



ASX/Media Release

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AusTex Oil Limited

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ASX: AOK

OTCQX: ATXDY

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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.

Mississippi Lime Acreage increase in Kansas

AusTex Oil Limited (ASX:AOK – OTCQX:ATXDY) is pleased to advise the following update on operations in Kansas.

AusTex Oil and Castle Resources Inc., as operator, are working interest partners under a Joint Operating Agreement in oil and gas leases in Sheridan and Thomas Counties, Kansas.

Colby Project – 15,500 acres

Thomas County – Kansas

AOK 70% Working Interest 58.8% Net Revenue Interest

As previously announced on 6 January 2012, AOK acquired 70% working interest in 8,100 acres. The Company has now finalised leasing an additional 7,400 acres with a total of 15,500 acres now under new primary term leases. Historical drilling in the area has confirmed the presence of the Lansing-Kansas City, Mississippi Lime and Arbuckle Lime formations.

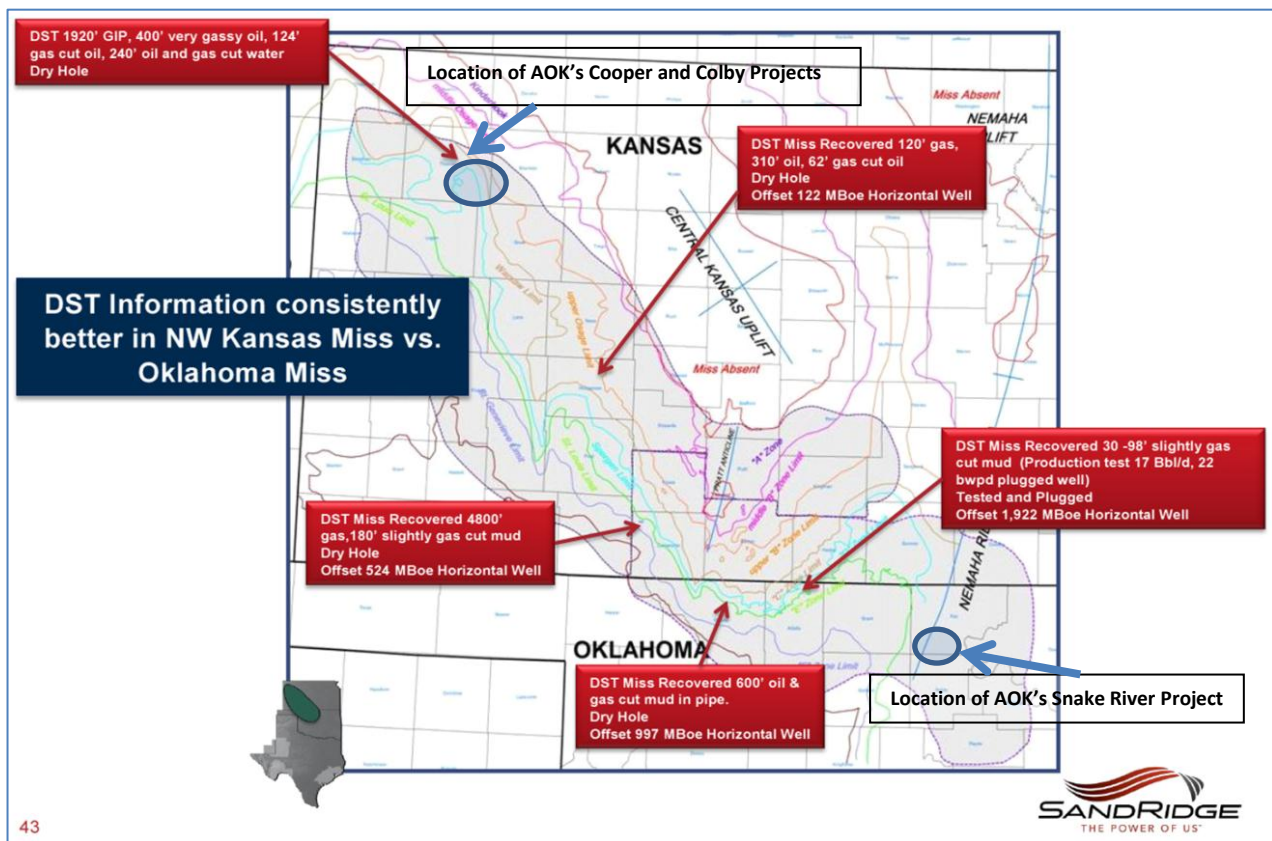
AOK now holds 22,500 net acres in the Miss Lime defined area of interest.

Background

Over recent months, the area of interest identified in the Mississippi Lime play has been extended by other operators to include North West Kansas. Sandridge Energy (NYSE:SD) recently released a technical presentation on the Mississippi Lime Area of Interest which covers 14 million acres in Kansas and Oklahoma. This area of interest encompasses AOK's Snake River, Colby and Cooper Projects held by AOK. Leasing and exploration activity in Thomas and Sheridan Counties is at an all time high with lease pricing increasing monthly.

This additional Mississippi Lime acreage provides AOK share holders with significantly more value given the recent production success AOK has had in the Mississippi Lime formations in Northern Oklahoma.

The next 12 months will be a very busy and exciting time for all stake holders in AOK, and we look forward to reporting staged developments as drilling and completion work continues.



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Figure 1 Drill Stem Test (DST) data from the SandRidge Energy March 2012 Presentation
○ - Location of AOK Projects