



Well Development Program Continues at Snake River Project

AusTex Oil Limited
A.C.N. 118 585 649

ASX: AOK
OTCQX: ATXDY

Level 7, 207 Kent Street,
Sydney NSW 2000
Telephone +61 2 9238 2363
Fax +61 2 8088 7280

Contact

Daniel Lanskey
Managing Director
dan.lanskey@austexoil.com

Website

www.austexoil.com
<https://twitter.com/AusTexAOK>

Directors

Richard Adrey
(Executive Chairman)

Kwang Hou Hung
(Deputy Chairman)

Russell Krause
(Non-Executive Director)

Daniel Lanskey
(Managing Director)

Kay Philip
(Non-executive Director)

Luis Vierma
(Non-executive Director)

Company Secretary
Tom Bloomfield +61 2 9290 9617

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 highly prospective Mississippi Lime play in Northern Oklahoma and Kansas.

- **Blubaugh #21-4 successfully drilled to 4,652 feet**
- **Well intersected ~340 feet of gross Mississippi Lime interval**
- **Including ~40 feet high porosity chat interval**
- **Drilling to commence on Swanee #24-2 Well**
- **13 Vertical and 2 Horizontal Wells now in production**
- **8 Vertical Wells under completion for production testing**
- **Flow rates from new vertical wells to be reported in coming weeks**

United States mid-continent focused oil & gas producer AusTex Oil Limited (**ASX:AOK – OTCQX:ATXDY**) is pleased to update shareholders on its vertical well drilling program at the Company's 100% owned and operated Snake River Project in Northern Oklahoma.

Blubaugh #21-4 Well – Drilled and Cased

Drilling operations on the #21-4 well have successfully reached TD at 4,652 feet. Samples and logs recorded excellent oil and gas shows in multiple formations including the target Mississippi Lime from 4,252 to 4,593 feet – 340 feet thick with 40 feet of chat.

The well has been cased and will be completed for production testing over the coming 3-5 weeks.

Swanee #24-2

The drilling contractor is to move onto the location of the Swanee #24-2 well in the next few days. This well is located 3 miles east of Production Hub No 2 and is located in Section 24 Township 24N Range 1 East. This will be the first well drilled in this 640 acre Section and will target the Mississippi Lime with an expected TD of 4,750 feet.

Executive Chairman Richard Adrey commented: "The team is doing an excellent job of delivering on its operational objectives during a sustained period of inclement weather, with drilling and hydraulic fracturing still meeting the company's stated development targets.

"Our well development program remains on track as we continue to drill two new vertical wells a month and bring additional vertical wells into production. We now have 13 vertical wells in production, and 8 vertical wells under completion.

"Our well development program confirms that the Snake River Project is indeed a sweet spot in the Mississippi Lime Play with the #21-4 demonstrating all the characteristics of uniformity and consistency of the hydrocarbon formations that we have witnessed in previous wells. Our confidence in the project grows with each new well.

"AusTex recently brought a number of new vertical wells into production which are adding to our daily production rate, and we look forward to reporting flow rates once these wells have been producing for 30 days."

For further information please contact:

Daniel Lanskey,
Managing Director
Australia +61 408 885018

Richard Adrey
Executive Chairman
USA +1 918-743-7300

Released through Ben Jarvis, Six Degrees Investor Relations: +61 413 150 448