



Austin Exploration Limited

Building a balanced portfolio of hydrocarbon prospects

Australian Office

Level 50, 120 Collins St
Melbourne 3000 Victoria
Ph +61 3 9225 5295
Fax +61 3 9225 5050

USA Office

111 Congress Ave, 4th
Floor
Austin, Tx. 78701
Ph. +1 800 951 9411
Fax +1 866 234 9806

29 June 2007

ASX Announcement

Well Name: Southwest Edwards

(V. Montgomery 29-6 #1 Well – Hinds Co., Mississippi)

SW Edwards Site Location Work Complete – Rig Moving In

Austin Exploration Limited (“Austin”) (ASX code: AKK) today announced that Location work at the SW Edwards drill site is complete. Greywolf Rig No. 722 is now scheduled to begin moving in on July 4, 2007 with operations to begin on July 10, 2007.

David Schuette, Austin Managing Director, said: “Southwest Edwards represents a significant opportunity for our company. The potential reserves at this site are substantial. I would also like to thank our shareholders, the Australian private investor group and Verus Investments Limited for their support of this project.”

Statement of Working Interests

Southwest Edwards		
Party	Cost Bearing interests through completion to First Sales	Cost Bearing interests %/NRI% of the Parties After Completion, to First Sales & all <u>Subsequent Wells</u>
Austin Exploration	* 0%	25% / 19%
Flex Energy LLC	41.1750%	50% / 38%
Private Australian Investor	29.4125%	12.5% / 9.5%
Verus Investments Limited	29.4125%	12.5% / 9.5%
TOTAL	100.000%	100% / 76%
<p>* Aus-Tex Interest Aus-Tex, by agreement with private investors will be carried through completion and to first sales in the Test Well</p>		

The Southwest Edwards prospect is located in Hinds County, Mississippi, USA, and is on trend with excellent production from several Upper Cretaceous reservoirs. The prospect is substantiated by subsurface control, 2-D seismic lines, and a 3-D seismic survey and will involve re-entering a previously drilled well and sidetracking 600-800 feet northwest. The well is designed to test apparent logged pay in two Odessa Sands at a total depth of 13,250 feet. The potential reserve from the project is 2.86 billion cubic feet of gas and 1,096,000 barrels of oil.

About Austin Exploration Limited

Austin Exploration (Austin) is an oil and gas exploration company with a balanced portfolio of hydrocarbon prospects in Australia and the United States.

Austin's business model is to develop a portfolio of hydrocarbon assets with a balance of low-risk prospects combined with a prudent mix of high risk, higher return opportunities based on its capital availability. Utilising its technical competence and extensive industry network, Austin seeks to identify suitable risk profile prospects, conduct an evaluation and then identify suitable farm-in partners.

Austin is listed on the Australian Securities Exchange (ASX code: AKK).

Ends...

For further information contact:

Kenneth Hill

Chief Information Officer

Austin Exploration Limited.

Tel: +1 -800-951-9411

Email: kenny@austinexploration.com

www.austinexploration.com

To subscribe to our electronic news service:

<http://www.austinexploration.com.au/newsletter.asp>

Competent Persons Statement:

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr. David M. Schuette (Managing Director), Mr. Donald F. Reck Jr. M.S (Chief Technology Officer) of the company, and Mr. Phillip T. Lelande (CEO Flex Energy). All individuals are full-time employees, officers and/or are leading the company's drilling and operations. Mr. Reck has been a member of the American Association of Petroleum Geologists since 1976. Mr. Lelande is a member of the Society of Petroleum Engineers and served on the API Board of Directors.

Austin Exploration has sufficient experience of relevance to the styles of hydrocarbon entrapment and the types of deposits under consideration, and to the activities undertaken to qualify as a Competent Person(s) as defined in the 2004 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

For more detailed information on these executives please visit the Austin Exploration Limited website at <http://www.austinexploration.com/OurTeam.asp>