

5 December 2011

ASX Announcement

EXOMA CONFIRMS DISCOVERY OF SIGNIFICANT ONSHORE OIL RESOURCE IN QUEENSLAND

HIGHLIGHTS:

- 79 million barrels oil in place mean resource estimate at Katherine West.
- Exoma's stratigraphic play concept confirmed by discovery.
- Follow-up wells to be drilled in early 2012.
- 206 million barrels oil in place mean resource estimate at Katherine East prospect to be tested in 2012.

Exoma Energy Limited (ASX: EXE) is pleased to report that independent well log and petrophysical evaluation has confirmed the Company's recent Katherine-1 well in the Galilee Basin in Central Queensland has the potential to be a significant onshore oil resource. These studies were carried out to evaluate the previously reported discovery of oil columns at Katherine-1.

The studies indicate that Exoma's Katherine West structure may contain up to 177 million barrels of oil in place. In addition, an adjacent but undrilled prospect, Katherine East, may contain up to 458 million barrels of oil in place (see figures 1 and 2).

Katherine West Discovery

The Katherine West resource estimates are based on an independent analysis of log results from Exoma's Katherine-1 well drilled in August and September 2011, Ampolex's 1985 Toobrac-1 well and Exoma's reinterpretation of seismic survey data over the structure.

Katherine-1, located in permit ATP-999-P, was drilled to a total depth of 1,207 metres to test Exoma's modelled extension of the Toobrac-1 oil show. The well intersected a number of oil zones, totalling approximately 10 metres of potential oil pay. Log analysis indicates that the well intersected two oil columns of approximately 4 metres in the Adori sandstone and 6 metres in the lower Hutton sandstone.

Exoma was unable to recover a representative sample from Katherine-1 due to adverse well conditions. However, oil shows were observed and tested in the drill cuttings through the Adori and Hutton sandstones and a sample of crude oil was recovered from the drilling fluid.

Interpretation of the Katherine-1 logs confirms Exoma's model of the Hutton sandstone as an oil-filled stratigraphic trap against a granite basement high (see figure 1).

Based on mapping of seismic survey data, interpretation of the indicated oil column and analysis of the petrophysical logs from the two wells, Exoma estimates the potential oil in place within the Hutton sandstone as follows:

Hutton Sandstone

Potential Oil In Place:

P90:	3 MMBO
P50:	11 MMBO
P10:	48 MMBO

Mean	20 MMBO
------	---------

The log analysis also shows that the Hutton oil column is in a permeable reservoir zone and contains free oil able to be flowed.

While the log interpretations of the Adori sandstone at Katherine-1 and Toobrac-1 are less conclusive than those for the Hutton sandstone, the logs indicate that the Adori sandstone contains oil and that potentially this oil may extend over the entire Katherine West structure. Based on mapping of seismic survey data, interpretation of the indicated oil column and analysis of the petrophysical logs from the two wells, Exoma estimates the range of potential oil in place within the Adori sandstone as follows:

Adori Sandstone

Potential Oil In Place:

P90:	12 MMBO
P50:	37 MMBO
P10:	129 MMBO
Mean	59 MMBO

The mean estimate of the total oil resource at Katherine West is approximately 79 MMBO.

Reservoir properties and deliverability are yet to be established and one of the objectives of the next well will be to move some of the above resource estimates for Katherine West into the reserves category. Exoma plans to drill a follow-up core well (Katherine-2) in early 2012 to provide it with a better understanding of the reservoir quality and the extent of the oil fill in the Adori sandstone and to test the deliverability of the Hutton sandstone.

Exoma Energy CEO, Rob Crook, said *"This is a significant discovery for Exoma and Queensland. Importantly, it validates Exoma's stratigraphic oil play concept in its Galilee Basin tenements. This forms the basis of our exploration planning for other oil targets in ATP 999 and ATP 1005."*

Katherine East Prospect

Mapping undertaken by Exoma of the Katherine East structure, based on seismic data, shows the Adori and Hutton sandstone closures at Katherine East each cover approximately 25 sq. km (see Figure 2, below), if those sandstones are in place.

Assuming a continuation of the same reservoir conditions observed at Katherine West, Exoma has interpreted that the Katherine East prospect has the potential to contain Oil In Place of:

P90:	35 MMBO
P50:	125 MMBO
P10:	458 MMBO
Mean	206 MMBO

Exoma plans to drill an exploration well in 2012 to test the Katherine East prospect.

Exoma has a 50% beneficial interest in ATP-999-P. CNOOC Galilee Gas Company Pty Ltd, a local subsidiary of leading Chinese integrated energy company China National Offshore Oil Corporation ("CNOOC"), is earning its participating interest via a farmin whereby CNOOC provide the initial \$50 million of joint venture expenditures on Exoma's five Galilee Basin ATP's.

FURTHER INFORMATION

Rob Crook
Chief Executive Officer
T: +61 7 3226 5600
E: rcrook@exoma.net

David Tasker
Professional Public Relations
T: +61 8 9388 0944/+61 433 112 936
E: David.Tasker@ppr.com.au

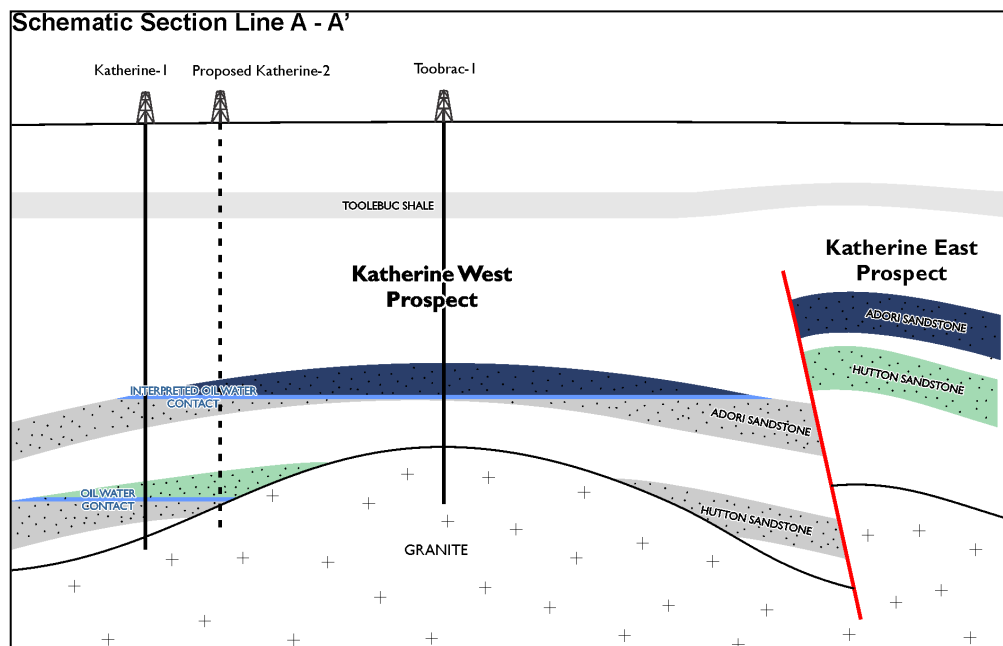


Figure 1: Schematic cross section of the Katherine West prospect showing the stacked Hutton and Adori reservoirs. The boundary fault separates the Katherine West prospect addressed by Katherine-1 and Toobrac-1 from the undrilled Katherine East prospect.

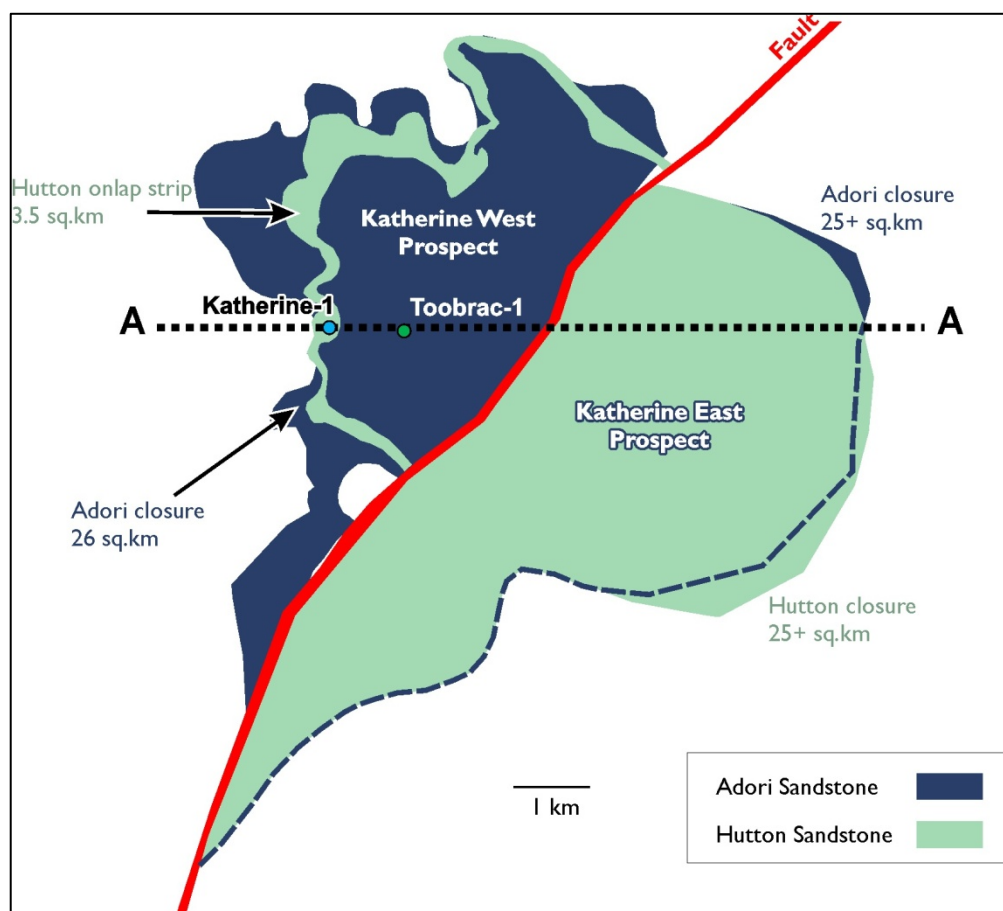


Figure 2: Map of the Katherine prospects showing the discovery wells and the mapped extent of the Adori and Hutton reservoirs predicted to lie above the oil-water contacts.