



ASX/Media Release

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AusTex Oil Limited

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About AusTex

AusTex Oil Ltd (ASX: AOK) is an Exploration and Production company that is focused on the development of oil and gas leases in the USA. The company produces oil and gas in Oklahoma and Kansas. AOK holds interests in ~70,000 acres of oil and gas leases, including acreage in the exciting Mississippi Lime play in Northern Oklahoma.

AusTex Oil expands Mississippi Lime acreage in Kansas



Acquires 70% Working Interest in 8,100 acres



Additional Leases signed pending settlement

AusTex Oil Limited advises that the company has acquired over 8,000 acres of oil and gas leases that is prospective Mississippi Lime acreage with a 70% Working Interest and a 58.8% Net Revenue Interest in Kansas. The Company has agreements on additional leases that will be announced upon settlement.

Background

AusTex Oil and Castle Resources Inc., as operator, are working interest partners in oil and gas leases in Sheridan and Thomas Counties, Kansas. A 26,500 acre seismic shoot was conducted in 2009 on the Cooper Project, which currently has 2 wells producing from the Lansing Kansas City formation. Reinterpretation of the seismic shoot has highlighted the presence of both the Mississippi Lime and Arbuckle formations within the project area below the current producing Lansing Kansas City formation. The 3D seismic for the expanded project area is currently being contracted so that high-graded areas may be selected for development.

In recent months the companies have been expanding the Project Area to the west and north of the Cooper Project. This region has witnessed substantial increases in leasing and exploration activity over the last 3 months.

In December 2011, Sandridge Energy (NYSE:SD) reported an expanded area of interest in the Mississippi Lime play to include north west Kansas and announced that Sandridge had entered into a \$ 1billion joint venture with Spanish company Repsol to undertake development of leases in the play. With the SandRidge/Repsol announcements of the extension of the play, AusTex feels an obligation to announce its ongoing activities in this expanded area.

For further information
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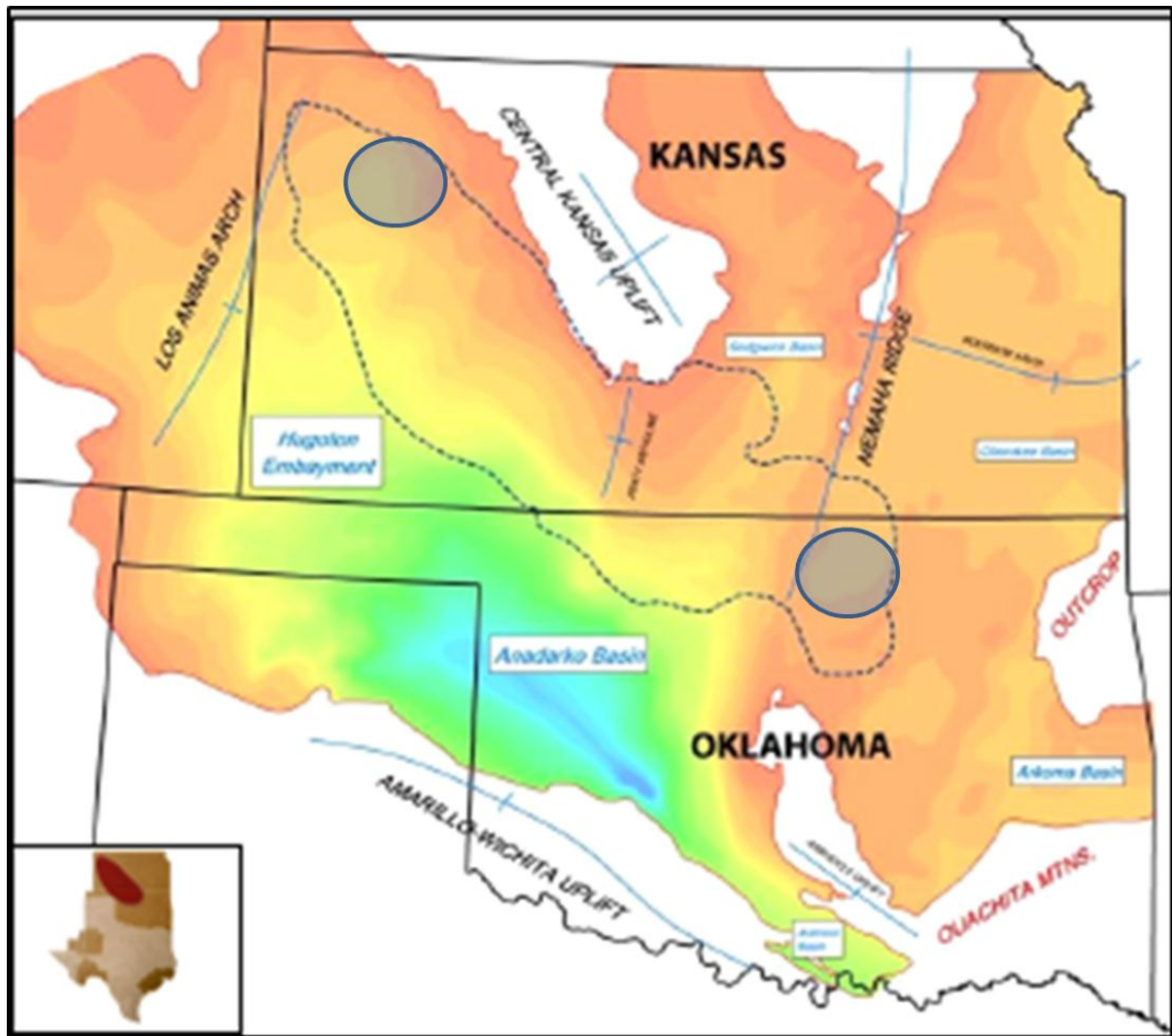


Figure 1 Mississippi Lime expanded Area of Interest - source Sandridge Energy (NYSE:SD)
 Location of AOK Leases highlighted



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