



Austin Exploration Limited

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

ASX Announcement

2 March, 2010

For Immediate Release

The Manager
Companies Announcements Officer
Australian Stock Exchange
Electronic Lodgement

- **First of Three Oil Wells at Armstrong Project on Schedule**
- **Ellislie Plantation #1 Well Site Construction Underway**
- **Drilling Rig On site, Spud to Begin This Week**

Dear Sir/Madam,

The Board of Austin Exploration Limited (ASX: "AKK") is pleased to inform the market that drilling will commence this week at the company's Natchez, Mississippi, Armstrong oil project. Site preparation work has begun and the drilling rig is now on location at the well site.



The first well to be drilled on the prospect will be the Ellislie Plantation #1. Drilling through completion is expected to take seven to 10 days with spudding to begin on Thursday this week. This is the first of three wells included in the Armstrong drilling program. With success at the Ellislie Plantation #1 Aus-Tex and the operator plan to commence work at an already secured second location as soon as the schedule will allow.

The rig and crews to be used (pictured left) have successfully been utilized on several of the operator's prior wells.

The Ellislie Plantation #1 well will be drilled to a total depth of 6,540 feet. Two targeted pay zones have been identified and will be tested during drilling. These are the Armstrong Sand located at 6,440 ft and the Benbrook Sand located at 6,448 ft.

Austin looks forward to keeping the market informed on developments as they occur during drilling of the well to target depth.

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FORMATION OVERVIEW

All target sands for the Armstrong prospect emanate from the Wilcox Formation.

The Wilcox Oil Province is an almost one billion barrel Tertiary oil province in central Louisiana and southwest Mississippi. The province is situated above the Wilcox Platform, part of the ancient Toledo Bend Flexure (TBF), which was created in the early, pre-rift Triassic by thermal doming. The TBF is an east-west trending feature, formed of continental crust material, which forms the southern margin of the North American Craton in the central Gulf Coastal region. Access for the oils to the reservoirs is determined by vertical fracturing occurring over the basement trends and along wrench faulting and related fracturing.

The following chart is sourced directly from the April 8, 2009 United States Geologic Survey (USGS) "Search and Discovery Article" #10179. It is provided for reference purposes only.

PERIOD	EPOCH	AGE	GROUP OR FORMATION	
QUAT.	HOLO.	— — — —	— — — —	
	PLEI.	Calabrian	Undifferentiated	
TERTIARY	NEOGENE	Piacenzian	Undifferentiated	
		Zanclean		
	PALEOGENE	MIOCENE	Messinian Tortonian Serravallian Langhian Burdigalian Aquitainian	Fleming
			Chattian	Catahoula <small>(Hackberry)</small> Anahuac Frio
			Rupelian	Vicksburg
			Priabonian	Jackson
			Bartonian Lutetian	Claiborne Sparta Sand Cane River Carrizo Sand
	PAL.	EOCENE	Ypresian	Wilcox
			Thanetian Selandian Danian	Midway

Objective sands are a subset of the Wilcox formation. Sands targeted are the Armstrong and Benbrook.

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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.

MEDIA AND INVESTOR CONTACT:

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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/>

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