



Austin Exploration Limited

Based in Adelaide Australia: listed on the Australian Securities Exchange ("AKK")

ASX Announcement

8 March, 2010

For Immediate Release

The Manager
Companies Announcements Officer
Australian Stock Exchange
Electronic Lodgement

- **Armstrong Project Drilling Ahead of Schedule**
- **Drilling Near Target Depth**
- **Payzone Testing to Follow**

Dear Sir/Madam,

The Board of Austin Exploration Limited (ASX: "AKK") is pleased to inform the market that drilling progress is now ahead of schedule at the company's Ellislie Plantation #1 well located in Adams County, Mississippi.

Target depth should be reached shortly with pay zone testing to follow.



DAILY DRILLING REPORT SUMMARY (U.S. Central Standard Time)

Mississippi Oil & Gas Board Well Permit Number: 2010-ODP-125

API Well Number: 23 001 211580001

Day 1 – March 4, 2010	Site preparation has been completed. The Shamrock Drilling Company Rig #1 left the yard early this morning. Rig was erected late in the day. Spud and Drilling to commence tonight.
Day 2 – March 5, 2010	Connection issues associated with drill mud recycling system delayed spud and drilling until mid day. Circulation system was tested and passed. Drilling of mouse hole and rat hole was then completed. Drilling operations then commenced through the original hole. Drilled to a depth of 480 feet. Drilling continued.
Day 3 – March 6, 2010	Drilling continued until the bottom plug was encountered at 1,800 feet. Plug was drilled through. Drilling continued.
Day 4 – March 7, 2010	As of 4:28PM - Currently drilling at 5,933 feet. There have been no unanticipated difficulties thus far and drilling continues through the original well bore.

Austin Exploration Limited

Based in Adelaide Australia: listed on the Australian Securities Exchange ("AKK")

Day 5	
Day 6	
Day 7	
Day 8	
Day 9	
Day 10	

ANTICIPATED NEXT STEPS

At the current rate of penetration it can be anticipated that we will reach total depth (TD) of 6,540 feet around 6:00 AM Monday, March 8, 2010 U.S. Central Standard Time. Schlumberger, (web site: slb.com), an international leader in well testing for potential hydrocarbons, has been placed on standby pending notification of the well reaching total depth.

After reaching the total proposed drilling depth, we will enter a period of approximately 8 hours during which a "[wiper trip](#)" will be made up the well bore and drilling fluid will be circulated throughout the well bore to condition the hole and build up a protective "mud cake". After well conditioning, Schlumberger will rig up and run an [induction array/sonic electric log](#) to determine the exact depth of the targeted sands with potential for oil production, measuring the permeability and porosity characteristics of the formations.

After an onsite analysis of the logged information, formation cores will be shot and recovered for physical testing. Upon recovery, the dual pay zone core sample will be sent by courier to [Omni Laboratories](#) of New Orleans for same day [analysis](#).

On Wednesday, Aus-Tex and the operator will review all available information and determine the most appropriate well completion procedures. Production casing will then be set in the well and each targeted formation will subsequently be perforated and tested.

Images from Location



Austin Exploration Limited

Based in Adelaide Australia: listed on the Australian Securities Exchange ("AKK")



HELD INTEREST

Interest Holder	Working Interest	Net Revenue Interest
Aus-Tex Exploration, Inc.	50%	37.5%
Operator	50%	37.5%

COMPETENT PERSONS STATEMENT

In accordance with ASX and AIM rules, the information in this release has been reviewed and approved by Mr. Stanley L. Lindsey, Chief Geologist, Austin Exploration Limited. Mr. Lindsey holds a Bachelor of Science Degree in Geology with a minor in Chemistry and has over 30 years of oil and gas experience including exploration, development, operations, acquisitions and divestitures. His background also includes mapping, utilizing integration of 2-D and 3-D seismic with subsurface data and reserve calculations. He is a Certified Petroleum Geologist and has been a member of the American Association of Petroleum Geologists and the Houston Geological Society since 1979. He also belongs to the Society of Independent Professional Earth Scientists (SIPES). Mr. Lindsey has the relevant experience within the industry and consents to the information in the form and context in which it appears.

Austin Exploration Limited

Based in Adelaide Australia: listed on the Australian Securities Exchange ("AKK")

MEDIA AND INVESTOR CONTACT:

Kenny Hill
VP of Operations and Investor Relations
Austin Exploration Limited
(01) 512 275-7802
Kenny@austinexploration.com

Please visit the company web site for more information on this property and other projects that the company maintains an interest in. <http://www.austinexploration.com/>

ENDS