

ASX Announcement
May 9, 2011



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Directors

Michael Fry (Chairman)
David Prentice (Managing Director)
Perry Gilstrap (Director Operations)
Bruce Miller (Director Resources)
Steve Miller (Non-Executive Director)

ASX Code

RFE (Fully Paid Ordinary Shares)

Red Fork Grows Mississippian Acres by 40%

- ✓ Mississippian Acres increased to 41,000 net acres (up from 30,000 net acres)
- ✓ Red Fork now has an interest in 240 high-grade sections across seven Counties in the heart of the Mississippian play
- ✓ Current acreage position delivers an interest in >700 potential horizontal Mississippian well locations
- ✓ On track to achieve initial goal of >50,000 net acres by mid-year

Oklahoma based (Australian Securities Exchange listed) oil and gas exploration and production company Red Fork Energy Limited (“Red Fork” or the “Company”) is pleased to announce a further significant increase in its holdings in the exciting horizontal Mississippian oil and liquids rich gas play in Oklahoma.

Red Fork’s continuing leasing initiatives have so far delivered approximately 41,000 net (select high-grade) acres. This increase follows the large increase announced by the Company just three weeks ago.

The Company now has an interest in approximately 240 high-grade sections across seven Counties in the heart of the Mississippian play in northern Oklahoma. Each section (640 acre tract) has been selected to meet Red Fork’s specific leasing criteria to maximize the number of high-grade potential horizontal Mississippian well locations.

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This current acreage position provides the Company with the opportunity to participate in more than 700 potential locations, in parts of the play currently being targeted by the leading acreage holders, including Chesapeake Energy (NYSE:CHK), SandRidge Energy (NYSE:SD), Range Resources (NYSE:RRC), Pablo Energy, Calyx Energy, Plymouth Exploration, Ceja Corporation, Chaparral Energy and Territory Resources.

Red Fork has now increased its holdings in the horizontal Mississippian oil and liquids rich gas play in Oklahoma by almost 250% since the current leasing program commenced. The Company will continue to grow its holdings in its target area through its leasing initiatives as well as through the acquisition of larger tracts and through Federal and State lease sales. Red Fork is now well on it's way to achieving and exceeding its initial target of approximately 50,000 acres by the middle of this calendar year.

Yours faithfully

A handwritten signature in blue ink, appearing to read 'David Prentice', with a large circular flourish above the name.

David Prentice
Managing Director

Forward Looking Statements

This announcement contains “forward-looking statements”. Such forward-looking statements include, without limitation: estimates of future earnings, the sensitivity of earnings to oil & gas prices and foreign exchange rate movements; estimates of future oil & gas production and sales; estimates of future cash flows, the sensitivity of cash flows to oil & gas prices and foreign exchange rate movements; statements regarding future debt repayments; estimates of future capital expenditures; estimates of reserves and statements regarding future exploration results and the replacement of reserves; and where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. However, forward looking statements are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements. Such risks include, but are not limited to oil and gas price volatility, currency fluctuations, increased production costs and variances in reserves or recovery rates from those assumed in the company’s plans, as well as political and operational risks in the countries and states in which we operate or sell product to, and governmental regulation and judicial outcomes. For a more detailed discussion of such risks and other factors, see the Company’s Annual Reports, as well as the Company’s other filings. The Company does not undertake any obligation to release publicly any revisions to any “forward looking statement” to reflect events or circumstances after the date of this release, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.