



# Austin Exploration Limited

*Building a balanced portfolio of hydrocarbon prospects*

8 November 2007

## **ASX Announcement**

**Well Name:** Jeter Branch (Caddo County, Louisiana, US)  
Lil' Bit (Kenedy Ranch #11 Well, Kenedy County,  
Texas, US)

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## **Prospect Update, Lil' Bit, Jeter Branch**

Austin Exploration Limited ("Austin") (ASX code: AKK) today advised that testing programs have been completed at the Lil' bit and Jeter Branch prospects. The results were too insignificant to move forward into the production phase and Austin and the operator have agreed to plug and abandon these wells as dry holes.

David Schuette, Austin Managing Director, said: "We are disappointed by the results of these two prospects; however, the company will continue to move forward with other opportunities available to us as a result of our ongoing efforts to develop new business plays for the company and our shareholders.

"The world oil and gas industry is large enough for a company like Austin to acquire opportunities that bring both new investment and no per-share dilution to the Company.

"We look forward to spending time with our shareholders at the November 29<sup>th</sup> annual general meeting to be held in Adelaide, " Mr Schuette said.

**Ends...**

### **For further information contact:**

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**Statement of Working Interests:**

**Jeter Branch Prospect (Caddo County, Louisiana, USA)**

| <b>Party</b>                | <b>Cost Bearing interests through completion to First Sales</b> | <b>NRI% of the Parties After Completions &amp; all <u>Subsequent Wells</u></b> |
|-----------------------------|-----------------------------------------------------------------|--------------------------------------------------------------------------------|
| Austin Exploration*         | 50.0000%                                                        | 37.000%                                                                        |
| Flex Energy LLC             | ** 0%                                                           | 1.000%                                                                         |
| Private Australian Investor | 50.0000%                                                        | 37.000%                                                                        |
| <b>TOTAL</b>                | 100.000%                                                        | 76.000%                                                                        |

**\*\* Aus-Tex Interest**

Aus-Tex, has chosen to acquire the Flex Energy working interest after Flex offered the interest in exchange for a cover of completion costs

**Lil' Bit (Kenedy County, Tx)**

| <b>Party</b>       | <b>Working Interest Before Casing Point BCP</b> | <b>Working Interest After Casing Point ACP</b> | <b>Net Revenue Interest</b> |
|--------------------|-------------------------------------------------|------------------------------------------------|-----------------------------|
| Austin Exploration | 66.6700%                                        | 25.0000%                                       | 18.750%                     |
| DMS Partners LP    | 0.0000%                                         | 25.0000%                                       | 18.750%                     |
| Ameristate Exp LLC | 33.3300%                                        | 50.0000%                                       | 37.500%                     |
| <b>TOTAL</b>       | 100.000%                                        | 100.000%                                       | 75.000%                     |



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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. 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, 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 and the chief geologist for DMS Exploration since 2000. Prior to that date, he has consulted to 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 hereby 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>