



Austin Exploration Limited

Building a balanced portfolio of hydrocarbon prospects

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4 July 2007

ASX Announcement

Well Name – Gravestock # 1, PEL 73 South Australia

Final Log analysis complete – more drilling opportunity possible

Austin Exploration Limited (“Austin”) (ASX code: AKK) today announced that it has received a more thorough wireline log analysis of the Gravestock #1 well, in the PEL 73 prospect, 96 km west of Adelaide in the Stansbury Basin, South Australia.

A final geologic report for this well has been submitted to the Department of Primary Industries and Resources of South Australia (PIRSA).

The log analysis showed:

1. An 8 metre (26 ft) thick petro-physical hydrocarbon show was identified by a third party petrophysicist, Charles Winston with O.G.E.C. of Houston, Texas from 691metres to 699 metres (2,266 ft to 2,292 ft) below the surface.
2. Analysis indicates a 50% chance of having producible hydrocarbons in that zone
3. This Hydrocarbon show is extremely important to this prospect in several ways:
 - a. This initial test well tells us that hydrocarbons have been generated in the basin and are still trapped in this area. Previous exploration data from the Stansbury basin did not indicate this.
 - b. The prospect is large and could be a significant energy resource.

Over the coming months Austin will evaluate the current license to determine what the next steps might be. Future exploration opportunities may include; further geologic, geo chemical work, running new seismic and drilling addition test wells.

David Schuette, Managing Director of Austin Exploration, Ltd said “based on this log analysis we are now of the firm belief that a hydrocarbon system capable of trapping hydrocarbons is no longer in question for the Stansbury basin and we look forward to further hydrocarbon exploration on PEL 73”.

About Yorketown Prospect - PEL 73

(Stansbury Basin, South Australia)

Austin Exploration drilled the initial test well in early 2007. A detailed analysis has been underway since the drilling was halted in March.

PEL 73 covers an area of 625 square kilometers and is within the Stansbury Basin, which has been the subject of both onshore and offshore oil and gas exploration since the 1930s.

DMS Exploration has performed an analysis of the entire area (4.5 million acres) in the Stansbury Basin looking for prospective hydrocarbons. This study revealed the presence of a previously unrecognized sub-basin which we believed to be the generation source of known oil seepage found since the 19th century in the area.

The Yorketown Prospect is 105 square kilometers (26,000 acres) in area, located onshore near the southern tip of Yorke Peninsula. The Prospect is estimated to have a large potential in a dolomitized limestone reservoir with good porosity.

DMS Exploration Pty. Ltd. is the current operator of PEL 73.

Statement of Working Interests

PEL 73 (South Australia)	
Party	Working Interests
DMS Partners (operator)	40.000%
Austin Exploration	16.666%
PEL 73 Investment Partners LP, (PIP)	25.000%
Private Investor	16.667%
Flex Energy LLC	1.667%
TOTAL	100.000%

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).

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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>