

9 September 2005

Ms Marian Tang
ASX
Level 8, Exchange Centre
2 The Esplanade
Perth WA 6000

Dear Marian,

ASX QUOTATION INFORMATION

Pursuant to the recent allotment and issue of 15,000,000 ordinary shares following the Company's recent \$3.0 million IPO raising, please find the following attached:

- Top 20 Shareholders
- Distribution Schedule
- Securities Subject to Escrow
- Terms of Unlisted Options & Incentive Options
- Compliance with Listing Rule 5.18
- Corporate Governance Statement

TOP 20 SHAREHOLDERS

Shareholder	Number	%
Saps Overseas Ltd	5,000,000	9.615
Towertun Pty Ltd	2,500,000	4.807
Craig Ian Burton <CI Burton Family A/C>	2,500,000	4.807
Mark Nahabedian	1,250,000	2.403
Rodney Hill	1,250,000	2.403
Mrs Michelle Doro Denny <The Pirates Cove A/C>	1,250,000	2.403
Ravenhill Investments Pty Ltd <House of Equity A/C>	1,250,000	2.403
Amazing Grace Holdings Pty Ltd <No 1 A/C>	1,250,000	2.403
PMB Holdings Pty Ltd <PMB Investment Unit A/C>	1,000,000	1.923
Vahagn Nahabedian	1,000,000	1.923
Armen Nahabedian	1,000,000	1.923
Katrina Lee Burton <The Katrina A/C>	1,000,000	1.923
Dolce Capital Pty Ltd <Dolce A/C>	1,000,000	1.923
Byrne Holdings Pty Ltd	1,000,000	1.923
Ravenhill Investments Pty Ltd	950,000	1.826
William Brownlie Fairweather <FW A/C>	900,000	1.730

Dr Robert Charles Williams	700,000	1.346
Waterox Pty Ltd <Tien Chai A/C>	700,000	1.346
Raylan Pty Ltd <Keen Retirement Fund A/C>	640,000	1.230
Aramis Nahabedian	500,000	0.961
	26,640,000	51.221

DISTRIBUTION SCHEDULE

	1 - 1000	1,001 – 5,000	5,001 – 10,000	10,001 – 100,000	100,001 - Maximum	Total
Holders	0	0	384	155	76	615
Units	0	0	3,840,000	7,330,000	40,830,001	52,000,001

SECURITIES SUBJECT TO ESCROW

Number of Securities	Class of Security	Period of Escrow
17,000,001	Ordinary Shares	24 months from date of official quotation to the ASX
5,000,000	Ordinary Shares	12 months from 28 June 2005
12,500,000	Options, exercisable at 30 cents each, expiring on or before 18 December 2009	24 months from date of official quotation to the ASX
5,000,000	Options, exercisable at 30 cents each, expiring on or before 18 December 2009	12 months from 28 June 2005
1,000,000	Incentive Options, exercisable at 20 cents each, expiring on or before 18 December 2009	24 months from date of official quotation to the ASX
250,000	Incentive Options, exercisable at 20 cents each, expiring on or before 18 December 2009	12 months from 17 December 2004

THE TERMS OF THE LIVINGSTONE PETROLEUM LTD UNLISTED INCENTIVE OPTIONS EXERCISABLE AT 20 CENTS

The material terms and conditions of the options are as follows:

- Each Incentive Option exercised will entitle the holder to one Share in the capital of the Company.
- The Incentive Options only become exercisable by the holder at the rate of 20,000 Incentive Options per calendar month after the vesting hurdle until such time as all Incentive Options held thereby become exercisable. The vesting hurdle was satisfied with the Company's acquisition of a 50% interest in the Forbes Project on 1 June 2005.
- If the holder ceases to be an officer, employee or engaged consultant of the Company, then:
 - (a) any Incentive Options that are then exercisable may be exercised within the next 21 days, failing which they lapse; and
 - (b) any Incentive Options that are not then exercisable automatically lapse.

- Subject to the above, the Incentive Options must be exercised on or before 18 December 2009 ("Expiry Date").
- The exercise price of the Options is 20 cents.
- The Company will provide to each Incentive Option holder a notice that is to be completed when exercising the Incentive Options. All Shares issued upon exercise of the Incentive Options will rank pari passu in all respects with the Company's then existing Shares.
- The Incentive Options are only transferable with the prior consent of the Board of the Company.
- There are no participating rights or entitlements inherent in the Incentive Options and holders will not be entitled to participate in new issues of securities offered to shareholders of the Company during the currency of the Incentive Options. Subject to the terms of any reconstruction, an Incentive Option holder is required to exercise the Incentive Options (if then exercisable) in order to participate in any new issue of securities offered to shareholders by the Company for subscription on a pro rata basis. Incentive Option holders will be provided written notice of the terms of the pro rata offer to shareholders and afforded 10 business days before the record date to exercise their Incentive Options.
- If from time to time on or prior to the Expiry Date the Company makes a bonus issue of securities to holders of Shares in the Company ("Bonus Issue"), then upon exercise of his or her Incentive Options a holder will be entitled to have issued to him or her (in addition to the Shares which he or she is otherwise entitled to have issued to him or her upon such exercise) that number of securities which would have been issued to him or her under that bonus issue if the Incentive Options had been exercised before the record date for the bonus issue.
- In the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company, on or prior to the Expiry Date, the Incentive Options will be reorganised in accordance with the formula adopted from the ASX Listing Rules.
- In the event of any pro-rata issue of securities (except a Bonus Issue) the exercise price of the Incentive Options will be adjusted in accordance with the Listing Rule 6.22

THE TERMS OF THE LIVINGSTONE PETROLEUM LTD OPTIONS EXERCISABLE AT 30 CENTS

The material terms and conditions of the options are as follows:

- Each Option exercised will entitle the holder to one Share in the capital of the Company.
- The Options are exercisable at any time on or before 18 December 2009 ("Expiry Date").
- The exercise price of the Options is 30 cents.

- The Company will provide to each Option holder a notice that is to be completed when exercising the Options. All Shares issued upon exercise of the Options will rank pari passu in all respects with the Company's then existing Shares.
- The Options are transferable upon written notification to the Secretary of the Company.
- There are no participating rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of securities offered to shareholders of the Company during the currency of the Options. Subject to the terms of any reconstruction, an Option holder is required to exercise the Options in order to participate in any new issue of securities offered to shareholders by the Company for subscription on a pro rata basis. Option holders will be provided written notice of the terms of the pro rata offer to shareholders and afforded 10 business days before the record date to exercise their Options.
- If from time to time on or prior to the Expiry Date the Company makes a bonus issue of securities to holders of Shares in the Company ("Bonus Issue"), then upon exercise of his or her Options an Option holder will be entitled to have issued to him or her (in addition to the Shares which he or she is otherwise entitled to have issued to him or her upon such exercise) that number of securities which would have been issued to him or her under that bonus issue if the Options had been exercised before the record date for the bonus issue.
- In the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company, on or prior to the Expiry Date, the Options will be reorganised in accordance with the formula adopted from the ASX Listing Rules.
- In the event of any pro-rata issue of securities (except a Bonus Issue) the exercise price of the Incentive Options will be adjusted in accordance with the Listing Rule 6.22

COMPLIANCE WITH LISTING RULE 5.18

The Company confirms that it has entered into a letter agreement to amend the Exploration Agreement with Orchard Petroleum Inc executed on 1 June 2005 to enable the Company to meet its continuous disclosure obligations once it becomes an ASX listed company. This satisfies listing rule 5.18.

CORPORATE GOVERNANCE STATEMENT

Responsibilities of the Board

The primary responsibility of the Board is to represent and advance shareholders' interests and to protect the interests of all stakeholders. To fulfil this role the Board is responsible for the overall corporate governance of the Company including its strategic direction, establishing goals for management and monitoring the achievement of these goals. The Board is required to do all things that may be necessary to be done in order to carry out the objectives of the Company.

The responsibilities of the Board include:

- Protection and enhancement of shareholder value.
- Formulation, review and approval of the objectives and strategic direction of the Company.
- Monitoring the financial performance of the Company by reviewing and approving budgets and monitoring results.
- Approving all significant business transactions including acquisitions, divestments and capital expenditure.
- Ensuring that adequate internal control systems and procedures exist and that compliance with these systems and procedures is maintained.
- The identification of significant business risks and ensuring that such risks are adequately managed.
- The review of performance and remuneration of executive directors and key staff.
- The establishment and maintenance of appropriate ethical standards.
- Evaluating and, where appropriate, adopting with or without modification the ASX Corporate Governance Council's Principles of Good Corporate and Best Practice Recommendations.

The Board recognises the need for the Company to operate with the highest standards of behaviour and accountability.

Composition of the Board and New Appointments

The Company currently has the following Board members:

Mr Craig Burton	Executive Director
Mr Jim Malone	Independent Non-Executive Chairman
Mr Michael Fry	Independent Non-Executive Director

The majority of the Board are independent in compliance with ASX Corporate Governance Council Recommendation 2.1.

The Board considers that the Company is not currently of a size nor are its affairs of such complexity to justify the appointment and further expense of additional independent non-executive directors. The Board believes that the individuals on the Board can make, and do make, quality and independent judgments in the best interests of the Company on all relevant issues.

If the Company's activities increase in size, nature and scope, the size of the Board will be reviewed periodically to determine the optimum number of directors required for the Board to properly perform its responsibilities and functions. In particular as the Company's activities increase, the Board may appoint a full-time managing director.

The membership of the Board, its activities and composition is subject to periodic review. The criteria for determining the identification and appointment of a suitable candidate for the Board will include the quality of the individual, background of experience and achievement, compatibility with other Board members, credibility with the Company's scope of activities, intellectual ability to contribute to the Board duties and physical ability to undertake the Board duties and responsibilities.

Directors are initially appointed by the full Board subject to election by Shareholders at the next annual general meeting. A managing director may be appointed for any period and on any terms the directors think fit and, subject to the terms of any agreement entered into, the Board may revoke any appointment.

Committees of the Board

The Board considers that the Company is not currently of a size, nor are its affairs of such complexity to justify the formation of separate or special committees at this time, with specific respect to recommendation 2.4, 4.2 and 9.2. The Board as a whole is able to address the governance aspects of the full scope of the Company's activities and to ensure that it adheres to appropriate ethical standards.

The full Board currently holds meetings at such times as may be necessary to address any general or specific matters as required.

If the Company's activities increase in size, nature and scope the size of the Board and the appointment of separate or special committees will be reviewed by the Board and implemented if appropriate.

Conflicts of Interests

Directors must:

- disclose to the Board actual or potential conflicts of interests that may or might reasonably be thought to exist between the interests of the Director and the interests of any other parties in carrying out the activities of the Company; and
- if requested by the Board, within seven days or such period as may be permitted, take such necessary and reasonable steps to remove any conflict of interest.

If a Director cannot, or is unwilling to, remove a conflict of interest then the Director must, as per the Corporations Act, absent himself or herself from the room when discussion and/or voting occurs on matters about which the conflict relates.

Independent Professional Advice

The Board has determined that each Director has the right to seek independent professional advice at the Company's expense, up to specified limits, to assist them to carry out their responsibilities.

Ethical Standards

The Board acknowledges the need for continued maintenance of the highest standard of corporate governance practice and ethical conduct by all Directors and employees of the Company.

Code of Conduct for Directors and Key Executives

The Board will be adopting a Code of Conduct for Directors and key executives so as to promote ethical and responsible decision making. The code will be based on the code of conduct for Directors prepared by the Australian Institute of Company Directors. The Company intends to comply with recommendations 4.1 and 7.2.

Continuous Disclosure to the ASX

The continuous disclosure policy will require all executives and Directors to inform the Chairman, or in his or her absence, the Company Secretary, of any potentially material information as soon as practicable after they become aware of that information.

Information is material if it is likely that the information would influence investors who commonly acquire securities on the ASX in deciding whether to buy, sell or hold the Company's securities.

The Chairman will be responsible for interpreting and monitoring the Company's disclosure policy and where necessary informing the Board. The Company Secretary is responsible for all communications with the ASX.

Dealings in Company Securities

The Company's trading policy prohibits any Company officer or employee from dealing with securities at any time whether he or she is in possession of unpublished information, which if generally available, might materially effect the price or value of those securities. Otherwise, an officer or employee is only allowed to trade the securities of the Company with prior notification to the Chairman (if the Chairman wishes to trade he must notify the Board). Trading is only permitted for two weeks following this notification and confirmation of any trading must be provided to the Chairman.

Identification of Risk

The Board is responsible for the oversight of the Company's risk management and control framework. The responsibility for control and risk management is delegated to the appropriate level of management within the Company with the Chairman and Company Secretary having ultimate responsibility to the Board for the risk management and control framework. Arrangements put in place by the Board to monitor risk management will include regular reporting to the Board in respect of operations and the financial position of the Company.

Role of Auditor

The Company's practice will be to invite the auditor to attend the annual general meeting and be available to answer Shareholder questions about the conduct of the audit and the preparation and content of the auditor's report.

Performance Review

The Board will be adopting a self-evaluation process to measure its own performance during each financial year. This process includes a review in relation to the composition and skills mix of the Directors of the Company.

ASX Corporate Governance Council Principles of Good Corporate Governance and Best Practice Recommendations

The Company is committed to implementing the highest standards of corporate governance. In determining what those high standards should involve, the Company has turned to the ASX Corporate Governance Council's Principles of Good Corporate Governance and Best Practice Recommendations.

The Company is presently considering the ASX Corporate Governance Council's Principles of Good Corporate Governance and Best Practice Recommendations to determine an appropriate system of control and accountability to best fit its business and operations commensurate with these guidelines. Once these policies are formalised and adopted by the Company, they will be made available on the Company's website.

The Company seeks to follow the best practice recommendations for listed companies where appropriate for its size and operations. In cases where the Company determines it would be inappropriate to follow the principles because of its circumstances, the Company will provide reasons for not doing so in its Annual Report.

*On behalf of the Board of
Livingstone Petroleum Limited*