

ASX Announcement
September 6, 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)

East Oklahoma Project Gas Purchasing Agreement

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 it’s wholly owned mid-stream subsidiary EastOK Pipeline, LLC (“EastOK”) has reached agreement to purchase gas currently being produced by a neighboring operator in the shallow Woodford Shale gas project in Wagoner County, Oklahoma.

Under the terms of this agreement, EastOK will transport, process and sell approximately 2 million cubic feet of gas per day from this project. In consideration of this, EastOK will recover its costs and generate a margin by retaining a percentage of the gas from this stream for sale.

This gas will be added to the stream currently being produced by Red Fork from its East Oklahoma South Project and it will be processed, compressed and transported to sales via EastOK’s existing Wagoner “A” facilities.

EastOK has already built and commissioned the required gathering and transportation infrastructure and has commenced receiving gas under this agreement this week.

Commenting on this announcement, Red Fork Managing Director, David Prentice, said, “This agreement is an important step in the development of Red Fork’s mid-stream business. We are very pleased that EastOK has been able to secure this agreement to transport, process and sell gas from one of its neighboring operators in Eastern Oklahoma.

In the current soft pricing environment for natural gas in the United States, this agreement will improve the margins being achieved at the Company’s Wagoner “A” facilities by lowering unit costs as volumes are increased.”

We expect EastOK will continue to grow its mid-stream presence in Oklahoma as it expands to support all of Red Fork's exploration and production initiatives, including at the Company's Mississippian holdings in the northern part of the State."

Yours faithfully

A handwritten signature in blue ink, appearing to be 'D. 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.