

2 March 2011

ASX Announcement

CNOOC Strategic Investment in Exoma's ATP's receives Queensland Government clearance

Exoma Energy Limited (ASX:EXE) is pleased to advise that the Queensland Government have given indicative approval for the proposed transfer of interests in Exoma's 5 Authorities to Prospect in the Galilee Basin to China National Offshore Oil Corporation's subsidiary, CNOOC Gas & Power Group Ltd. This approval follows the recent clearance from the Australian Treasurer for CNOOC's \$50 million Farm-in to Exoma's 26,840 km² of CSG and Shale Gas prospective acreage in Queensland's Galilee Basin.

On 9 December 2010 it was announced that Exoma and CNOOC had entered into a Farm-in Agreement that would commit CNOOC to spend a minimum of \$50 million on CSG and Shale Gas exploration to earn a 50% interest in Exoma's five (5) ATP's and incorporated the granting of an option to CNOOC to take up a placement of 86.6m shares in Exoma at 31.5 and 86.6m options also exercisable at 31.5 cents.

The Farm-in Agreement was subject to the Treasurer giving notice that there were no objections under the Foreign Acquisitions and Takeovers Act 1975, approval of Shareholders to the issue of the placement securities if CNOOC exercise their option, indicative approval from the Queensland Government to transfer of the Farm-in interest and the consent of the Chinese Government Authority.

The only remaining condition to completion of the Farm-in transaction is the consent of the Chinese Government Authority. Exoma understands CNOOC, a Chinese Government controlled entity, has progressed positively toward a timely approval.

FURTHER INFORMATION

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About CNOOC:

The China National Offshore Oil Corporation (CNOOC) which was founded in 1982 and is one of the largest state owned oil entities in China, as well as being the largest offshore oil and gas producer. Headquartered in Beijing, CNOOC has a total staff of over 51,000. CNOOC is China's dominant producer and importer of liquefied natural gas ("LNG").

CNOOC has a long term commitment to investment in Australian energy resources and in particular the LNG Coal Seam Gas projects in Queensland. CNOOC has acquired a 5% interest in British Gas/QGC's CSG tenements in the Surat Basin and a 10% equity interest in one of the first two LNG Trains to be built by BG in Gladstone. CNOOC has also entered into an agreement with BG to buy 3.6mtpa of LNG from the proposed Gladstone LNG Plant.

CNOOC holds a 5.3% interest in the North West Shelf Gas project and a 25% interest in certain offshore exploration permits in Western Australia where the JV is conducting a significant exploration program.

Recently CNOOC received FIRB approval to acquire a controlling interest in the South Australian Arckaringa Coal Project where coal for power and coal to oil technology will be developed.

About Exoma:

Exoma is a Brisbane based, ASX listed energy company primarily focussed on its five 100% owned petroleum exploration permits in Queensland's Galilee Basin. The permits cover an area of approximately 26,840 square kilometres and Exoma considers the permits to be highly prospective for coal seam gas and shale gas in particular.

An extensive evaluation program has been undertaken since Exoma acquired the tenements in October 2009, confirming potential gas in place resources of a magnitude necessary to support major long term development projects. Evaluation work on four of Exoma's initial prospects by MHA Petroleum Consultants has led to the certification of over 2Tcf of CSG 3C contingent resource. Potential Gas In Place over all permits for CSG & SG exceeds 100TCF.

