



7 October 2009

The Manager
Companies, Adelaide
ASX Limited
Level 25
91 King William Street
Adelaide SA 5000

Dear Sir,

Further to its announcements to ASX Limited of 22 and 24 September 2009, Stuart Petroleum Limited ("Stuart") (ASX code:STU) advises that:-

- It requests trading in its shares to continue to be suspended pending completion of a material transaction, expected next week.
- It is working towards completion of a transaction which would have the following effects:-
 - Stuart would retain no right, title or interest in Timor Sea tenements AC/P33 and AC/P35.
 - Stuart would receive a cash payment.
 - Stuart would not proceed with any contemplated capital raising.
- The transaction is incomplete and remains subject to final due diligence and approvals.

There is no reason why this request should not be granted.

Yours faithfully,

John McRae
Company Secretary