



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

21 June, 2007

ASX Announcement

Well Name: Aus-Tex Gueymard #1

55 Feet of Pay Discovered at Aus-Tex Gueymard #1

Austin Exploration Limited ("Austin") (ASX code: AKK) today announced that the final analysis of the Halliburton production log is complete and 55 feet of pay has been identified in the zones logged above the targeted P sands. The data is no longer ambiguous and Austin Exploration has confidence in the Halliburton findings.

David Schuette, Austin Managing Director, said: "We are very excited about this bonus discovery and the validation of our Phased approach strategy. The St. Gabriel field will continue to be a focus of the company. This discovery has produced a positive impact for the company, our stock holders and our private investors. We look forward to testing these pay zones and moving forward with this well."

Austin is now running 5 inch production casing and will begin testing the pay zones shortly. The identified sands are the H, O, J, M, N and K sands. Austin will release more specific information regarding the testing procedures and the potential reserves as they become available.

In Summary

Austin's original plan for this prospect consisted of a two phased approach with an emphasis on financial prudence.

1. **Phase one** – attempt a re-entry of the old Shell Oil well with a desire to reach the targeted P and below sand. If the targeted zones are not reachable then the company will run and analyze logs for the zones that are available.
2. **Phase two** – assess all available data gathered during phase one and begin preparation to drill another well.

Although phase one did not reach the targeted zones the company did find unexpected hydrocarbon shows in the upper zones. The company will announce the timing for phase two after testing of the Phase One bonus pay zones have been completed.

Statement of Working Interests

Party	Working Interest Before Payout	Working Interest After Payout
Austin Exploration Limited	50%	40%
Verus Investments LTD	25%	20%
Private Investor Group	25%	20%

Ends...

To subscribe to our electronic news service visit:

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

For further information contact Kenneth Hill
Chief Information Office

Austin Exploration Limited.

Tel: +1 -800-951-9411

Email: kenny@austinexploration.com

or visit www.austinexploration.com

About the Aus-Tex Gueymard #1 Prospect / Field

The Aus-Tex Gueymard #1 well is within the St. Gabriel Field. This field is located over a salt dome in Ascension and Iberville Parishes, Louisiana (USA), approximately 12 miles south east of the city of Baton Rouge.

Austin Exploration has the opportunity to drill more than one well in the St. Gabriel Field. Current opportunities are focused on exploiting unproduced reserves in previously producing wells.

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).

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. Lalande (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>