ASX Announcement
December 20, 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)

Mississippian Operations Progress Report

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 provide an update on operations across its holdings in the Mississippian play in Oklahoma.

In addition to this general update, Red Fork is pleased to advise that it has secured a 12-month contract with Jerry Scott Drilling for a "top drive" rig to complete its 2012 Mississippian drilling program. This contract will ensure continuous drilling operations in the Mississippi through calendar 2012.

Noble County, Oklahoma

McMurtry 1-21H Well

Current operations include preparations to move in the Jerry Scott #2 rig to spud this well. Equipment is currently being moved on location and the Company expects this well to spud later this week.

McMurtry 1-22H Well

Current operations include building location and extending production infrastructure. The Company expects this well to spud in approximately 30 days. This well will be drilled with the Jerry Scott Drilling "top drive" rig.

Blair 1-24H Well

Current operations include building location and extending production infrastructure. This well will be spudded immediately following the completion of drilling operations on the *McMurtry 1-22H* well. Again, this well will be drilled using the Jerry Scott Drilling "top drive" rig.

Continues….

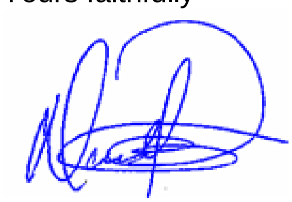
Pawnee County, Oklahoma

Abunda 1-21H Well

Work to condition the first few hundred feet of the lateral in this well has been successfully completed. Current operations include drilling out the cement retainer with a power swivel. A work-over rig is currently on location performing this work. Once this work has been completed the Jerry Scott #2 rig will move in to resume drilling the lateral.

Further updates will be provided as operations continue.

Yours faithfully



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.