



Austin Exploration Limited

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30 November 2007

ASX Announcement

Well Name: St. Gabriel #1 (VUA: Bourque #1)

Drillmar Completes Location work at St. Gabriel 1, Drilling Begins

Austin Exploration Limited ("Austin") (ASX code: AKK) today announced that Drillmar Oil & Gas Inc. has completed all site work and has begun deepening of the St. Gabriel 1 prospect, located in the Iberville and Ascension Parishes, Louisiana, USA.

The company will update the market as relevant news is reported from the well site.

In March 2007, drilling was halted 500 feet short of target depth of 10,800 feet due to an abnormally high pressure formation. Estimated high drilling costs and drilling risk due to the high pressure saw Austin opt for a farm-out agreement with Drillmar.

Under the agreement Austin and its private investors will maintain a cumulative 20% Working Interest After Payout (WIAPO) while Drillmar will assume 100% of the ownership, rights and obligations related to the well, the unit leases and the adjoining leases. The agreement does not impact Austin's ability to drill new wells in this area.

The St. Gabriel #1 prospect has a potential recoverable resource range from a low case of 1.82 million barrels of oil and 13.6 billion cubic feet of gas to a high case of 5 million barrels of oil and 36 billion cubic feet of gas. This range is based on an independent geological assessment.

Ends...



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For further information:

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Statement of Working Interests

DRILLMAR OIL AND GAS FARM-OUT AGREEMENT			WELL NUMBER 1			
Note: 25% of NRI belongs to other entities						
Before Payout			After Drillmar Recovers Costs		Final After Payout NRI	
Party	Cost Bearing %	NRI %	Party	NRI %	Party	NRI %
Drillmar	100.000%	75.000%	Drillmar	80.000%	Drillmar	80.000%
Aus-Tex	0.000%	0.000%	Aus-Tex	16.000%	Aus-Tex	13.000%
Verus Investments	0.000%	0.000%	Verus Investments	2.000%	Verus Investments	2.000%
Private Investors	0.000%	0.000%	Private Investors	2.000%	Private Investors	2.000%
Rio Bravo	0.000%	0.000%	Rio Bravo	0.000%	Rio Bravo	3.000%
TOTAL	100%	75%	TOTAL	100%	TOTAL	100%

About Austin Exploration Limited

Austin Exploration (Austin) is an oil and gas development company with assets in Australia and the United States. Utilising 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



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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).

Competent Persons Statement

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled and/ or reviewed by Mr. Donald F. Reck Jr. M.S (Chief Technology Officer) of the company and Mr. David M. Schuette (Managing Director) of the company. All individuals are either a full-time employee, officer and/or are leading the company's drilling and operations efforts.

Mr. Reck has been a member of the American Association of Petroleum Geologists since 1976 and the chief geologist for DMS Exploration since 2000. Prior to that date, he has consulted too many USA oil and gas exploration companies including Rio-Tex Inc., Trio Exploration, Medders Oil Co., Texaco, Conoco and Strategic Petroleum. Mr. Reck is also a former Exploration Geologist with Tenneco Oil and Conoco. He has consulted to Geoscience Data Management, Inc. and Advanced Micromagnetics. He holds Bachelor of Science degree in geology from Grand Valley State College in Allendale Michigan and a master of science in geology from Sul Ross University in Alpine Texas.

Mr. Schuette is founder of DMS Exploration, an independent Texas oil and gas operator. Prior to founding DMS Exploration, he held executive positions with French Petroleum and Torch Energy Advisors in Houston, Texas. Mr. Schuette has over 20 years experience as an advisor to and as an investor in the USA oil and gas industries.

Mr. Schuette and Mr. Reck have 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. Mr. Schuette and Mr. Reck herby consent to the inclusion of the information in this release and the form and context in which it appears

For more detailed information on these executives please visit the Austin Exploration Limited website at <http://www.austinexploration.com/OurTeam.asp>