

AUSTIN
EXPLORATION



Proving Up, Farming Down, Minimizing Capital, & Increasing Value

WORLD CLASS PEOPLE. WORLD CLASS ASSETS

RBS Oil & Gas Conference, Noosa, Australia - July 2013

Forward-Looking Statements

Statements made by representatives of Austin Exploration Limited during the course of this presentation that are not historical facts are forward-looking statements. These statements are based on certain assumptions made by the Austin Exploration Limited based on management's experience and perception of historical trends, current conditions, anticipated future developments and other factors believed to be appropriate. Such statements are subject to a number of assumptions, risks and uncertainties, many of which are beyond the control of the Austin Exploration Limited, which may cause actual results to differ materially from those implied or expressed by the forward-looking statements. These include risks relating to financial performance and results, availability of sufficient cash flow to pay distributions and execute our business plan, prices and demand for oil and natural gas, our ability to replace reserves and efficiently exploit our current reserves, our ability to make acquisitions on economically acceptable terms, and other important factors that could cause actual results to differ materially from those anticipated or implied in the forward-looking statements. The Austin Exploration Limited undertakes no obligation to publicly update any forward-looking statements, whether as a result of new information or future events.

Austin Exploration – Objectives

- Austin Exploration aims to be a **world class diversified oil and gas exploration and production company** built on the foundation of world class people and assets.

- The Company's strategy is to build shareholder value by:
 - **Identify and acquire quality underdeveloped assets** in known hydrocarbon regions

 - **Prove-up the assets** so as to de-risk future development

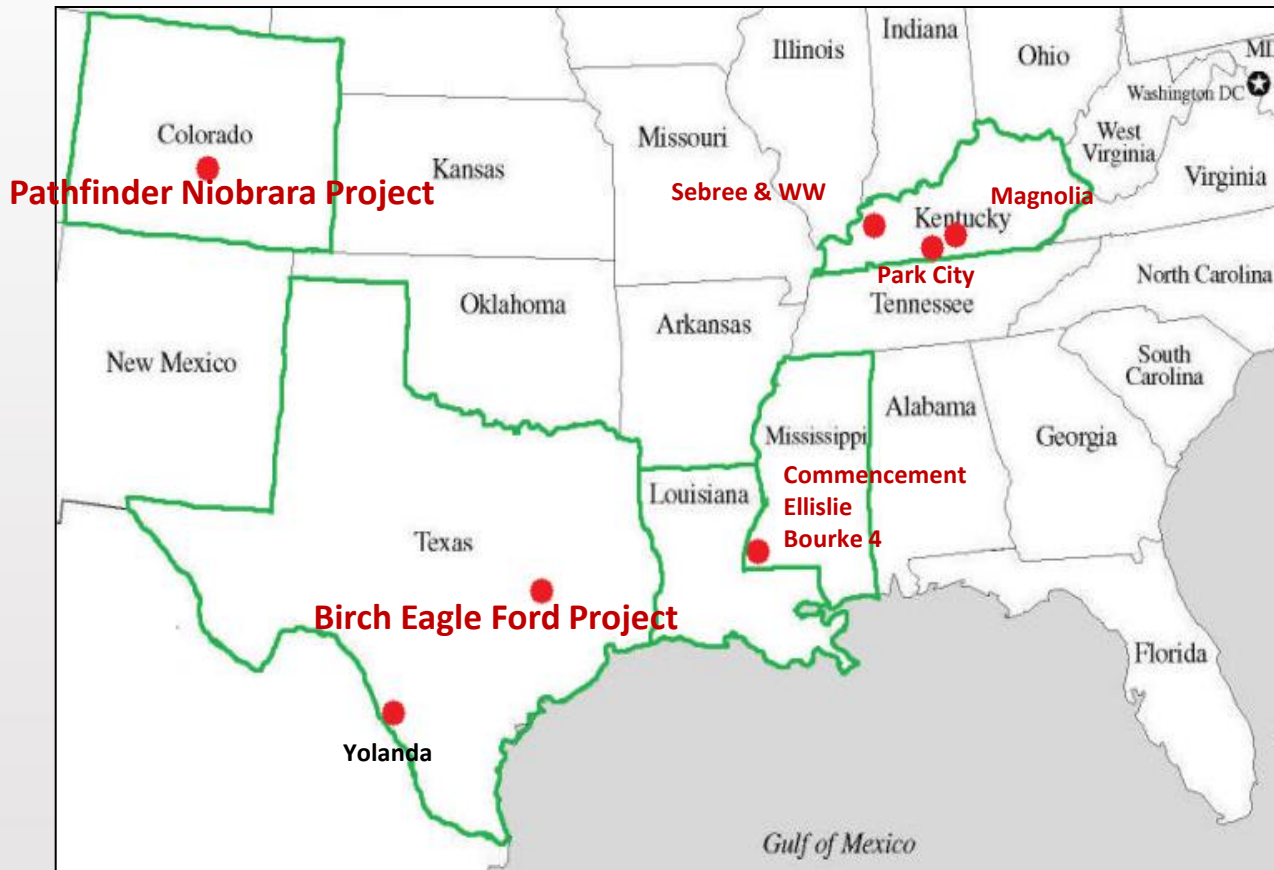
 - **Farm-out** to successful operators to fund further development

Austin Exploration – Mission

Austin's Mission is to:

1. Maintain a **world class** management and engineering team
2. **Control our destiny** by:
 - Acquiring **large acreage** positions in highly prolific oil and gas producing regions (5,000 acres in Texas Eagle Ford and 11,500 acres in Colorado Niobrara)
 - Retain **high working interest** positions in each location (100% in Texas and 85% in Colorado)
 - Become an **operator** in each location (accomplished)
3. Operate in a **safe and environmentally responsible manner** (no lost time accidents and no Phase 1 environmental incidents in 3 years)
4. **Successful exploration maximises farm-out value creation**

US Assets – Map



Recent exploration activity

100% success in finding hydrocarbons

Raised \$23M for appraisal drilling – April, 2012

9 new exploration wells drilled over past 12 months:

Colorado

- Niobrara 1 Vertical – Farmout Process
- Niobrara 2 Horizontal – Farmout Process

Texas

- Birch 1 Vertical – Farmout Process
- Birch 2 – Farmout Process
- Birch 3 Horizontal - Farmout Process

Mississippi

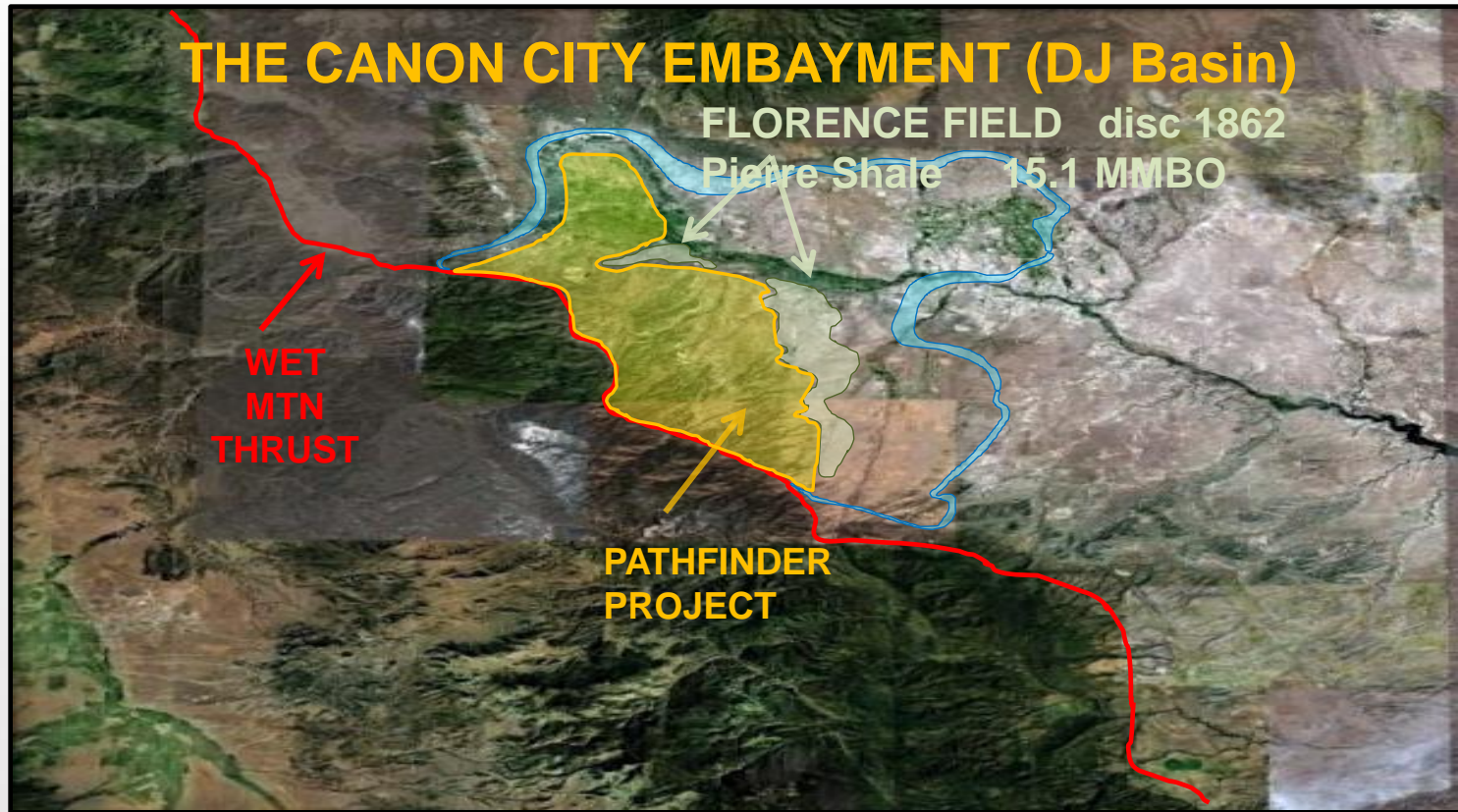
- Bourke 4

Kentucky

- Magnolia Vertical – gas shows
 - Acquired 4 additional wells
- Tapp A3 & B5 Vertical – Complete , analyzing logs

Pathfinder Prospect – Niobrara, Colorado

85% Working Interest in 11,500 acres

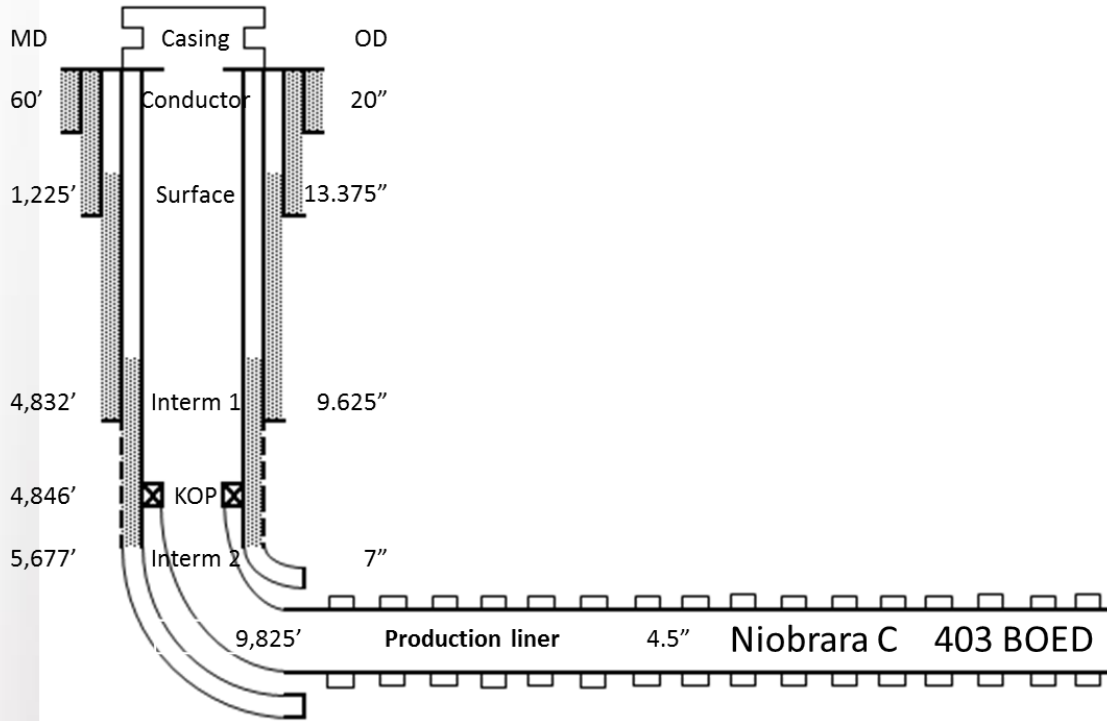


Austin is the first Company to achieve production in the Niobrara shale which underlies the second oldest oil field in the US

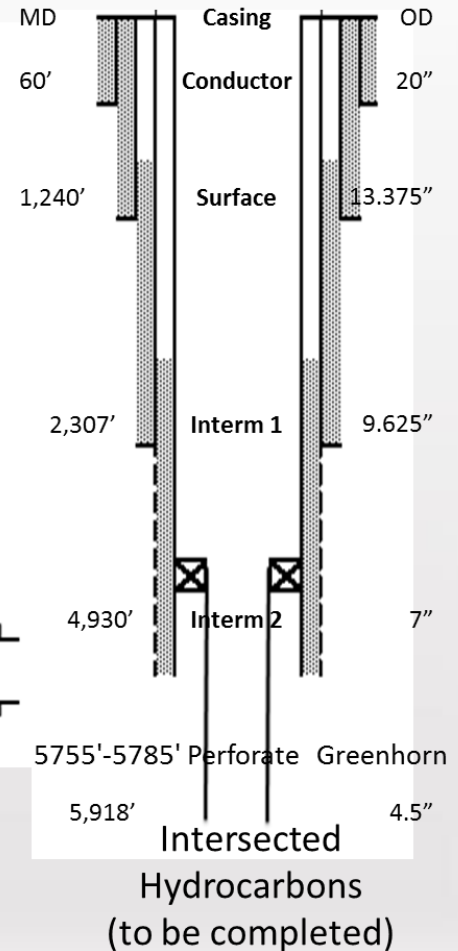
AUSTIN
EXPLORATION

Colorado – Well Bore Diagram

Pathfinder C-11-12 #1HZ



Pathfinder C-11-12 #1



Pathfinder Prospect – Niobrara, Colorado

85% Working Interest in 11,500 acres

State-of-the-art engineering techniques driving success and value

- Austin Exploration is the first company to successfully drill through the highly fractured Pierre formation and drill a horizontal well into the Niobrara formation in the Florence Field
- The 4,100 ft horizontal well was successfully fraced with 16 stages
- Well flowing oil and gas naturally to the surface. On 13 March, over a 24 hour period, the well produced a total of 403 BOEPD (211 BO & 1,150,000 SCF of gas; gas-oil ratio (GOR) of 5476 scf/stb)
- Volume of gas produced by well to add additional economic value
- Spacing allows for 200 horizontal wells
- Gas Gathering and Processing System underway to sell gas – Mercator Energy
- Farm-out currently underway

Niobrara – Colorado N2

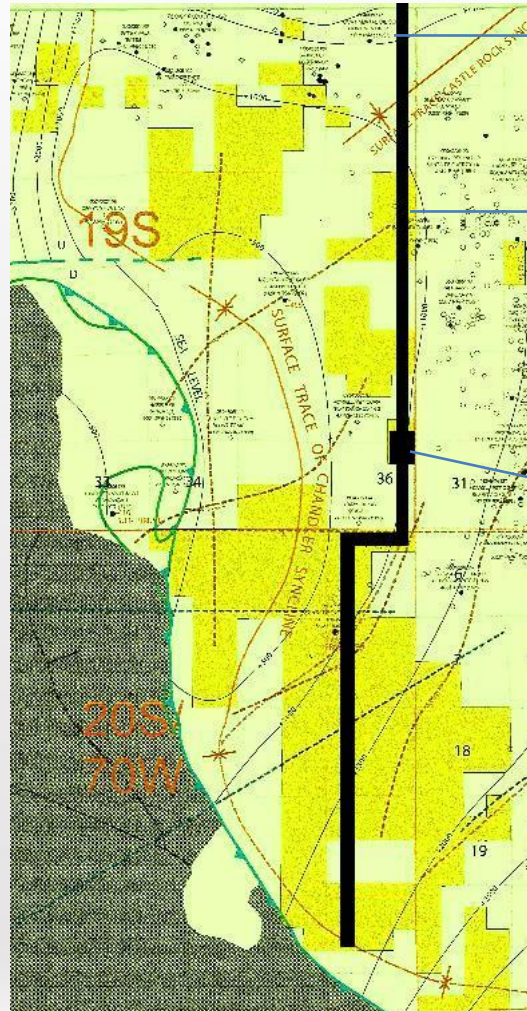
\$150,000 Cash per month – needs capturing



AUSTIN
EXPLORATION

Niobrara – Gas Gathering & Processing System

Project
design
underway



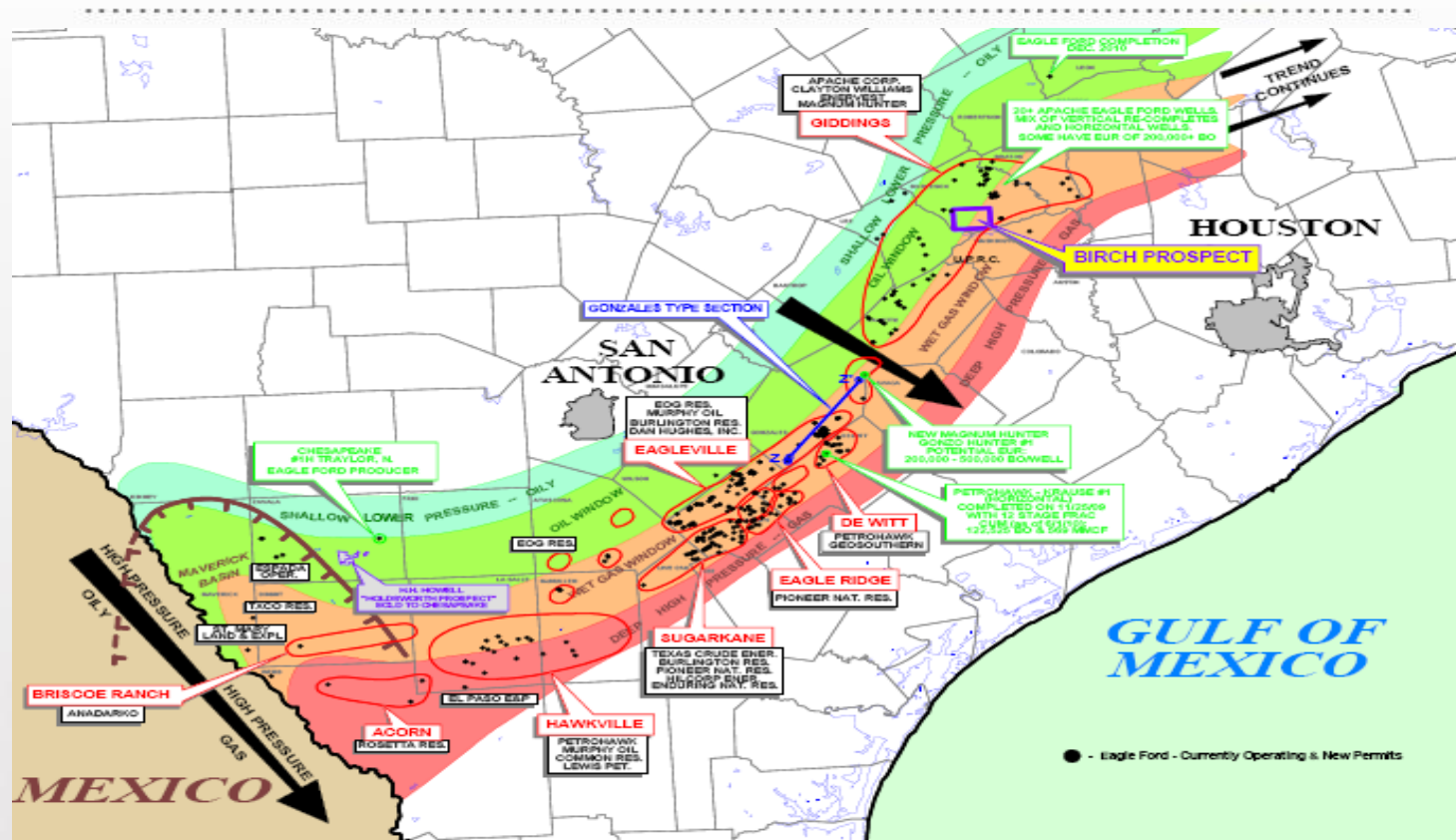
CIG

Industrial
Markets

Processing
Plant

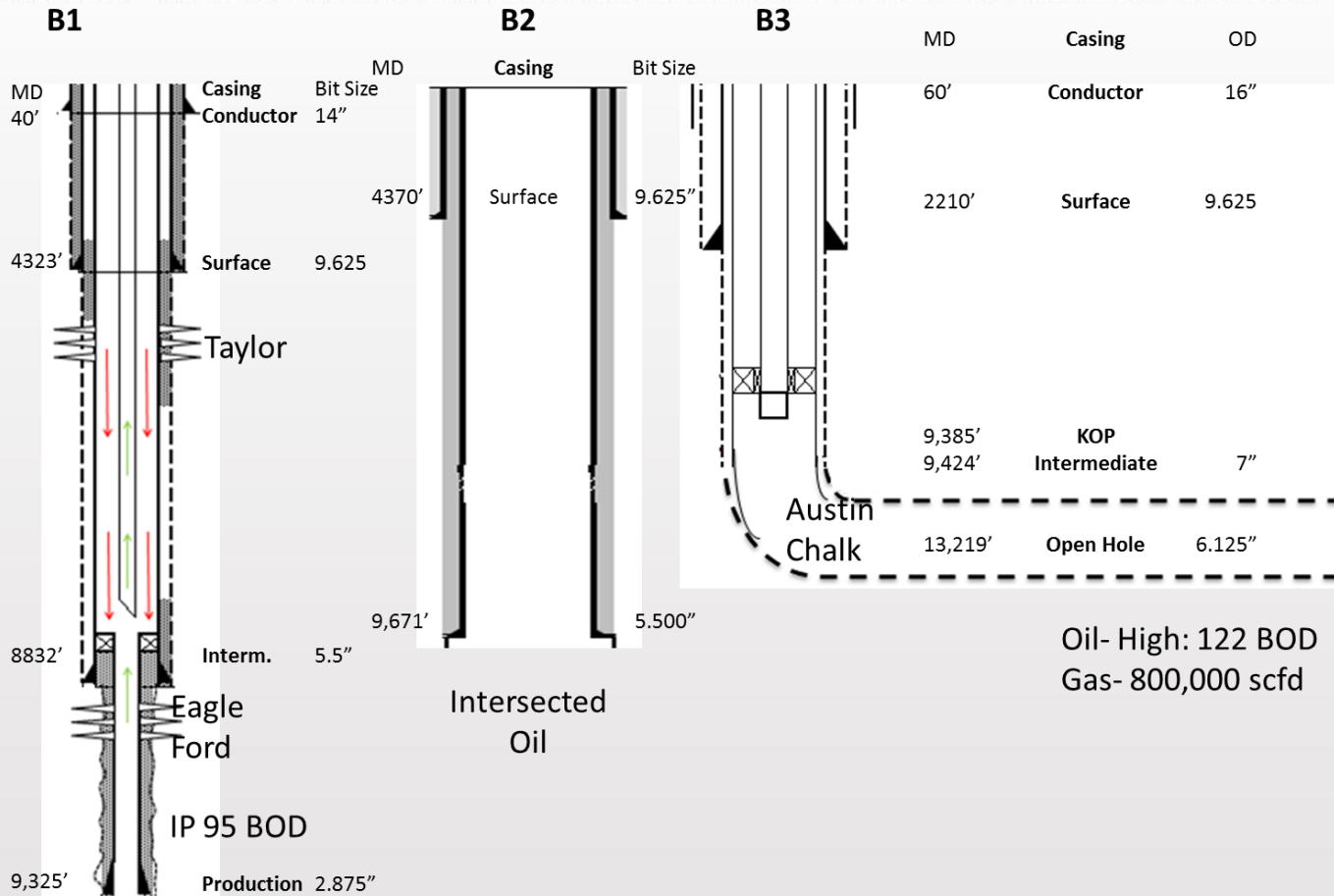
Birch Prospect – Eagle Ford, Texas

100% Working Interest in 5000 acres



Apache, Anadarko, Clayton Williams & Halcon are drilling, producing & leasing in Burleson County surrounding Austin's acreage

Texas – Well Bore Diagram



Birch Prospect – Eagle Ford, Texas

100% Working Interest in 5000 acres

Excellent initial results

- Birch 1 confirmed thickness of 270 ft section of the Eagle Ford formation which IP rate of 95 BOEPD from a vertical well.
- Significant value added to the Birch project through successful exploration and logging of the Eagle Ford formation
- Birch 2 is an excellent candidate for a low risk horizontal well with multiple fracture stages
- Birch 3 was successfully drilled to 13,350ft horizontally into the Austin Chalk with an IP 800,000 SCF of gas and production levels reaching 122 BOD Oil
- Spacing allows for a minimum of 64 horizontal wells
- Farm-out currently underway

Halcon announces success in Burleson County

MAY 2013 – Formerly Petro Hawk As Taken Over By BHP in 2012 for \$12B

Halcón unveils new Eagle Ford focus area in East Texas

Adding to its active programs in the Bakken, Utica and Woodbine, Halcón Resources unveiled a fourth focus area targeting the Eagle Ford in East Texas. The company said it already holds 50,000 net acres (100% operated) in the area internally called “El Halcón” and hopes to expand to 150,000 net acres primarily in Burleson and Brazos Cos. along with parts of Milam, Robertson, Leon, Madsion and Grimes Counties.



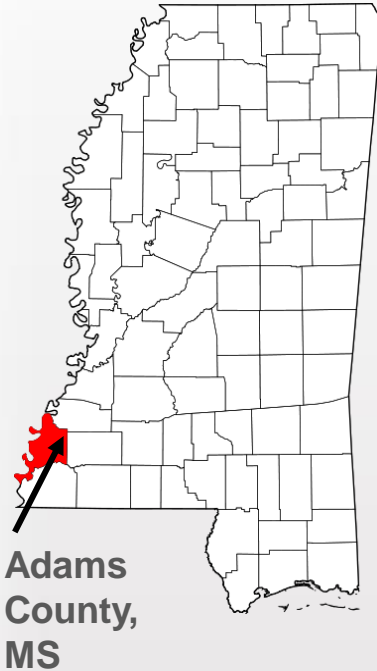
Seven initial wells IPed at 859 boepd (94% oil) with 30-day of 694 boepd.

As of April 15 Halcón had seven producing wells within the new position, one being completed and three more being drilled (90% WI, 68% NRI). The seven producers had an average IP of 859 boepd (94% oil) and 30-day rate of 694 boepd. The company is drilling 5,600-ft laterals and fracking with 28 stages. Thus far EURs are estimated at 350,000-400,000 boepd and wells costs are \$7.0-8.0 million. Halcón estimates its pro forma Q4 production from the area at 494 boepd.

Drilling this year will be focused on defining the play area. A budget of \$100 million has been set to run one to three rigs and drill 15-20 wells.

► **Continues On Pg 4**

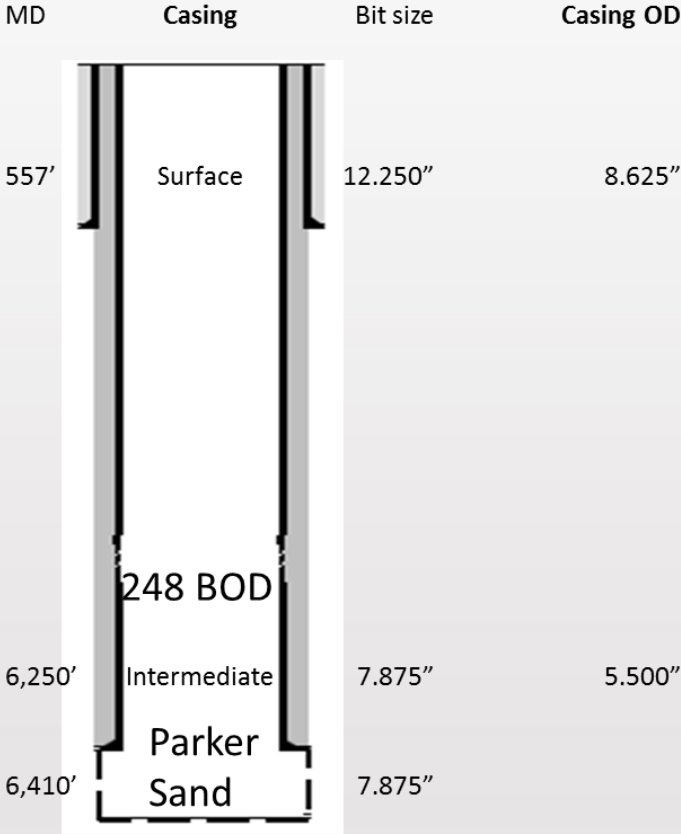
Mississippi – 100% Success



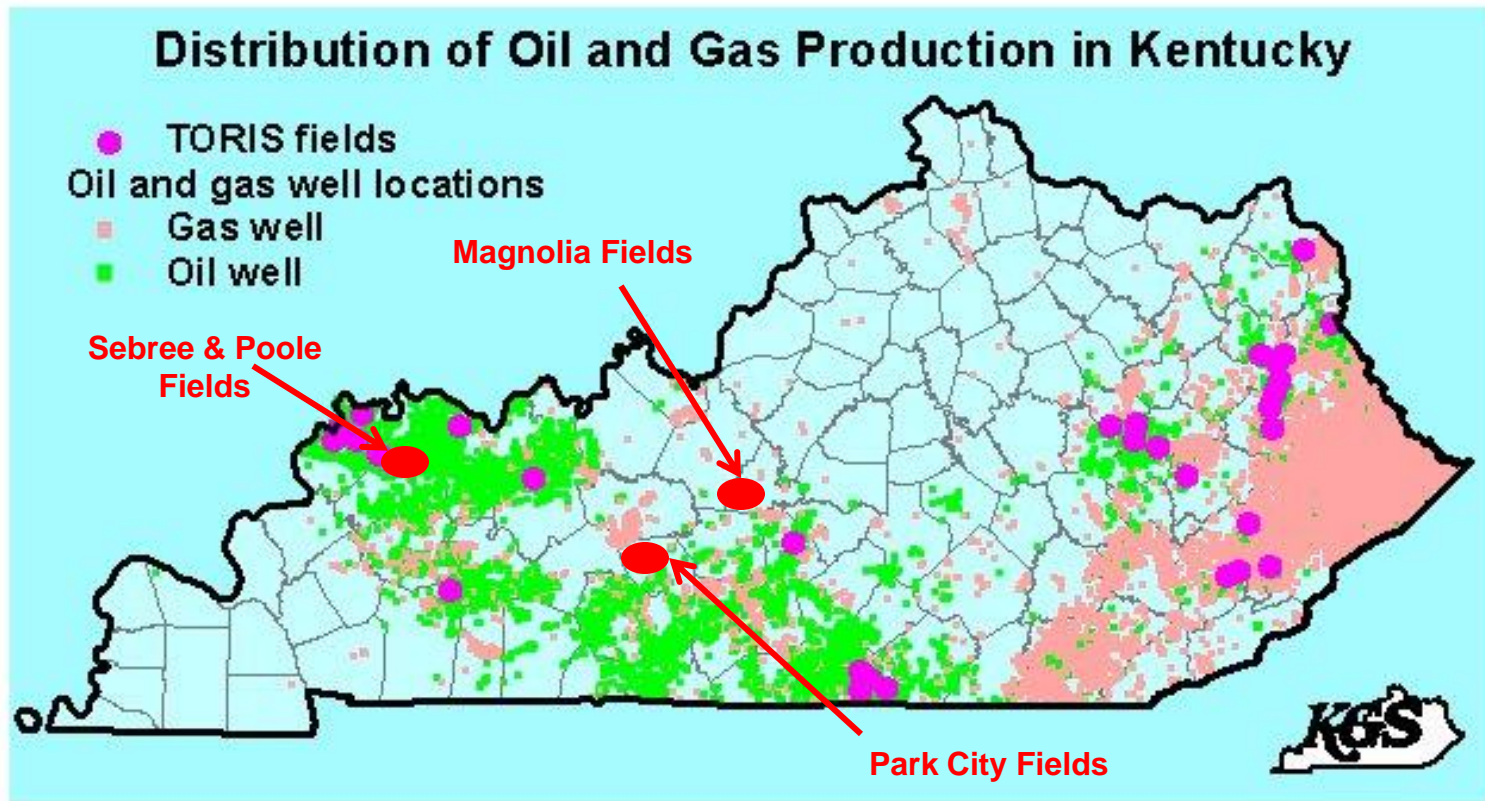
Well Name	IP	Depth	Formation
Ellislie No. 1	82 BOPD	6,445' – 6,450' TVD: 6,585'	Armstrong Sands
Armstrong No. 1A (Commencement)	135 BOPD	6,445' – 6,450' TVD: 6,650'	Baker Sands
Bourke No. 4 (MS #3)	248 BOPD	6,108' – 6,111' TVD: 6,410'	Parker Sands
Bourke No. 5 (MS #4)	Proposed	6,500'	Parker & Campbell Sands

Mississippi – Well Bore Diagram

Bourke 4

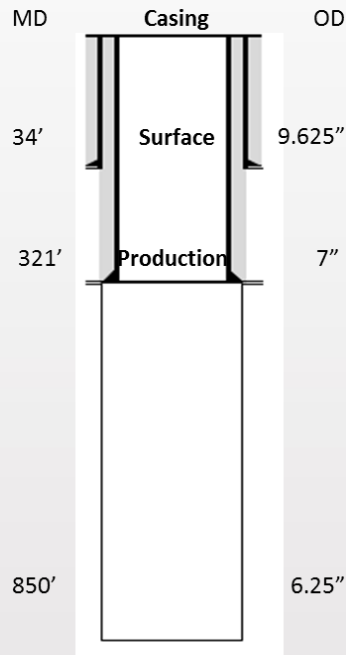


Kentucky Areas of Production

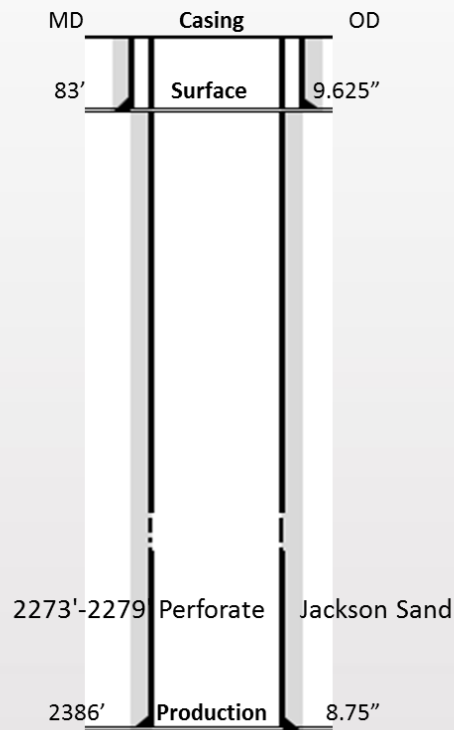


Kentucky – Well Bore Diagram – 100% Success

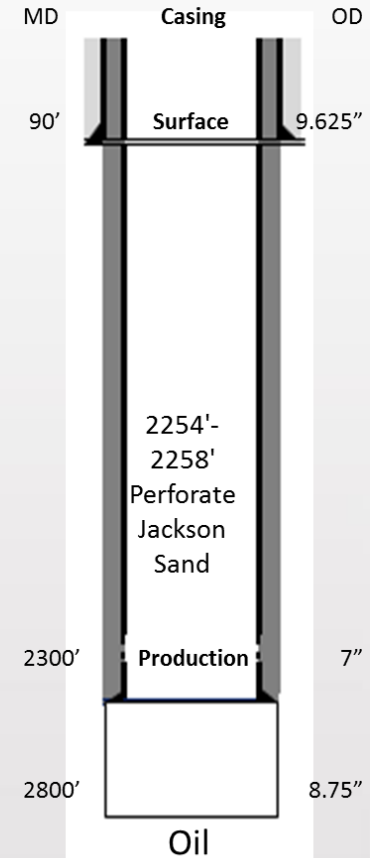
Magnolia 1



Tapp A3



Tapp B5



Intersected Gas
AUSTIN
 EXPLORATION

Oil

Oil

Resources Update – Gustavson Sept. 2012

Prospect	Oil EUR, MMBbl			Cumulative Production MMBbl	Oil Resources, MMBbl			Solution Gas Resources, BSCF		
	P90	P50	P10		P90	P50	P10	P90	P50	P10
Birch	5.36	9.53	17.51	0.19	5.17	9.34	17.32	21.41	42.01	82.99
Pathfinder	16.94	21.76	28.39	0	16.94	21.76	28.39	19.09	24.52	31.96
TOTAL	22.3	31.29	45.9	0.19	22.11	31.1	45.71	40.5	66.53	114.95

Currently in process of updating to reflect recent results

Farm-out Rationale – The Way Forward

➤ **Development options:**

- Equity – leads to dilution of shares, difficult in weak small cap market
- Debt – covenants risky for small company
- Equity/debt
- JV's
- Farm-out

➤ **Farm-out advantages**

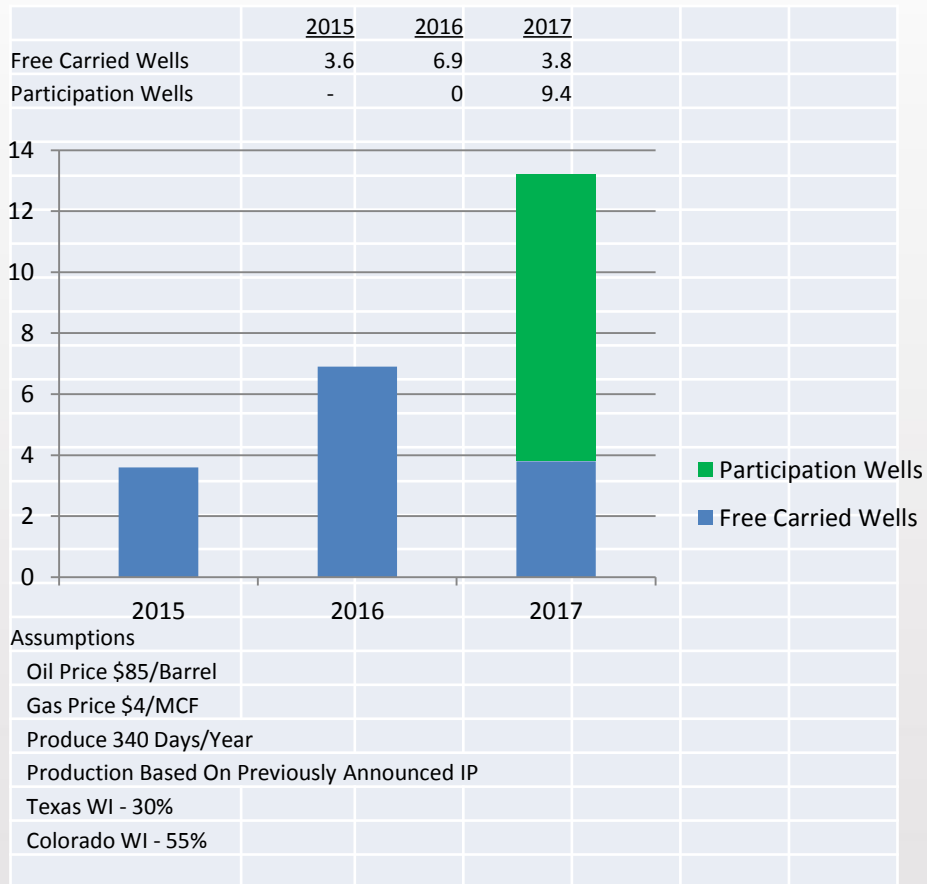
- ✓ Dramatically reduces shareholder risk
- ✓ Reduces dilution of shares
- ✓ Introduces additional experience from partner
- ✓ Well decision optionality
- ✓ \$78.65M potential economic benefit (approximately 5.24 billion shares @ 1.5 cps)

Anticipated Schedule with FO Carried Wells

Well	Est. Engineers & Operations Start Date
TX - 1	12/2013
TX - 2	06/2014
TX - 3	12/2014
TX - 4	06/2014
CO - 4	03/2014
CO - 5	06/2014

Potential Cash Flow From 2013 Farmouts

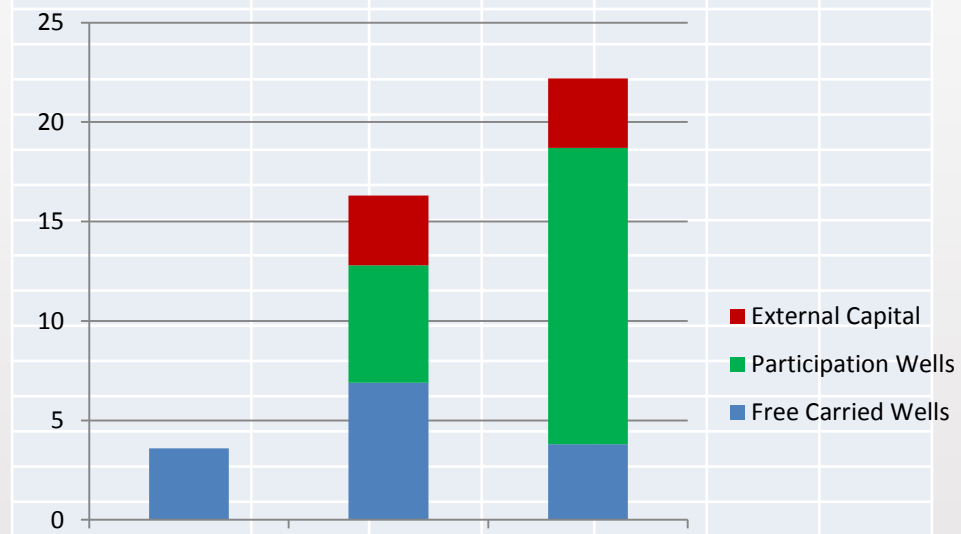
No External Capital Required



Potential Cash Flow From 2013 Farmouts

Drill wells as option available - \$7M External Capital

	<u>2015</u>	<u>2016</u>	<u>2017</u>
Free Carried Wells	3.6	6.9	3.8
Participation Wells	-	5.9	14.9
External Capital	-	3.5	3.5



Assumptions

- 2015
- 2016
- 2017
- Oil Price \$85/Barrel
- Gas Price \$4/MCF
- Produce 340 Days/Year
- Production Based On Previously Announced IP
- Texas WI - 30%
- Colorado WI - 55%

Expected Economic Benefit

Texas Birch Eagle Ford Property

Texas free carried first three wells	\$24M
Texas free carried fourth well	\$8M
Total cash and production cash received by Austin @ \$95/barrel	\$20M
B3 – Completion no longer required	\$0.75M
B2 – Completion no longer required	\$0.9M
Total financial benefit	\$53.65M

@ \$85/barrel = \$51.55mil

Expected Economic Benefit

Colorado Niobrara Property

Colorado free carried first two wells	\$12M
Total production cash received by Austin @ \$95/barrel & \$4MCF	\$7M
Negotiated 3rd well buyout	\$6M
Total financial benefit	\$25M

@ \$85/barrel = \$24.5 mil

Expected Economic Benefit

Texas & Colorado Farmouts Combined

Total financial benefit - \$76.05M @ \$85/barrel

- Assumes all current agreements close

Project 500 Squared

- 1. Goal was to reduce operating costs by \$500,000 p/a**
 - ✓ A reduction of \$1,100,000 p/a was achieved
- 2. Goal was to achieve average daily production of 500 BOE**
 - ✓ Achieved production capacity of 547 BOE during March of 2013

Summary / Highlights

- ✓ Austin's 20,000 acres across five proven hydrocarbon basins in the US will support nearly 300 wells over time
- ✓ Technical expertise identifies best opportunities
- ✓ Operator expertise minimises risk and cost
- ✓ Confirmed hydrocarbons maximises farm-out value to shareholder
- ✓ **100% success in exploration drilling**

Corporate Snapshot

Corporate Statistics (as at July 2013)

Shares On Issue (ASX : AKK)	1.6b
Market Capitalisation @ \$0.15	\$ 25M
Cash	\$2M
Debt	Nil
Enterprise Value EV	\$23 mil

USA:OTCQX International ADR Ticker:
AUNXY



Board of Directors

PROVEN COMPANY BUILDERS



Mr. Richard Cottee, Chairman of the Board

Mr. Cottee is the former CEO of the one of Australia's most successful oil and gas industry growth stories – Queensland Gas Corporation, and Mr. Cottee was CEO of Nexus Energy. He was also previously Managing Director for the UK, Norwegian and Scandinavian region for NRG Energy living in London. Mr. Cottee is a lawyer by background and commenced his career with Allen's Arthur Robinson before holding commercial positions with Itochu and Santos Oil and Gas. He also spent six years with Freehills, Allens & Mallesons covering the resource sector and six years as an executive director of Cyprus Australia Minerals

Dr. W. Mark Hart, Chief Executive Officer and Managing Director

Dr. Hart has more than 35 years of executive experience across a number of major mining and energy companies, including Standard Oil, Newmont Mining Company, Cyprus AMAX Minerals, and NRG Energy. He has been chairman and president of three billion dollar companies and has lived in Italy, Canada, Australia and the US. He is also chairman of MATH Energy 1, Dr. Hart also serves as an Adjunct Professor at the Colorado School of Mines. Dr. Hart has successfully led organizations of between 200 and 10,000 employees in a variety of executive capacities and has a PhD from CSM, an MS from WVU, 2 BS/BE in MechEng/MineEng Tech, AS EEngTech - FSU, and an MBA.



Mr. Guy Goudy, Chief Operating Officer, President – AusCo Petroleum Inc (USA)

Mr. Goudy trained at the University of Technology, Sydney (UTS) where he holds various formal qualifications in Business Studies. For the last four years Guy has been the President of Austin's fully owned North American subsidiary Aus-Co Petroleum Inc. Guy has been instrumental in driving the business forward into a cash flow positive operation whilst strategically shifting the focus of the business towards non-conventional Oil and Gas Exploration in North America. During this time Guy has also been a Director on the Board of Austin Exploration. Prior to this Guy was employed in the financial services sector and was an authorized representative with a leading stock brokering and financial advisory firm.

Mr. Dominic Pellicano, Non-Executive Director

Mr. Pellicano has been in private practice as a Certified Practicing Accountant (CPA) and has extensive experience in financial management and corporate governance. Mr. Pellicano also has experience as a director and shareholder of various other private companies. Mr. Pellicano has a Bachelor of Law from Monash University in Victoria.



Corporate Information

Austin Exploration Limited

Level 9, 575 Bourke St.
Melbourne, VIC, 3000
Australia
(03) 9606 3888 Phone
(03) 9606 3800 Fax
www.austinexploration.com

AusCo Petroleum Inc.

7985 W. 16th Ave.
Lakewood CO 80214
(303) 233 – 2232 Phone
(303) 233 – 2442 Fax
www.austinexploration.com

Auditor

Grant Thornton
Level 2, 215 Spring Street
Melbourne, VIC 3000
(03) 8663 - 6000
www.granthornton.com

Share Registry

Computershare Investor
Services Pty. Ltd.
Level 5, 115 Grenfell St.
Adelaide, SA, 5000
(614) 1903 – 5297 Phone
www.computershare.com