

Drilling Activities Update

ACN 000 752 849

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Melanie Leydin

Securities on Issue:

397,614,352

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') announces that it has been advised by the joint venture operator of the Pratt County Prospect Joint Venture, CMX Inc. ('CMX'), that the Aussie #1-16 will run production casing on the well in an attempt to complete the well as a producing well. The well, which is located in the Pratt County, Kansas, USA and was drilled to a total depth of 4,780 feet and further testing will need to be completed before the joint venture operator can confirm the economic potential of the well.

Abilene has a 49% interest in the well and will provide further details of testing once received from the joint venture operator.

The details of the drill stem test over the Arbuckle zone are detailed below:

- a) **Name:** Aussie #1-16
- b) **Type of well:** Exploration
- c) **Location:** Pratt County, Kansas, USA
- d) **Equity:** 49%
- e) **Gross/net pay:** N/A
- f) **Rock type:** Limestone
- g) **Depth of test:** 4106-4125 ft
- h) **Type of test:** drill stem test
- i) **Duration test:** 4.75 hrs
- j) **Hydrocarbon:** Oil
- k) **Recovery volume : 212' GMCO**
- l) **Choke/ flow rate:** the well did not flow to surface
- m) **Frac stimulation:** N/A
- n) **Other Gases:** none
- o) **Other info:** none

The recent drilling results following this round of drilling have continued to provide the joint venture with new information on the relevant areas of interest and with further assessments over the next season, additional drill targets will be reviewed in preparation for any future drilling activities.

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 has been compiled or reviewed by Leah A. Kasten who is a full time employee of the Lodestone Resources LLC Operator, CMX, Inc., and has over 15 years of experience in petroleum geophysics and geology. She is a member of the State of Missouri Board of Registered Geologists, Kansas Geological Society Board of Directors, Kansas Geological Society, and American Association of Petroleum Geologists, and is a recognized expert witness for the Oklahoma Corporation Commission and the Kansas Corporation Commission. Leah A. Kasten consents to the inclusion of the information in this report relating to geological information in the form and context in which it appears.