



Australian Oil Company Limited

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Operations Update

SCU #1-24 Exploration Well San Joaquin Basin, California

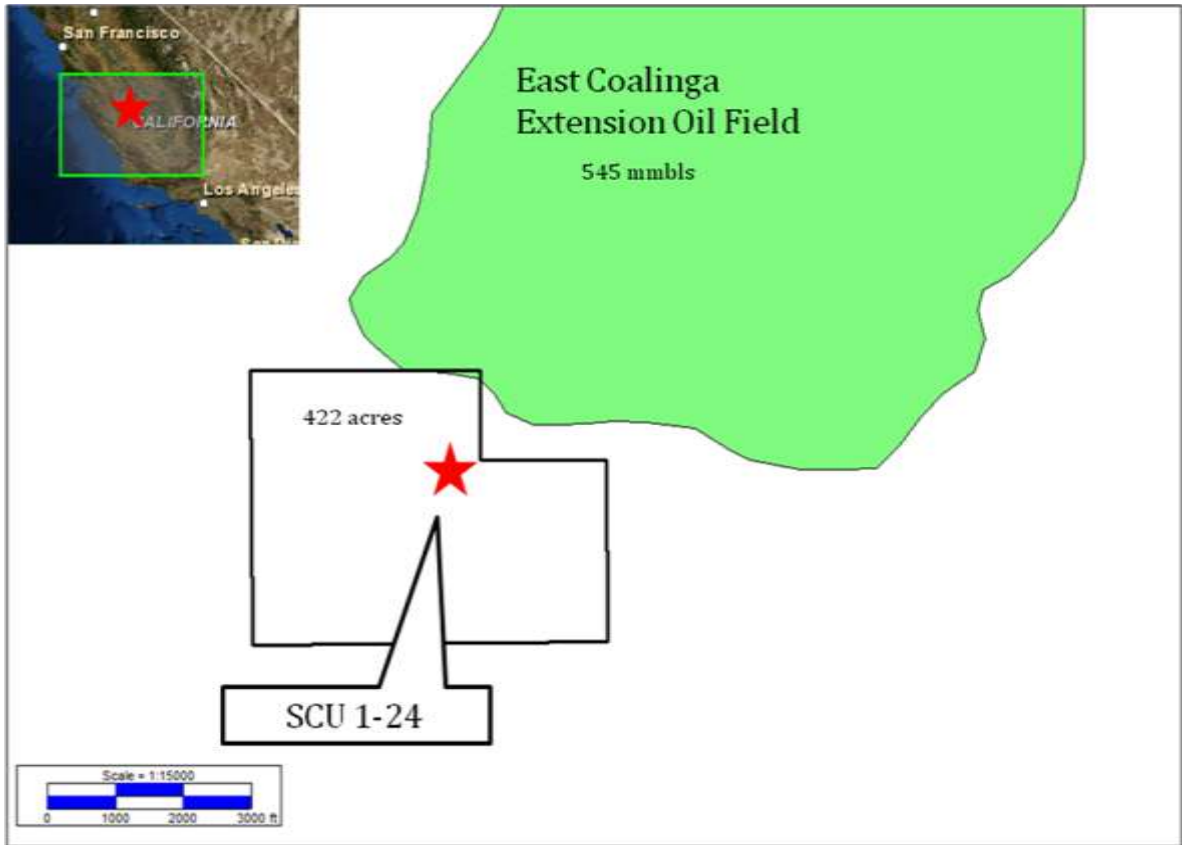
Australian Oil Company (ASX:AOC) is pleased to report that the 5 ½" production casing has been successfully run to total depth and cemented in place.

The current drilling rig will be released tomorrow and in the next 2-3 weeks a smaller workover rig will be brought in to conduct a flow testing programme to determine whether oil can be produced from the well.



Graham Drilling Rig #5

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AOC, through its wholly owned subsidiary SACGASCO LLC, has earned a 32.81% working interest in 422 acres in the Coalinga area and is the only publicly listed company in the Joint Venture.

Mark Ohlsson
Company Secretary
10 August 2012