

ASX Announcement
January 30, 2012



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)

Progress Report *McMurtry #1-21H* Well Noble County, Oklahoma

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 advise that the *McMurtry #1-21H* well reached its targeted measured depth of 9,833 feet on January 25, 2012.

Approximately 4,437 feet of lateral was successfully drilled in the Mississippi Lime formation, with mud logs and samples confirming extensive shows of oil and gas across the length of the lateral. Significantly, oil was observed on the pits during drilling and connection gas readings in excess of 3,500 units (ppm) were also recorded.

Current operations include open hole logging (Schlumberger). Immediately following this, operations to hang and cement the production liner will commence.

Finally the well will be shut-in awaiting completion operations, which will include perforation of the casing and a multi-stage fracture stimulation program.

Further updates will be provided as the program continues.

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.