



Australian Oil Company Limited

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QUARTERLY ACTIVITIES REPORT QUARTER ENDED 31 MARCH 2012

SUMMARY OF OPERATIONS

SAN JUAQUIN BASIN - NEW VENTURE OIL PLAYS CALIFORNIA

Evaluation of a number of low cost, high impact oil appraisal opportunities.

LOS ALAMOS OIL PROJECT CALIFORNIA

Los Alamos Oil LLC (LOA), a wholly owned subsidiary of AOC, has entered into a farmin agreement for approximately 3100 leased acres located in Los Alamos, Santa Barbara County, California. The terms of the farmin provide for LOA to pay 75% of the cost of a completed commercial well to earn a 75% interest in the total leased area which interest reduces after repayment of LOA's cost of drilling and completing the well to a 56.25% working interest. Excluded from the agreement are certain shallow existing producing wells on the leased acreage. Thereafter LOA will pay its working interest share of all ongoing costs.

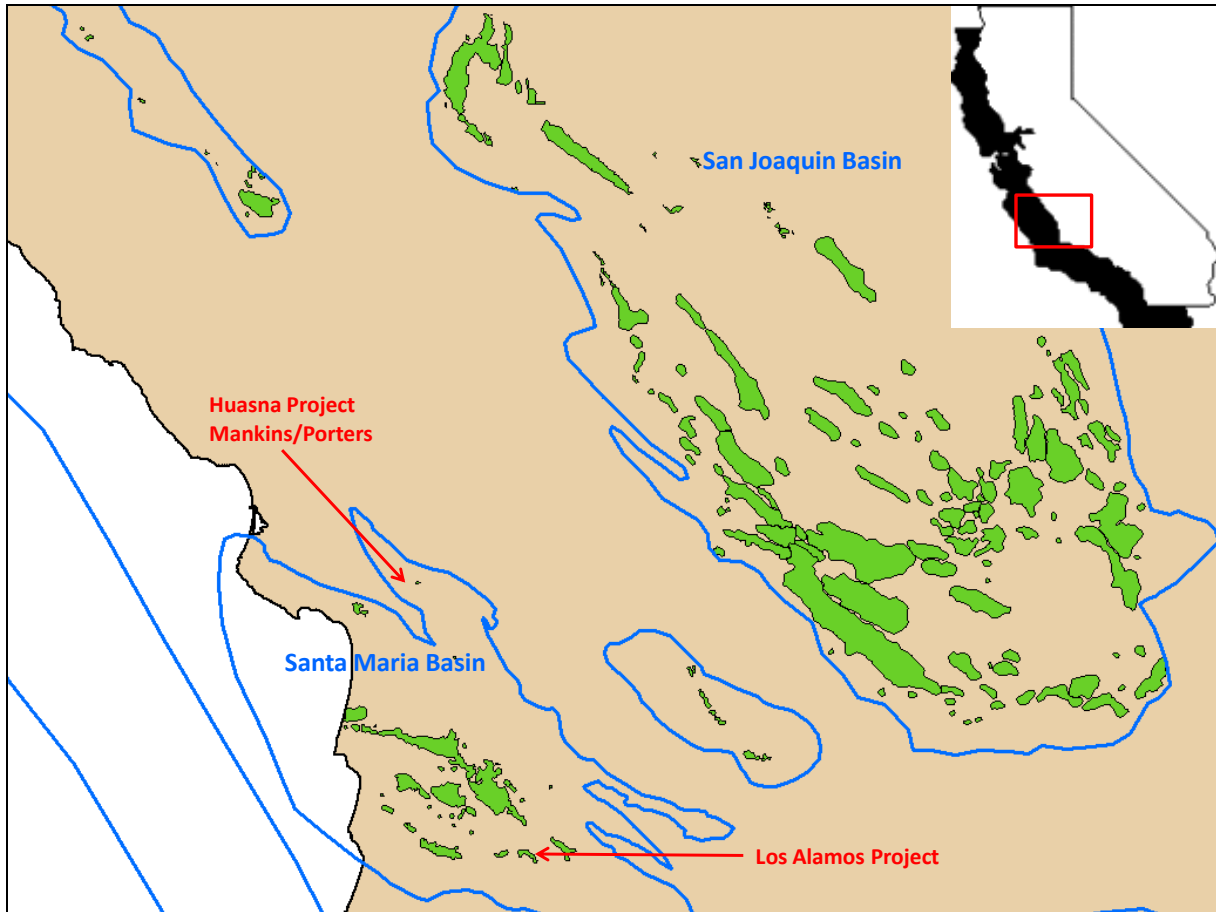
The proposed well will be drilled to approximately 12000 feet positioned updip from an existing well drilled in 1986 by Sun Oil which encountered extensive oil shows and a thin oil column in the primary objective being the Monterey shale target. The Monterey Shale is the main producing oil reservoir in California.

LOA has an option to farmin into an additional adjacent leased area comprising approximately 1800 acres on similar terms.

Ongoing discussions with potential joint venture parties to provide partial funding for this well.

Well Planning and rig contract negotiations ongoing.

Location Map



MANKINS RANCH OIL PROJECT CALIFORNIA

The final Environmental Impact Report released by the County of San Luis Obispo was voted against by the Planning Commission.

An appeal against this ruling was lodged and will now be decided by the Board of Supervisors in mid May 2012.

**PORTER RANCH OIL PROJECT
CALIFORNIA**

The Porter Ranch leases, comprising approximately 9000 acres, are held by Alamo Creek Oil LLC (Alamo) a Californian incorporated company, 45% owned and jointly operated by AOC and 45% by United Hunter Oil Gas Corp (UHO) and 10% owned by CALOG LLC.

Geological and Geophysical review nearing completion.

**HOOD - FRANKLIN GAS PROJECT SACRAMENTO
CALIFORNIA**

Ongoing review of the economics of drilling an additional well.

**PEL 182
COOPER BASIN SOUTH AUSTRALIA**

AOC's 7.5% interest is subject to a farmout and assignment to Dome Petroleum however there are unresolved issues with Dome which is preventing the completion of this transaction which when finalized will result in AOC having no ongoing interest in this permit.

**EP 435
EXMOUTH SUB BASIN WESTERN AUSTRALIA**

No activity during the quarter.

ONSHORE EAST TIMOR

At this time there is no legislation in place in East Timor regarding onshore oil exploration and it is not possible to predict when any application for licenses may take place.

Andrew Childs
Chairman

30 April 2012

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