



COMPANY INFORMATION

Verus Investments Limited
ABN 59 009 575 035

INVESTMENTS

Tunisia
Chorbane Block Project (10% Working Interest)

USA
Fausse Point Project (72% Working Interest)
Bullseye Project (10% Working Interest)

COMPANY DIRECTORS

Sam Russotti – Non-executive Chairman
Greg Lee – Executive Director
Mark Freeman – Non-executive Director

SECRETARY

Craig Nelmes – Company Secretary

STOCK EXCHANGE LISTING

Australian Securities Exchange

Ordinary shares
ASX Code: VIL

CAPITAL STRUCTURE

Ordinary shares on issue:
1,885,158,563

Non-listed Class options on issue:
68,000,000

MARKET CAPITALISATION

As at 8 May 2012 and based on a share price of \$0.005

AUD\$9.4 million

ENERGY PRICES

WTI \$98.50 (BBL)
Henry Hub \$2.31 (MMBTU)

ACTIVITIES REPORT

9 May 2012

The Board of Verus Investments Limited ("Verus" "Company") is pleased to provide the following activities update.

INVESTMENT HIGHLIGHTS

Chorbane Block Project

Sidi Dhaher well currently suspended, preparations have been underway to test the well to determine if discovery is commercial - mean oil in place estimate of 51 million barrels of oil. Rig and associated equipment expected to be mobilised to site shortly

Fausse Point Project

Verus technical team and partners have completed final review of the prospect. AFE and drilling program currently being prepared for submission to partners for approval. Potential of 16 Billion cubic ft of gas and 164,000 barrels of condensate recoverable.

Corporate

Private placement completed to raise \$983,000 (before costs).

Cash balance as at 31 March 2012 was AUD\$901,000.

Production for the Quarter

Well	Total Production		VIL Share	
	Oil BBL	Gas MCF	Oil BBL	Gas MCF
Jumonville #1	791	2,248	79	225
Jumonville #2	2,735	3,582	274	358

Chorbane Investment – Sidi Dhafer Well - Oil Discovery

10% Working Interest (WI)

Operator: ADX Energy Limited (ASX code: ADX)

During the drilling of the Sidi Dhafer discovery, several potentially productive formations were encountered. Reservoir fluid samples recovered confirmed the presence of oil in the deeper Bireno formation. Detailed interpretation and analysis indicated a good quality Bireno carbonate reservoir with an estimated 30m oil column. The Bireno formation in several nearby fields has proven very productive. Log analysis also indicated potential pay in the Cherahil formation. In the event the Bireno test results are unfavourable VIL expects to test the Cherahil formation.

Incorporating the well information, the operator revised the prospect structure map and determined by using probabilistic methods the following estimates of the Original Oil in place (OOIP).

P90	OOIP	13 million barrels
P50	OOIP	37 million barrels
P10	OOIP	110 million barrels
Statistical Mean	OOIP	51 million barrels

Well Testing Progress

ADX announced 26 March 2012 that the testing rig had been contracted and that initial test results were expected by mid April 2012. Due to local issues and rig equipment and services delays that the mobilisation to site and subsequent testing activities had been delayed. A progress update will be available shortly.

Confirmation of recoverable reserves and a resource estimate in the Bireno is contingent on the success of the planned well test.

Should Sidi Dhafer be declared commercial, the prospectivity and potential of the 2,428 km² Chorbane block will be considerably enhanced. In addition, subject to declaration of commerciality it is likely the operatorship of the block will be transferred to Gulfsands Petroleum Plc.

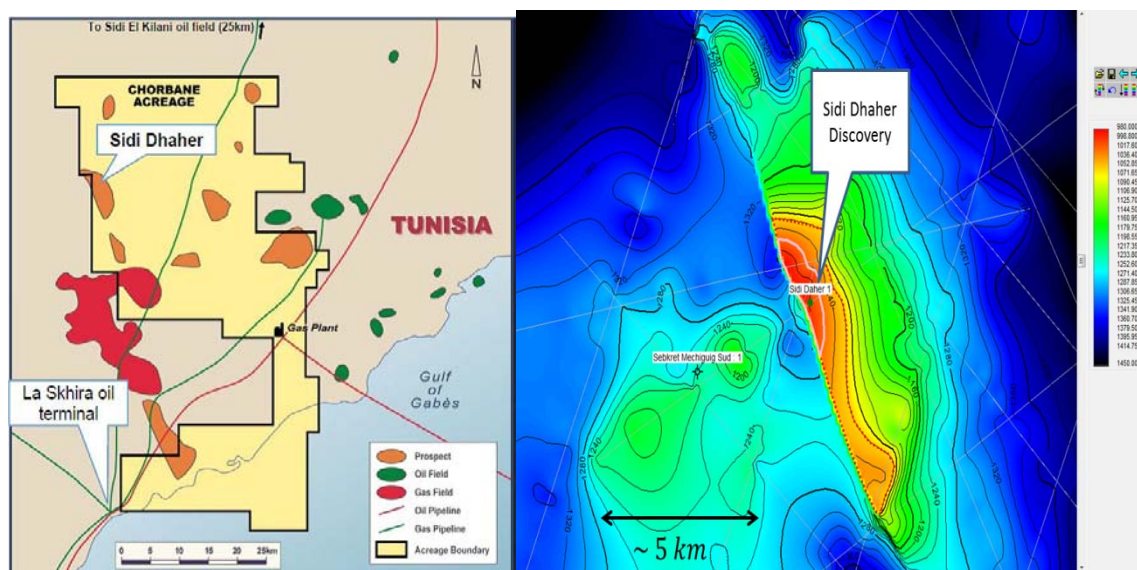


Figure 1 Sidi Dhafer discovery and prospects on the Chorbane Block

Figure 2: Sidi Dhafer Simple Structure Map

Review of prospects and leads in the block is ongoing and additional prospectivity will be determined from the test results from Sidi Dhafer.

The Sidi Dhafer discovery is located in close proximity to producing oil and gas fields, extensive oil and gas facilities and service providers which should facilitate early development.

Outlook over the 2nd quarter

- Mobilisation of the rig and testing equipment to site
- Testing of Sidi Dhafer
- Possible extended well test (if not enough information is gained in initial test).
- Results of test (if well test is positive) to be incorporated into a reserve assessment and possible field development.
- Ongoing Geological and Geophysical review of prospects on Chorbane Block

Fausse Point Project

72% (WI)

Operator: Golden Gate Petroleum Ltd (ASX Code: GGP)

Sidetrack – TGR#1

Verus have completed its Fausse point final review and workshops. The final workshop was conducted with the operator, all other partners, drilling consultants and other technical consultants.

The technical work was considerably enhanced from the efforts of the G&G team utilising the seismic reprocessing, imaging and interpretation in conjunction with as much available information from local geological and analogue well data.

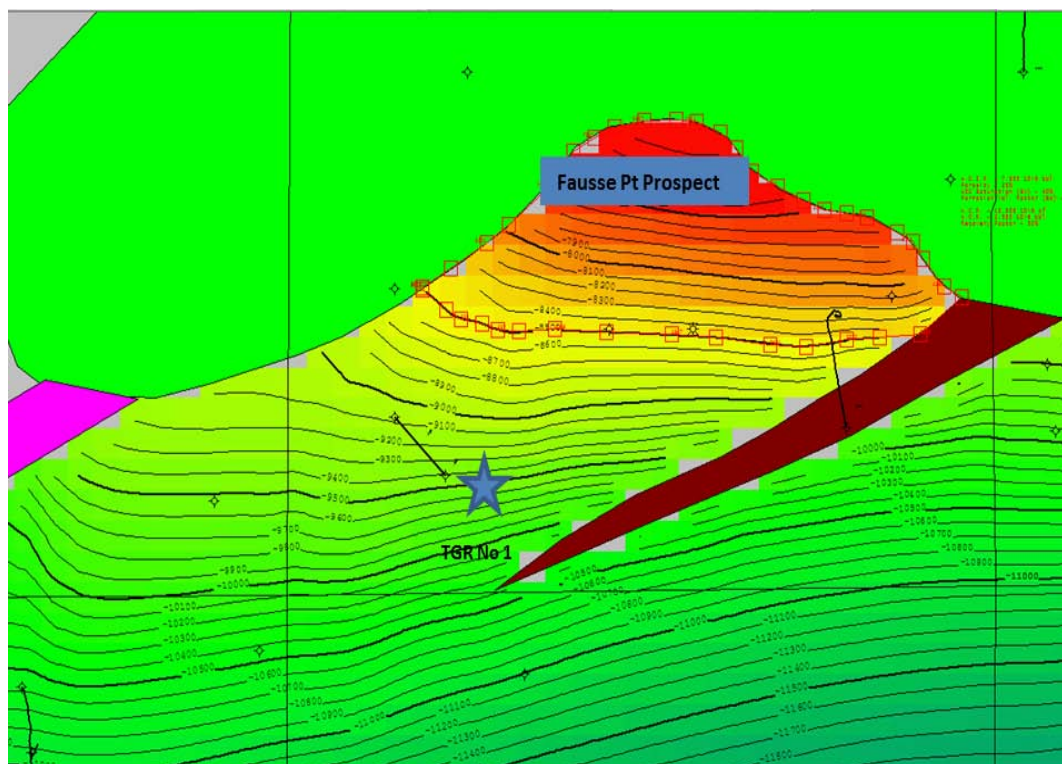
The results of the workshop are as follows:

- 1 *Reprocessing and seismic interpretation indicate the well did not reach the key 32A sands.*
- 2 *Seismic indicates there are potentially additional sands below the 32A sands.*
- 3 *The 32A sands in the region are extensive and can be extremely productive.*
- 4 *There is high risk in getting to the sands due to having to drill a smaller diameter hole, potential high pressures, gas and the presence of salt.*
- 5 *Sand, trap and seal continue to be major risks*
- 6 *The partners are of the opinion that if the primary sands we are targeting are present below the current TD and extend to the edge of the salt dome that the best way to determine the presence of the sands and potential hydrocarbons is to deepen the well.*
- 7 *If the deepening is successful and proves the sands are productive, then to access the structure effectively to enable good effective drainage and to potentially access the deeper sands, a second location will be required which will incur significant cost but should allow structure drainage.*
- 8 *The shallower lead requires additional work before any contemplation of drilling the shallow play is contemplated.*

Fausse Point Project

Current Status

- 1 The surface facilities including the pipeline are still in place.
- 2 Additional leasing to cover the possible structure has been completed??
- 3 A budgetary AFE to deepen the well from a competent drilling consultant is under final review.
- 4 The initial AFE is higher than expectations. Verus (in consultation with the operator) is in talks with the drilling consultant to seek reduction of AFE costs.
- 5 Once AFE has been agreed the detailed drilling program will be completed and submitted with the AFE to all partners for approval.
- 6 Analogue well production data on the 32A sands indicates multiple sand potential with more than 100ft thick and flow test IP's of 158 barrels of oil & 6.4 million cubic feet of gas per day.
- 7 The mapped primary interval and interpretation indicates that there is a potential recoverable resource of up to 16 billion cubic ft of gas and 164,000 barrels of condensate on an unrisks basis. There are additional prospective sands



Latest Structure map showing Deeper Prospect outline

Forward Plan

- 1 Finalise AFE and drilling program and submit to partners for review.
- 2 Depending on total AFE costs, farm out WI as required
- 3 Select drilling contractor
- 4 Submit final AFE and program to all partners for approval
- 5 Mobilise rig and deepen the well
- 6 evaluate the results and determine the forward plan

Bullseye Project

10% WI

Operator: Golden Gate Petroleum Ltd (ASX Code: GGP)

Producing Wells – Jumonville #1 (J1) and Jumonville #2 (J2)

Both wells are rapidly reaching the end of their commercial production life.

J1 production was temporarily suspended from 14th of January to the 2nd of March and then placed back on production. It is anticipated that both wells will reach their economic limit by midyear. Once J1 is declared non-commercial the partners plan to abandon the lower perforated interval and perforate higher up the well in the Camerina interval.

The Camerina will then be tested to determine the commercial viability of this interval. The Camerina is estimated to contain 2.2 to 7.1 million barrels of oil and 2 to 7 Bcf of gas. Reservoir extent and productivity is unknown at the moment.

Forward Plan

- Monitor production of J1 and J2.
- Planning and AFE to abandon lower perforations in J1 and test the Camerina.

Corporate

On 14 February 2012, Verus completed a private placement of 245.75 million shares (at 0.4 cents each) raising a total of \$983,000 (before costs).

The Cash balance as at 31 March 2012 was AUD\$901,000.