



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 ~26,000 net acres of oil and gas leases, including acreage in the exciting Mississippi Lime play in Northern Oklahoma and Kansas.

**AUSTEX OIL REPORTS DRILLING SUCCESS
IN ARBUCKLE LIME WELL, RICE COUNTY, KANSAS**

- **Ludwick #1 intersects multiple breaks in Target**
- **Drill Stem Test produces sweet 42 gravity oil**

AusTex Oil Limited (**ASX:AOK - OTCQX:ATXDY**) is pleased to announce the following update on drilling operations in Rice County, Kansas.

Ellsworth Project – 3200 acres

AOK 50% Working Interest 38% Net Revenue Interest

Ludwick #1 Well

Section 35 - Township 19S – Range 10W
Rice County, Kansas

Castle Resources Inc., as operator, reports that drilling operations on the Ludwick #1 Well have successfully reached a TD at 3,450 feet. A Drill Stem Test was conducted on a 51 foot section of the Arbuckle interval between 3,237 feet and 3,288 feet. **During the one hour test 19.29 barrels of clean 42 gravity oil and a quantity of gas were recovered.** Samples and logs confirm multiple breaks in the Arbuckle interval with moveable hydrocarbons. These early results are very encouraging.

The well has been cased and is to be completed for oil production testing.

Background

The Ludwick #1 Well is located on the Central Kansas Uplift in the middle of the Chase Silica field, which has cumulative oil production of over 281 million barrels, and is on a separate undrilled 3D closure within the field. Recent drilling success in the field is targeting deeper porosity breaks in the Arbuckle Limestone formation.

Previous presentations and announcements by AOK have highlighted the prospectivity of the Arbuckle formation. The Mollhagen #8 Well (see announcement dated 18 October 2011)

has been completed in this formation and is awaiting infrastructure. The Mississippi Lime is thin or absent on the Central Kansas Uplift and the target in this area is the Arbuckle. The three most productive zones in Kansas historically have been the limestones namely, the Lansing-Kansas City, Mississippi and the Arbuckle. This northern section of the Ellsworth project, is on the Central Kansas Uplift where the Mississippi Lime is absent.

For Further Information – Please contact

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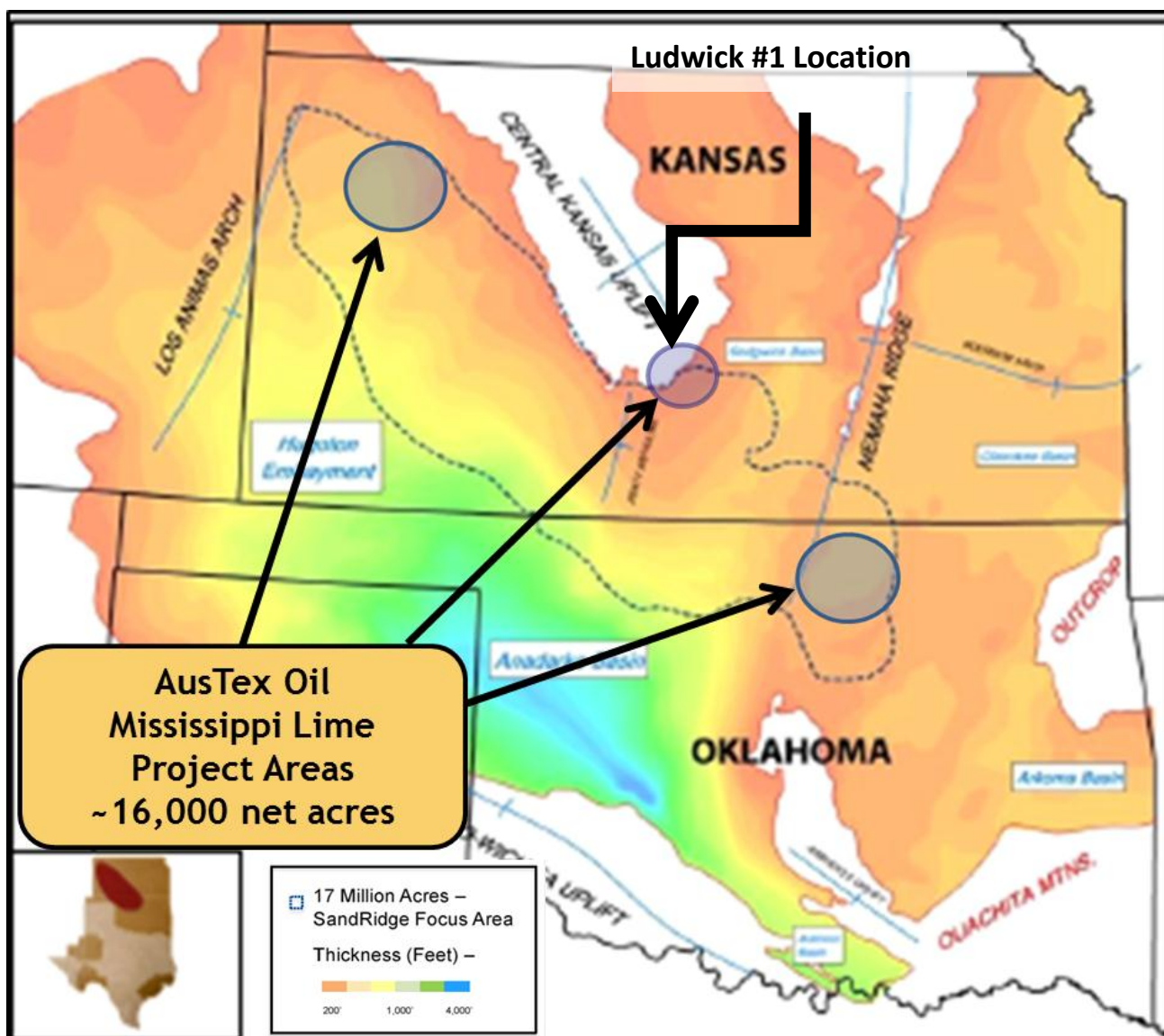


Fig 1. Location of Ludwick #1 Well in Rice County on the Central Kansas Uplift