



Austin Exploration Limited

Building a balanced portfolio of hydrocarbon prospects

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ASX Announcement

Well Name: Jeter Branch (Caddo County, Louisiana, US)

Potential Pay Discovered, Austin Increasing Working Interest

Austin Exploration Limited ("Austin") (ASX code: AKK) today advised that seven feet of potential pay has been indentified from log and side wall core analysis in the sands located at 5,500 feet of the Lewis Louisiana Properties #1 (Jeter Branch) well.

The company also announced that it has become the official operator of this property and is currently finalising a larger working interest in the prospect.

David Schuette, Austin Managing Director, said: "We are encouraged by these log results and now have a production rig ordered to perforate and test these identified zones.

"In anticipation of the production testing program, we are now in the process of setting 5½ inch casing to a target depth of 6,300 feet.

"After reviewing the data available to us the company has also decided to become the official operator of this prospect and increase our working interest percentage from 30% to 50%" he said.

The Jeter Branch prospect is located in Caddo County, Louisiana, US, and is designed to test Middle and Upper Cretaceous reservoirs down to 5450 feet. The well is substantiated by good subsurface control and two 2-D seismic lines.

The prospect is surrounded by production facilities less than 2 miles away and the drill site is a high, dry, land location. Gas pipelines are located approximately 7000 feet from the well location.

Statement of Working Interests

Austin Exploration currently owns a 30% working interest in this prospect.

Ends...

For further information contact:

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About Austin Exploration Limited

Austin Exploration (Austin) is an oil and gas exploration company with a balanced portfolio of hydrocarbon prospects in Australia and the United States.

Austin's business model is to develop a portfolio of hydrocarbon assets with a balance of low-risk prospects combined with a prudent mix of high risk, higher return opportunities based on its capital availability. Utilising its technical competence and extensive industry network, Austin seeks to identify suitable risk profile prospects, conduct an evaluation and then identify suitable farm-in partners.

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 by Mr. David M. Schuette (Managing Director), Mr. Donald F. Reck Jr. M.S (Chief Technology Officer) of the company. All individuals are either a full-time employee, officers 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.

Austin Exploration has 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.

For more detailed information on these executives please visit the Austin Exploration Limited website at

<http://www.austinexploration.com/OurTeam.asp>