



Austin Exploration Limited ACN 114 198 471

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

ASX ANNOUNCEMENT

28 February 2012

For Immediate Release

The Manager
Companies Announcements Officer
Australian Stock Exchange
Electronic Lodgement

AUSTIN CAPITAL RAISING AND APPENDIX 3B

Dear Sir/Madam,

The Board of Austin Exploration Limited (Austin) (ASX: "AKK") is pleased to provide the Appendix 3B in relation to the first tranche of the capital raising announced to the market on 22 February 2012 which was pursuant to the resolution passed at the AGM. Also included in the Appendix 3B are 1,500,000 options exercisable at \$0.055 and expiring on 6 July 2013 which were issued to staff pursuant to a motion passed by shareholders last year.

Listing of the shares on ASX and the options will be sought once monies have been received and cleared at bank.

On behalf of the Board

David Nairn
Company Secretary

MEDIA AND INVESTOR CONTACT:

Guy Goudy
Company Director
Austin Exploration Limited
c/o HLB Mann Judd 03 9606 3888
GuyG@AustinExploration.com

7985 W. 16th Ave, Lakewood • Denver, Colorado 80214
Level 1, 160 Queen Street • Melbourne, VIC 3000
GPO Box 2850 • Melbourne, VIC 3001

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003.

Name of entity

Austin Exploration Limited

ABN

98 114 198 471

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|--|
| 1 | +Class of +securities issued or to be issued | Listed Shares and Listed Options |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 310,000,000 Listed Shares
156,500,000 I Class Listed Options |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Listed Shares at an issue price of \$0.029 per share
I Class Listed Options exercisable at \$0.055 on or before 6 July 2013 |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

<p>4 Do the ⁺securities rank equally in all respects from the date of allotment with an existing ⁺class of quoted ⁻securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>Shares will rank equally with existing quoted shares and upon exercise the options will rank equally with existing quoted shares.</p>
<p>5 Issue price or consideration</p>	<p>310,000,000 Listed Shares at an issue price of \$0.029 per share</p> <p>155,000,000 I Class Listed Options issued for no consideration on a 1 for 2 basis to the shares issued</p> <p>1,500,000 I Class Listed Options issued to staff for no consideration.</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>To raise funds to finance exploration activities in Eagle Ford, Niobrara and Mississippi oil and gas projects in the USA, together with working capital.</p>
<p>7 Dates of entering ⁺securities into uncertificated holdings or despatch of certificates</p>	<p>310,000,000 shares and 155,000,000 I Class Listed Options on 29 February 2012</p> <p>1,500,000 I Class Listed Options on 29 February 2012.</p>

⁺ See chapter 19 for defined terms.

	Number	+Class
8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)	637,163,760	Ordinary Shares
	281,750,000	I Class Listed Options exercisable at \$0.055 on or before 6 July 2013
	163,295,975	J Class Listed Options exercisable at \$0.055 on or before 6 July 2012

	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	500,000	D Class Options exercisable at \$0.24 on or before 28 February 2012
	375,000	E Class Options exercisable at \$0.24 on or before 1 March 2012
	1,200,000	H Class Options exercisable at \$0.10 on or before 23 November 2012
	2,000,000	K Class Options exercisable at \$0.055 on or before 12 December 2013.

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	
---	--

Part 2 - Bonus issue or pro rata issue

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

- 11 Is security holder approval required?
- 12 Is the issue renounceable or non-renounceable?
- 13 Ratio in which the ⁺securities will be offered
- 14 ⁺Class of ⁺securities to which the offer relates
- 15 ⁺Record date to determine entitlements
- 16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?
- 17 Policy for deciding entitlements in relation to fractions
- 18 Names of countries in which the entity has ⁺security holders who will not be sent new issue documents
Note: Security holders must be told how their entitlements are to be dealt with.
Cross reference: rule 7.7.
- 19 Closing date for receipt of acceptances or renunciations

⁺ See chapter 19 for defined terms.

20	Names of any underwriters	<input type="text"/>
21	Amount of any underwriting fee or commission	<input type="text"/>
22	Names of any brokers to the issue	<input type="text"/>
23	Fee or commission payable to the broker to the issue	<input type="text"/>
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	<input type="text"/>
25	If the issue is contingent on +security holders' approval, the date of the meeting	<input type="text"/>
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	<input type="text"/>
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	<input type="text"/>
28	Date rights trading will begin (if applicable)	<input type="text"/>
29	Date rights trading will end (if applicable)	<input type="text"/>
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	<input type="text"/>
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	<input type="text"/>

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

- 32 How do ⁺security holders dispose of their entitlements (except by sale through a broker)?
- 33 ⁺Despatch date

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of securities
(tick one)
- (a) Securities described in Part 1
- (b) All other securities
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders
- 36 If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 A copy of any trust deed for the additional ⁺securities

⁺ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38 Number of securities for which
+quotation is sought

39 Class of +securities for which
quotation is sought

40 Do the -securities rank equally in all
respects from the date of allotment
with an existing -class of quoted
-securities?

If the additional securities do not
rank equally, please state:

- the date from which they do
- the extent to which they
participate for the next dividend,
(in the case of a trust,
distribution) or interest payment
- the extent to which they do not
rank equally, other than in
relation to the next dividend,
distribution or interest payment

41 Reason for request for quotation
now

Example: In the case of restricted securities, end of
restriction period

(if issued upon conversion of
another security, clearly identify that
other security)

	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)		

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.


- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the + securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the +securities to be quoted, it has been provided at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:  Date: 28 February 2012.....
(Director/Company secretary)

Print name: David Nairn.....

== == == == ==

+ See chapter 19 for defined terms.