

## PRE-QUOTATION DISCLOSURE

Maverick Drilling & Exploration Limited (ASX: MAD) wishes to advise the following:

### Allotment of shares under IPO

The initial public offer under the prospectus dated 2 July 2010 and supplementary prospectus dated 29 July 2010 (together, the **Prospectus**) was closed on 18 August 2010 and the allotment and issue of 50,000,000 ordinary shares, each fully paid at an issue price of 20 cents per share, was completed on 25 August 2010.

### Conversion of convertible notes

70,000,000 convertible notes issued by the Company were converted into 98,193,287 fully paid ordinary shares in Maverick at an issue price of 16 cents per share (80% of the IPO price) on 25 August 2010.

### IPO proceeds

A number of convertible noteholders elected to apply the interest owing on their convertible notes towards subscribing for shares under the IPO. Accordingly, Maverick received \$8,769,988 in cash subscriptions and \$1,230,012 in interest payments (after scale back) was applied towards subscription for shares under the IPO to achieve the \$10,000,000 raising.

Of the 50,000,000 shares allotted under the IPO, Maverick issued:

- 43,849,940 shares for cash consideration received of \$0.20 per share; and
- 6,150,060 shares to convertible noteholders who elected to apply interest payable on their convertible notes at an issue price of \$0.20 per share.

An updated list of commitments based on actual funds raised and received under the Prospectus is set out below:

Use of proceeds	AUD raised
Provide initial capital for the drilling program on the Blue Ridge Dome Leases and other working capital	\$5,705,308
Repayment of a loan used to fund the first instalment on the acquisition of additional drilling equipment	\$224,442
Expenses of the offer (being those amounts payable from gross proceeds of the offer from total offer expenses of \$976,000)	\$613,848
Payment of interest on convertible notes	\$2,226,390
<b>Funds received by Maverick</b>	<b>\$8,769,988</b>

## Maverick leases

Maverick confirms that all leases towards which funds raised under the Prospectus will be allocated are current and have not expired.

## Escrow

Maverick confirms that the following shares will be subject to escrow restrictions for the following periods:

Escrow period	Number of shareholders	Number of shares
24 months from quotation	99	136,112,857 <sup>1</sup>
Until 28 October 2010	29	18,743,983 <sup>1</sup>
Until 30 November 2010	86	21,168,356 <sup>2</sup>
Until 28 February 2011	86	21,168,356 <sup>3</sup>
Until 31 May 2011	86	21,168,454 <sup>3</sup>

Notes:

1. These shares are classified as restricted securities and subject to mandatory escrow under the ASX listing rules. They will not be released for trade without prior written consent from ASX and Maverick.
2. Of these 21,168,356 shares, 6,551,997 are classified as restricted securities and subject to mandatory escrow under the ASX listing rules until 28 October 2010 and then subject to voluntary escrow arrangements for the remainder of that period. While the 6,551,997 shares are classified as restricted securities they will not be released for trade without prior written consent from ASX and Maverick. While shares are subject to voluntary escrow arrangements they will not be released for trade without consent from Maverick.
3. These shares are subject to voluntary escrow arrangements and will not be released for trade without consent from Maverick.

For further enquiries, please contact:

Andrew Crawford  
Company Secretary  
(02) 4925 3800

### **About Maverick Drilling & Exploration Limited (ASX: MAD)**

Maverick is a diversified oil company with existing oil production and reserves focusing on low cost development of low risk drilling prospects. Maverick's flagship assets are leases that it holds over parts of the Blue Ridge Dome, an established producing oil field located south of Houston, Texas in the United States and wholly owned Maverick Drilling Company, a 37 year old contract drilling company based in Texas.