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Company Announcements Platform
Australian Stock Exchange
Level 4
20 Bridge Street
SYDNEY NSW 2000

By e-Lodgement

LONGHORN AMI OPERATIONS UPDATE

Aurora Oil & Gas ("Aurora") is pleased to provide the market with the following update on operations within the Longhorn Area of Mutual Interest ("AMI"), which consists of approximately 23,800 acres in which it has a 50% working interest. Aurora's working interest will reduce to 25% following the completion of the full Longhorn farmin workscope of three new horizontal wells which are to be drilled, completed and tied into production.

Turnbull #1H

The Turnbull #1H well is the first farmin obligation well to be drilled by Hilcorp Energy ("Hilcorp") within the Longhorn AMI. The well was drilled to a depth of 17,030ft with approximately 5,000 ft of horizontal section within the reservoir. The production casing has now been run and cemented in place. The rig has demobilized off location over the weekend and the well is now ready for fracture stimulation.

The Turnbull #1H well also satisfies Aurora's obligation well commitment as part of the original Longhorn participation agreement.

Turnbull #2H

Turnbull #2, the second Longhorn farmin well, has been spudded by Hilcorp. At the time of the most recent report the well had reached a depth of 7660ft, having set and cemented the surface casing string.

Aurora is the sole ASX participant in the Longhorn AMI within the Sugarkane Gas and Condensate Field.

Yours sincerely

AURORA OIL & GAS LIMITED

Jon Stewart
Executive Chairman

Technical information contained in this report in relation to the Sugarloaf project and Sugarkane field was compiled by Aurora from information provided by the project operator and reviewed by I L Lusted, BSc (Hons), SPE, a Director of Aurora who has had more than 15 years experience in the practice of petroleum engineering. Mr. Lusted consents to the inclusion in this report of the information in the form and context in which it appears.