

ASX Announcement
May 13, 2011



Red Fork Energy Limited
ACN 108 787 720

Level 2, 79 Hay Street
Subiaco Western Australia 6008
PO Box 1424
West Perth WA 6872

Telephone +61 8 9200 4470
Facsimile +61 8 9200 4471

Contact

David Prentice
Managing Director
david.prentice@redforkenergy.com.au

Website

www.redforkenergy.com.au

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)

Mississippi Zone Confirmed in Noble County Vertical Well

- ✓ *EastOK #1-24 Well* intersects 210 feet of naturally fractured Mississippian Limestone
- ✓ Schlumberger has completed a full suite of logs which will provide detailed information on the fracture system identified in this well
- ✓ Sample analysis confirms several oil and gas bearing zones within the broader Mississippian carbonate zone
- ✓ Well is located in the heart of the Noble County development area adjacent to the planned location of the *McMurtry #1-27H well*

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 that open hole logs have successfully been run and intermediate casing has been run and cemented to 5,490 feet on the *EastOK #1-24 well*.

This is the first well to be drilled by the Company in the Company's exciting horizontal Mississippian oil and liquids rich gas play in Oklahoma.

Schlumberger have completed a full suite of logs, including Formation Matrix Imaging "FMI" logs. Results from log analysis are expected to be available within two weeks. This information will provide detailed information on the natural fracture system throughout the Mississippian zone.

Preliminary review of the zone has already identified 210 feet of naturally fractured Mississippian Limestone with several oil and gas bearing zones. The thickness of the Mississippian zone in this well is at the upper end of the range of the Company's expectations, given our knowledge of the area derived from data from vertical wells drilled and produced in the immediate vicinity.

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The Company is now drilling ahead in the Arbuckle formation at a depth of approximately 5,600 feet.

Importantly, the results of the logs and sample analysis provide the Company with current (and very encouraging) data on the productive nature of the Mississippi zone in this area. This data will be very useful in planning for and drilling and completing our first horizontal well.

As previously announced, the Noble County portion of the Big River project will be the focus for our initial horizontal drilling and development.

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.