



ASX Announcement

24 March 2015

Abilene CKU Project Drilling Update

ACN 000 752 849

ASX Code: ABL

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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 results from the Claflin 1-35 (Homolka) well in the CKU project area. This well is the first well of the current 8 well program (refer to ASX Announcement 16 March 2015).

The well has been drilled to a total depth (TD) of 3372 feet. The well is going to be completed as an Arbuckle oil producer following recovery of oil from that zone on a drill stem test (DST). Oil production rates will be confirmed once 30 days of production have been achieved.

As well gas was recovered from the Lansing B zone, which can be produced at a later date.

The Lodestone JV has a 30% working interest (WI) in this well, so the Abilene WI is 14.7%.

The well is located approximately 750m from the Claflin 1-35 well (Burmeister) (drilled in December 2014) but has been drilled on a separate structural feature.

The successful result is further verification of the 3D seismic based exploration approach.

For further information or enquiries, please contact:

Paul Salter

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.