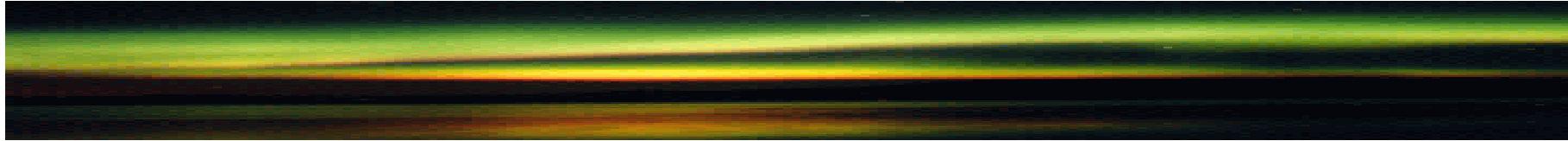


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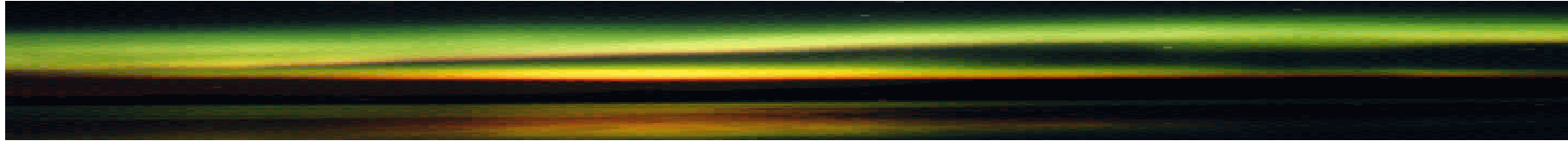
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## Introduction

- This presentation is provided in order to update investors on the progress that has and continues to be made on Aurora's significant acreage position in the Austin Chalk formation in Texas.
- Investors should understand that for commercial confidentiality reasons it is not possible to detail or exhibit all technical information available to the Company but we trust the following update will assist understanding of the nature of the discovery we are involved in, its history, complexities and specific beneficial characteristics we can identify relative to typical Austin Chalk fields.
- Over the past 18 months Aurora management has sought to strengthen its US team by identifying industry professionals with specific Austin Chalk experience and recent relevant knowledge of best practices development being undertaken in the US. We are very pleased with progress in this regard and have been working with 30 year veterans of the Chalk, all of whom have the recent experience of a "field" that they believe to be an analogue.

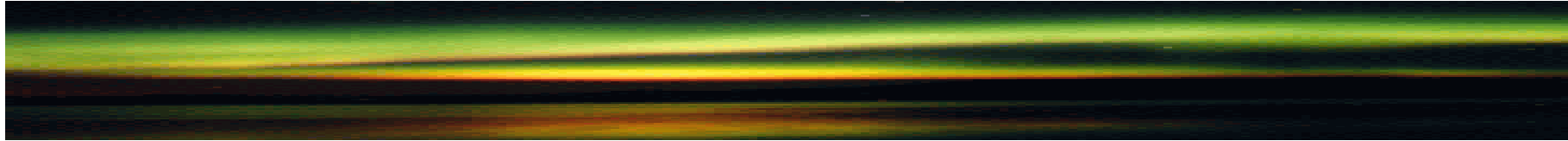
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## Forward Plan

- Investors will be aware that we have been watching with interest for disclosed results of wells drilled on nearby acreage before proceeding with completion and new drilling activities. This process has been much slower than anticipated.
- We are now in a position to proceed with confidence independent of these results and will do so. Any relevant public information from results nearby remain of interest but are not preconditions to our own program.
- It is important to establish a portfolio of wells ASAP from which further geological, productivity, decline, pressure and other data can be assessed over an extended period (6 months or more). Existing wells remain relevant.
- The statistical nature of well performance in the Austin Chalk (as explained herein) means it is important to look at a set of wells rather than an individual well in isolation - be it an exceptional or moderate producer.
- **The Operator is preparing a frac design of the #1 Kennedy and a proposal for drilling a new well at Sugarloaf soon. Additional wells will follow.**

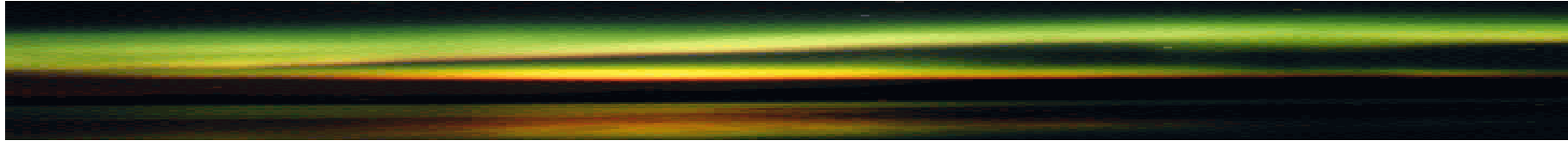
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## Corporate Summary - March 2008

- Issued Share Capital - 202 million (fully diluted 225 million)
- Market Capitalisation - ~\$60 million
- Cash on hand - \$17.5 million
- Participation in approx. 46,000 gross acres Austin Chalk
- Net acreage of approximately 17,600 acres Austin Chalk
- Net cost of future Sugarloaf wells to AUT (20%) - ~ A\$1.2 - \$2.0m depending on design (e.g. single lateral v dual lateral)
- In due course AUT will drill at Ipanema &/or Longhorn

**AURORA IS FUNDED TO UNDERTAKE THE DRILLING PROGRAM REQUIRED TO DEMONSTRATE THE SIGNIFICANT VALUE OF ITS LAND POSITION!**

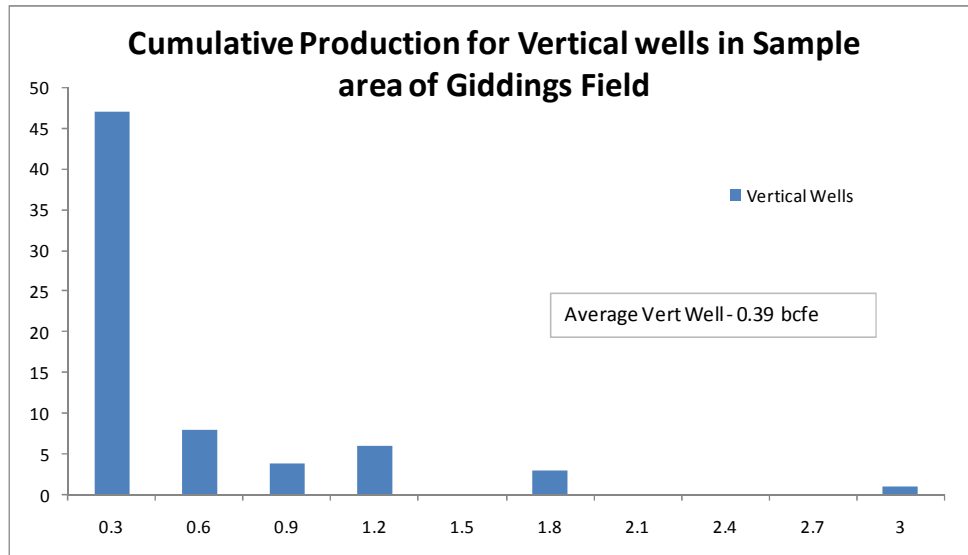


## Austin Chalk Overview

- A wide spread of Upper Cretaceous marine chalk
- Characterised by low matrix porosity and permeability
- Chalk, being brittle in nature, is predominantly produced through fractures.
- First production was from vertical wells in the 1960's
- With greater understanding of the production mechanism and advancements in technical capability, horizontal wells were extensively drilled from the early 1990's
- Four main reservoirs, Pearsall, Giddings, Brookeland and Masters Creek.
- All four produce both oil and gas, but a geological quirk leads to oil shallow and gas deep within the play.
- Well performance has a wide statistical variation and although profitable historically it is normally a long term return on investment.
- Some 5 TCF and 600mmbbls oil have been produced from the Giddings and Pearsall fields alone.

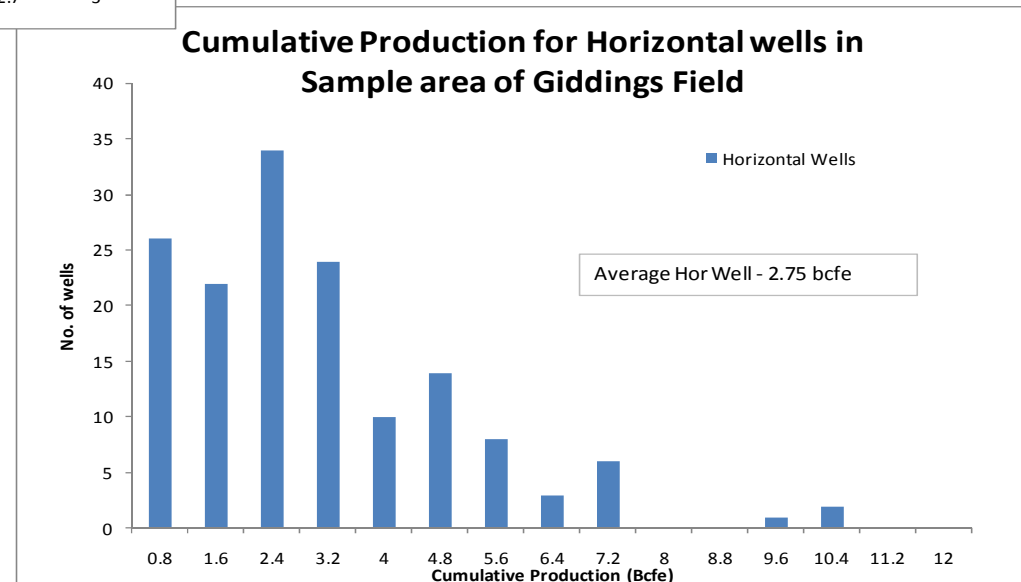
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## Comparison of vertical and horizontal well recovery in traditional chalk

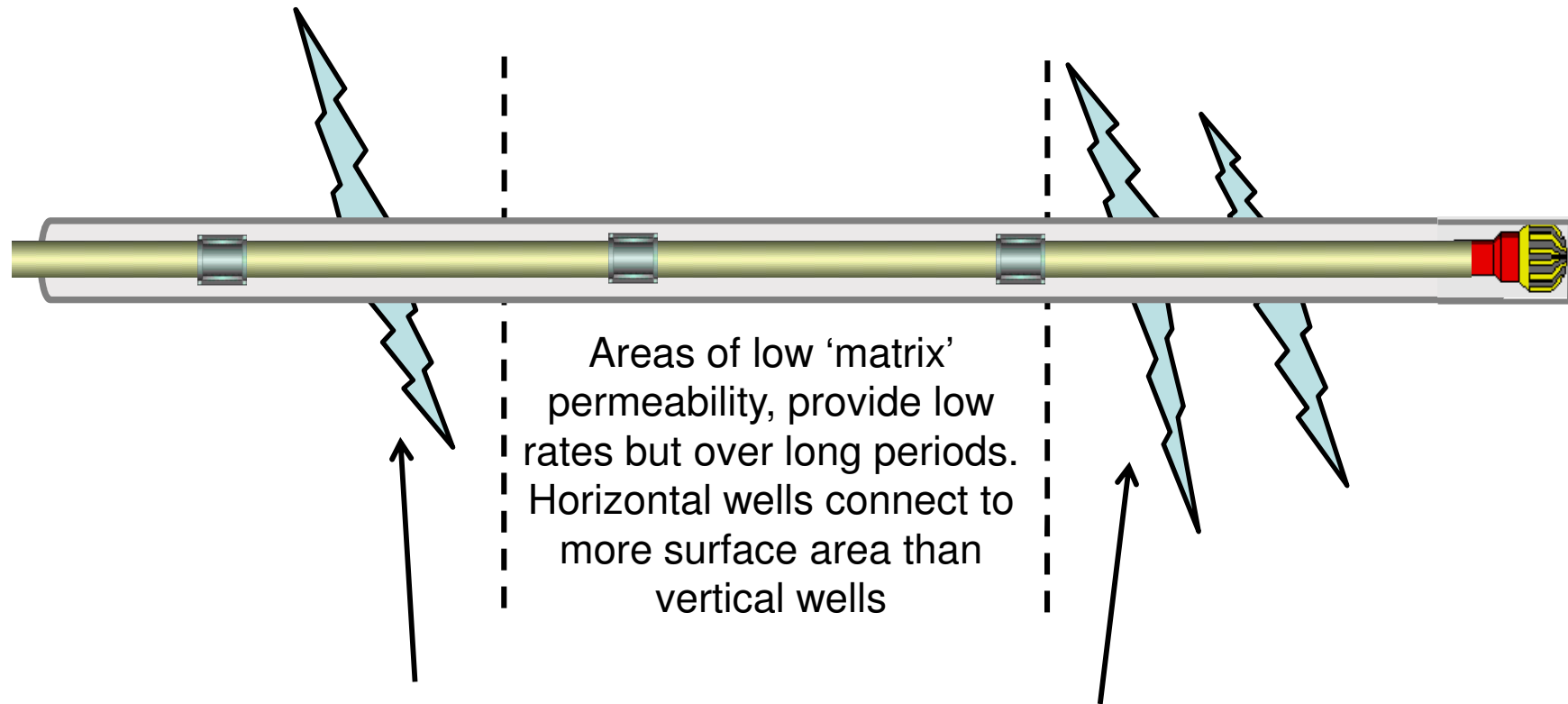


- Well taken from Fayette County, Giddings Field
- Vertical wells drilled 1978 to 1998.
- Sample size 70 wells

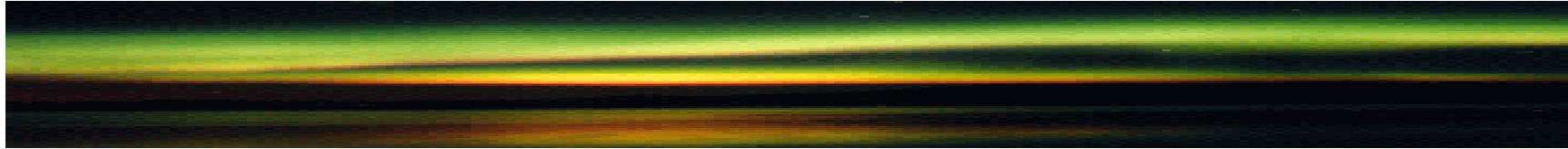
- Well taken from Fayette County, Giddings Field
- Horizontals drilled 1990 to 1998.
- Sample size 144 wells
- Historically accepted multiple from vertical to horizontal 4, maybe as high as 12



## Generic Austin Chalk Well Production mechanisms



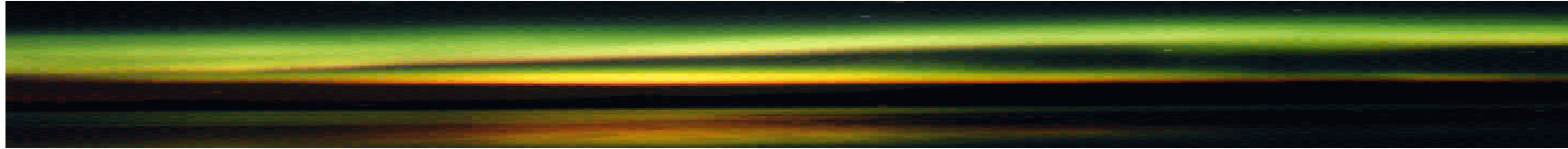
Natural high permeability fractures connect wellbore to much larger surface area of matrix chalk



## Sugarloaf vs Classic Chalk

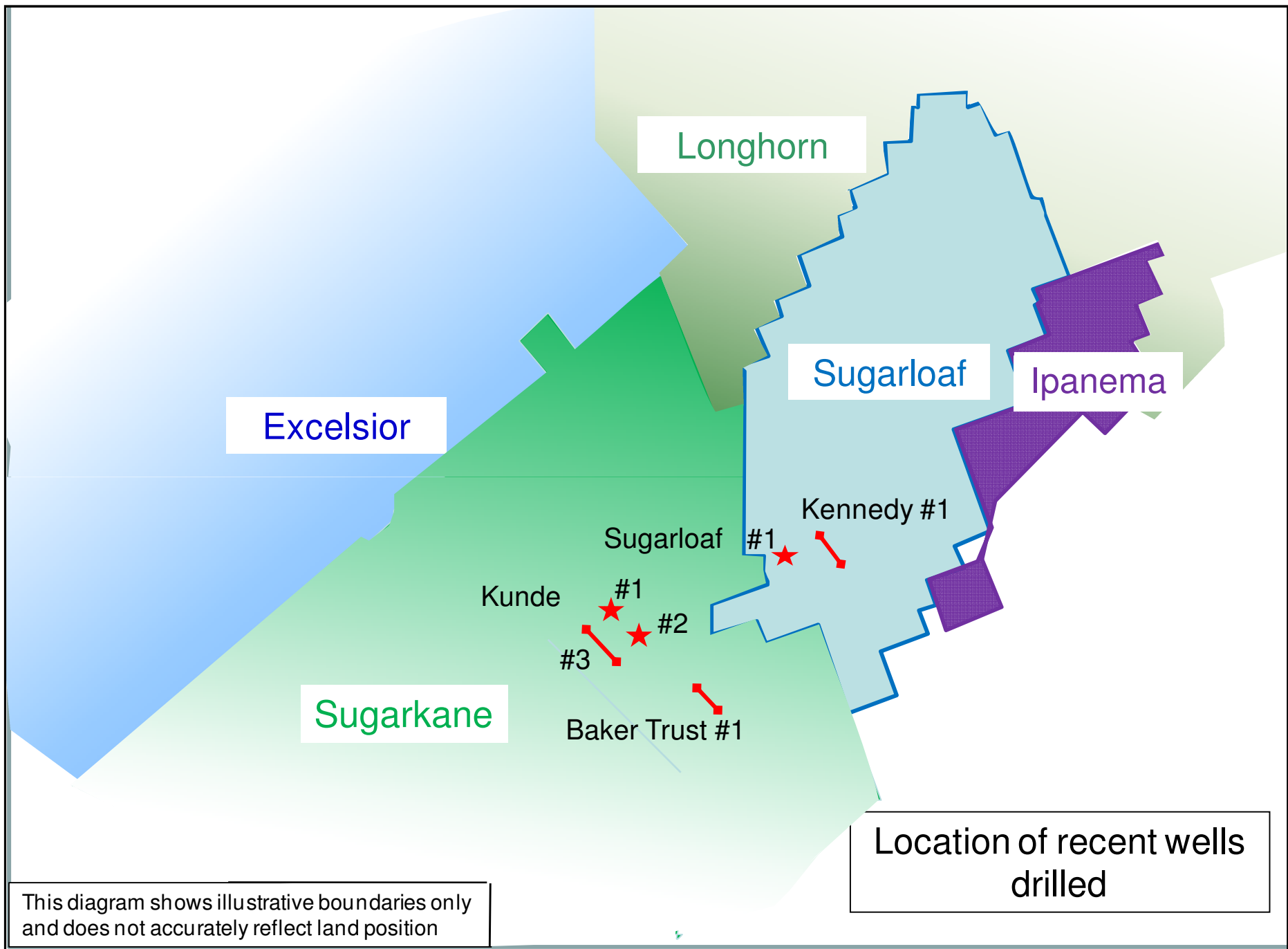
	Giddings Field	Sugarloaf
Depth (ft)	5,550 – 15,000	12,000
Porosity (%)	2 – 5%	6%+
Pressure (psi/ft)	0.47	0.76
Condensate Ratio (bbls/mmscf)	various	235





## Sugarkane Status

- Two wells drilled in Sugarloaf
  - Sugarloaf #1 - vertically drilled through Austin Chalk, attempts to fracture deepest chalk zone failed due to poor cement bond but did produce hydrocarbons
  - Kennedy #1 - horizontally drilled in upper chalk zone, analysis indicates it did not encounter any natural fractures, but did encounter hydrocarbon charged matrix chalk along its length.
- Four wells drilled in same field adjacent to our acreage, two vertical and two horizontal, vertical well has been on production for 15 months.
- The Joint Venture has access to a 3D survey shot over part of the Sugarloaf/Ipanema area, the adjacent major is carrying out a large 3D survey.
- Sufficient information to confirm that Sugarloaf is not a classic chalk reservoir.



Excelsior

Longhorn

Sugarloaf

Ipanema

Sugarkane

Kunde

Sugarloaf

#1

#1

#2

#3

Baker Trust #1

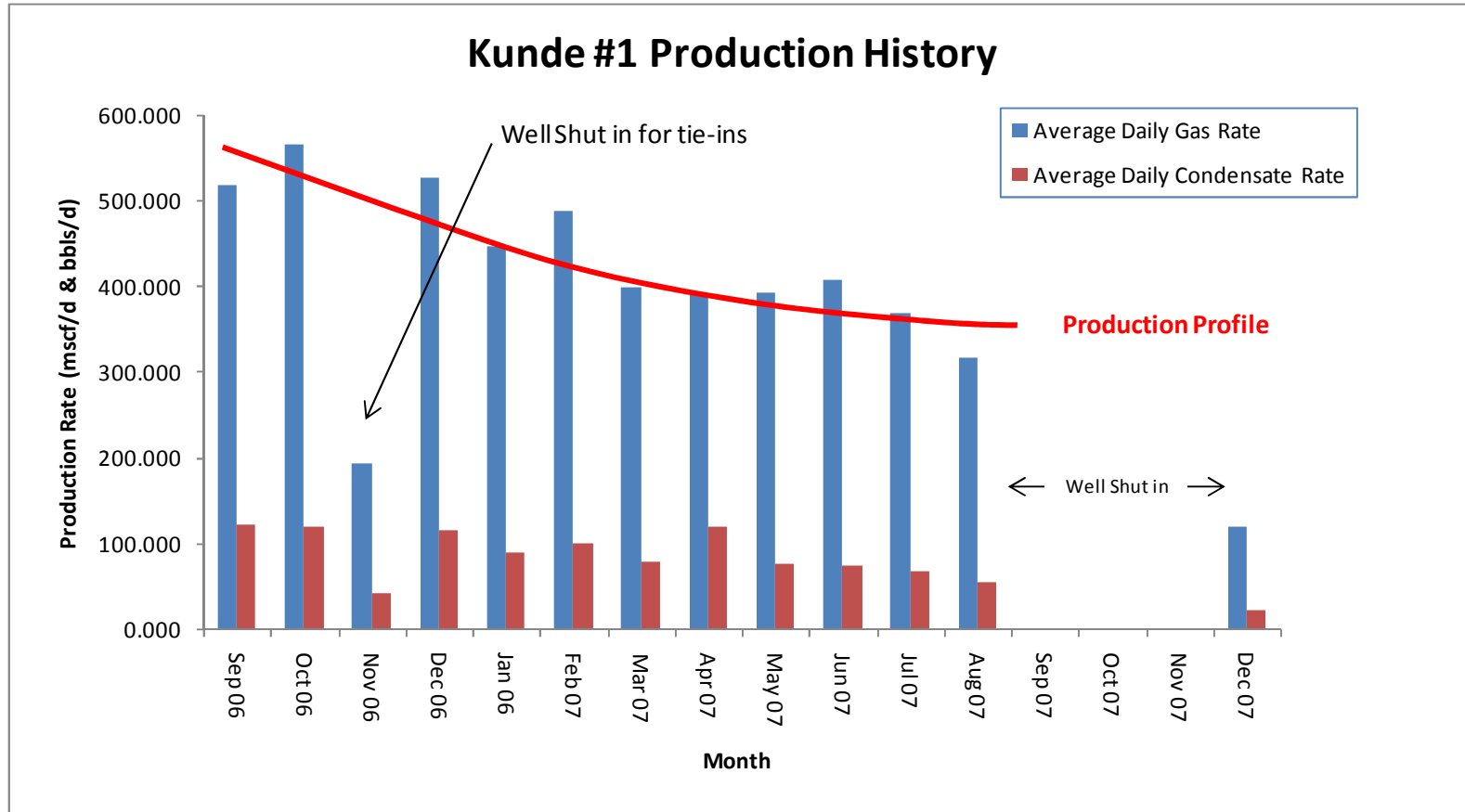
Kennedy #1

Location of recent wells drilled

This diagram shows illustrative boundaries only and does not accurately reflect land position

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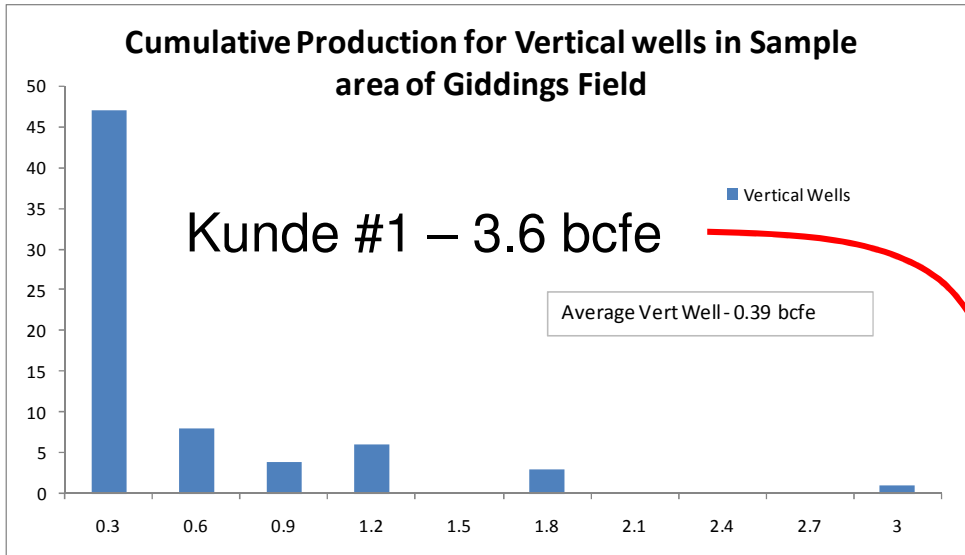
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- Initial Test AOF 1.78 mmscf/d & 574 bpd (calculated rate)
- Extrapolated production rate in 15 yrs - 170 mscf/d & 38 bpd
- Total anticipated cumulative production – 1 bcf & 260 kbbls – 3.6 bcfe

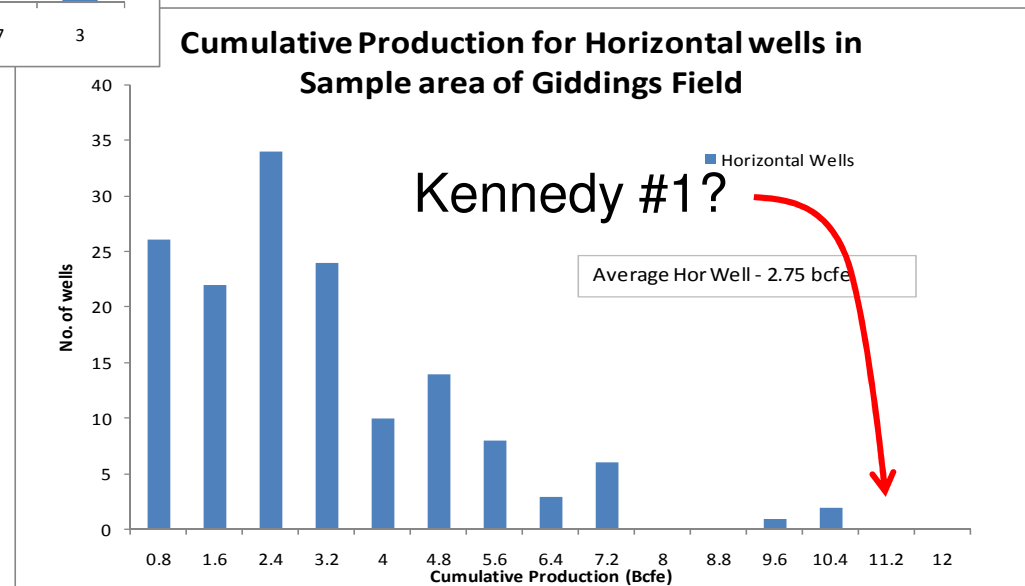
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- Well taken from Fayette County, Giddings Field
- Vertical wells drilled 1978 to 1998.
- Sample size 70 wells
- Overlay of Kunde #1 recoverable estimate.

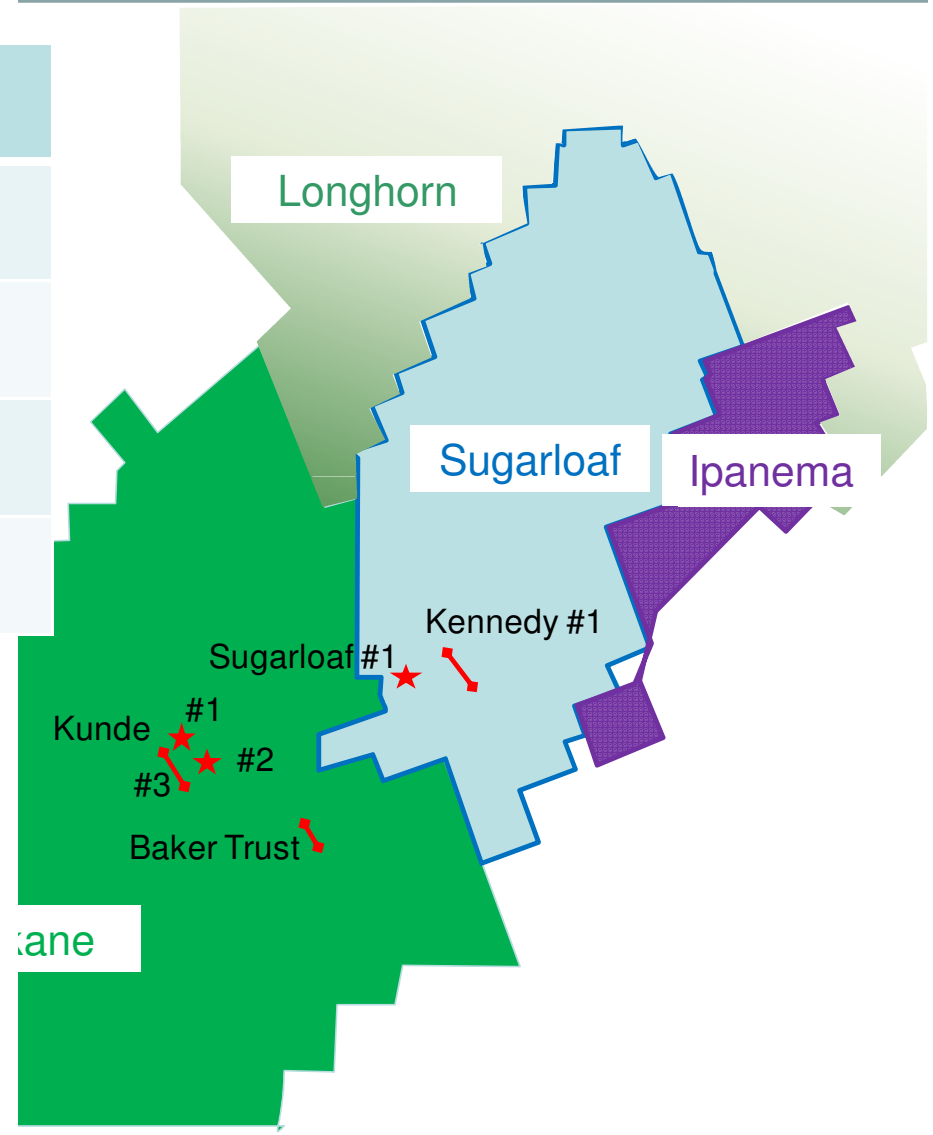
- Well taken from Fayette County, Giddings Field
- Horizontal drilled 1990 to 1998.
- Sample size 144 wells
- Overlay of Kennedy #1 estimate based on x4 multiple



Early results indicate the Sugarloaf reservoir will perform well

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Name	Interest	Gross	Net
Sugarloaf	20%	22,199	4,440
Longhorn	50%	18,992	9,496
Ipanema	80%	4,529	3,623
Total		45,720	17,559

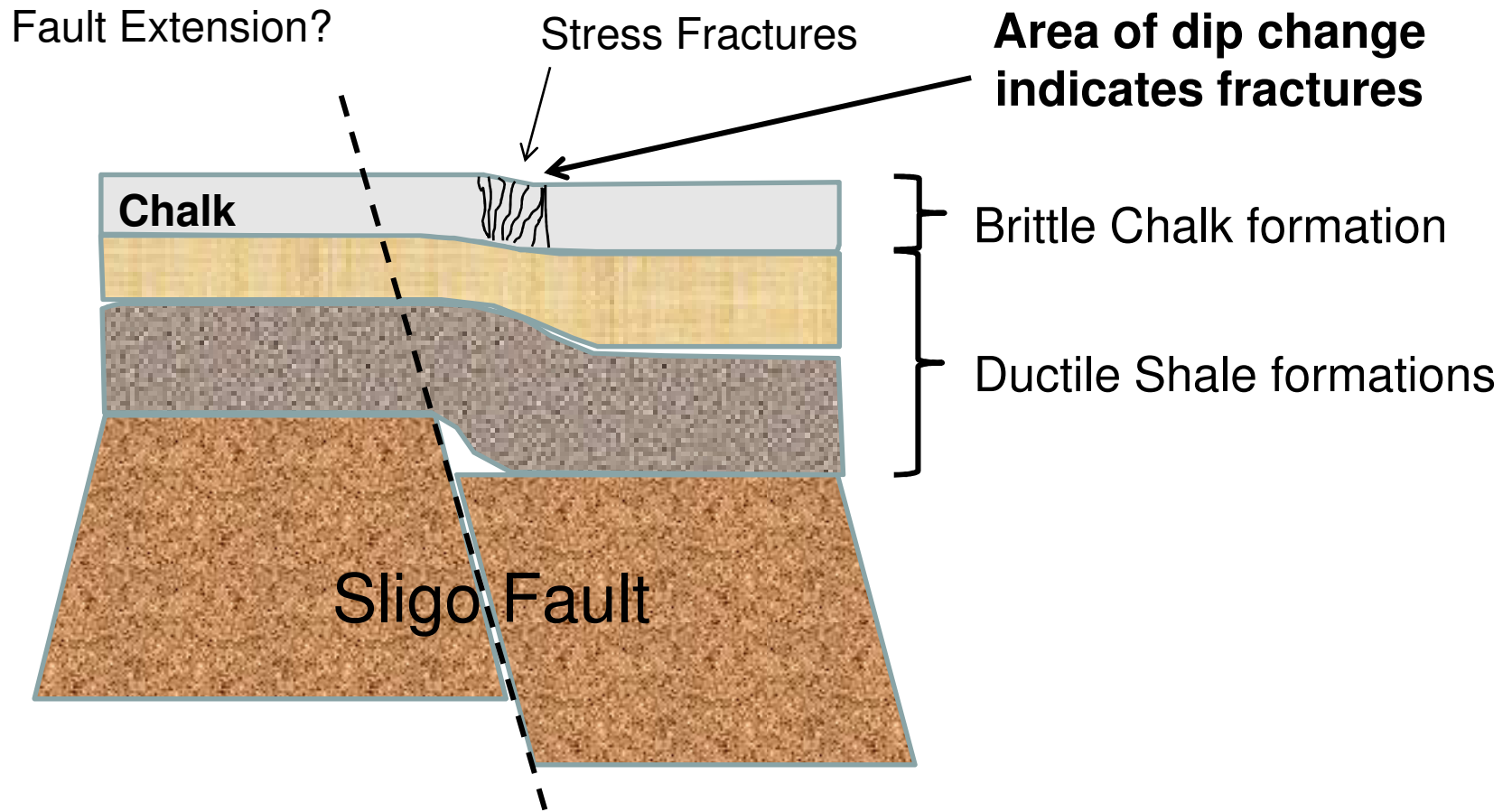


Aurora Land Position

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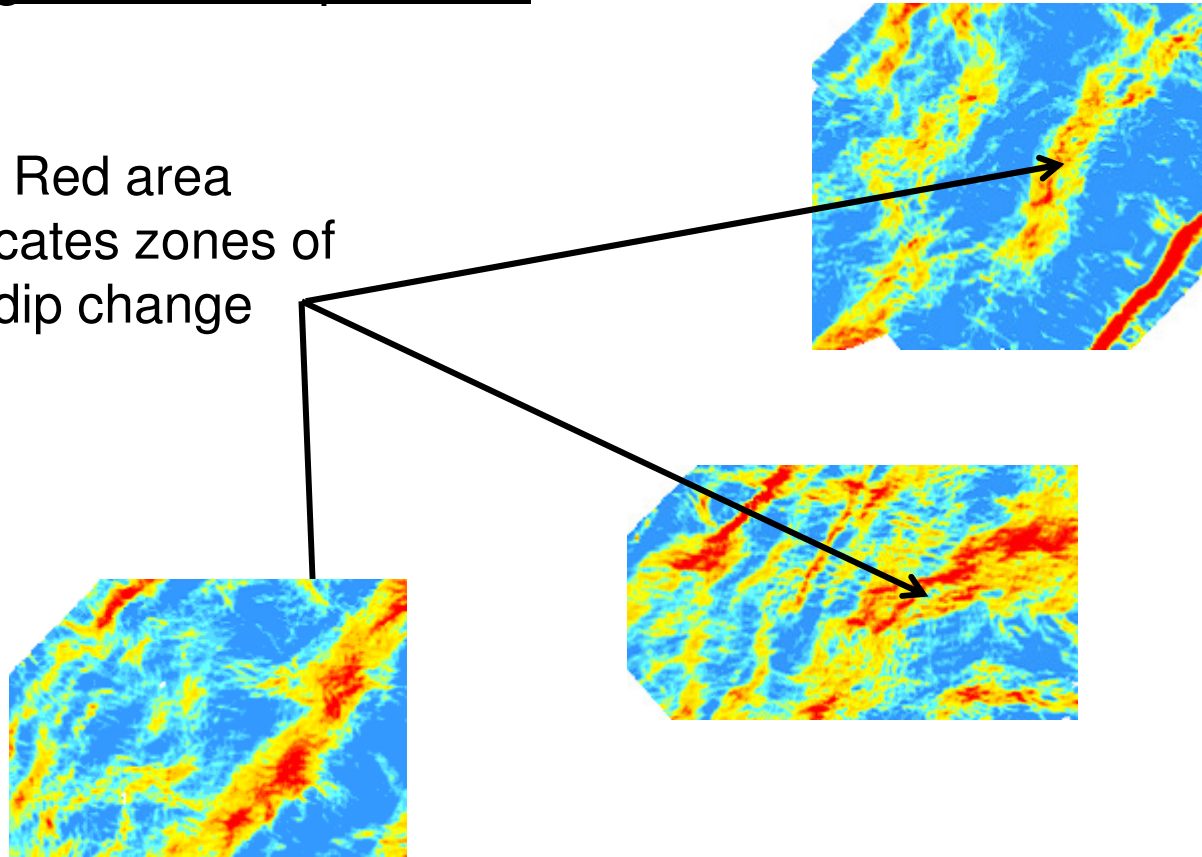
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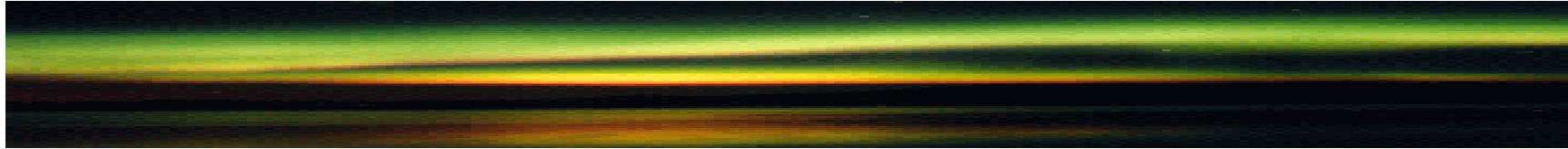
## Example segments of 3D Seismic Data over Sugarloaf and Ipanema

Red area  
indicates zones of  
dip change



The use of 3D data in this way will allow us to target fracture zones in future wells.

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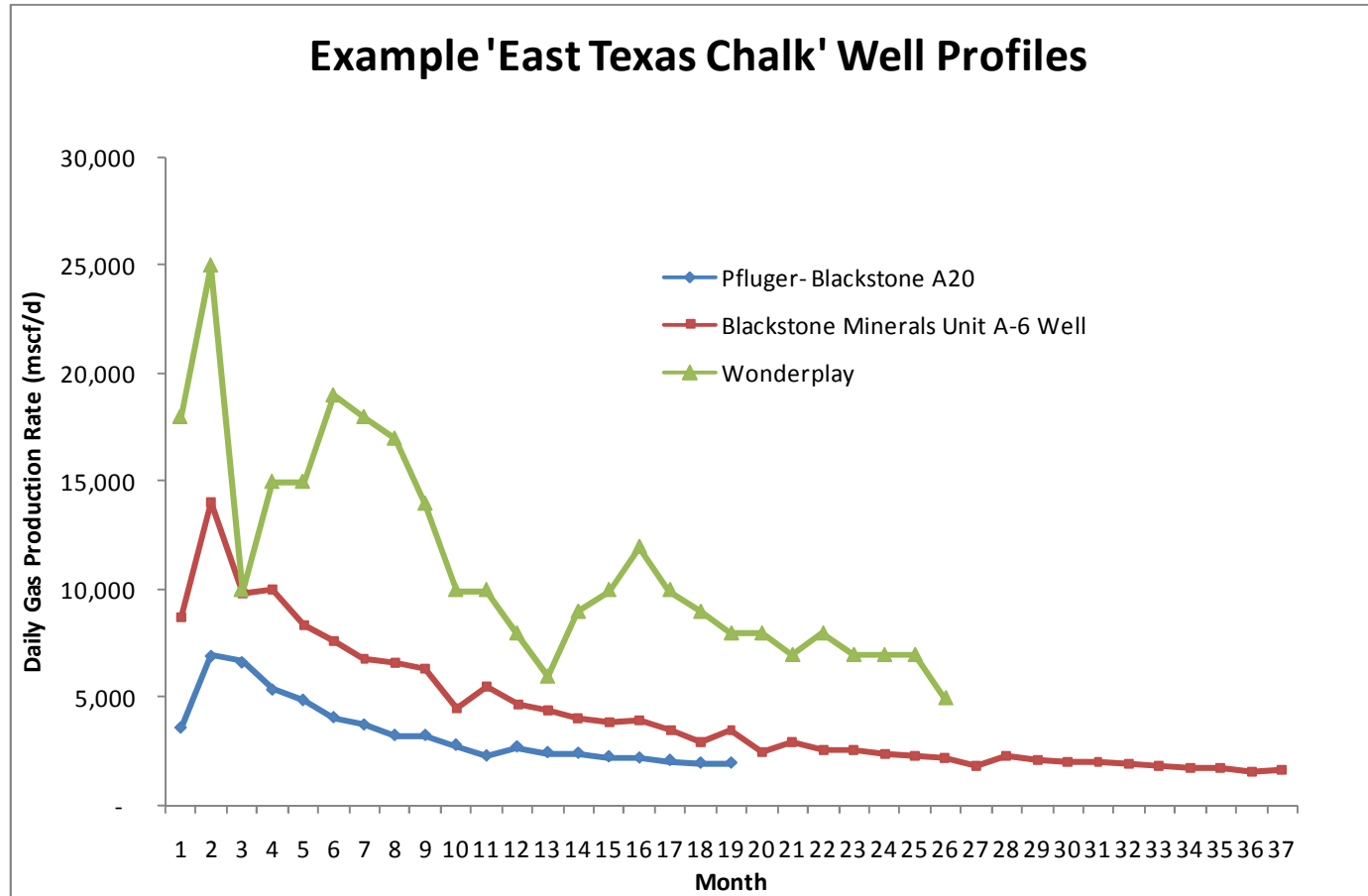


## Sugarloaf vs Analogy

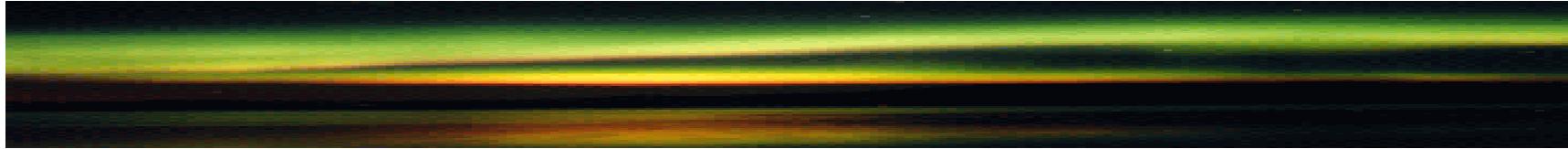
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Porosity (%)	2 – 5%	6%+	6%+
Pressure (psi/ft)	0.47	0.76	0.77
Condensate Ratio (bbls/mmscf)	various	235	250

Aurora now has a field it can use as an analogy for operations and performance





- Initial rates on some wells as high as 50 mmscf/d
- Recoverable volumes as high as 28 bcfe
- Compared to the average performance shown in earlier slides these are very encouraging results.



## Conclusions

- Supplemented the technical capability of the Aurora team with specific US Austin Chalk experience.
- Work over the last 6 months has:-
  - Identified a direct analogy from which we can draw operational and performance indications.
  - Led to an agreed 'go-forward' program with the operator independent of third party progress.
  - Included an independent review of the field interpretations to date.

**Aurora is funded to undertake the necessary drilling program to move the project to the next phase. We expect this to lead to a significant revaluation of the asset.**



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