

ASX/Media Release

27 September 2010

AusTex Oil Limited

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About AusTex

AusTex Oil Ltd (ASX: AOK) which was listed on the ASX in January 2008 is focused on reworking and development of oil and gas leases in the USA. The company produces oil and gas from leases in Oklahoma and Kansas. Since listing, AusTex has increased its lease interests from 1,000 acres to 69,000 acres.

Lancaster #8 Well – Success

Drilling to commence on Mayo Moore #10

Lancaster Lease Group - Oklahoma

AusTex Oil Limited (**ASX:AOK**), advises that drilling of the Lancaster #8 successfully reached Total Depth of 2,566 feet on Thursday evening, 24 September 2010 (Tulsa Time).

Samples obtained during drilling and logs completed confirm the well intersected hydrocarbons in the Simpson Sands series and Arbuckle formation along with a number of shallower formations. The well logged 65 feet structurally higher than nearby wells. Casing has been set to the top of the Arbuckle and the well is to be production tested with an open hole completion.

The rig is to move onto the Mayo Moore #10 injection well on the east side of the lease with drilling to commence on Monday 27 September 2010 (Tulsa Time) for enhanced recovery.

AOK holds a 100% Working Interest and 81.25% Net Revenue Interest in this project.

For further information please contact;

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