



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

ASX ANNOUNCEMENT

14 October 2015

Mississippi Operational Update

- **Board Of Education project operations on-track for completion**
- **First oil production expected in November**
- **Oil production will provide a boost to cash flows**
- **Logs confirmed 28 feet of oil saturated sands are present in the well**
- **Austin has now struck oil on 5 out of 5 wells drilled in Mississippi**

Austin Exploration ("Austin" or "the Company") (ASX:AKK) is pleased to announce that completion operations at the Company's Board Of Education project are on track and Austin is moving towards first oil production, anticipated in November 2015.

Austin has a 50% Working Interest and a 37% Net Revenue Interest in the 120 acre Board Of Education project which is located in Adams County, a well-known oil producing region within Mississippi.

As announced to the market on the 2nd of September 2015, electronic logs and a side wall core analysis have been successfully run on the Artman & Pearline Oil Sands and indicated two zones totaling 28 feet of pay and oil saturated sands. An injection well has also been drilled to economically dispose of salt water produced by the well.

An extensive amount of preparatory work has already been completed at the property in order to bring the Board Of Education #1 well into production. The facilities for the Salt Water Disposal Well have been completed and EPA permitting for the same is now underway, with a pump being installed in the well this coming week. Trenching is complete, flow lines have been run, and a heater treater to separate oil and gas has been installed and tested.

Mr Tim Hart, VP/GM for Austin's Eastern Business unit, commented from Mississippi that: "It's all systems go out here. Everything is coming together nicely and we're on track to begin pumping first oil in November. We're focused on costs and bringing this well into production in the most economical way possible to maximize our returns."

“Austin has a high quality and diversified North American oil and gas asset base that spans across four states. In response to the fall in the price of oil, the Company has shifted its focus to drilling high impact, low risk and lower cost conventional vertical wells that remain highly economic in the current oil price environment. The Board Of Education project is consistent with this strategy.”

Austin MD & CEO, Guy Goudy, added: “We’re looking forward to a strong finish to the year. It appears that our latest Mississippi well is going to provide a nice boost to our production and cash flows. I’m confident of replicating this success with our upcoming Pierre drilling program in Colorado which is scheduled to commence in November.”



OIL AND GAS HEATER TREATER BEING TESTED



BOARD OF EDUCATION #2 WELL HEAD



WORK-OVER RIG INSTALLING THE INJECTION SYSTEM IN THE BOARD OF EDUCATION SALT WATER DISPOSAL WELL



SITE CONSTRUCTION OPERATIONS PREPARE THE LOCATION FOR OIL COLLECTION & HAULAGE

Initial production flow rates from the Board Of Education #1 well will be communicated when established.

- ENDS -

Released through Ben Jarvis, Six Degrees Investor Relations: +61 413150448

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 in the United States (AUN-XY).

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. 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.