



ALEATOR ENERGY — LIMITED —

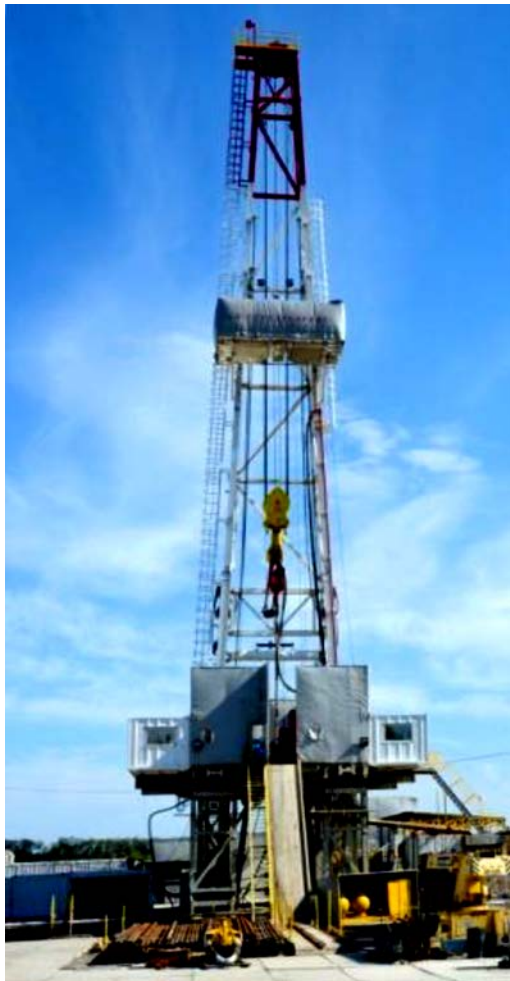
ASX/MEDIA Release

31 July 2013

ALEATOR SIGNS LOI WITH DRILLING COMPANY UKRBURSERVIS LLC TO DRILL THE POV-105 WELL

- Letter of Intent Signed to Secure Drilling Rig for the Pov-105 Well
- Drill Pad Completed
- All Casing Delivered

The Directors of Aleator Energy Limited ("**Aleator**" or "**the Company**") are pleased to advise that the



Company has signed a letter of intent ("LOI") with Ukrburservis Drilling Company ("Ukrbur") to provide a rig to drill the Pov-105 well in the highly prospective Povorotnoye gas and condensate field in Ukraine.

The final contract is expected to be negotiated within a time-frame anticipated to coincide with receipt of the first US\$10m tranche of the previously announced US\$20m funding facility.

Ukrbur is a Ukrainian based company which has extensive experience in drilling oil and gas wells in Ukraine and other Eastern European countries. Since 2003 Ukrbur has drilled in excess over 100 thousand meters, including one of the deepest producing wells in Ukraine gas with total depth at 6240m.

The proposed rig to drill the Pov-105 well is a US build National Oilwell Varco rig with a top drive configuration. It has a maximum drilling depth capability well exceeding the planned target depth for Pov-105 of 4140m.

Signing of the LOI with Ukrbur is a significant step forward for Povorotnoye project in that it provides definitive commercial terms together with drill costs and confirmation of time-frames for the rig to be mobilised and located on site to spud the Pov-105 well

in Q3/Q4 2013.

Drill site preparations have been completed and include the installation of concrete slabs as a base for the rig, construction of the cellar and setting of the liner. Other construction works associated with facilities such as water storage, fluid containment and the facility for mixing of drilling mud have also been completed.



Drill Site and infrastructure is complete and ready to accept the Drilling Rig

In the past two weeks Aleator has received delivery of 20 truckloads of 7” well casing, which completes the inventory receipt of casing, in readiness for drilling to commence.



Drill Casing – All delivered in readiness for the Pov-105 Well

Most long-lead equipment and items such as drill bits, well heads, cements and drill muds etc. have been received into the Ukraine warehouse over past months. Investment in these items together with in-country infrastructure, preliminary work on the well such as engineering and geological analysis, represents significant value on the ground with over \$7m already invested into the Povorotnoye project.

On securing the Rig LOI, the Company’s CEO Wal Muir commented “... *with finance in sight, I am very pleased that we have secured the LOI for a very capable rig to drill the Pov-105 well. I consider the Povorotnoye project to be one of the most promising projects in which I have been involved in my 35 year career in the oil and gas industry.*”

End.

Technical information contained in this announcement was approved by Wal Muir, who has had more than 33 years' experience in the practice of petroleum exploration. Wal Muir consents to the inclusion in this announcement of the information in the form and context in which it appears.

For further information please contact:

Mr Wal Muir
CEO - Aleator Energy Ltd
Email: wal@aleatorenergy.com.au

Mr Mark Rowbottam
Non Exec. Director - Aleator Energy Ltd
Email: mark@aleatorenergy.com.au

ABOUT ALEATOR ENERGY

Aleator Energy Limited is an active explorer for oil and gas with international operations based in Ukraine and the United States. The Company also retains mineral royalties in Australia.

The Povorotnoye Gas and Condensate Field in the Autonomous Region of Crimea, Ukraine, is part of the very attractive East European oil and gas rich sector. The project is located in the prolific "Foredeep" sector of the Azov Kuban Basin which straddles the highly productive gas and oil fields of the most western oil region in Russia and the eastern Crimean peninsula. OGIP (mean) of 132 BCF is currently calculated for the field.

The Golden Eagle Gas Field in Grand County Utah, USA, is located in the northern part of the Paradox Basin and contains a look-alike structure to the nearby Lisbon oil and gas field which has produced over 50 million of barrels of oil and 750BCF of gas. Golden Eagle has an estimated (P50) Discovered Gas Initially in Place (GIIP), of over 80 Billion Cubic Feet.