



Austin Exploration Limited

Building a balanced portfolio of hydrocarbon prospects

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17 August 2007

ASX Announcement

Well Name: Jeter Branch (Caddo County, Louisiana, USA)

Jeter Branch Drilling Underway

Austin Exploration Limited ("Austin") (ASX code: AKK) today announced that spud-in is complete and that drilling is underway at the Jeter Branch oil and gas prospect, Caddo County, Louisiana, US.

David Schuette, Austin Managing Director, said: "With the completion of the Jeter Branch spud-in, we now have two of our oil and gas prospects being drilled simultaneously.

"Coupled with the progress at SW Edwards this is an exciting time for our company. Our team is working hard on both wells and I am looking forward to the continued progress."

The Jeter Branch prospect is located in Caddo County, Louisiana, US, and is designed to test Middle and Upper Cretaceous reservoirs down to 5450 feet. The well is substantiated by good subsurface control and two 2-D seismic lines.

The prospect is surrounded by production less than 2 miles away and the drill site is a high, dry, land location. Gas pipelines are located approximately 7000 feet from the well location.

Statement of Working Interests

Austin Exploration owns a 30% working interest in this prospect.

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).

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>