



Abilene Operations Update

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Board of Directors:

Paul Salter (Chairman)
Peter Best (Executive)
Craig Mathieson (Non-executive)
Mordechai Benedikt (Non-executive)

Company Secretaries:

Justin Mouchacca
Melanie Leydin

Securities on Issue:

73,223,295

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 the following operational updates:

CKU Project: Claflin #1 test update:

The CKU joint venture project has allowed Abilene to release the confidential results of the Arbuckle drill stem test as follows

Name: Claflin # 1

Type of well: Exploration

Location: Barton County, Kansas

Equity: 49%

Rock type: Dolomite

Depth of test: 3358-3383 feet

Type of test: open hole drill stem test

Duration flow period: 60 min

Recovery type: oil (46 API), gas

Recovery volume: 1780 feet gas cut oil (20% gas, 80% oil) and 120 feet GIP (gas in pipe).

CKU Project: drilling update

The Demel #1 well has been drilled to TD at 3410 feet. The primary Arbuckle target was absent. Minor shows in the secondary Lansing are deemed non-commercial. The well will be plugged and abandoned. Rig operations will pause for a short Christmas break, with the third well in the CKU initial four well project expected to start after this break

ABL production operations:

- The Kreibhel #1 well (WBW project) has the updated pump installed and is now waiting on a final power connection. Initial production reports are now expected in the first week of January 2015.
- The Claflin 1 well (CKU project) completion operation will be conducted in the first two weeks of January. At this stage production is expected to commence by the third week of January 2015.

For further information or enquiries, please contact:

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Non-executive Chairman
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Competent Person Statement Information – The geological information contained in this report have been compiled or reviewed by Mr Peter Best, Executive Director of ABL. Mr Best has over 33 years of experience in petroleum geophysics and geology and is a member of the American Association of Petroleum Geology. Mr Best consents to the inclusion of the information in this report relating to geological information in the form and context in which it appears.