



Austin Exploration Limited

Building a balanced portfolio of hydrocarbon prospects

30 August 2007

ASX Announcement

Well Name: Southwest Edwards (V. Montgomery 29-6 #1
Well – Hinds Co., Mississippi, US)

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Thirty Feet of Potential Pay Discovered

Austin Exploration Limited ("Austin") (ASX code: AKK) today advised that log analysis at Southwest Edwards well has identified thirty feet of potential pay within multiple zones and production casing has been completed to a depth of 12,500 feet.

David Schuette, Austin Managing Director, said that he is encouraged by these log results and looking forward to continuing its production testing program.

"We are encouraged by these log results and the opportunity that they bring to Austin," Mr Schuette said

"We have completed production casing to target depth of 12,500 feet and we've ordered a production rig so that we can perforate and test the identified zones as soon as possible.

"Our drilling team has now been on site for over 40 days. They are currently transitioning the site for arrival of the rig," he said.

The company also advised that more information will be announced after the production rig arrives and testing has begun.

Ends...

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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).

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%
* Aus-Tex Interest	Aus-Tex, by agreement with private investors will be carried through completion and to first sales in the Test Well	

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. All individuals are either a full-time employee, officer and/or are leading the company's drilling and operations efforts. Mr. Reck has been a member of the American Association of Petroleum Geologists since 1976.

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>