



ASX Announcement

21 October 2011

PLACEMENT COMPLETED

Further to an announcement made on 13 October 2011, Verus Investments Limited (Verus) is pleased to announce completion of a private placement of 143.5 million shares at a price of 0.6 cents each and 71.75 million listed options exercisable at 2 cents expiring on 31 March 2012, raising a total of \$861,000 (before costs).

The funds raised will be allocated toward Sidi Dhaher drilling overruns and suspension costs, Chorbane block operator costs, well and log analysis for Sidi Dhaher, ongoing drilling and development activities at its onshore oil and gas investments in the USA (Louisiana and Texas), as well as for working capital and general corporate purposes.

In respect of the securities issue:

(a) an Appendix 3B is attached; and

(b) the Company gives notice that:

- it issued the securities without disclosure to investors under Part 6D.2 of the Corporations Act 2001 ("Act");
- this notice is being given under section 708A (5) (e) of the Act;
- as at today's date, the Company has complied with:
 - (i) the provisions of Chapter 2M of the Act as they apply to the Company; and
 - (ii) section 674 of the Act; and
- as at today's date there is no other information that is excluded information which is required to be set out in this notice pursuant to section 708A(6)(e) of the Act.

Yours faithfully

A handwritten signature in dark ink, appearing to read "Andrew McIlwain", is written over a light blue horizontal line.

Andrew McIlwain
Chairman

For further information in respect of the Company's activities, please contact:

Mr. Gregory Lee	Mr. Nathan Ryan
Executive Director	NWR Communications Investor Relations
Tel: (+61 8) 9240 8645	Tel: (+61 0) 420 582887

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003.

Name of entity

Verus Investments Limited

ABN

59 009 575 035

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|---|
| 1 | +Class of +securities issued or to be issued | <div>1. Ordinary shares</div> <div>2. Listed options</div> |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | <div>1. 143,500,000 ordinary shares</div> <div>2. 71,750,000 listed options</div> |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | <div>1. Rank equally with existing ordinary shares.</div> <div>2. Each option is to subscribe for one share at an issue price of \$0.02 on or before 31 March 2012.</div> |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

4 Do the ⁺securities rank equally in all respects from the date of allotment with an existing ⁺class of quoted ⁺securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	1. Yes 2. No. If the options are exercised, the shares issued as a result will rank equally in all respects with the existing ordinary fully paid shares.
5 Issue price or consideration	1. 143,500,000 ordinary shares were issued at \$0.006 each. 2. 71,750,000 listed options issued on a free attaching basis.
6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	The placement will be allocated towards: • Sidi Dhaher drilling overruns and suspension costs • Chorbane block operator costs • well and log analysis for Sidi Dhaher • ongoing drilling and development activities at its onshore oil and gas investments in the USA (Louisiana and Texas) • working capital and general corporate purposes
7 Dates of entering ⁺securities into uncertificated holdings or despatch of certificates	20 October 2011
8 Number and ⁺class of all ⁺securities quoted on ASX (including the securities in clause 2 if applicable)	1,639,408,563 VIL Ordinary Shares 387,750,000 Options exercisable at \$0.02 each and expiring on 31 March 2012

⁺ See chapter 19 for defined terms.

9	Number and ⁺ class of all ⁺ securities not quoted on ASX (including the securities in clause 2 if applicable)	500,000 Options exercisable at \$0.015 on or before 1 March 2012. 12,000,000 Director options exercisable at \$0.015 on or before 1 March 2012. 500,000 Options exercisable at \$0.04 on or before 9 December 2012. 60,000,000 Director options exercisable at \$0.025 on or before 31 December 2013. 7,500,000 Options exercisable at \$0.025 on or before 31 December 2013.
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	No plans to pay dividends at this stage.

Part 2 - Bonus issue or pro rata issue

N/A

11	Is security holder approval required?	
12	Is the issue renounceable or non-renounceable?	
13	Ratio in which the ⁺ securities will be offered	
14	⁺ Class of ⁺ securities to which the offer relates	
15	⁺ Record date to determine entitlements	
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
17	Policy for deciding entitlements in relation to fractions	

⁺ See chapter 19 for defined terms.

Appendix 3B

New issue announcement

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|----|--|--|
| 18 | Names of countries in which the entity has ⁺ security holders who will not be sent new issue documents

<small>Note: Security holders must be told how their entitlements are to be dealt with.

Cross reference: rule 7.7.</small> | |
| 19 | Closing date for receipt of acceptances or renunciations | |
| 20 | Names of any underwriters | |
| 21 | Amount of any underwriting fee or commission | |
| 22 | Names of any brokers to the issue | |
| 23 | Fee or commission payable to the broker to the issue | |
| 24 | Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of ⁺ security holders | |
| 25 | If the issue is contingent on ⁺ security holders' approval, the date of the meeting | |
| 26 | Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled | |
| 27 | If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders | |
| 28 | Date rights trading will begin (if applicable) | |
| 29 | Date rights trading will end (if applicable) | |
| 30 | How do ⁺ security holders sell their entitlements <i>in full</i> through a broker? | |

⁺ See chapter 19 for defined terms.

31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	
32	How do +security holders dispose of their entitlements (except by sale through a broker)?	
33	+Despatch date	

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) ☒ Securities described in Part 1.

(b) ☐ All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35	☐	If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders (To be advised)
36	☐	If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories 1 - 1,000 1,001 - 5,000 5,001 - 10,000 10,001 - 100,000 100,001 and over (To be advised)
37	☐	A copy of any trust deed for the additional +securities

+ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38	Number of securities for which +quotation is sought	
39	Class of +securities for which quotation is sought	
40	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	
41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another security, clearly identify that other security)	
42	Number and +class of all +securities quoted on ASX (<i>including</i> the securities in clause 38)	

+ See chapter 19 for defined terms.

All entities

Fees

43 Payment method (tick one)

☐

Cheque attached

☐

Electronic payment made

Note: Payment may be made electronically if Appendix 3B is given to ASX electronically at the same time.

☐

Periodic payment as agreed with the home branch has been arranged

Note: Arrangements can be made for employee incentive schemes that involve frequent issues of securities.

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the +securities to be quoted, it has been provided at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

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Appendix 3B
New issue announcement

- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:



Date: 21 October 2011

Print name:

Company Secretary
Paul Jurman

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+ See chapter 19 for defined terms.