

Project Update

ACN 000 752 849

ASX Code: ABL

Level 4, 100 Albert Road
South Melbourne VIC 3205

Contact:

Phone: +61 (0)3 9692 7222

Fax: +61 (0)3 9077 9233

Board of Directors:

Paul Salter (Chairman)

Craig Mathieson (Non-executive)

Mordechai Benedikt (Non-executive)

Company Secretaries:

Justin Mouchacca

Melanie Leydin

Securities on Issue:

397,614,352

About Abilene Oil and Gas Limited

Abilene Oil and Gas Limited is a Mid West USA focused production, development and exploration company. The company assets are located in Kansas. The company strategy is focused on building up oil production assets, increasing drilling locations and adding exploration acreage in the region. The company strategy is based on a combination of targeting high return projects and innovative funding while maintaining low overhead and corporate costs.

Abilene Oil and Gas Limited ('Abilene' or 'the Company') advises that existing shareholders of Rodinia Resources LLC (an entity which the Company held a 49% interest) (**Logan Project**) have sold down 30% of their interest for consideration of USD\$200,000. The funds are to be utilised to shoot 3D Seismic in the area. The Company will provide an update to the market in due course.

About Logan Project

The Logan County Prospect is a 9,530 acre wildcat project located in T14S, R36W in Logan County, Kansas, approximately 25 miles east of the town of Sharon Springs in north-western Kansas and includes 35 leases. Regionally, this prospect is located near the north flank of the Hugoton Embayment, which plunges to the southward towards the Anadarko Basin, and the easternmost edge of the Las Animas Arch of eastern Colorado. Throughout the lower Pennsylvanian time, specifically Morrowan age, this was a fluvial-deltaic environment, known for the deposition of incised valley channel sandstones. These have proven to be prolific reservoirs west of our prospect area. Additionally, carbonates of Cherokee, Marmaton, and Lansing-Kansas City age are proving to be an excellent reservoir in several new discoveries south, north and east of our prospect acreage.

For further information or enquiries, please contact:

Paul Salter

Non-executive Chairman

T: +61 (0)3 9692 7222