



Austin Exploration Limited

Based in Adelaide Australia: listed on the Australian Securities Exchange ("AKK")

ASX Announcement

10 March, 2010

For Immediate Release

The Manager
Companies Announcements Officer
Australian Stock Exchange
Electronic Lodgement

- **Core Sample Testing Confirms Two Oil Reservoir Sands**
- **Production Casing Now Being Set**

Dear Sir/Madam,

The Board of Austin Exploration Limited (ASX: "AKK") is pleased to provide the market with a further update on the Company's Ellislie Plantation #1 oil exploration well located in Adams County, Mississippi.



The report on the sidewall cores shot in the Aldridge Operating Company Ellislie Plantation #1 was analyzed over night and the results arrived this morning. A total of 29 sidewall cores were recovered. Of these, 21 were saturated with oil.

These findings confirm the prior day's wireline log interpretation for the presence of two reservoir sands. The Armstrong sand averaged 27% porosity and 555 millidarcies of permeability. The Benbrook sand averaged 27% porosity and 433 millidarcies of permeability.

Based on these positive results, Austin will immediately move forward with the setting of production casing and work towards completion of the well.

DAILY DRILLING REPORT SUMMARY (U.S. Central Standard Time)

Mississippi Oil & Gas Board Well Permit Number: 2010-ODP-125

API Well Number: 23 001 211580001

Day 1 – March 4, 2010	Site preparation has been completed. The Shamrock Drilling Company Rig #1 left the yard early this morning. Rig was erected late in the day. Spud and Drilling to commence tonight.
Day 2 – March 5, 2010	Connection issues associated with drill mud recycling system delayed spud and drilling until midday. Circulation system was tested and passed. Drilling of

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	<p>mouse hole and rat hole was then completed. Drilling operations then commenced through the original hole. Drilled to a depth of 480 feet. Drilling continued.</p>
Day 3 – March 6, 2010	<p>Drilling continued until the bottom plug was encountered at 1,800 feet. Plug was drilled through. Drilling continued.</p>
Day 4 – March 7, 2010	<p>As of 4:28PM - Currently drilling at 5,933 feet. There have been no unanticipated difficulties thus far and drilling continues through the original well bore. The Ellislie Plantation #1 re-entry reached target depth of 6,585 feet at 9:00 PM Central Standard time.</p>
Day 5 – March 8, 2010	<p>After reaching the targeted drilling depth, a "wiper trip" was made up the well bore and drilling fluid was circulated throughout the well bore to condition the hole and build up a protective "mud cake". After well conditioning, Schlumberger began the rig up to run the induction array/sonic electric log.</p> <p>Open hole electric log operations began at 2:40PM central standard time on Monday March 8th, 2010. The log was run to determine the exact depth of targeted sands with potential for oil production. Original objectives were the primary Armstrong and the secondary Benbrook sands, which were encountered at 6,444 feet and 6,454 feet respectively. The logs also measured the permeability and porosity characteristics of the target formations.</p> <p>The electric log results support the prior geological prognosis developed from the 1976 original data that oil is present. Based upon the results of the wireline log the operator has recommended and Aus-Tex has agreed, to immediately begin setting five and half inch production casing.</p> <p>9:30 PM - Sidewall cores were shot over the prospective intervals every half foot. The dual pay zone core samples were sent by courier to Omni Laboratories of New Orleans for analysis.</p>
Day 6 – March 9, 2010	<p>The report of the sidewall cores shot in the Aldridge Operating Company Ellislie Plantation #1 was analyzed over night and the results arrived this morning. A total of 29 sidewall cores were recovered. Of these, 21 were saturated with oil.</p> <p>This confirms the prior day's wireline log interpretation for the presence of two reservoir sands. The Armstrong sand averaged 27% porosity and 555 millidarcies of permeability. The Benbrook sand averaged 27% porosity and 433 millidarcies of permeability.</p>

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Currently pulling out of the hole and plan to run casing in the late afternoon.
This represents the final daily drilling report.

CORE ANALYSYS SUMMARY

Aldridge Operating Company, LLC
Ellislie Plantation No. 1
Armstrong Field
Adams County, Mississippi
Section 24, T05N-R03W
API No.: 23001211580001



FILE NO.: LL-46599
ANALYST: L. Simon / J. Waller
TECH: A. Broussard
DATE: 9-Mar-10
CORES: Schlumberger

PERCUSSION SIDEWALL CORE ANALYSIS

In. Rec.	Sample Depth Feet	Permeability mD	Porosity %	Pore Volume		Prob Prod	Bulk Volume		Comb. Gas	Crit. Water %	QA Factor	Core Lithology	Estimate % Flu In Core
				Saturation			Saturation						
				Oil %	Water %		Oil %	Gas %					
0.5	6445.0	475.0	27.0	9.8	73.7	Oil	2.6	4.5	0	38	1	Sd vfg slty sshy mott yl-gld flu	50%
0.8	6445.5	505.0	28.0	7.1	76.7	Oil	2.0	4.5	20	39	1	Sd vfg slty sshy yl flu	100%
1.0	6446.0	600.0	27.6	9.8	80.2	Oil	2.7	2.8	72	37	2fm	Sd vfg slty sshy yl flu	100%
0.8	6446.5	480.0	26.7	15.4	73.1	Oil	4.1	3.1	29	38	1	Sd vfg slty sshy yl flu 47° API	100%
1.0	6447.0	515.0	27.4	9.9	80.8	Oil	2.7	2.6	10	38	1	Sd vfg slty sshy yl flu	100%
1.0	6447.5	750.0	27.9	7.7	76.4	Oil	2.1	4.4	5	35	1	Sd vfg slty sshy yl flu	100%
1.0	6448.0	720.0	28.0	9.4	72.8	Oil	2.6	5.0	0	36	1	Sd vfg slty sshy yl flu	100%
1.0	6448.5	450.0	26.8	9.9	73.1	Oil	2.7	4.6	18	38	1	Sd vfg slty sshy yl flu	100%
1.0	6449.0	530.0	27.2	7.9	74.7	Oil	2.2	4.7	5	38	1	Sd vfg slty sshy lam A stks yl flu	95%
1.0	6449.5	680.0	27.7	9.4	72.8	Oil	2.6	4.9	3	36	1	Sd vfg slty sshy yl flu	100%
1.0	6450.0	700.0	26.5	6.4	75.4	Oil	1.7	4.8	6	35	1	Sd vfg slty sshy lam A stks yl flu	95%
0.5	6450.5	255.0	26.3	9.1	73.8	Oil	2.4	4.5	20	43	2fm	Sd vfg slty shy lam A stks yl flu	95%
0.8	6451.0	9.1	19.6	3.7	88.9	(6)	0.7	1.4	11	67	1	Sd vfg slty shy-vshy lam E stks yl flu	30%
0.8	6451.5	6.9	17.1	0.0	90.0	(6)	0.0	1.7	0	64	2fm	Sd vfg slty vshy lam E no flu	0%
1.0	6457.5	395.0	27.0	9.7	68.8	Oil	2.6	5.8	37	40	2m	Sd vfg slty sshy yl flu 47° API	100%
1.0	6458.0	7.9	18.1	3.8	85.5	(6)	0.7	1.9	0	65	1	Sd vfg slty shy-vshy lam E stks yl flu	10%
1.0	6458.5	495.0	27.9	12.3	72.8	Oil	3.4	4.2	5	39	2m	Sd vfg slty sshy yl flu	100%
1.0	6459.0	470.0	27.2	13.2	74.0	Oil	3.6	3.5	0	38	1	Sd vfg slty sshy yl flu	100%
1.3	6459.5	435.0	26.7	7.1	85.0	Oil	1.9	2.1	0	40	1	Sd vfg slty sshy lam A slig stks yl flu	95%
0.8	6460.0	7.2	18.8	4.4	85.4	(6)	0.8	1.9	0	67	1	Sd vfg slty shy-vshy lam E stks yl flu	10%
1.0	6460.5	415.0	27.4	10.2	75.2	Oil	2.8	4.0	8	40	1	Sd vfg slty sshy yl flu	100%
1.0	6461.0	400.0	27.7	9.0	73.8	Oil	2.5	4.8	9	40	1	Sd vfg slty sshy yl flu	100%
1.0	6461.5	195.0	25.3	7.1	71.4	Oil	1.8	5.4	0	44	1	Sd vfg slty shy lam A stks yl flu	95%
1.0	6462.0	525.0	27.8	5.5	80.0	Oil	1.5	4.0	0	39	2m	Sd vfg slty sshy yl flu	100%
1.0	6462.5	565.0	27.3	8.2	71.9	Oil	2.2	5.4	10	36	1	Sd vfg slty sshy yl flu 45° API	100%
1.0	6463.0	150.0	26.0	3.5	76.7	Wtr	0.9	5.2	10	48	1	Sd vfg slty shy lam E stks yl flu	90%
1.0	6463.5	155.0	26.8	0.0	92.6	Wtr	0.0	2.0	0	49	1	Sd vfg slty shy no flu	0%
0.8	6464.0	110.0	24.5	0.0	87.1	Wtr	0.0	3.1	0	50	1	Sd vfg slty shy no flu	0%
0.8	6464.5	130.0	26.4	0.0	84.2	Wtr	0.0	4.2	0	50	1	Sd vfg slty shy lam A no flu	0%

ANTICIPATED NEXT STEPS

After production casing is set, the current drilling rig platform and all support equipment will be disassembled and removed from the location. The operator anticipates this step to be completed by the end of this week.

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At that time a workover completion rig will then be delivered to the location and setup.

HELD INTEREST

Interest Holder	Working Interest	Net Revenue Interest
Aus-Tex Exploration, Inc.	50%	37.5%
Operator	50%	37.5%

COMPETENT PERSONS STATEMENT

In accordance with ASX and AIM rules, the information in this release has been reviewed and approved by Mr. Stanley L. Lindsey, Chief Geologist, Austin Exploration Limited. Mr. Lindsey holds a Bachelor of Science Degree in Geology with a minor in Chemistry and has over 30 years of oil and gas experience including exploration, development, operations, acquisitions and divestitures. His background also includes mapping, utilizing integration of 2-D and 3-D seismic with subsurface data and reserve calculations. He is a Certified Petroleum Geologist and has been a member of the American Association of Petroleum Geologists and the Houston Geological Society since 1979. He also belongs to the Society of Independent Professional Earth Scientists (SIPES). Mr. Lindsey has the relevant experience within the industry and consents to the information in the form and context in which it appears.

MEDIA AND INVESTOR CONTACT:

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Please visit the company web site for more information on this property and other projects that the company maintains an interest in. <http://www.austinexploration.com/>

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