



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

2 September 2014

Third Eagle Ford well flows 18,390 BOE in first 30 days

- **Latest results significantly re-rate Austin's Birch property in East Texas**
- **Two further wells currently in completion phase**

The Board of Austin Exploration ("Austin" or "the Company") (ASX:AKK) today announced that its third Eagle Ford well, the Nemo 1H operated by Halcón Resources, in Bureson County Texas, is producing oil and gas.

This well produced 18,390 barrels of oil equivalent in its first 30 days (BOE), or an average daily rate of 613 BOEPD (91% Oil), and is flowing on a 16/64 choke to get maximum oil liberation from the reservoir over the life of the well. The well was drilled to a total measured depth of 16,635 ft, with a 7,089 ft horizontal.

This result is a further validation of the Gustavson Associates, Inc. Independent oil and gas reserves report released to the ASX on the 25th of August, which estimates each well has an estimated ultimate recovery of 481,000 barrels of oil equivalent (BOE) per horizontal Eagle Ford well.

The Nemo 1H is a part of the carried drill-to-earn farm-out program with Halcón Resources Corporation.

Austin's Managing Director and Chief Executive Officer, Dr. Mark Hart, said, "This is the third consecutive successful well at our Birch project and another excellent result. The results from our program with world class operator Halcón significantly re-rate our Birch property in East Texas."

Austin's Chief Financial Officer, Mr Lonny Haugen, said, "We have now hit three big wells in a row. We expect the cash flows from this project to be significant and underpin the development of our flagship 11,560 acre oil and gas property in Colorado where we have a 100% interest."

Two further wells, the Red Bud 1H, and the Curington A #1H wells are currently being completed and the Company will advise the markets of results when they become available.

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ABOUT AUSTIN EXPLORATION:

Austin Exploration is an Oil and Gas Company with a portfolio of oil and gas assets in the United States. In 2010, Austin strategically shifted its core focus towards non-conventional shale exploration and production. 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 has an interest in over 5,000 acres in Texas in the Eagle Ford Shale and the Austin Chalk. Austin has producing oil and gas wells in Colorado, Texas, Mississippi and Kentucky. Austin has built a world class Board and Management team with proven company builders to derive maximum value from its oil and gas properties. Austin is listed on the Australian Securities Exchange (ASX code: AKK) and on the OTC-QX International in the United States (AUN-XY).

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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. Oil production rates fluctuate over time due to reservoir pressures, depletion or down time for maintenance. The Company does not represent that quoted production rates will continue indefinitely.