

ASX ANNOUNCEMENT

19th August 2009

For Immediate Release

The Manager
Companies Announcements Officer
Australian Stock Exchange
Electronic Lodgement

Dear Sir/Madam

- **Park City, Four-Well Completion Program Ahead of Schedule**
- **First Three Wells Completed and Confirmed as Oil Producers**
- **Fourth Well Now on Schedule for an August Completion**

The board of Austin Exploration Limited (ASX: "AKK") is pleased to announce that its Park City, Kentucky, USA oil and gas well completion program is ahead of schedule and that the first three wells completed can now be confirmed as oil producers.

We also advise that the fourth well in the program has been brought forward from its original September completion date to August.

Four Well Progress Report

1. ***The James Spillman #1 and #2*** – Although these wells have been constrained by limited availability of 24hr per day electricity at the pump jacks, they are now cumulatively flow testing on pump at daily rates of 17-22 barrels of oil per day. A single 210 barrel storage tank is on site to support daily flow from both wells. Local crews from the city electric co-op are currently scheduled to complete the installation of underground electricity utilities some time later this week.



2. **The Harlin Tarter #2** – This well represents the third well in less than 6 weeks to undergo a SRS completion procedure and also have oil recovered from its well-bore. Prior to performing the SRS procedure this well had 25 standing barrels of oil in the well-bore. Ten of these barrels were above the targeted completion zone and recovered to storage. Sixteen successful SRS lateral completions were completed on this well which is now being readied for an on pump flow test. The amount of oil already recovered from this well, coupled with the positive daily drilling reports, indicate that this well should be the best daily producer of the three wells drilled to date. Flow test results are anticipated within 48 hours.
3. **The Harlin Tarter #1** – This well, located near the Tarter #2 well, represents the fourth well of the phase 1 completion program and is currently being prepared for the workover rig and SRS procedure. A completion of this fourth well is expected to occur next week.

Infrastructure Report

Oil pick-up scheduled for August 26th – Austin's wholly-owned subsidiary, Aus-Tex Exploration, currently maintains a contract with a local refinery for the sale, collection and refining of all oil produced from these Park City wells. The first scheduled pick-up has been set for August 26th thus providing Austin with income from production in the month of September. The Spillman lease and Tarter lease each have their own respective central storage and pick-up points. Current storage on each lease is at 210 barrels. Collection of oil and transport to the refinery will be ordered as the tanks near capacity. As new wells are drilled or completed on each lease, additional storage capacity will be added as needed. The company anticipates adapting this this central storage and retrieval model for all other leases at Park City.

Gas processing plant – Atmos Gathering LLC, the operator of the nearby processing plant, has indicated that it expects the plant to be back online by mid September. When this occurs, Aus-Tex will be able to begin flow testing any gas being produced from the field and sell that production accordingly. In cases such as the Spillman #2 well - where both oil and gas are present - the current inability to move the gas from the well to the processing plant is negatively impacting the flow of oil. This is caused by the downhole back pressure created by the gas that is not able to escape the well bore. Periodic daily remediation is currently employed to solve this issue.

Electricity – Electricity is provided through a local community cooperative. The vast majority of the 17 in-place wells reside in fields that have been used for farming soy beans and other types of crops for many years. Upon the completion of each successful oil well, the company is required to bring electricity to the pumpjack. In most cases this only takes a week or so. Gas only wells – which do not require a pumpjack because they naturally produce to the surface - require a solar panel to properly operate the above-ground equipment.

Why a Four Well Drilling Program – Understanding the Bigger Picture

Aus-Tex began this drilling program to test a series of basic scientific assumptions about the oil and gas formations that lie beneath the surface of Austin's 857.82 acres of mineral leases. The primary data gathering points were related to the thickness and porosity of the corniferous formation and to determine the territorial boundaries of this formation where it underlies the acreage.

The data from these four wells will provide the basis for pinpointing not only the next well completions within the 17 existing wells, but also will assist in the identification of the more numerous new off-set well opportunities. Prior to commencement of the drilling program the company's chief geologist developed a set of outcome scenarios based on specific data that these four wells may produce. The outcome scenarios included daily production volumes based on specific data points within the well logs. Sample data from the hundreds of other wells located in nearby areas was also interpreted.

The more optimistic data scenarios are currently being seen in these first four sample wells. Upon completion of these wells Aus-Tex will spend a period of six to eight weeks executing phase 2 of the Park City plan. This second phase will include oil chemical analysis and other important factors such as rock sample examination etc. The company anticipates using the results of this analysis to determine the priority for the remaining 13 well completions and to pinpoint additional specific locations for new low cost, off-set drilling opportunities. The current acreage held by Aus-Tex provides for at least 60 of these additional wells. Other nearby acreage is also available for lease.

With the planned September activation of the Atmos processing plant, Austin will also begin formally testing gas flows and making connections to the plant based on the economics of each well.

Austin Exploration Limited ACN 114 198 471

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

Interest Holdings

NAME	WI	NRI
Aus-Tex (Operator)	100.000%	78.125%
Landowner		12.500%
Newtak Pty Ltd		5.000%
California Service Pty Ltd		4.375%

ENDS.....

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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 28 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.

Please visit the company web site for more information on the Park City area and other projects that Austin is involved with.

<http://www.austinexploration.com/>