP 999P and the Katherine-1 well. CNOOC Galilee Gas Company Pty Ltd is earning its participating interest by a farmin whereby CNOOC provide the initial \$50 million of joint venture expenditures on Exoma's five Galilee Basin ATP's.

FURTHER INFORMATION

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