

ASX Announcement – 26th March 2015**Update on Sorochnyska Well 201**

Hawkley Oil and Gas Limited (“Hawkley” or “the Company”, ASX: HOG) provides the following update concerning the loss of gas production from Well 201 on the Sorochnyska licence in Ukraine.

In November 2014, the Sorochnyska 201 well experienced a sudden significant decrease in production. Investigations identified that the change in performance was due to water influx. Production ceased during December whilst investigations into possible remedies continued.

Earlier this month the supply and installation of additional compression equipment was completed in an effort to resume production. Testing and commissioning of the additional equipment was carried out successfully, however the gas volume and pressure at the inlet was not sufficient for the compressor to continue operation.

The well is currently closed with monitoring indicating that the gas pressure is increasing due to gas inflow. The situation will continue to be monitored with the possibility of a further attempt to restart production in the next few weeks if gas pressure increases sufficiently.

The Company will update investors further when new information becomes available.

The Company is also considering certain corporate transactions and other project opportunities and will advise of any developments in due course. Shareholders should be aware that there is no certainty of such discussions and negotiations leading to a transaction being concluded.

For more information, please contact:

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Directors

Glenn Featherby
Executive Chairman

Bill Foster
Non-Executive Director

Anthony Reilly
Non-Executive Director

Share Information

ASX Code:	HOG
Shares on Issue:	288.2M
Options on Issue:	13.0M
Share Price*:	0.6¢
Market Cap*:	\$1.73M

*As at 25 March 2015