



FOR IMMEDIATE RELEASE

November 13, 2012

AURORA OIL & GAS REPORTS THIRD QUARTER 2012 FINANCIAL RESULTS

Aurora Oil & Gas Limited (TSX: AEF) (ASX: AUT) today released financial results for the third quarter ended September 30, 2012 and the nine months to September 30, 2012. All figures are reported in US dollars unless otherwise noted.

Financial highlights for the third quarter of 2012, including non GAAP / IFRS measures compared to the corresponding quarter in 2011 are:

- ❖ Revenue \$85 million up 270%, 96% generated from liquids.
- ❖ Net earnings after tax of \$16 million up 63%
- ❖ Funds from operations \$41 million up 193%.¹
- ❖ Operating Netback \$45.61 per boe (September 2011 quarter: \$45.28 per boe).¹
- ❖ Average gross production of approximately 12,530 boe/d up 250% from previous comparable quarter.
- ❖ Liquidity increased through follow-on senior note issue for net proceeds of \$163 million and an increase to \$150 million (undrawn) in bank borrowing facilities.

	Three months ended			Nine months ended
	Sept 30, 2012	Sept 30, 2011	Increase %	Sept 30, 2012
Financial				
(\$ thousands unless otherwise stated)				
Production Revenue – Pre royalty	85,452	23,121	270%	182,316
EBITDAX ⁽¹⁾	49,916	13,003	260%	102,932
Per boe – (\$ / boe) ⁽¹⁾	43.29	39.48	3%	43.75
Funds from Operations ⁽¹⁾	41,189	13,312	193%	85,733
Per share – basic (cents per share) ⁽¹⁾	9.21	3.24	184%	20.06
Per boe – (\$ / boe) ⁽¹⁾	35.72	40.41	(16%)	36.44
Net earnings before tax	24,923	10,437	139%	58,988
Net earnings after tax	16,013	9,850	63%	35,048
Per share – basic (cents per share)	3.58	2.40	49%	8.20
Per boe - (\$/boe)	13.89	29.91	(54%)	14.90
Adjusted net earnings after tax ⁽¹⁾	n/a	n/a	n/a	38,048
Per share – basic (cents per share)	n/a	n/a	n/a	8.90
Net capital expenditures (including acquisitions)	161,215	39,912	304%	570,663
	As at Sept 30, 2012	As at Dec 31, 2011	Increase %	
Weighted average common shares outstanding (million)				
Basic	427.4	408.5	5%	
Diluted	435.2	415.0	5%	

(1) These financial measures are identified and defined below under "Non-GAAP Measures"

Aurora Oil & Gas Limited ABN 90 008 787 988

HEAD OFFICE

Level 20, 77 St. George's Terrace, Perth WA 6000, Australia
 GPO Box 2530, Perth WA 6001, Australia
 t +61 8 9440 2626 f +61 8 9440 2699 e info@auroraog.com.au

Aurora USA Oil & Gas, Inc.

A subsidiary of Aurora Oil & Gas Ltd
 1111 Louisiana, Suite 4550, Houston, TX 77002 USA
 t +1 713 402 1920 f +1 713 357 9674

	Three months ended		Increase %	Nine months ended
	Sept 30, 2012	Sept 30, 2011		Sept 30, 2012
Operating				
Production – Pre Royalties				
Natural gas (mcf/d)	14,155	5,181	173%	8,709
Light/Medium Oil (bbls/d)	5,885	1,569	275%	4,913
Condensate (bbls/d)	2,354	734	221%	1,081
NGL (bbls/d)	1,934	414	367%	1,141
Total oil equivalent (boe/d)	12,532	3,580	250%	8,587
Average Product prices achieved				
Natural gas (\$/mcf)	2.75	4.80	(43%)	2.58
Light/Medium Oil (\$/bbl)	98.86	87.26	13%	100.41
Condensate (\$/bbl)	97.49	87.26	12%	99.06
NGL (\$/bbl)	30.64	61.61	(50%)	34.88
Netbacks				
Production revenue (\$/boe)	74.11	70.20	6%	77.49
Royalties (\$/boe)	(19.54)	(18.94)	3%	(20.54)
Sales taxes (\$/boe)	(2.54)	(2.66)	(5%)	(2.64)
Operating expenses (\$/boe)	(6.43)	(3.32)	94%	(6.79)
Operating netback (\$/boe) ⁽¹⁾	45.61	45.28	1%	47.51
Depreciation and depletion (\$/boe)	(12.24)	(3.38)	262%	(10.25)
General and administrative expenses (\$/boe)	(2.31)	(5.08)	(55%)	(3.77)
Finance costs (\$/boe)	(7.61)	-	n/a	(7.45)

(2) These financial measures are identified and defined below under "Non-GAAP Measures"

Outlook

Based on the current drilling program for 2012 and current commodity prices, management expect growth in production, revenue and profitability to continue through the remainder of 2012.

The Company, with a net working capital balance of US\$23 million at September 30, 2012, an increasing production profile and revenue stream together with the draw down capacity from the existing debt facility, is currently funded to participate in the planned development program throughout the remainder of 2012.

Looking forward to 2013, the Company is well funded for the planned development program. Assuming similar commodity pricing and costs as experienced in 2012, the 2013 drilling program will be funded through cash on hand, projected funds derived from operations and existing debt facilities.

The selected financial and operational information outlined above should be read in conjunction with Aurora's unaudited interim financial report and related Management's Discussion and Analysis for the reporting period, which will be filed on SEDAR and will be available for review at www.sedar.com and on our website at www.auroraog.com.au. Aurora's unaudited interim financial report and the financial information contained in this announcement were prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures compliance with International Financial Reporting Standards (IFRS).

Briefing Conference Call

Aurora will host a third quarter 2012 results briefing conference call on the following date:

Nov 13, 2012 at 6 p.m. Eastern Time (Canada)
Nov 14, 2012 at 7 a.m. Western Time (Australia)



Presentation PDF File

Aurora has filed a presentation to accompany the briefing conference call. Please access the presentation from the Corporate Presentations page of Aurora's website using the link below.

<http://www.auroraoag.com.au/irm/content/corporate-presentations.aspx?RID=201>

Call-in Details

To access either briefing call by telephone, please use one of the following numbers

From the USA: Operator Assisted Toll-Free Dial-In Number: 1 (888) 231-8191

From outside the USA International Dial-In #: +1 (647) 427-7450

Conference ID #: 33167904

Toll Free International Numbers:

Australia	1-800-287-011
Austria	0-800-297-216
China, North	10-800-714-1191
China, South	10-800-140-1195
France	0-800-917-449
Germany	0-800-183-0171
Hong Kong	800-901-563
Ireland	1-800-760-620
Japan	00-53-11-60-858
Korea (South)	003-0813-1987
Netherlands	0-800-022-1164
Norway	800-105-67
Singapore	800-101-2564
Switzerland	0-800-835-354
Taiwan	00-801-127-130
United Kingdom	0-800-051-7107

Please connect approximately ten minutes prior to the beginning of the call to ensure participation.

A recording of each briefing conference call will also be available on the Company's website following the briefing at <http://www.auroraoag.com.au>

About Aurora

Aurora is an Australian and Toronto listed oil and gas company active in the over pressured liquids rich region of the Eagle Ford Shale in Texas, United States. The Company is engaged in the development and production of oil, condensate and natural gas in Karnes, Live Oak and Atascosa counties in South Texas. Aurora participates in approximately 77,000 highly contiguous gross acres in the heart of the trend, including approximately 19,300 net acres within the liquids rich zones of the Eagle Ford.

Media Contract: Ilse Schache
F T I Consulting
Tel: +61 2 8298 6100
Mob: +61 416 041 768
Ilse.Schache@fticonsulting.com

Jane Grieve
F T I Consulting
Tel: +61 8 9485 888
Mob: +61 488 400 248
Jane.Grieve@fticonsulting.com



Forward looking information

Statements in this press release reflect management's expectations relating to, among other things, target dates, Aurora's expected drilling program and the ability to fund development are forward-looking statements, and can generally be identified by words such as "will", "expects", "intends", "believes", "estimates", "anticipates" or similar expressions. In addition, any statements that refer to expectations, projections or other characterizations of future events or circumstances are forward-looking statements. Statements relating to "reserves" are deemed to be forward-looking statements as they involve the implied assessment, based on certain estimates and assumptions that some or all of the reserves described can be profitably produced in the future. These statements are not historical facts but instead represent management's expectations, estimates and projections regarding future events.

Although management believes the expectations reflected in such forward-looking statements are reasonable, forward-looking statements are based on the opinions, assumptions and estimates of management at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. These factors include risks related to: exploration, development and production; oil and gas prices, markets and marketing; acquisitions and dispositions; competition; additional funding requirements; reserve estimates being inherently uncertain; incorrect assessments of the value of acquisitions and exploration and development programs; environmental concerns; availability of, and access to, drilling equipment; reliance on key personnel; title to assets; expiration of licences and leases; credit risk; hedging activities; litigation; government policy and legislative changes; unforeseen expenses; negative operating cash flow; contractual risk; and management of growth. In addition, if any of the assumptions or estimates made by management prove to be incorrect, actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this document. Such assumptions include, but are not limited to, general economic, market and business conditions and corporate strategy. Accordingly, investors are cautioned not to place undue reliance on such statements.

All of the forward-looking information in this press release is expressly qualified by these cautionary statements. Forward-looking information contained herein is made as of the date of this document and Aurora disclaims any obligation to update any forward-looking information, whether as a result of new information, future events or results or otherwise, except as required by law.

Non-GAAP Financial Measures

References are made to certain financial measures that do not have any standardized meanings prescribed by generally accepted accounting principles ("GAAP"). Such measures are neither required by, nor calculated in accordance with, International Financial Reporting Standards ("IFRS") and are therefore considered non-GAAP financial measures. Non-GAAP financial measures may not be comparable with the calculation of similar measures by other companies.

"Funds from Operations" and "EBITDAX" are commonly used in the oil and gas industry. Funds from Operations represent funds provided by operating activities before changes in non-cash working capital. EBITDAX represents net income (loss) for the period before income tax expense or benefit, gains and losses attributable to the disposal of projects, finance costs, depletion, depreciation and amortization expense, other non-cash charges, expenses or income, one-off or non-recurring fees, expenses and charges and exploration and evaluation expenses. The Company considers both key measures, as both assist in demonstrating the ability of the business to generate the cash flow necessary to fund future growth through capital investment. Neither should be considered as an alternative to, or more meaningful than net income or cash provided by operating activities (or any other IFRS financial measure) as an indicator of the Company's performance.

"Adjusted net earnings after tax" represents reported net earnings after tax of \$35.05 million for the nine months to September 30, 2012 adjusted for a tax expense of \$3 million that relates to a change in the estimated tax provision as at December 31, 2011, which was identified during the preparation of the 2011 US tax returns during the second quarter of 2012. This results in an adjusted net earnings after tax of \$38.05 million. Management consider the disclosure of an adjusted net earnings after tax a more representative final result for the nine month period to September 30, 2012 as the \$3 million tax expense related to the 2011 financial period.

Management uses certain industry benchmarks such as operating netback to analyse financial and operating performance. "Operating netback", as presented herein, represents revenue from production less royalties, state taxes, transportation and operating expenses calculated on a boe basis. Management considers operating netback an important measure to evaluate its operational performance as it demonstrates its field level profitability relative to current commodity prices.



Defined Reserves and Resource Terms

- "bbl" means barrel.
- "boe" means barrels of oil equivalent, determined using a ratio of 6 Mcf of raw natural gas to 1 bbl of condensate or crude oil, unless otherwise stated.
- "scf" means standard cubic feet.
- "btu" means British thermal units.
- "m" or "M" prefix means thousand.
- "mm" prefix means million.
- "b" or "B" prefix means billion.
- "/d" suffix means per day.

Aurora presents petroleum and natural gas production and reserve volumes in barrel of oil equivalent ("boe") amounts. For purposes of computing such units, a conversion rate of 6,000 cubic feet of natural gas to one barrel of oil equivalent (6:1) is used. The conversion ratio of 6:1 is based on an energy equivalency conversion method which is primarily applicable at the burner tip and does not represent value equivalence at the wellhead. Readers are cautioned that boe figures may be misleading, particularly if used in isolation.