



Austin Exploration Limited

Based in Adelaide Australia and listed on the Australian Securities Exchange (ASX code: AKK)

ASX announcement

14 March 2008

FURTHER INFORMATION ON AUD\$5M PRIVATE INVESTMENT TO DEVELOP PARK CITY KENTUCKY USA GAS PROJECT

As announced by Austin Exploration Limited (ASX:"AKK") on 8 March 2008, the company has entered into an AUD\$5m investment letter of intent with a private Australian based investment group.

It is proposed under the letter of intent that:

- non recourse funding will be provided against the security of anticipated cash flow from the Park City Gas Field on terms which entitles the investor to receive up to AUD\$10M over 3 years;
- the investor will receive 16,828,969 options to acquire shares in Austin Exploration at an exercise price of \$0.25 and with an exercise period of 3 years (which if fully exercised would raise additional capital for the Company of \$4,207,242.25);
- the members of the investment group will respectively receive an overriding royalty interest of 5% and 4.375%.

The letter of intent is non binding and detailed agreements are to be negotiated.

The granting of the proposed overriding royalty interests will result in Austin Exploration holding a 56.25% net revenue interest. The Company's announcement of 25 February 2008 referred to it having a net revenue interest of 65.625%. That figure was adjusted in the Company's announcement of 8 March 2008 to reflect the overriding royalties contemplated under the letter of intent. Minor differences from that figure reported in previous announcements emanated from an adjustment to other anticipated working interests.

About Austin Exploration Limited

Austin Exploration (Austin) is an oil and gas development company with assets in Australia and the United States. Utilising a broad industry network developed from over 30 years of noteworthy investment and acquisition experience by its executive team, Austin seeks to identify suitable development prospects, conduct thorough geological and engineering evaluations and then identify suitable farm-in partners for long term development of these prospects. Austin is listed on the Australian Securities Exchange (ASX code: AKK). For more information, visit www.austinexploration.com

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