



ASX/Media Release

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AusTex Oil Limited

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About AusTex

AusTex Oil Ltd (ASX: AOK) is an Exploration and Production company that is focused on the development of oil and gas leases in the USA. The company produces oil and gas in Oklahoma and Kansas. AOK holds interests in ~70,000 acres of oil and gas leases, including acreage in the exciting Mississippi Lime play in Northern Oklahoma.

AusTex Oil successfully frac's 2nd Mississippi Lime Well in Northern Oklahoma

Snake River Project – 6,000 acres

Kay and Noble Counties, Oklahoma. USA

AOK 100% WI ~80% NRI

Following the successful completion of the ETU #15-4 well, AusTex Oil Limited is pleased to report the successful fracture stimulation of the offsetting development well ETU #14-5 located in Kay County, Oklahoma. This is the second well under completion of a planned 10 well program to delineate the Mississippi Lime interval across the company's leases.

With continued large investment by other operators on adjoining leases, significant production increases are being reported from the Mississippi Lime play in both vertical and horizontal wells. (see figure 1 below).

ETU #14-5 Production Well under Completion

On Monday 5th December (CST) the ETU #14-5 vertical development well was successfully fracture stimulated across two intervals in the Mississippi Lime formation between 4,342 and 4,610 feet. The well is currently flowing back fluid with approx. 2,000 barrels or 16% of the frac fluid recovered between 11pm Monday night and 2pm Tuesday afternoon whilst maintaining 180 psi pressure at the surface.

An electric submersible pump (ESP) will be fitted over the next few days with flow lines and surface infrastructure already in place to commence production testing.

Speaking from Tulsa, Executive Director, Richard Adrey commented, "The operation ran smoothly with all instrumentation indicating a successful result. We are encouraged to see the well flowing back at this rate and will be monitoring the well constantly so that we can get the pump on as soon as practicable. With another 8 vertical wells planned over the coming months we will certainly gain a full understanding of

the reservoir beneath us before going into a Horizontal Development program. A number of companies have expressed interest in participating in our planned Horizontal Program next year and we are continuing both discussions and negotiations”.

Drilling Program Ongoing

Drilling of an additional 8 vertical wells is planned to continue in Calendar 2012. Information gained from this drilling program will be used to refine the planned Horizontal Drilling program.

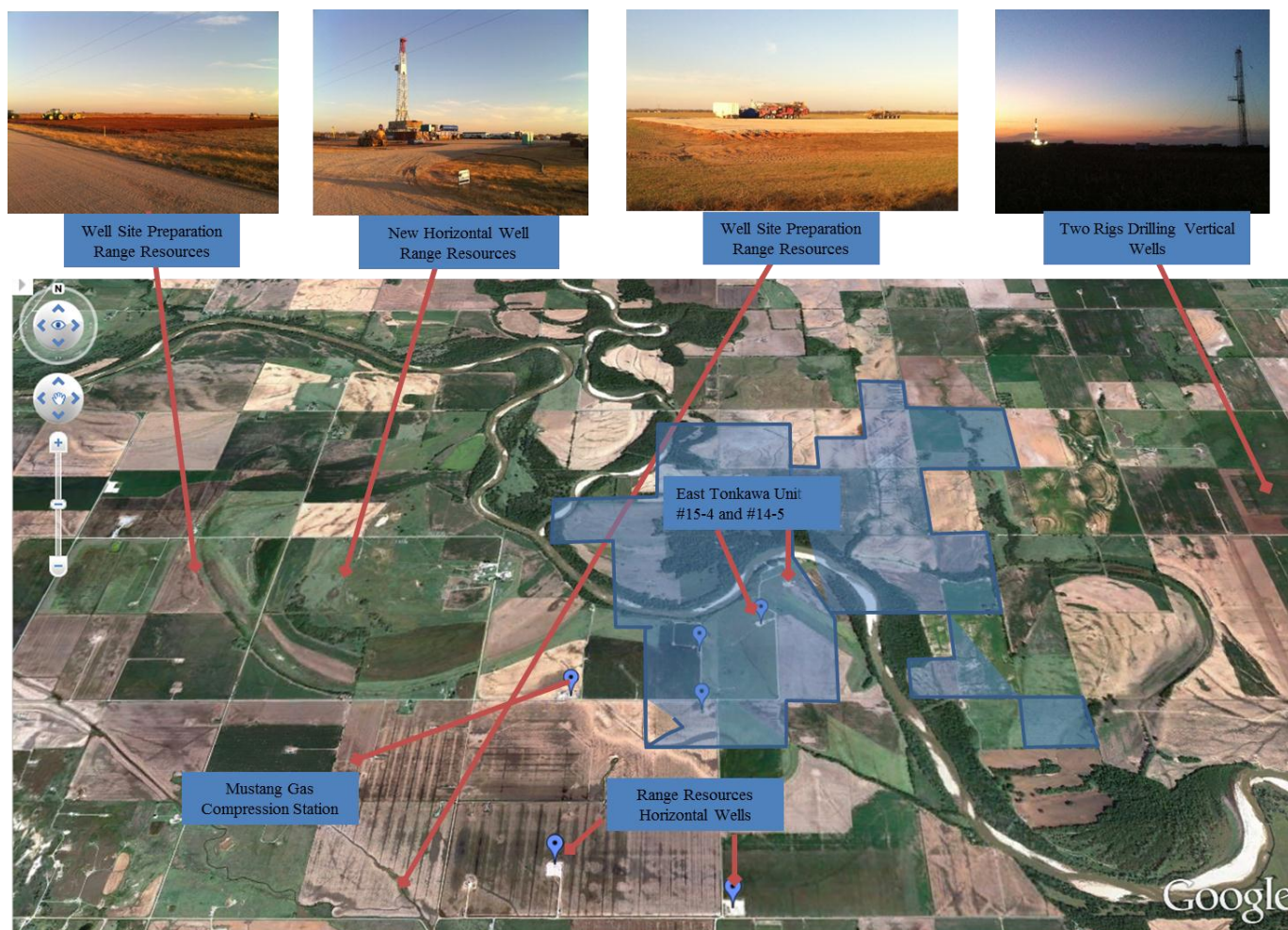


Fig 1. Current Field Activity near AOK East Tonkawa Unit (highlighted in blue) in Kay County, Oklahoma

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