

ASX Announcement

June 4, 2012

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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 the following update on operations across its 75,000 acre holding in the Mississippian play in Oklahoma.

Development Area 2 (Noble and Payne Counties, Oklahoma)

Blair # 1-24H Well

Completion and reservoir stimulation operations have successfully been completed on this well. Eleven frac stages over the full length of the lateral were completed with the well now flowing back frac fluid at 100 barrels per hour through production facilities. Testing is continuing and further updates will be provided.

McMurtry #1-22H Well

This well successfully reached its target depth of 9,350 feet. Logging has been completed and production casing has been run and cemented. The well has been shut-in awaiting completion and production testing.

McMurtry #1-21H Well

The well is shut-in awaiting completion and production testing. Completion operations will begin shortly.

Bunch #1-19H Well

This well is currently drilling ahead in the lateral at a depth of 4,500 feet. This Red Fork operated well will be drilled to a vertical depth of approximately 5,300 feet, with an estimated further 4,700 feet of lateral to be drilled in the Mississippian Lime formation to an approximate total depth of 10,000 feet.

Tasman #1-15H Well

This well has spudded and is drilling ahead in the vertical section.

Development Area 1 (Pawnee County, Oklahoma)

Abunda #1-21H Well

Production testing of this well is continuing and notwithstanding the high fluid level in the well bore, some intermittent (not yet stabilized) oil and gas is being produced.

It is important to note that with the high fluid level in this well and the resultant pressure on the productive formation, the Company has not yet reported a peak flow rate. This will be reported when the Company has established that the fluid level has been sufficiently lowered to enable the well to unload.

This production testing profile is not unusual for horizontal wells in the Mississippian, which require low pressure at the face of the formation in the well bore to recover oil and gas. Further updates will be provided as testing continues and these pressures are lowered.

Yours faithfully

A handwritten signature in blue ink, appearing to read 'David Prentice', with a large circular flourish above the name.

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.