



Austin Exploration Limited

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

ASX Announcement

Monday 31 March 2008

SECOND OIL AND GAS WELL AT PARK CITY Seven Successful Wells Now Drilled

A 30-metre column of oil has been intersected by Adelaide-based petroleum explorer, Austin Exploration Limited (ASX: "AKK") in its latest drilling campaign on its flagship Park City gas project in Kentucky, USA.

The oil is in two zones in the Aus-Tex PC5 (George Houchins #2) well and was reported at intervals from the Devonian aged Corniferous Formation between 356.4 m to 357.93 m and 362m to 363.4m depth.

Aus-Tex PC5 is the second well of seven drilled by Austin so far at Park City this year to flow both oil and gas – the Aus-Tex PC2 well reporting a similar dual oil and gas outcome. All seven wells have reported deliverable gas under natural pressure.

Austin's Managing Director, David M. Schuette said "it was a delight to announce another run on the board for the company. "

The Aus-Tex PC5 oil intersection was recorded on electric logs completed on 27 March 2008. The Company will announce more information about this well after further testing.

Austin's Park City drill schedule envisages that up to 44 producing wells will be completed by the end of calendar 2008 with the opportunity to drill more than 200 wells in total on the field by the end of 2011.

PROJECT HIGHLIGHTS TO DATE

- 1. Seven total wells drilled to target depth and all of them are commercially successful**
- 2. Seven wells are now scheduled for riser installation, acid stimulation, pipeline connection and commercial operation within the next 60 days**

Aus-Tex PC1 – (Arthur Wilkerson 2A) - produced an Absolute Open Flow of 265 thousand cubic feet per day (Mcf/day) and is anticipated to produce an Absolute Open Flow of 795 thousand cubic feet per day (Mcf/day) after a acidizing treatment just prior to the delivery pipeline connection.

Aus-Tex PC2 – (Malcolm and Melvin Doyle 2A) – flowed oil and gas naturally and is awaiting completion of the pump jack and oil storage tank installation

Aus-Tex PC3 - (Malcolm Doyle Comm. 1A) - produced an Absolute Open Flow of 320 thousand cubic feet per day (Mcf/day) and is anticipated to produce 960 thousand cubic feet per day (Mcf/day) after a acidizing treatment just prior to the delivery pipeline connection.

Aus-Tex PC5 – (George Houchin 2) – naturally produced gas under pressure and a 30.5 meter column of oil was discovered in the hole during logging. The oil is apparently coming from two zones in the Devonian aged Corniferous Formation from 356.4 m to 357.93 m and 362m to 363.4m.

issued through

FIELD PUBLIC RELATIONS PTY LTD ABN 74 008 222 311

231 South Road, MILE END SA 5031

Ph: 08 8234 9555 Fax: 08 8234 9566

Austin Exploration Limited

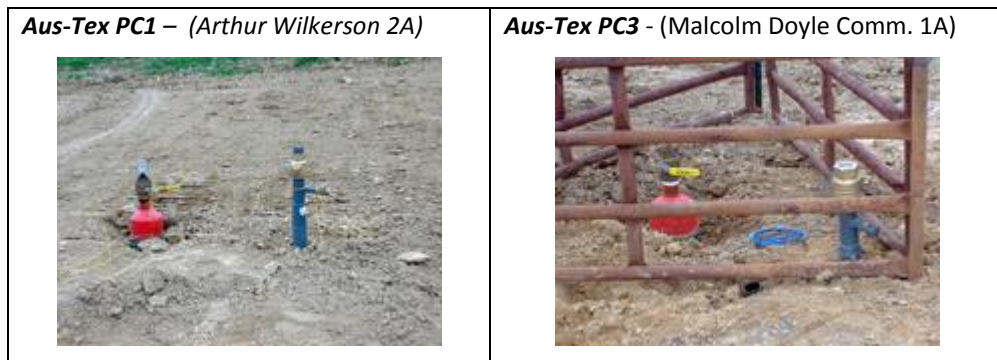
Based in Adelaide Australia: listed on the Australian Securities Exchange ("AKK")

Aus-Tex PC6 – (Bobby Sanders 1) – naturally produced gas under pressure. Absolute Open Flow tests are being scheduled.

Aus-Tex PC7 – (Oda Sanders 1) – naturally produced gas under pressure. Absolute Open Flow tests are being scheduled.

Aus-Tex PC8 – (George Tarter 1) – naturally produced gas under pressure. Absolute Open Flow tests are being scheduled.

3. **Atmos Gathering Company** has installed a Riser at the following well heads. These wells are now awaiting acid stimulation and connection to the pipeline with the next 30 days.



4. **Wells that are incomplete**

- **Aus-Tex PC4 – (Harlin Stice)**

Several additional well locations have now been permitted by the State and are currently being scheduled for drilling.

MEDIA CONTACTS:

Kenny Hill
Chief Information Officer
Austin Exploration Limited
(01) 512 423 2547

Kevin Skinner
Field Public Relations
(08) 8234 9555
0414 822 631

For more information regarding the types of drilling techniques and well stimulation methods used to increase gas flow from wells at Park City please visit our oil and gas learning center. Austin's website hosts a number of data sources that provide valuable learning tools for those interested in increasing their understanding of this sector. Please visit <http://www.austinexploration.com/Learn.html> for a series of videos and articles.

issued through

FIELD PUBLIC RELATIONS PTY LTD ABN 74 008 222 311

231 South Road, MILE END SA 5031

Ph: 08 8234 9555 Fax: 08 8234 9566

Austin Exploration Limited

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

On an Operational Note - The last few months have brought severe weather and flooding to the Kentucky, Tennessee and Missouri areas of the United States. Many families have been impacted during this time. Austin will continue to try and manage a field work crew schedule that allows for flexibility. Consequently, the types of technical equipment and crews required to perform down-hole logging and open flow testing at the well head have been unable to keep pace with the air rotary drilling crews managed by the operator. Austin wishes to maintain a reasonable drilling pace and therefore may report well target depth, down-hole log detail, etc. for each well as it arrives from the operator. This may create situations where the drilling completion and raw flow testing of a well are released prior to the more technical data.

In accordance with ASX and AIM rules, the information in this release has been reviewed and approved by Mr. Donald F. Reck Jr. M.S., Chief Technology Officer, Austin Exploration Limited, BS Geology, MS Geology. Mr. Reck has been a member of the American Association of Petroleum Geologists since 1976. Mr. Reck has more than 25 years of relevant experience within the industry and consents to the information in the form and context in which it appears.

For more detailed information on our executive team and/or this project, please visit the Austin Exploration Limited website at <http://www.austinexploration.com>

issued through

FIELD PUBLIC RELATIONS PTY LTD ABN 74 008 222 311

231 South Road, MILE END SA 5031

Ph: 08 8234 9555 Fax: 08 8234 9566