



Australian Oil Company Limited

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QUARTERLY ACTIVITY REPORT SEPTEMBER 2013

SACRAMENTO BASIN CALIFORNIA

During the quarter the Australian Oil Company (AOC) completed a detailed interpretation of 200 square miles of high resolution 3D seismic data in the Sacramento Basin. A number of new prospects have been identified and are currently being leased.

AOC will have a 40% working interest (WI) in all leased land.

Rancho - Capay Gas Field (AOC 40% WI in 5 wells) & Los Medanos Gas Field (AOC 40% WI in 2 wells)

Second Quarter Production Figures – 100%

| | |
|--------------------------|--------------|
| Total MMBTU Sales | 58,021 |
| Total Gross Sales | \$US 185,902 |
| Total Royalty Share | \$US 38,554 |
| Total Gross/Net WI Value | \$US 147,347 |

AOC's 40% share of third quarter production before operating costs was \$US 58,939.

West Brentwood Prospect (AOC earning 26.67%)

No activity during the quarter.

Hood – Franklin Gas Project

No activity during the quarter.

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**SAN JUAQUIN BASIN
CALIFORNIA**

Patience#1-19 Oil Exploration Well

Due to unforeseen commercial issues the Joint Venture decided to terminate the farm in agreement to drill this well.

SCU #1-24 Water Disposal Well

Ongoing application process to use SCU #1-24 as a commercial water injection well.

**MANKINS RANCH OIL PROJECT
CALIFORNIA**

No activity during the quarter.

**PORTER RANCH OIL PROJECT
CALIFORNIA**

The permitting process commenced for the drilling of one exploration well in the first quarter of 2014.

CALIFORNIAN NEW VENTURES

Ongoing evaluation of a number of low cost, high impact oil and gas appraisal and production opportunities.

**PEL 182
COOPER BASIN SOUTH AUSTRALIA**

AOC's 7.5% interest is subject to a farm out 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.

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EP 435
EXMOUTH SUB BASIN WESTERN AUSTRALIA

During the quarter the Company sold its 17% interest in EP 435 for \$35,700.00 to the Joint Venture Operator Empire Oil & Gas NL.

Chairman
Andrew Childs
31 October 2013

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