



Austin Exploration Limited

Based in Adelaide Australia: listed on the Australian Securities Exchange ("AKK")

ASX Announcement

Thursday 24 July 2008

Austin targets new S.A. oil and gas drilling program

Proprietary Mapping System to be Deployed on Yorke Peninsula

South Australia's Yorke Peninsula is the target of a new oil and gas drilling program expected to commence next year by Australian oil and gas developer, Austin Exploration Limited (ASX code: "AKK").

This follows Austin's announcement today that completion of a comprehensive geologic data review at its previously drilled PEL 73 prospect test well near Stansbury on the Yorke Peninsula had confirmed the likelihood of "fault-trapped" geophysical features that could be prospective for oil and gas.

"Two separate and independent third party studies have now confirmed that the PEL 73 prospect should contain numerous separate closures and stratigraphic features, with some being possibly fault-trapped that could potentially be positive hydrocarbon reservoirs," Austin Exploration's Managing Director, Mr. David Schuette, said today.

The Company will now begin an extensive and proprietary "Direct Hydrocarbon Sensing" study designed to pinpoint multiple drilling locations on this large South Australian prospect.

Drill site locations will be determined before the end of the current calendar year, with expectations of drilling commencing during calendar 2009.

"These two separate findings confirm that our initial hydrocarbon show of eight metres (26 feet) from our first test well was not an anomaly," Mr Schuette said.

"By utilising this proven hydrocarbon sensing system we will now be able to more precisely pinpoint our next well site but more importantly increase the likelihood that this second site will find the most potentially productive location," he said.

Independent geological assessment performed between 2001 and 2006 of the PEL 73 license area estimates a range of potential recovery from 197 million barrels of oil and 78 billion cubic feet of gas to 788 million barrels of oil and 315 billion cubic feet of gas with best potential recoverable reserves of 394 million barrels of oil and 157 billion cubic feet of gas.

Austin maintains a 16.666% Working Interest in the PEL 73 prospect.

A summary explanation of this unique hydrocarbon discovery process follows.

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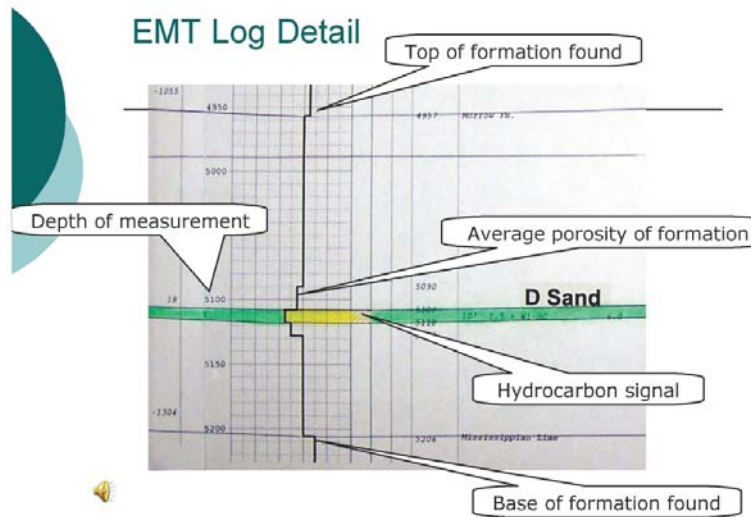
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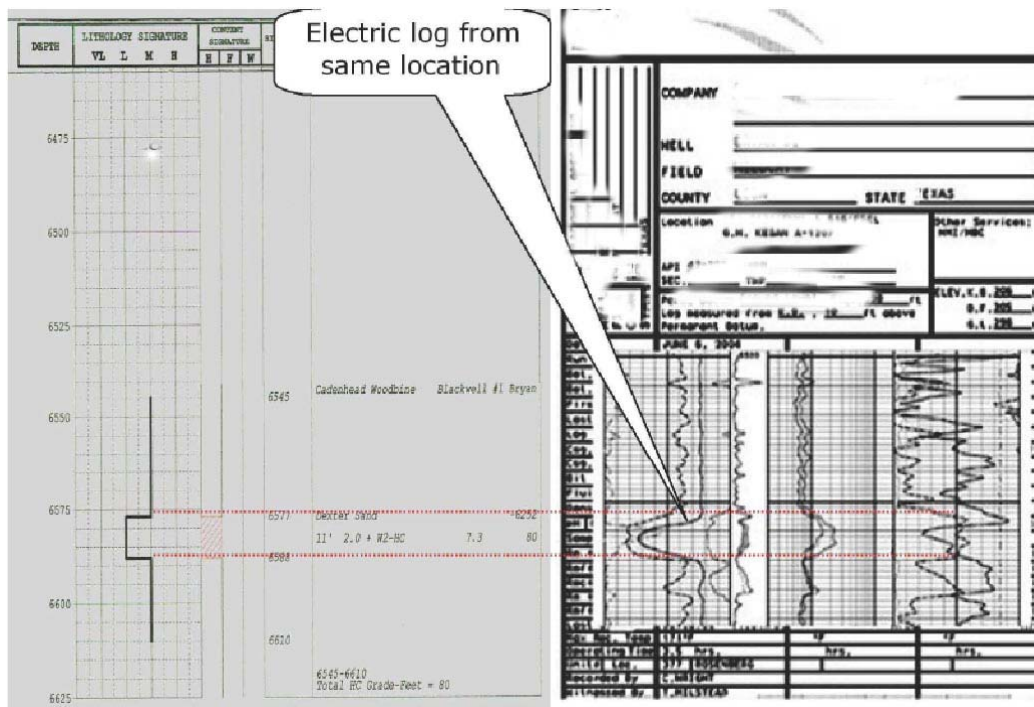
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much better understand of the subsurface geologic picture. The following EMT log detail was taken from targeted areas of the previously described Radar Survey.



Component 4: Validating Hydrocarbon Sensing Results

After pinpointing the drill site location and completing the well, all down hole data produced during and after the drilling procedure (i.e. traditional Electric Logs, etc.) are studied and compared to data from components 1-3. The well used in this example produced over 125,000 barrels of oil.



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About Austin Exploration Limited

Austin Exploration (Austin) is an oil and gas development company with assets in Australia and the United States. Utilizing a broad industry network developed from over 30 years of noteworthy investment and acquisition experience by its executive team, Austin seeks to identify suitable development prospects, conduct thorough geological and engineering evaluations and then identify suitable farm-in partners for long-term development of these prospects. Austin is listed on the Australian Securities Exchange (ASX code: AKK). For more information, visit www.austinexploration.com

For more information regarding the PEL 73 license and historical work completed, please visit our web site at <http://www.austinexploration.com/PEL%2073%20Prospect.html>

Third Party Data Review was performed by

O.G.E.C. company petro-physicist Mr. Charles Winston of Houston, Texas and a team of scientists from Petroleum Reconnaissance Systems located in the city of Fate, Texas U.S.A.

Competent Persons Statement:

In accordance with ASX and AIM rules, the information in this release has been reviewed and approved by Mr. Stanley L. Lindsey, Chief Geologist, Austin Exploration Limited. Mr. Lindsey holds a Bachelor of Science Degree in Geology with a minor in Chemistry. Mr. Lindsey has over 28 years of experience including prospect generation, operations, deal appraisal and recommendation, economics, and development. His background also includes mapping, utilizing integration of 2-D and 3-D seismic with subsurface data and reserve calculations. He is a Certified Petroleum Geologist and has been a member of the American Association of Petroleum Geologists and the Houston Geological Society since 1979. Mr. Lindsey also belongs to the Society of Independent Professional Earth Scientists (SIPES). Mr. Lindsey has relevant experience within the industry and consents to the information in the form and context in which it appears.

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