



AUSTIN EXPLORATION

Listed on the Australian Securities Exchange (“AKK”) and the OTC in the USA (AUN-XY)
ACN 114 198 471

ASX ANNOUNCEMENT

6 March 2017

Austin Executes PSA for acquisition of Incremental Oil and Gas (Florence) LLC

Austin Exploration Limited (**ASX:AKK**) (“Austin” or “the Company”) is pleased to advise that it has executed a purchase and sale agreement (PSA) with Incremental Oil and Gas Limited (“Incremental” or “IOG”) to acquire Incremental Oil and Gas (Florence) LLC which includes 100% of its 2,436 acre Florence Oilfield acreage and oil production in Colorado for US\$2 million.

A non-refundable deposit of \$50,000 was paid in December at the time of signing the term sheet for this transaction and a further \$150,000 deposit has now been paid. The balance of the sales price is to be paid at closing.

The effective date of this transaction is December 31, 2016 with a closing date expected within 50 days of signing the PSA.

Incremental retains a 2.5% overriding royalty interest in the prospective Niobrara Formation which underlies the Pierre formation.

The assets are highly complementary to Austin and significantly strengthen the Company’s asset base in Colorado where it is now focusing 100% of its efforts. Upon closing, Austin will have operatorship and control 100% of 18,208 acres in Colorado with a portfolio of producing wells, significant field equipment and inventory and a property large enough to accommodate more than 450 oil and gas wells across its expanded footprint.

– ENDS –

ABOUT AUSTIN EXPLORATION:

Austin Exploration is an Oil and Gas Company with a portfolio of oil and gas assets in the United States. The Company has now established a major presence in two of America’s most prolific oil and gas basins. Austin controls more than 15,000 acres in Colorado in the DJ Basin (Niobrara and Pierre Shale) and 4000 acres in the Illinois Basin in Kentucky. Austin has interests in producing oil and gas wells in Colorado, Kentucky and Texas. Austin has built a world class Board and Management team with proven company builders to derive maximum value from its oil and gas properties. Austin is listed on the Australian Securities Exchange (ASX code: AKK) and on the OTC in the United States (AUN-XY).

DISCLAIMER:

This announcement contains or may contain “forward looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21B of the Securities Exchange Act of 1934. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, goals, assumptions or future events or performance are not statements of historical fact and may be “forward looking statements.” Forward looking statements are based on expectations, estimates and projections at the time the statements are made that involve a number of risks and uncertainties which could cause actual results or events to differ materially from those presently anticipated. Forward looking statements in this action may be identified through the use of words such as “expects”, “will,” “anticipates,” “estimates,” “believes,” or statements indicating certain actions “may,” “could,” or “might” occur. Oil production rates fluctuate over time due to reservoir pressures, depletion or down time for maintenance. The Company does not represent that quoted production rates will continue indefinitely.