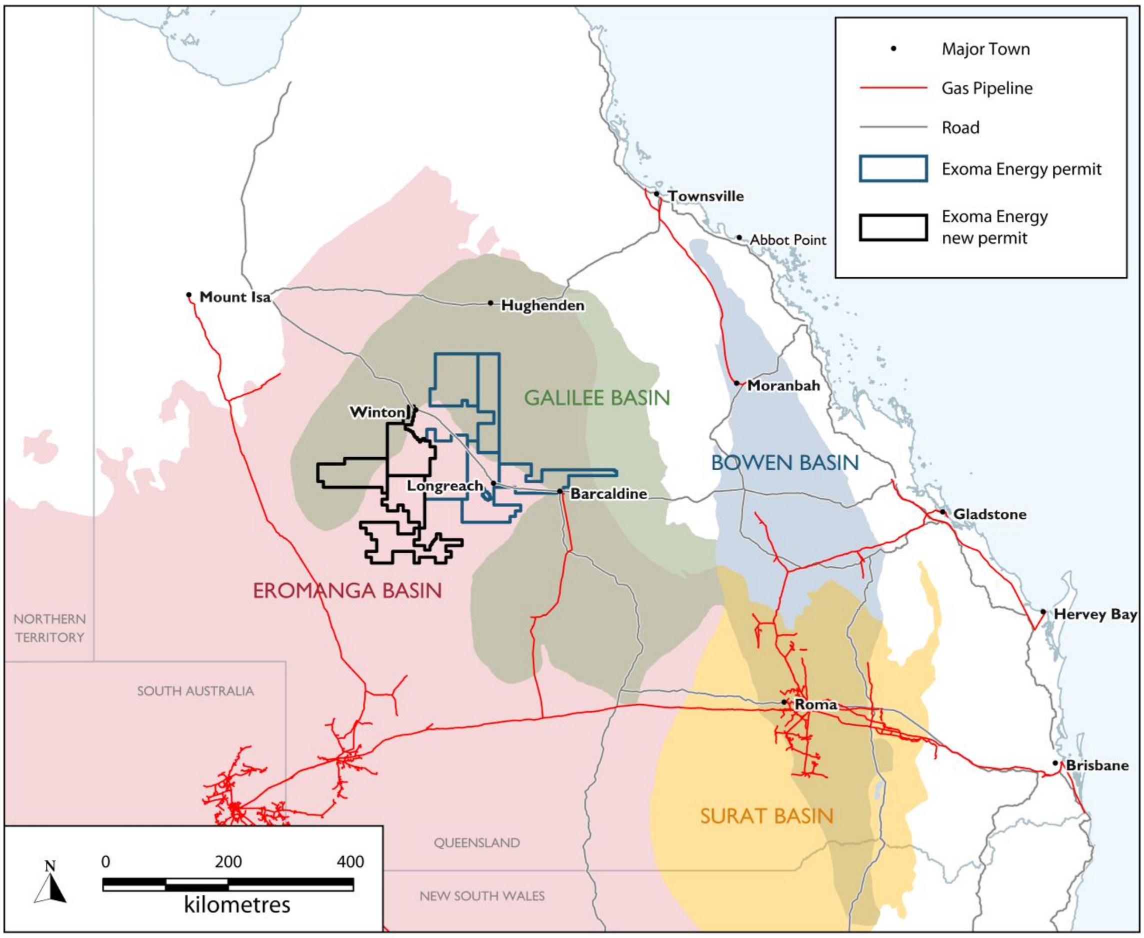
ASX Release

EXOMA ENERGY LIMITED (EXE)
QUARTERLY ACTIVITIES REPORT
June 2012

QUARTER HIGHLIGHTS

- **Exoma nominated as preferred tenderer for 4 new exploration blocks in the Galilee and Eromanga basins**
- **First two 2012 exploration wells drilled – Alma-1 and Darr-1**



Location map of Exoma's existing Galilee and Eromanga Basin permits: ATP 991P; ATP 996P; ATP 999P; ATP 1005P; and ATP 1008P – also showing new ATP's where Exoma is preferred tenderer.

Exoma has a 50% beneficial interest in these permits. 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 existing Galilee Basin ATP's, and thereafter, 50% of future expenditure (to be agreed by Exoma and CNOOC).

OPERATIONS

2012 Drilling Program

Exoma mobilised the first drill rig (EDA #1) to site in late April and drilled the first two wells of the 2012 exploration program, Alma-1 and Darr-1. Operations were delayed by unseasonable wet weather in Central Queensland, which caused the loss of 31 days of site access.

The second drill rig (EDA #2) began mobilisation to site on 22 June.

Coal Seam Gas

The Alma-1 CSG exploration core well in ATP 996P was drilled to a total depth of 1302 metres and was logged and suspended on 24 May 2012. The well cored a 217 metre section of the Betts Creek and Aramac coal measures, from which a total of 15 metres of coal samples were put in canisters for desorption testing to measure gas content in the coal.

Preliminary results from this testing suggest lower than expected gas content of around 2 m^3/tonne (DAF basis) at the Alma location. This information will be used to refine the Joint Venture's geological modelling to identify the factors that determine the distribution of gas and reservoir across the basin. This contributes important data to Exoma's strategy of exploring the resource potential of the whole of its very large permit areas in order to determine the best locations for pilot testing.

The shale core well, Darr-1 in ATP1005, was deepened as a stratigraphic well to test the southern extent of the Permian coal measures. The well confirmed that the coal measures have thinned and economic coal thicknesses are not present in the northern portion of ATP1005.

Coal Seam Gas Contingent Resource

In 2010, US-based consultant MHA Petroleum Consultants (MHA) provided an assessment that four CSG prospect areas in ATP 996P and ATP 1008P contained a 3C contingent gas resource in excess of 2TCF. Exoma's subsequent CSG exploration drilling in 2011 and 2012 has revealed in three of the four prospect areas more variable coal thickness and lower gas contents than previously assumed. Whilst this is based on only a small number of wells drilled in a very large area, until further exploration results are gained, the Exoma Board has decided to take a conservative approach and no longer reference a specific 3C contingent gas resource for these prospect areas.

Toolebuc Shale

The Darr-1 shale exploration core well in ATP 1005P was drilled to a total depth of 1101 metres with the rig released on the 1st July2012.

The well cored a 38 metre section of Toolebuc Shale formation. A total of 7 metres of shale core samples were put on desorption testing to measure gas content. The core will be subject to laboratory testing to measure oil content and geochemical properties.

In addition to the Darr-1 core well, Exoma recovered shale chip samples from 44 metre Toolebuc Shale section intersected by Alma-1. These samples will be subject to laboratory testing to analyse their geochemical properties.

Toolebuc Studies

Most of the data obtained from the shale exploration program is accumulated progressively from desorption and laboratory testing work – and some of this information is obtained many months after the well is completed. Although the immediate results from the shale wells is limited to a measurement of the thickness of the shale, the total accumulation of information from the program is allowing Exoma to build a very comprehensive model of the Toolebuc shale oil and gas resource.

The Toolebuc Shale is an entirely new hydrocarbon play and there is no 'road map' available to guide exploration. The Joint Venture considers that it is best explored by developing a broad technical understanding of the geochemistry and geology of the shale system in order to locate pilot production test wells in the most prospective locations.

As part of this program, Exoma is conducting a series of geotechnical studies with the assistance of specialist consultants and laboratories in Australia and internationally. The objective is to establish a detailed model of the shale system and measure the geochemical factors that drive maturity and oil/gas generation.

The Galilee Joint Venture exploration results in 2011 demonstrated that the Toolebuc shale is an oil-prone source rock with excellent potential to generate hydrocarbon liquids and associated gas. The exploration drilling and subsequent geotechnical studies are providing information that allows the Joint Venture to determine the factors that influence oil and gas generation and Exoma has commenced mapping the most prospective productive areas in the existing and new acreage.

NEW PERMIT AREAS

During the Quarter, Exoma was named by the Queensland Government as preferred tenderer on four new exploration blocks in Central Queensland. These four permits, ATP 1127P, ATP 1130P, ATP 1137P and ATP 1150P, cover some 19,000 sq km of the Eromanga and Galilee basins, adjacent to Exoma's existing permit ATP 999P (see attached map).

Award of these four permits to Exoma is subject to negotiation of a Native Title agreement with traditional owners within a two year period ending in May 2014. Exoma has elected to follow the Right to Negotiate process and has commenced identifying the potential claimant groups with whom the Company needs to engage.

Upon satisfaction of the Native Title condition and formal granting of the areas by the Queensland Government, Exoma will have exploration areas covering up to 46,000 sq km (11.3 million acres) of the Galilee and Eromanga Basins, of which up to 39,000 sq km (9.6 million acres) covers the promising Toolebuc Shale.

This new acreage is prospective as an extension of the Eromanga Basin conventional oil and shale oil/gas plays discovered in ATP 999P. The permits also cover Permian coal measures within the Galilee Basin that are prospective for coal seam gas.

These permits add significant value to Exoma's existing acreage position by leveraging the knowledge and experience gained in the current oil and hydrocarbon liquids exploration program.

In particular:

- All four permits cover the Toolebuc Shale and add a further 19,000 sq km of shale play across the centre of the Eromanga Basin. Exoma's predicted shale maturity fairway extends West and South into all four permits (see attached map). The new acreage therefore provides Exoma with access to a very large area that is high-graded for prospective shale oil and gas appraisal/production.
- The new permit areas have previously been lightly explored for conventional oil contained in the Eromanga Basin Birkhead/Hutton system. This early exploration was based on geological models that predicted conventional oil traps.

  However, Exoma's 2011 discovery at Katherine-1 in ATP 999P (adjacent to an unsuccessful test of a conventional structure at Toobrac-1) demonstrates that a stratigraphic oil trap system operates between the Hutton sandstone and highs in the basement granite.

  Based on an extension of this geological model, Exoma has identified 14 conventional oil leads within the new areas (see attached map) with a combined potential of several hundred million barrels of oil in place. These are in addition to four oil prospects identified in ATP 999P, Katherine West, Katherine East, Corona and Harmony.

ATP 1127P and ATP 1130P cover part of the western edge of the Permian coal measures within the Western Galilee Basin and provides Exoma with access to a potential CSG resource in a different geological environment to that encountered in its existing permits.. This adds exploration diversity to Exoma's CSG portfolio.

Exoma's partner in the Galilee Joint Venture, CNOOC Gas & Power (CNOOC), has the right to participate in the new acreage. CNOOC has confirmed that it intends to take up a 50% participating interest in each of the four permits. Exoma expects to fund its share of expenditure on these new areas by a combination of internal resources, farmout, or sale of interest.

SAFETY & ENVIRONMENT

During the June Quarter, Exoma and its contractors worked a total of 30,872 hours (7,896 hours Office; 22,976 hours Field Operations) and recorded no Lost Time Injuries.

None of Exoma's operations caused any adverse environmental impact.

CORPORATE

There were no movements in issued capital during the June Quarter. Cash on hand at 30 June 2012 was $9.868 million.

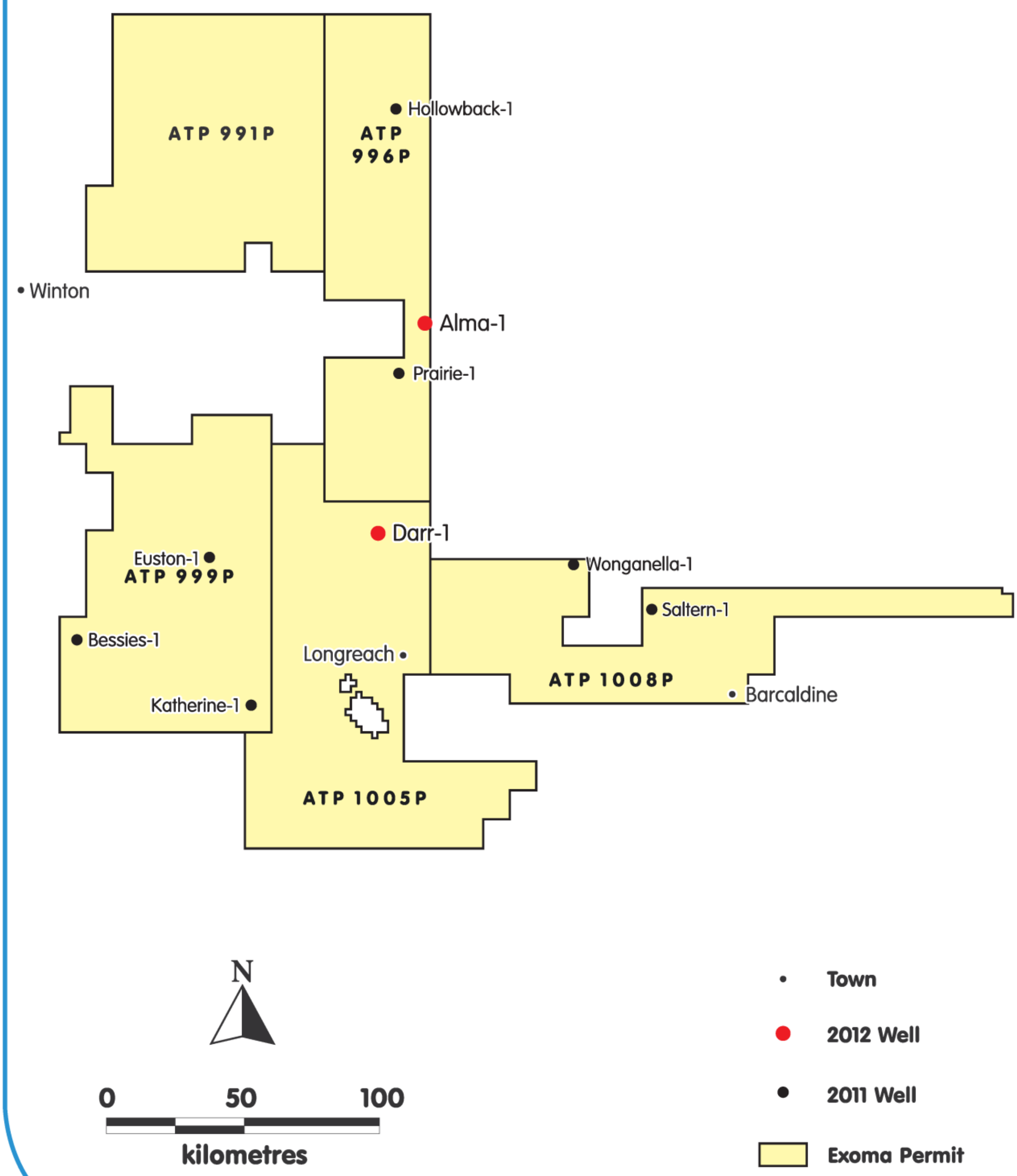
Disclaimer

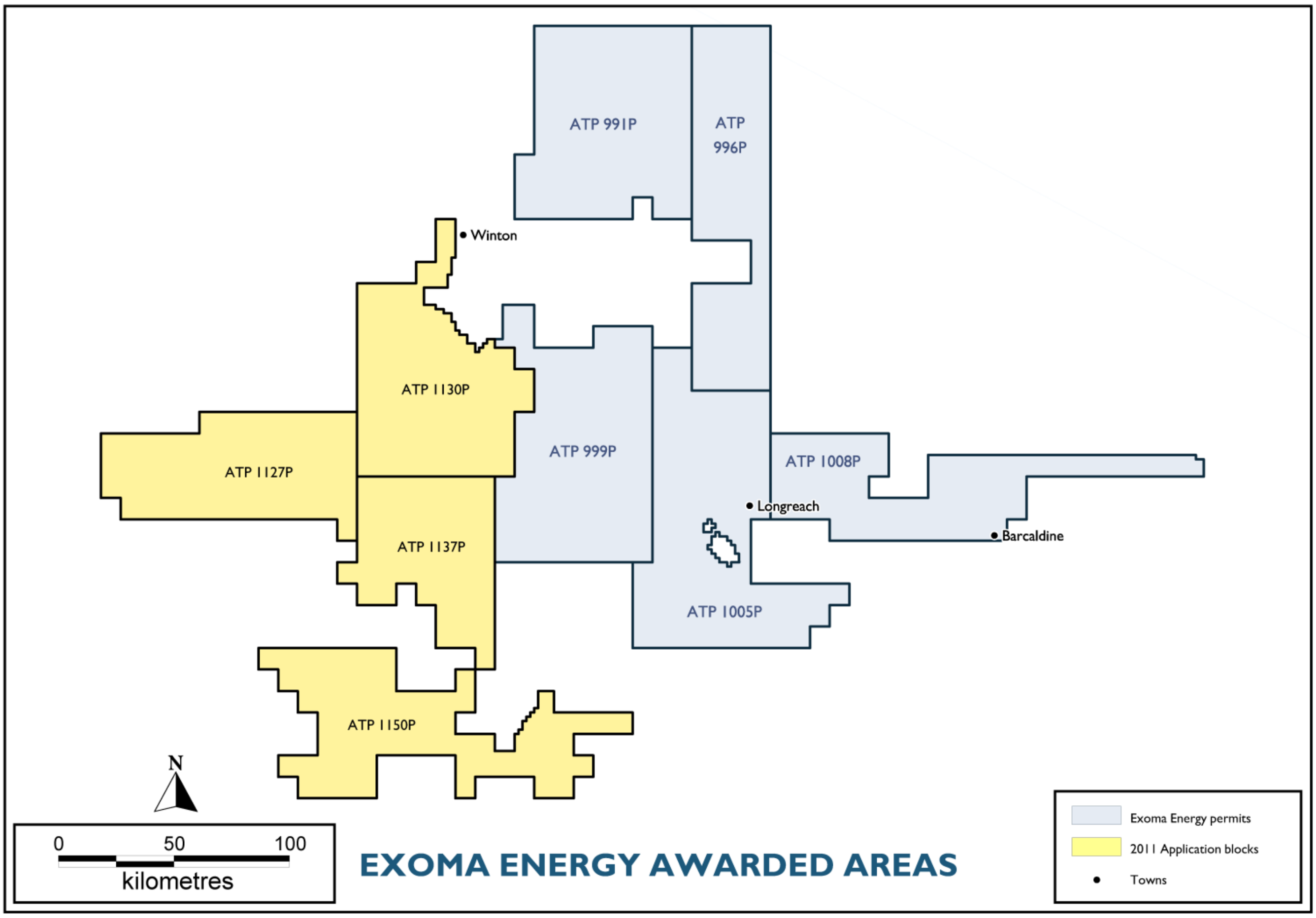
This report includes forward looking statements that are subject to risk factors associated with the oil and gas and petroleum industry. Exoma Energy Limited believes that the expectations contained in the statements in this report are reasonable, but they may be affected by a range of variables which could cause actual results to vary materially, including, but not limited to geotechnical factors, drilling and production results, development and appraisal progress, operating results, reserve estimates, legislative, fiscal and regulatory developments, economic and financial market conditions, approvals and cost estimates. This report has been prepared with due care to provide current and potential investors with an informed view of the operations and prospects of Exoma Energy Limited but investors should conduct their own analysis and obtain independent advice before making any investment decision in respect of Exoma Energy Limited shares or options.

exoma ENERGY

Galilee Basin 2012

June Quarter Activity




ATP 991P
ATP 996P
Winton
ATP 1130P
ATP 999P
ATP 1127P
ATP 1008P
Longreach
Barcaldine
ATP 1137P
ATP 1005P
ATP 1150P
N
0
50
100
kilometres
EXOMA ENERGY AWARDED AREAS
Exoma Energy permits
2011 Application blocks
Towns

Rule 5.3

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

EXOMA ENERGY LIMITED

ABN	Quarter ended ("current quarter")
56 125 943 240	30 June 2012

Consolidated statement of cash flows

	Cash flows related to operating activities	Current quarter $A'000	Year to date 12..months) $A'000
1.1	Receipts from product sales and related debtors		
1.2	Payments for (a) exploration & evaluation	(1,313)	(3,505)
	(b) development		
	(c) production		
	(d) administration	(359)	(1,745)
1.3	Dividends received		
1.4	Interest and other items of a similar nature received	132	589
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Other cash receipts – R&D Incentive		27
	JV costs Reimbursed	1,313	3,505
	Net Operating Cash Flows	(227)	(1,129)
	Cash flows related to investing activities		
1.8	Payment for purchases of: (a) prospects		
	(b) other fixed assets	(54)	(327)
1.9	Proceeds from sale of: (a) prospects		
	(b) equity investments		
	(c) other fixed assets		
1.10	Loans to other entities		
1.11	Loans repaid by other entities		
1.12	Other (provide details if material)		
	Net investing cash flows	(54)	(327)
1.13	Total operating and investing cash flows (carried forward)	(281)	(1,456)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(281)	(1,456)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.		58
1.15	Payments for prospectus		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings		
1.18	Proceeds from forward cover deposit		
1.19	Other (provide details if material)		
	Net financing cash flows		58
	Net increase (decrease) in cash held	(281)	(1,398)
1.20	Cash at beginning of quarter/year to date	10,149	11,266
1.22	**Cash at end of quarter**	9,868	9,868

Payments to directors of the entity and associates of the directors Payments to related entities of the entity and associates of the related entities

		Current quarter $A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	98
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

Directors fees $53 thousand
and Consulting fees paid to directors based on special project hours $45 thousand

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available $A'000	Amount used $A'000
3.1	Loan facilities		
3.2	Credit standby arrangements		

Estimated cash outflows for next quarter

		$A'000
4.1	Exploration and evaluation (to be reimbursed by Farminee)	(1,018)
4.2	Development	
4.3	Production	
4.4	Administration	(515)
	Total	(1,532)

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter $A'000	Previous quarter $A'000
5.1	Cash on hand and at bank	544	554
5.2	Deposits at call	9,324	9,595
5.3	Bank overdraft		
5.4	Other (provide details)		
	Total: cash at end of quarter (item 1.22)	9,868	10,149

Changes in interests in mining tenements

		Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	NA			
6.2	Interests in mining tenements acquired or increased	NA			

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	**Preference +securities** *(description)*	Nil			
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	**+Ordinary securities**	417,357,759	417,357,759		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5	**+Convertible Perfoprmance Shares** *(description)*				

+ See chapter 19 for defined terms.

7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	Nil			
7.7	**Options** - *(description and conversion factor)*	172,626,250 12,300,000	172,626,250	Exercise price 10 cents Incentive Options	Expiry date 30.09.2012 Various dates
7.8	Issued during quarter			*Incentive Options Various prices*	*Incentive Options Various dates*
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	**Debentures** *(totals only)*	Nil			
7.12	**Unsecured notes** *(totals only)*	Nil			

Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).

2 This statement does /~~does not~~* *(delete one)* give a true and fair view of the matters disclosed.

Sign here: .... Date: 30 JULY 2012
(Company secretary)

Print name: JOSIE KING

+ See chapter 19 for defined terms.

Notes

1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.

5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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