



# AUSTIN EXPLORATION

Listed on the Australian Securities Exchange ("AKK") and the OTC-QX International in the USA (AUN-XY)  
ACN 114 198 471

ASX ANNOUNCEMENT

24<sup>th</sup> January 2013

## Pathfinder C11-12 No.1 HZ well flows 350-400 BOEPD

- **Pathfinder No.1 HZ flows a combination of oil and gas (350 – 400 boepd)**
- **Temporary shut-down to install commercial production facilities**

### Pathfinder Prospect, Fremont County, Colorado (85% of 11,500 acres)

#### Pathfinder C 11 – 12 No. 1 HZ Well:

Austin Exploration today advises that the Pathfinder C11-12 No.1 HZ well has achieved an average derived daily production value of between 350-400 barrels of oil equivalent (BOEPD) at high pressure, while on temporary high pressure testing equipment for three days.

Austin Exploration believes this result proves the field to be economic and the Company has therefore taken the decision to temporarily shut-in the well while modifications to production facilities are made to enable the field to commence longer term production at the earliest date possible.

The Company is now assessing a number of modifications which could include assessing the feasibility of connecting the field to a gas lateral line situated within five miles of the field, as well as other modifications necessary to account for the high pressure which will necessitate a minor work-over.

Austin Chairman Richard Cottee said the strong result from the Pathfinder #1 confirmed the investment in the Niobrara region.

"With this strong pressure flow it would be wasteful of time and resources to delay further for testing, so we will close in the well and install the ground infrastructure so we can bring the well to commercial production as quickly as possible.

"This result confirms a productive well, a strong business case for Austin's 11,500 acres in the Niobrara and substantially de-risks the company's future development path," Mr Cottee said.

The Pathfinder C11-12 No.1 HZ well is the Company's first horizontal well drilled into the prolific Niobrara formation.

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Pathfinder No.1 Hz, Fremont County, Colorado



Pathfinder Project, Fremont County, Colorado



Chairman Richard Cottee, VP Engineering Juan Carlos Carratu, GM Colorado Ola Akrad

### **ABOUT AUSTIN EXPLORATION:**

*Austin Exploration is an Oil and Gas Company with assets in Australia and the United States. Austin has strategically shifted its core focus towards non-conventional shale exploration in the United States. The Company has now established a major presence in two of America's most prolific oil and gas basins. Austin controls more than 11,000 acres in Colorado in the Niobrara Shale and over 5,000 acres in Texas in the Eagle Ford Shale and the Austin Chalk. Austin has producing oil and gas wells in Texas, Mississippi and Kentucky. Austin also has a highly prospective Oil and Gas Licence, PEL 105, in the Cooper Basin of South Australia. The company's wholly owned US Subsidiary, Aus-Tex Exploration Inc, turned cash flow positive in January 2011. To face future opportunities, Austin has strengthened its board and management teams. Austin is listed on the Australian Securities Exchange (ASX code: AKK) and on the OTC-QX International in the United States (AUNXY).*

### **DISCLAIMER:**

This announcement contains or may contain "forward looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21B of the Securities Exchange Act of 1934. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, goals, assumptions or future events or performance are not statements of historical fact and may be "forward looking statements." Forward looking statements are based on expectations, estimates and projections at the time the statements are made that involve a number of risks and uncertainties which could cause actual results or events to differ materially from those presently anticipated. Forward looking statements in this action may be identified through the use of words such as "expects", "will," "anticipates," "estimates," "believes," or statements indicating certain actions "may," "could," or "might" occur.