

Australian Oil Company Limited

Level 8, 139 Macquarie Street, Sydney NSW 2000 Australia
Tel: (02)8231 7000 Fax: (02) 9251 5778
ABN 83 114 061 433

4th January 2012

Cameron Bill
Adviser, Listings (Sydney)
ASX Limited
Exchange Centre
20 Bridge Street
Sydney NSW 2000

Dear Cameron,

Appendix 3Y – Change of Directors Interest Notices

We refer to your letter of 29th December 2011 in relation to the late lodgement of Appendix 3Ys for the 2 Directors last month.

The event which led to the requirement to lodge the 3Ys was the issue of options on 9 December 2011 as approved by Resolution at the Annual General Meeting in November.

The Directors are aware of their responsibilities under Listing Rules 3.19A and 3.19B and are conscious of lodgements being made in a timely manner. Their responsibilities are also set out in the Company's share trading policy and all trades are reported to the Company Secretary.

In this particular instance there was no actual trading in the company's securities by the directors and the events leading to the changes were already public.

The responsibility for the late lodgement therefore rests with me and was an oversight on my part. As such we do not feel any changes need to be made to the current arrangements with regard to the Directors compliance with Listing Rule 3.19B.

I apologise for any confusion caused.

Yours sincerely,



M T Ohlsson
Company Secretary

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ASX Compliance Pty Limited
ABN 26 087 780 489
20 Bridge Street
Sydney NSW 2000
PO Box H224
Australia Square
NSW 1215

Telephone 61 2 9227 0656
Facsimile 61 2 9241 7620
www.asx.com.au

29 December 2011

Mr Mark Ohlsson
Company Secretary
Australian Oil Company Limited

By Email: ohlsson@bigpond.net.au

Dear Mark,

AUSTRALIAN OIL COMPANY LIMITED (the "Company")

We refer to the following:

1. The amended Appendices 3Y lodged by the Company with ASX today for Mr Keith Martens and Mr Grant Jagelman;
2. Listing rule 3.19A which requires an entity to tell ASX the following:
 - 3.19A.1 *The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the following times.*
 - *On the date that the entity is admitted to the official list.*
 - *On the date that a director is appointed.**The entity must complete Appendix 3X and give it to ASX no more than 5 business days after the entity's admission or a director's appointment.*
 - 3.19A.2 *A change to a notifiable interest of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) including whether the change occurred during a closed period where prior written clearance was required and, if so, whether prior written clearance was provided. The entity must complete Appendix 3Y and give it to ASX no more than 5 business days after the change occurs.*
 - 3.19A.3 *The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the date that the director ceases to be a director. The entity must complete Appendix 3Z and give it to ASX no more than 5 business days after the director ceases to be a director.*
3. Listing rule 3.19B which states as follows.

An entity must make such arrangements as are necessary with a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) to ensure that the director discloses to the entity all the information required by the entity to give ASX completed

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Appendices 3X, 3Y and 3Z within the time period allowed by listing rule 3.19.A. The entity must enforce the arrangements with the director.

4. The Companies Update dated 27 June 2008, reminding listed entities of their obligation to notify ASX within 5 business days of the notifiable interests in securities held by each director and outlining the action that ASX would take in relation to breaches of listings rules 3.19A and 3.19B.

The Appendices 3Y indicate that changes in Mr Martens' and Mr Jagelman's notifiable interests occurred on 9 December 2011. It appears that the Appendices 3Y should have been lodged with ASX by 16 December 2011. Consequently, the Company may be in breach of listing rules 3.19A and/or 3.19B. It also appears the directors concerned may have breached section 205G of the Corporations Act.

Please note that ASX is required to record details of breaches of the listing rules by listed companies for its reporting requirements.

ASX reminds the Company of its contract with ASX to comply with the listing rules. In the circumstances ASX considers that it is appropriate that the Company make necessary arrangements to ensure there is not a reoccurrence of a breach of the listing rules.

Having regard to listing rules 3.19A and 3.19B and Guidance Note 22: "Director Disclosure of Interests and Transactions in Securities - Obligations of Listed Entities", we ask that you answer each of the following questions:

1. Please explain why the Appendices 3Y were lodged late.
2. What arrangements does the Company have in place with its directors to ensure that it is able to meet its disclosure obligations under listing rule 3.19A?
3. If the current arrangements are inadequate or not being enforced, what additional steps does the Company intend to take to ensure compliance with listing rule 3.19B?

Your response should be sent to me by email to cameron.bill@asx.com.au. It should not be sent to the Company Announcements Office.

A response is requested as soon as possible and, in any event, not later than half an hour before the start of trading (ie before 9.30 a.m. A.E.D.T.) on Thursday, 5 January 2012.

Under listing rule 18.7A, a copy of this query and your response will be released to the market, so your response should be in a form suitable for release and should separately address each of the questions asked. If you have any queries or concerns, please contact me immediately.

Yours sincerely



Cameron Bill
Adviser, Listings (Sydney)

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