



Austin Exploration Limited ACN 114 198 471

Listed on the Australian Securities Exchange ("AKK")

ASX ANNOUNCEMENT

25th March 2011

For Immediate Release

The Manager
Companies Announcements Officer
Australian Stock Exchange
Electronic Lodgement

SHAREHOLDER UPDATE - COMMENCEMENT PROSPECT

- **Site works construction nearing completion**
- **Assembly of Spencer Harris #7000 Drilling Rig underway**

Dear Sir/Madam,

The Board of Austin Exploration Limited (ASX: "AKK") - on behalf its wholly owned US subsidiary Aus-Tex Exploration Inc - is pleased to announce that preparations for the drilling of its Commencement Prospect, located in Adams County Mississippi, are nearing completion with the spudding of the first well to begin within the next seven days.

The Commencement prospect is Aus-Tex's second major project in Mississippi. The Company's first Mississippi Project – the successful "Armstrong Project" - is currently in production and has already produced more than 12,000 barrels of oil.

The well will be drilled to a depth of 6,650 feet and produce the Baker and Ratcliff Sands formations that were previously produced in the Serio-Calto No. 1 Armstrong formation. Estimated recoverable reserves from this first well on the Commencement prospect are 55,000 to 78,000 barrels of oil.

The Company will provide regular updates to the market as to the progress of drilling operations as they occur.



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HELD INTEREST

Interest Holder	Working Interest	Net Revenue Interest
Aus-Tex Exploration, Inc.	50%	37.5%
Operator	50%	37.5%

MEDIA INVESTOR CONTACT:

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