

ASX Announcement

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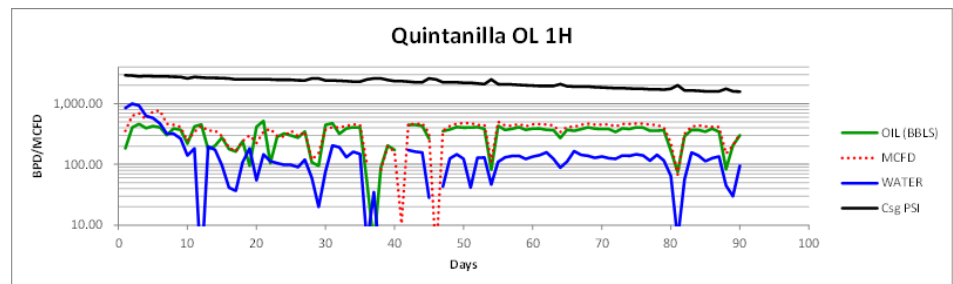
Website:
www.talonpetroleum.com.au

ASX Code: TPD

MR Olmos Project – Ninety Day Production Update

Talon Petroleum Limited (ASX: TPD) ("Talon" or "Company") is pleased to announce that during the first three months of production the Quintanilla OL 1H produced 33,945 boe (28,395 bo + 33,945 mcf) on restricted chokes. The current production rate is 443 boepd (372 bopd + 424 mcf) on a 14/64 inch choke.

This most recent 30 day period achieved an average production of 406 boepd, an increase from the first 30 day period (358 boepd) and the second 30 day period (367 boepd).



Cliff Foss, President Managing Director and CEO stated that "Talon's first horizontal Olmos well continues to impress. The casing pressure continues to exceed expectations and has only declined to 1475 psi after a full quarter of production. This result gives us confidence in the value of our significant offset acreage, in which Talon now holds a high working interest".

In respect of Talon's ~3,600 of Mosman Rockingham (MR) Olmos acreage, Talon has notified Aschere Energy LLC, that it has not validly exercised its option to acquire a 16.66% working interest in this acreage. Consequently, Talon will retain 100% working interest in its MR Olmos project.

Glossary:

WI	working interest, a cost bearing interest of an oil and gas project
bopd	barrels of oil per day
mcf	thousands of cubic feet of gas per day
bwpd	barrels of water per day
boepd	barrels of oil equivalent per day at 6:1 gas to oil

About Talon Petroleum Limited:

Talon Petroleum Limited is a Texas and Gulf Coast focused exploration and appraisal company listed on ASX (ASX code: TPD). Talon's strategy is to invest in multi-well oil projects that are located within areas with good production infrastructure employing horizontal drilling and advanced fracing technologies.

The projects target oil in resource plays (shales) or in low permeability conventional reservoirs that originally produced only a small fraction of the hydrocarbons in-place (old fields with tight reservoirs) where recoveries can be improved with new technologies. Funding to drill the proof of concept tests in the early projects will come from selling down in large acreage blocks.

Talon's current portfolio reflects the strategy and consists of consists of six projects located in East and South Texas, USA. Talon is headquartered in Brisbane, Australia with an office in Houston, Texas, USA. Additional information is available on Talon's website: www.talonpetroleum.com.au