



AUSTIN EXPLORATION

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

ASX ANNOUNCEMENT

29 October 2014

Austin produces 226,000 BOE from Eagle Ford wells with Halcón Resources

- **Production achieved from four wells in 2014**
- **Fifth Eagle Ford well drilled and completed - undergoing flow back**
- **Drilling of sixth Eagle Ford well underway**
- **1,680 acres now held indefinitely through production – well placed to secure interest in 5,000 acres through production growth**
- **Continued production growth anticipated with two more wells to enter production**
- **Austin to become cash flow positive from production growth**

Austin Exploration (“Austin” or “the Company”) (ASX:AKK) today reported solid production results from its four producing horizontal wells at the Birch Eagle Ford Project in Burleson County, Texas, with over 226,025 barrels of oil equivalent (BOE Gross) produced from these wells on a 90% oil/10% gas ratio.

Austin maintains working interests in these four wells in a farm-out agreement with Halcón Resources. Two additional Eagle Ford wells are yet to enter production – the Curington, which is undergoing flow back testing, and the Seaducer, which is currently being drilled.

As a result of this production success at the Birch Project, Austin has secured 1,680 gross acres indefinitely. Also, through continued drilling activity and production, Austin is confident it will hold its interest in all 5,000 acres indefinitely. The production success has added significant value to Austin’s portfolio which is evidenced through a dramatic escalation in land values in Burleson County where Austin’s Birch property is located.

Austin confirms that the company should shortly become cash flow positive given its growing production profile, a major milestone for the group.

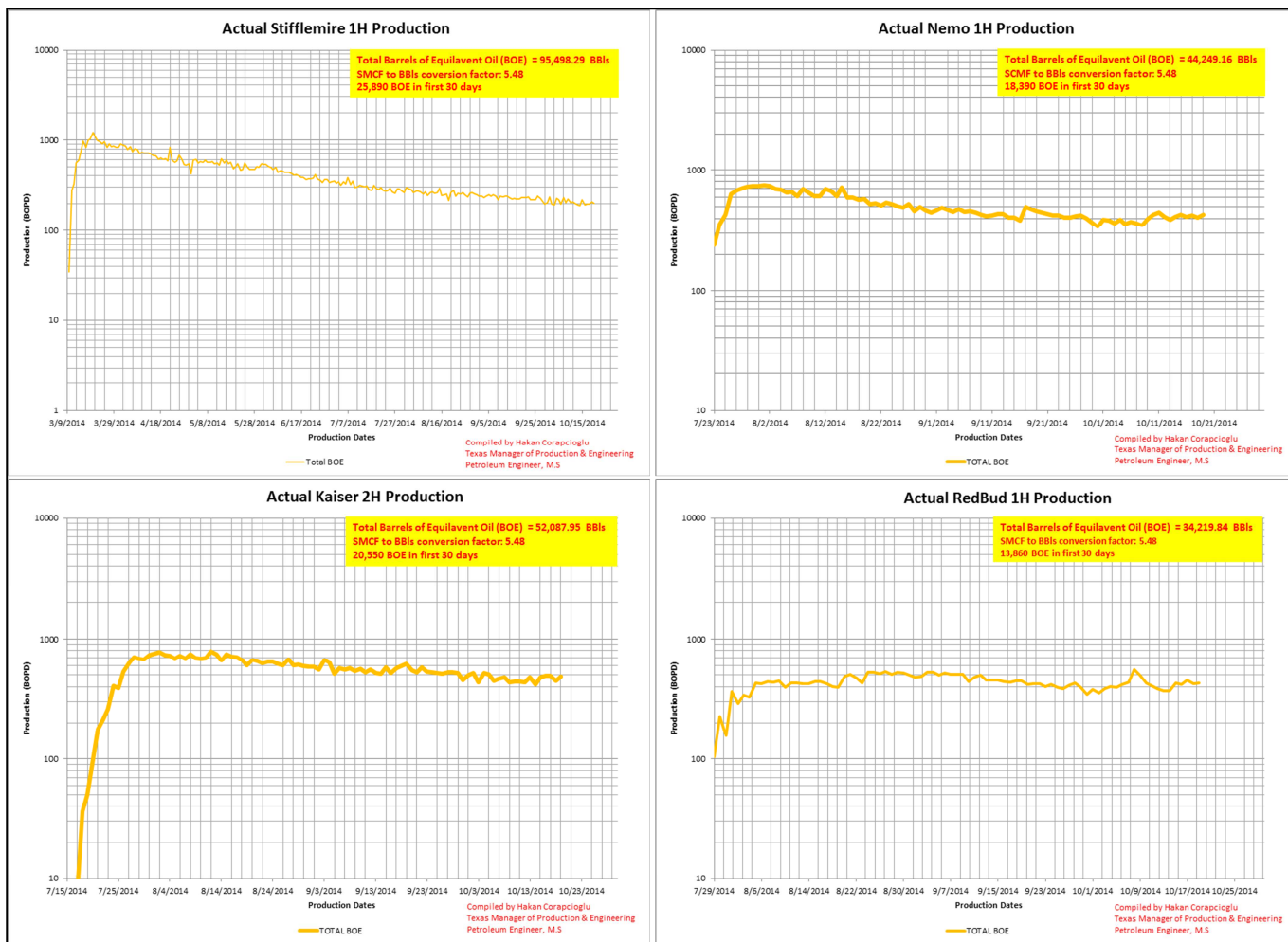
Austin’s CEO & Managing Director, Dr. Mark Hart, said, “We are pleased with the growing production from our Eagle Ford wells, and we anticipate continued production growth with two more wells at this project still to come on line. It is also worth noting that all four wells have only been in production concurrently for 2 months so we expect to report greater production in the coming months.

“Whilst the production performance from our assets in Texas is encouraging, Austin is very well placed to ramp up production from our diverse portfolio of oil and gas assets in Colorado, Mississippi and Kentucky as well. We have significant untapped potential in our portfolio and we will shortly have the financial flexibility to better exploit opportunities. Austin is very well placed for the future.”

Well Updates

Texas Birch Project Ownership

Well Name	Working Interest
Stifflemire #1H	30%
Kaiser #2H	30%
Nemo #1H	30%
Redbud #1H	20.15%
Curington "A" #1H	6.19%
Seaducer #2H	3.59%



(Stifflemire, Kaiser, Nemo, Redbud Production Graphs)

- The first Eagle Ford horizontal well of this campaign, the Stifflemire 1H well, was successfully drilled to a total measured depth of approximately 17,000 ft (8000 ft lateral leg) and produced 25,890 BOE in its first 30 days. As of October 21st Stifflemire has produced 95,498.29 BOE. This was the first well of a three well farm out program where Halcón Resources carried Austin on the costs of three wells to earn a 70% interest in Austin's Texas Birch property.
- The second Eagle Ford horizontal well, the Kaiser #2H well, was successfully drilled to a total measured depth of approximately 18,057 ft (8000 ft lateral leg) and produced 20,550 BOE in its first 30 days. As of October 21st Kaiser has produced 52,087.95 BOE. This was the second earn-in well in the farm-out.
- The third Eagle Ford horizontal well, the Nemo 1H well, was successfully drilled to a total measured depth of approximately 16,635 ft (7089 ft lateral leg) and produced 18,330 BOE in its first 30 days. As of October 21st Nemo has produced 44,249.16 BOE. This was the third well earn-in well in the farm-out.
- The Fourth Eagle Ford horizontal well, the Redbud 1H well, was successfully drilled to a total measured depth of approximately 17,465 ft (7000 ft lateral leg). As of October 21st Redbud has produced 34,219.84 BOE.
- The fifth Eagle Ford horizontal well, the Curington "A" 1H well, was successfully drilled to a total measured depth of approximately 16,620 ft (7075 ft lateral leg). The well has been successfully fraced and is currently undergoing flow back.
- The sixth Eagle Ford horizontal well, the Seaducer 1H well, is currently being drilled.

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ABOUT AUSTIN EXPLORATION:

Austin Exploration is an Oil and Gas Company with a portfolio of oil and gas assets in the United States. In 2010, Austin strategically shifted its core focus towards non-conventional shale exploration and production. The Company has now established a major presence in two of America's most prolific oil and gas basins. Austin controls more than 11,000 acres in Colorado in the Niobrara Shale and has an interest in over 5,000 acres in Texas in the Eagle Ford Shale and the Austin Chalk. Austin has producing oil and gas wells in Colorado, Texas, Mississippi and Kentucky. 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-QX International in the United States (AUN-XY).

DISCLAIMER:

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