



Commencement of further Drilling Activities

ACN 000 752 849

ASX Code: ABL

Level 4, 100 Albert Road
South Melbourne VIC 3205

Contact:

Phone: +61 (0)3 9692 7222

Fax: +61 (0)3 9077 9233

Board of Directors:

Paul Salter (Chairman)

Craig Mathieson (Non-executive)

Mordechai Benedikt (Non-executive)

Company Secretaries:

Justin Mouchacca

Melanie Leydin

Securities on Issue:

366,116,795

About Abilene Oil and Gas Limited

Abilene Oil and Gas Limited is a Mid West USA focused production, development and exploration company. The company assets are located in Kansas. The company strategy is focused on building up oil production assets, increasing drilling locations and adding exploration acreage in the region. The company strategy is based on a combination of targeting high return projects and innovative funding while maintaining low overhead and corporate costs.

Abilene Oil and Gas Limited ('Abilene' or 'the Company') is pleased to announce that drilling activities will soon commence at the Company's Central Kansas Uplift ('CKU') Joint Venture Project. The operator of the project, CMX Inc., has advised that drilling operations will commence on the CKU project shortly and the company will keep the market informed of operations.

The program will consist of up to 2 wells as noted below:

Well Name	Project	Location	Total Depth proposed
Leghorn #1-22	CKU	Barton County	3320
Foghorn #1-27	CKU	Rice County	3300

It is expected that the Leghorn #1-22 well will commence drilling shortly. Abilene will continue to report on the drilling progress for each well as advised by the operator. It is noted that Abilene's interest in the joint venture Company, Lodestone Resources LLC ('Lodestone'), equates to 49% with the joint venture owning a 100% interest in the projects.

The company notes that the funding for the two wells to be drilled in relation to the CKU project will be funded from existing cash reserves held by the joint venture.

For further information or enquiries, please contact:

Paul Salter

Non-executive Chairman

T: +61 (0)3 9692 7222