



Abilene Increases Interest in CKU Project

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)

Peter Best (Executive)

Craig Mathieson (Non-executive)

Mordechai Benedikt (Non-executive)

Company Secretaries:

Justin Mouchacca

Melanie Leydin

Securities on Issue:

366,116,475

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', 'ABL' or 'the Company') is pleased to announce that following the successful Rights Issue, the Company has agreed to fund its share of the Lodestone Resources LLC ('Lodestone') second option to acquire further acreage and leases in the Central Kansas Uplift Project ('CKU Project') (Refer to ASX Announcement 21 October 2014).

Abilene owns a 49% shareholding of the equity of Lodestone and has one of the three managers (i.e. Directors) of that entity.

The CKU project has been divided into three land packages, each of which is circa 5,000 acres each. The first land package had 3D seismic completed on the acreage and the Company along with its joint venture partners have carried out extensive drilling to date with successful wells placed into production. 3D seismic has been planned on the second and third land packages.

The first option was exercised in October 2014 and following the recent success evidenced by the joint venture, the option to purchase the second (5,178 acres) has also been exercised.

The cost to exercise the second option is US\$748,115.

The third (5,378 acres) land package under option, will require a further payment of US\$777,458, is due to expire on 15 December 2015. The Company will assess the value of exercising this option prior to expiry of the option.

For Further information, please contact:

Paul Salter
Chairman

T: +61 3 9692 7222

F: +61 3 9077 9233