

NOVUS PETROLEUM LIMITED

ABN 17 067 777 440

RELEASE TO THE AUSTRALIAN STOCK EXCHANGE

19 JANUARY 2004

NOVUS TAKEOVER RESPONSE STATEMENT

Novus Petroleum Limited ("Novus") has been notified that Crosby Capital Partners ("Crosby") is launching an off-market takeover offer for Novus at \$1.77 cash per share and that the Novus Chief Executive Officer, Dr Bob Williams, is part of the Crosby consortium.

Since Medco announced its offer on 22 December 2003, Novus and its advisers have sought alternative proposals to maximise shareholder value. The Crosby consortium made the company aware of its proposal on 17 January 2004.

As independent directors of Novus, Mr David Blair (Chairman), Mr Steve Mann and Mr James Hornabrook are pleased that an alternative proposal has been made to shareholders, but while a modest improvement on the Medco offer, believe that the Crosby offer does not take into account the underlying value of Novus.

The independent directors have carefully considered the ongoing role of Bob Williams and have determined that he will no longer be involved in responding to any takeover offers for Novus. However, Bob Williams has been asked to remain as CEO to manage the day-to-day business of Novus as usual.

The independent directors advise the shareholders to take no immediate action until further details are available.

FOR FURTHER INFORMATION please contact:

**David Blair (Chairman), Mike Sandy (Manager, Corporate Development)
or Elaine Connor (Company Secretary) on 02 9248 0734**

<http://www.novuspetroleum.com>