



AUSTIN
EXPLORATION



**Value creation through technical excellence
driving world class oil and gas properties**

May 2014

Disclaimer

Statements made by representatives of Austin Exploration Limited during the course of this presentation that are not historical facts are forward-looking statements. These statements are based on certain assumptions made by the Austin Exploration Limited based on management's experience and perception of historical trends, current conditions, anticipated future developments and other factors believed to be appropriate. Such statements are subject to a number of assumptions, risks and uncertainties, many of which are beyond the control of the Austin Exploration Limited, which may cause actual results to differ materially from those implied or expressed by the forward-looking statements. These include risks relating to financial performance and results, availability of sufficient cash flow to pay distributions and execute our business plan, prices and demand for oil and natural gas, our ability to replace reserves and efficiently exploit our current reserves, our ability to make acquisitions on economically acceptable terms, and other important factors that could cause actual results to differ materially from those anticipated or implied in the forward-looking statements. The Austin Exploration Limited undertakes no obligation to publicly update any forward-looking statements, whether as a result of new information or future events.

SPP – Turning Assets into Revenue

Large Asset Base

- Niobrara
 - Source for 2nd oldest oil field in the world – the Florence oil field
 - Niobrara 2 unconventional well successful – IP 403 B0EP
 - 11,560 acres or approximately 250 wells at 40 acre spacing
 - Gas processing and sales of heavy gasses to commence in June 2014
 - Working Interest 100% Net Revenue Interest 75%
- Eagle Ford
 - Successful Stifflemire #1 1066 B0EPD
 - Proven Operator – Halcón ramping up drilling program
 - Rapid commercialisation opportunity
 - Working Interest 30% Net Revenue Interest 22.5%



***Unrivalled entry to US Oil Shale Revolution,
focusing on two of the three best basins***

SPP – Assets returning revenue

Access to Expertise

- Eagle Ford advancing rapidly with Halcón
 - Operator with proven track record
- Niobrara program - Austin named runner-up in the Rocky Mountain Exploration and Production Company of the year
- Colorado School of Mines expertise

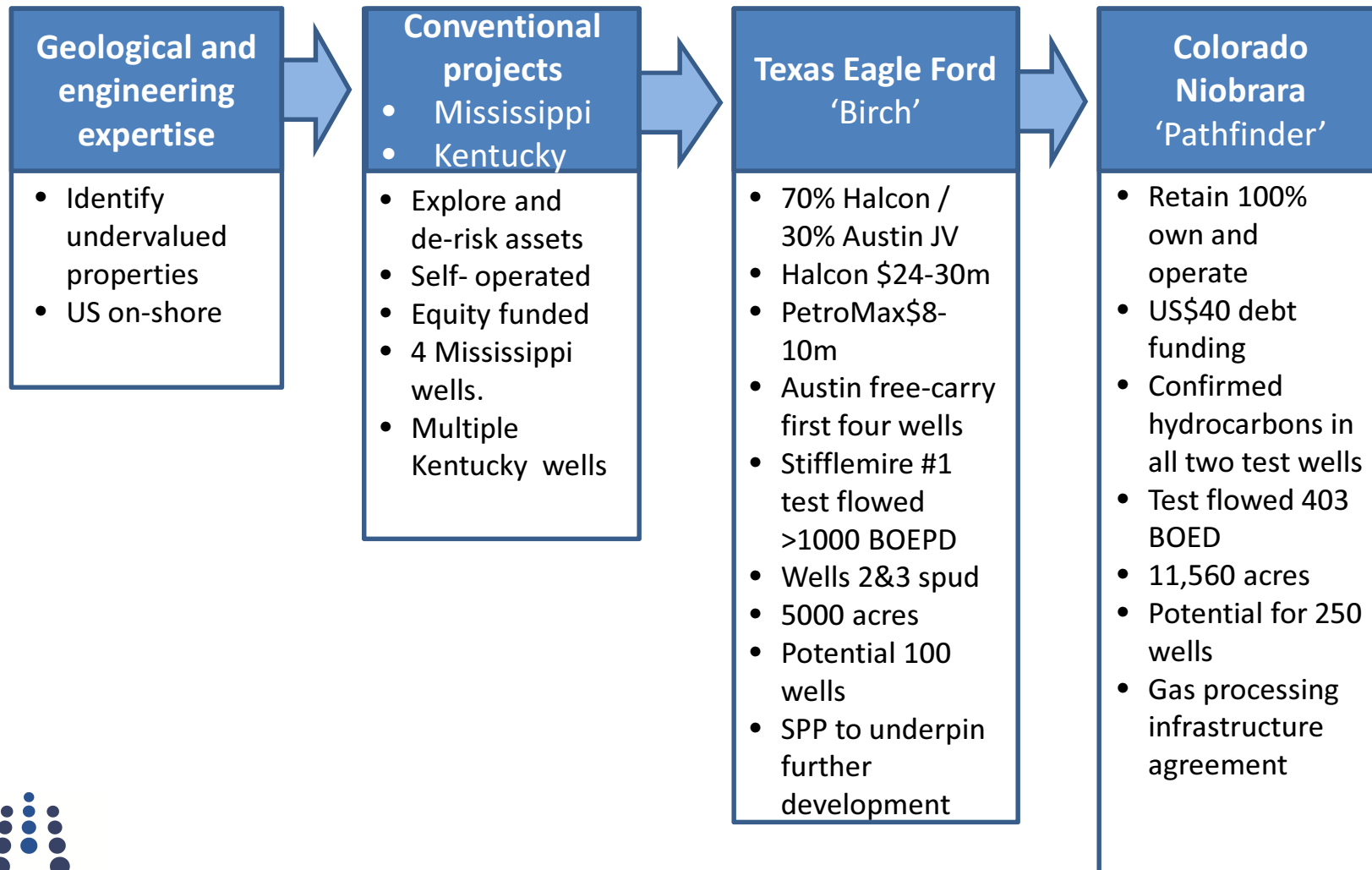
Access to Capital

- Free carry on 3 well Eagle Ford program \$24-30million
 - Commitment to additional wells required before revenue flows
- Debt financing being pursued through Mizuho
- SPP enables shareholders to participate in rapid development

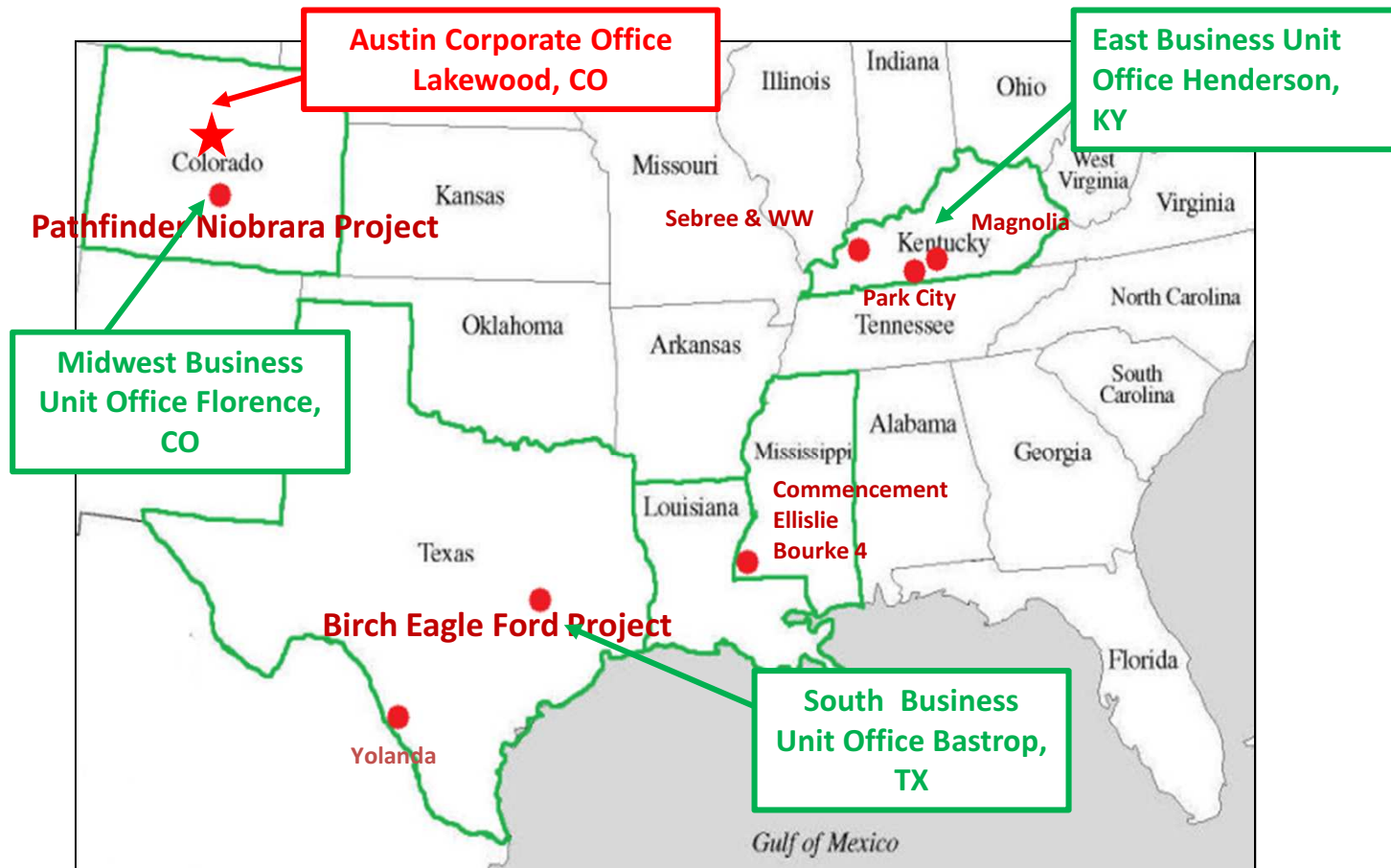


*Poised for funded development as
independent energy operator*

Strategic Pathway



US Assets – Map



Austin Reserves

Independent Study Gustavson (Fall 2013)

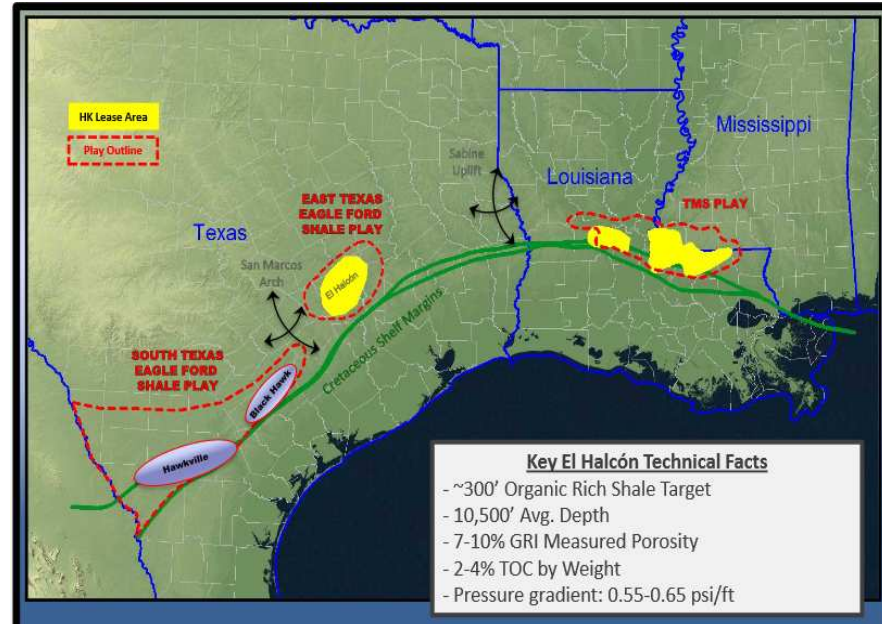
	Estimated Ultimate Oil Recovery			Oil Resources,			Solution Gas Resources, BSCF		
	MMBbl (Million Barrels)			MMBbl (Million Barrels)			BSCF(Billion cubic feet)		
	P ₉₀	P ₅₀	P ₁₀	P ₉₀	P ₅₀	P ₁₀	P ₉₀	P ₅₀	P ₁₀
Birch Prospect	6.140	11.980	22.400	5.940	11.790	22.200	24.550	50.060	101.220
Pathfinder Prospect	16.940	21.760	28.360	16.940	21.760	28.360	19.090	24.520	31.960
Yolanda Villarreal	-	0.058	-	-	0.058	-	-	0.361	-
Kentucky	-	-	-	0.340	0.517	0.755	0.513	1.104	2.264
TOTAL –Contingent Resource				23.220	34.125	51.315	44.153	76.045	135.444

	Area	Net Oil Reserves (BBL)
Proved Developed Producing	Kentucky	51,931
	Mississippi	27,834
	Total	79,765
Proved Developed Non-Producing	Area	Oil EUR, STBBL
	Mississippi	209,976

Significant upgrades expected near term

Birch Eagle Ford Prospect

- 5040 acres in Burleson County & East Texas



Owner	Working Interest (WI)	Net Revenue Interest (NRI)
Austin Exploration (AKK)	30%	22.5%

Identified by Halcón as the next Eagle Ford 'Sweet Spot'

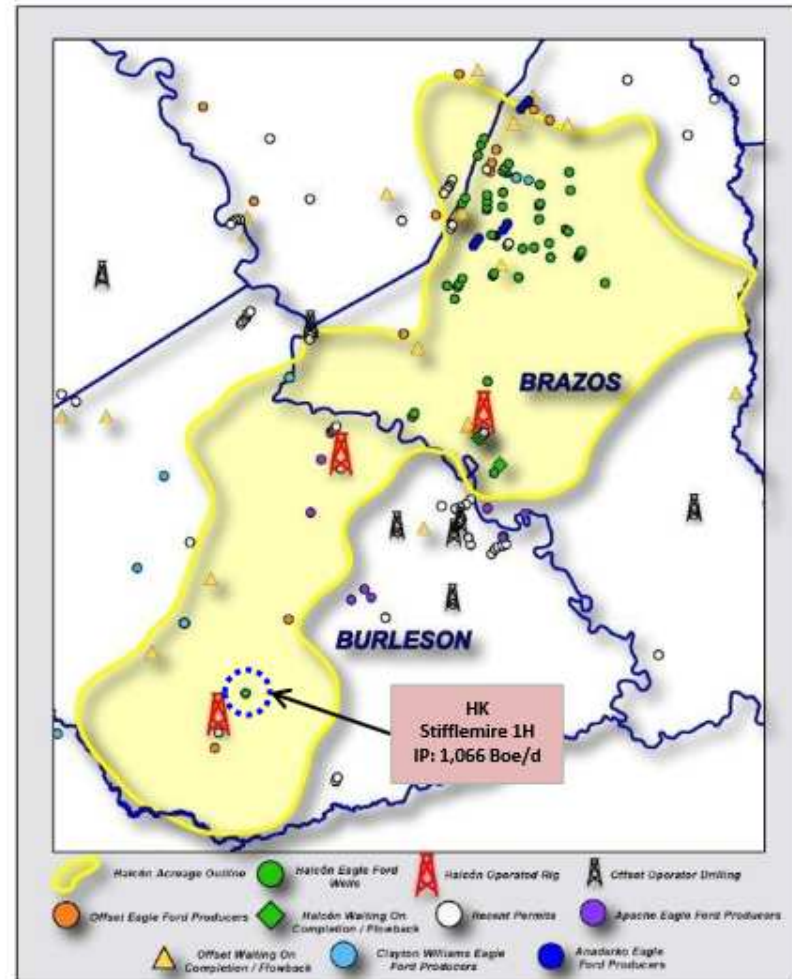


JV's first horizontal a major success

Halcón reports IP Rate of 1066 BOEPD

Key Highlights

- ~100,000 net acres leased – target achieved
 - Acreage in “**SWEET SPOT**” of play
 - ~1,000+ future locations to drill assuming 800’ spacing
- 2014 Outlook
 - Expect to spud 40-50 gross operated wells w/ three rigs
- Improving Well Economics
 - Reduced drilling days and lower frac cost
 - Optimization of D&C techniques ongoing
 - Optimizing artificial lift type and installation timing
- Recent Well Performance
 - Lateral length directly correlating to EUR for wells completed with sufficient volume of proppant
 - Early stage results from step out wells to the South are very encouraging
 - Stifflemire 1H (1st Burleson County well)
 - IP: 1,066 Boe/d (87% oil)



[Halcón Resources Corporation Presentation – March 25 2014](#)

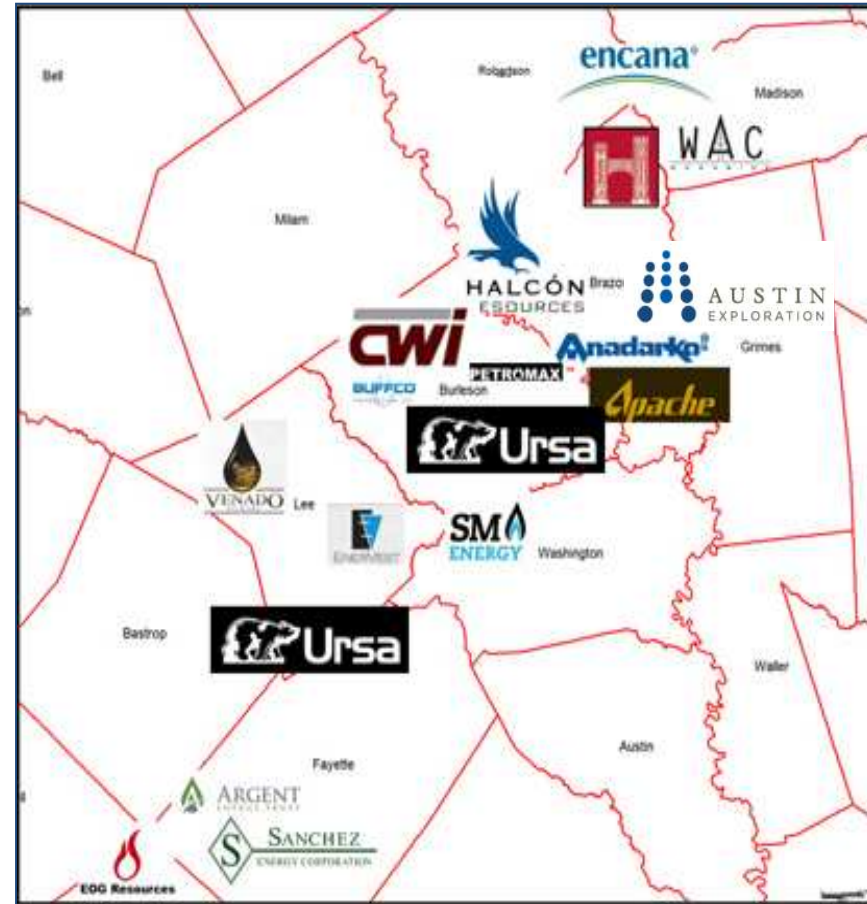
Birch Eagle Ford Prospect

Successful USD \$54 mil farm-out program completed in 2013:

- Halcón Resources – free carried for three 10,000 ft horizontals wells in 2014 .
- PetroMax Operating – free carried for one 10,000 ft horizontals well in 2014
- \$10M/well

Next

- Austin required to provide matching funds after well 3
- Additional funds required to keep pace and retain full project rights



Pathfinder Niobrara Project

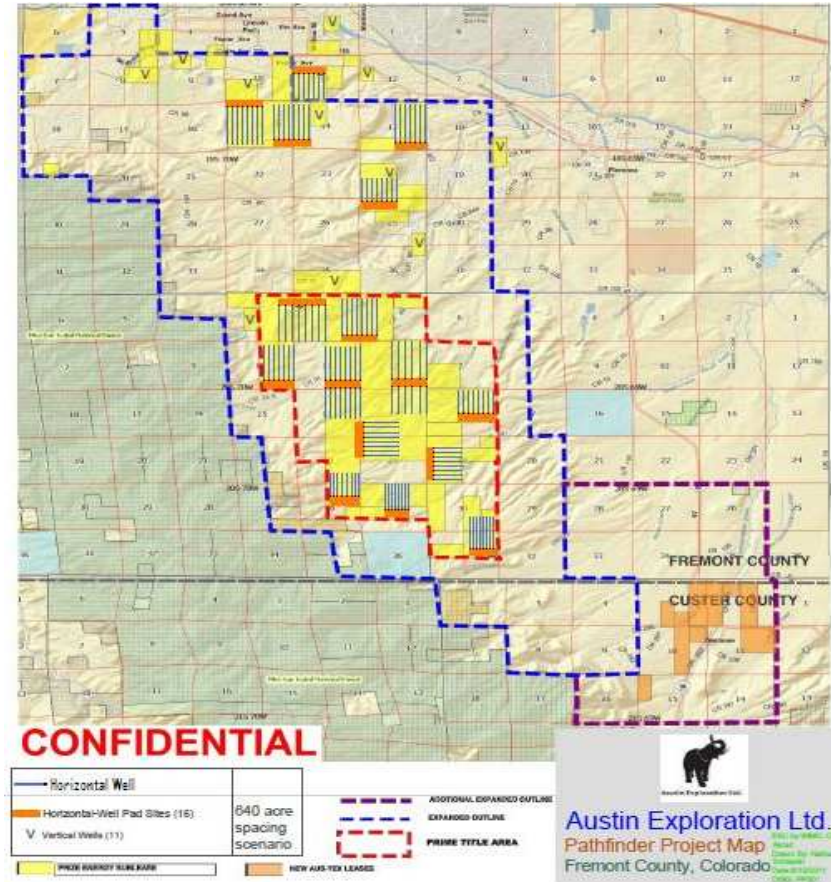
– 100% of 11,560 acres in Fremont & Custer Counties Colorado

Proven targets

- Niobrara formation
- Pierre Shale

Exploration success

- Well #1 – Successful vertical exploration well
- Well #2 successfully drilled with 16 frac stages over a 4100ft horizontal leg
- On March 13, 2013 the well had an IP rate of 403 BOEPD
- Spacing allows for a minimum of 200 horizontal wells



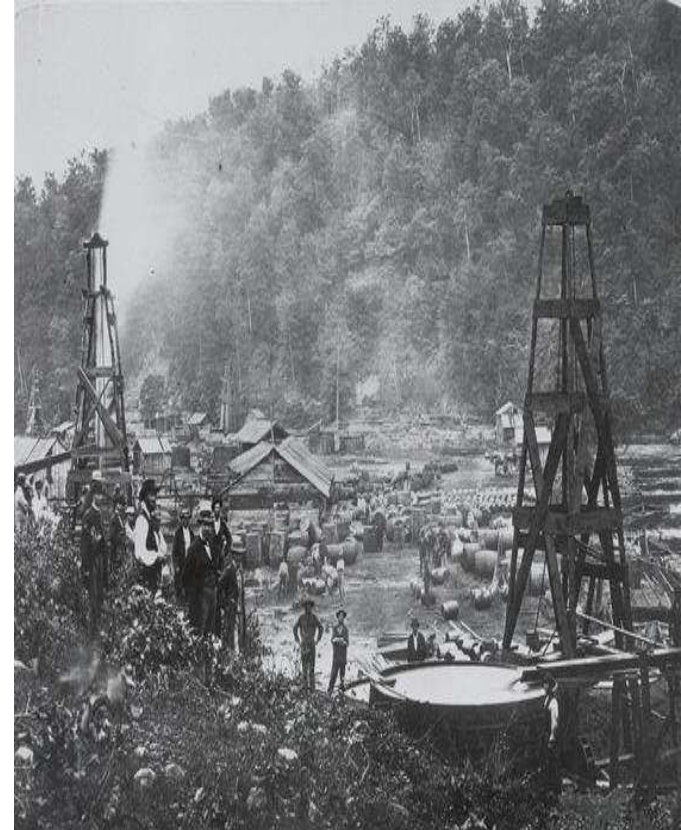
Austin was first to successfully drill a horizontal well into the Niobrara in the Florence Field

Austin Pathfinder Project

- *Originally the Florence oil field*

Niobrara formation - the 'source' of the Florence oil field

- 1860's Florence became the 2nd oldest oil field in the world
- In 1862, oil discovered is good API quality with low water production
- The Pierre formation is from the Cretaceous age
- 15.5 million barrels of oil have been produced in the Pierre formation from over 1,000 wells
- In 1862, oil was discovered in Oil Creek



Accessed by modern 'unconventional' drilling techniques

Pierre Wells in Florence

- Adjacent & Contiguous property

Pierre wells used in this analysis:

- 22 Wells Total
 - 3 Vertical Wells
 - 12 Deviated Wells
 - 7 Horizontal Wells
- Satellite imaging analysis while integrating geological structure analysis , subsurface geology, surface geochemistry study and 2D Seismic

Quick pay back with low capital cost & low risk wells.

Provides fast cash flow

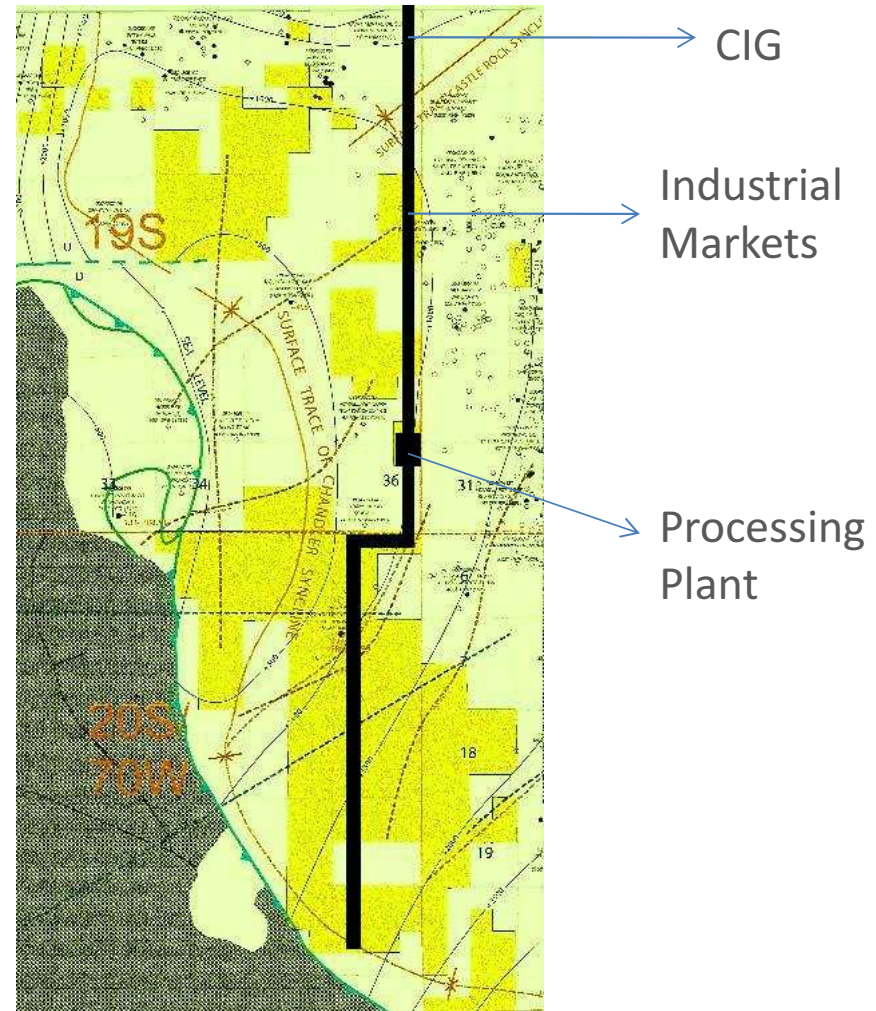
Drilled simultaneously with Niobrara wells

Niobrara

– *Gas Gathering & Processing infrastructure underway*

Agreement with Gas Processing of America Inc. (GPA) in Feb 2014

- GPA will process and sell the heavy liquid gases (propane, hexane, ethane and butane)
- Methane to be sold as pipeline quality gas
- Processing plant to be in place in c.30 days.
- Gas line to be in place and connected to CIG during phase 2



Capital structure

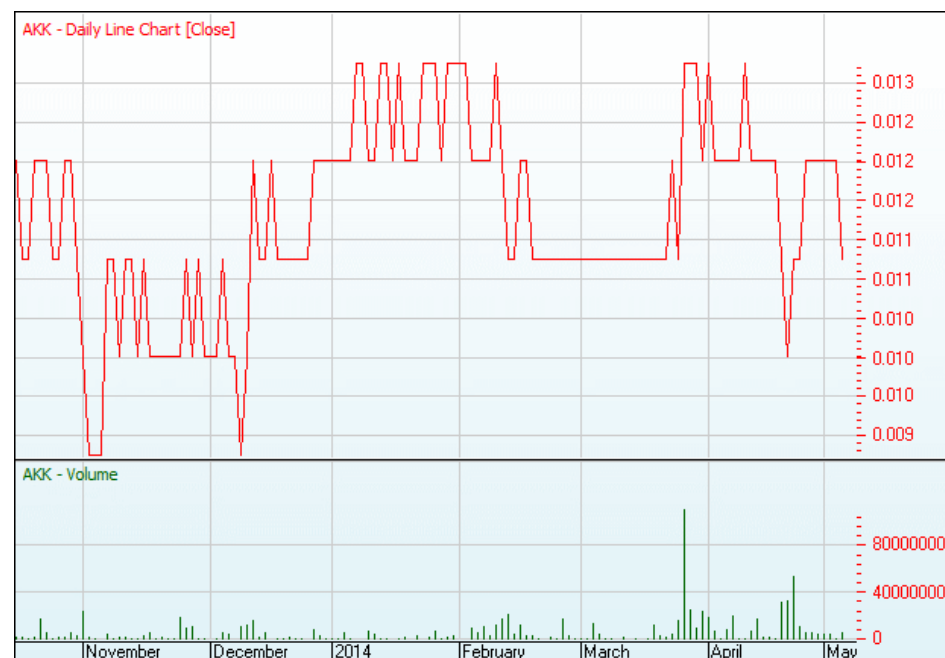
Board and Management

Richard Cottee	Chairman of the Board
Dr. Mark Hart	CEO & MD
Guy Goudy	COO and President of AusCo Petroleum Inc (USA)
Dominic Pellicano	Non-executive Director

Corporate Statistics

Shares On Issue (ASX : AKK)	2b
Market Capitalisation @ \$.021	\$ 24m
Total Options	NIL
Cash	\$3m
Debt	\$ Nil
Enterprise Value EV	\$ 21m
USA:OTCQX International ADR (1 ADR : 100 common shares)	Ticker: AUNXY

AKK 12 Month Historical Price Performance



SPP Investment Rationale

- ✓ **Austin's 20,000 acres across five proven hydrocarbon basins in the US expected to support more than 300 wells**
- ✓ **Flagship Pathfinder project being de-risked with potential US\$40 million funding package from Mizuho.**
- ✓ **Pathfinder gas processing and sale agreements in place**
- ✓ **Eagle Ford shale full carry first four-well US\$32-40million farm-out programs with world class JV partners Halcón and PetroMax**
- ✓ **Technical expertise identifies best opportunities**
- ✓ **Operator expertise minimises risk and cost**
- ✓ **Confirmed hydrocarbons maximises farm-out value to shareholder**
- ✓ **100% success in exploration drilling**

Corporate Information

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US Management Team



Dr. W. Mark Hart, Chief Executive Officer and Managing Director

Dr. Hart has more than 35 years of executive experience across a number of major mining and energy companies, including Standard Oil, Newmont Mining Company, Cyprus AMAX Minerals, and NRG Energy. He has been chairman and president of three billion dollar companies and has lived in Italy, Canada, Australia and the US. He is also chairman of MATH Energy 1, Dr. Hart also serves as an Adjunct Professor at the Colorado School of Mines. Dr. Hart has successfully led organizations of between 200 and 10,000 employees in a variety of executive capacities and has a PhD from CSM, an MS from WVU, 2 BS/BE in MechEng/MineEng Tech, AS EEngTech - FSU, and an MBA.

Mr. Guy Goudy, Chief Operating Officer. President – AusCo Petroleum Inc (USA)

Mr. Goudy trained at the University of Technology, Sydney (UTS) where he holds various formal qualifications in Business Studies. For the last four years Guy has been the President of Austin's fully owned North American subsidiary Aus-Co Petroleum Inc. Guy has been instrumental in driving the business forward into a cash flow positive operation whilst strategically shifting the focus of the business towards non-conventional Oil and Gas Exploration in North America. During this time Guy has also been a Director on the Board of Austin Exploration. Prior to this Guy was employed in the financial services sector and was an authorized representative with a leading stock brokering and financial advisory firm.



Mr. Lonny Haugen, CPA, Chief Financial Officer

Mr. Lonny Haugen has been a Certified Public Accountant (CPA) for 35 years. He received his education at the University of North Dakota where he has a degree in business administration with advanced studies in accounting. For the last 13 years, he has been in private practice as President of CFOColorado. Under his successful leadership, CFOColorado has mentored hundreds of businesses owners with their accounting and financial needs.

Mr. Haugen is an industry leader with 40 years of experience in a variety of finance, accounting and corporate management positions. He has been the Chief Financial Officer for several oil & gas exploration companies. His depth of financial expertise and experience adds significant value to Austin Exploration as it grows into a significant oil and gas producer in the United States.



Ms. Ola Akrad, VP for Engineering and Technology

Serving as Austin Exploration's VP for Engineering and Technology, Ms. Akrad is responsible for developing engineering solutions for the company's assets. Prior to working at Austin Exploration, Ms. Akrad served as a teaching assistant in the Petroleum Engineering Department at the Colorado School of Mines where she taught Logging and Formation Evaluation, PVT Measurements Lab and Multidisciplinary Petroleum Design. She also worked for Dublin International in Syria and San Juan Resources in Denver. Her industry experience includes working on projects ranging from logging and formation evaluation to stimulation projects and economic analysis.

Ms. Akrad received a Bachelor of Science degree in Petroleum Engineering and a Master of Science degree in Petroleum Engineering (with a research focus on shale systems) from the Colorado School of Mines (CSM). She was affiliated with the Fracturing Acidizing Stimulation Technology Consortium (FAST) at CSM as a research assistant with a focus on Shale Rock Mechanical Properties and Damage Mechanisms. Ms.

Akrad has two publications that she's contributed to the petroleum industry. The first, a Society of Petroleum Engineers Paper (SPE Paper# 146658) is titled "The Effects of Fracturing Fluids on Shale Rock Mechanical Properties and Proppant Embedment." The second is her MS thesis titled "The Effects of Fracturing Fluids on Mechanical Properties and Associated Proppant Embedment in Four Shale Systems."



US Management Team

ON LOCATION – EVERY DAY



Mr. Timothy Hart, VP and General Manager for Kentucky Business Unit

As the VP and General Manager for Kentucky, Tim Hart is responsible for the performance and development of Austin Exploration’s Kentucky Exploration, LLC business unit which includes approximately 3000 acres of development area in Webster, Edmonson, Hopkins and Larue counties.

Mr. Hart has a Bachelor of Science in Engineering from Penn State University (PSU) with an extensive professional history in business and technology. He has held numerous senior level management positions with expertise in Electrical Engineering, Information Technology, Technical Project Management, Vendor Management, Contract Negotiation, Operational Efficiency, Process Development, and Budget Development & Compliance. Mr. Hart brings a strong management, engineering and technology background to the Kentucky Oil and Gas Industry and has worked with numerous local vendors to improve their processes and service offerings to accommodate the enhanced technical, safety and environmental requirements of our business. In addition to his direct oversight of the Kentucky Operation, Mr. Hart is responsible for the upgrade and maintenance of the company’s Information Technology systems and serves on the Board of Directors for Kentucky Exploration, LLC

Mr. Juan Carlos Carratu, VP and General Manager for Colorado Business Unit

As the General Manager for Colorado, Mr. Carratu is responsible for the performance and development of Austin Exploration’s Colorado projects; most notably the Niobrara Pathfinder Project. He has also has experience as a Project Engineer, managing well design, cost estimating, planning, contract evaluation and permitting processes. Having overseen field engineers and well site engineers, Mr. Carratu has experience assisting site supervisors with day-to-day drilling operations and managing community affairs. Mr. Carratu completed a Master of Science degree in Petroleum Engineering with a specialty in Shale Gas and Reservoir Engineering at the Colorado School of Mines, where he is also a PhD candidate. While attending the Colorado School of Mines, Mr. Carratu served as a Research Assistant for Dr. E. Ozkan, working on an analytical trilinear flow solution to simulate pressure transient and production behavior of fractured horizontal wells in unconventional reservoirs. He is a member of the Marathon Center of Excellence of Reservoir Studies (MCERS)-CSM.



Mr. Aaron Goss, VP and General Manager for Southern Business Unit

As the VP and General Manager for the Southern Business Unit, Aaron Goss is responsible for the performance and development at Austin Exploration’s Texas, Mississippi and Louisiana projects. He joined Austin Exploration after a successful five-year tenure working in the Colorado Piceance Basin, where he supervised operational work on a natural gas property. Prior to that, Mr. Goss managed a mechanical repair facility for 3 years.

He has been involved in the Austin Chalk in Dimmit County, Texas, and the Wilcox Sands in Adams County, Mississippi. In addition to his field work, Mr. Goss has communications and investor relations experience in the energy industry.

Mr. Goss did much of his course work at Ohio University and recently transferred from Metro State University in Denver, Colorado, to the University of Texas to complete his BS studies in geology with a focus in oil and gas. He is a member of the Texas Oil and Gas Association.

