



# Austin Exploration Limited

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

## ASX Announcement

6 April, 2010

### For Immediate Release

The Manager  
Companies Announcements Officer  
Australian Stock Exchange  
Electronic Lodgement

### Armstrong Project – Update No. 3

- **Initial Oil Flow Remains on Schedule**
- **Saltwater Injection Well Near Completion**

Dear Sir/Madam,

The Board of Austin Exploration Limited (ASX: "AKK") is pleased to provide the following progress report on Ellislie Plantation #1 - the Company's first oil well at the Armstrong Project in Natchez, Mississippi.

The operator is currently working to simultaneously complete the oil well, the saltwater injection well and set the pumpjack while finishing the installation of oil delivery pipeline, storage tanks etc.

Since the Company's March 26<sup>th</sup> market update, the operator has completed the following objectives;

- Workover and completion procedure commenced on Monday March 29<sup>th</sup> on the saltwater injection well to be used for the disposal of all saltwater produced from the Ellislie Plantation #1 well
- Three individual 400 barrel oil storage tanks were delivered to the tank battery site
- The Lufkin 640 pumpjack with 168 inch stroke is currently scheduled for delivery at the end of this week. Installation and setup of this 2,000 plus barrel (oil & saltwater) per day capacity pump will commence upon arrival.
- Work on the remaining infrastructure continues to progress on schedule.

The Company testing of the Ellislie Plantation #1 well on pump will be completed sometime next week with projected production commencing after completion of the saltwater injection well seven to ten days later.

### Other Important Information

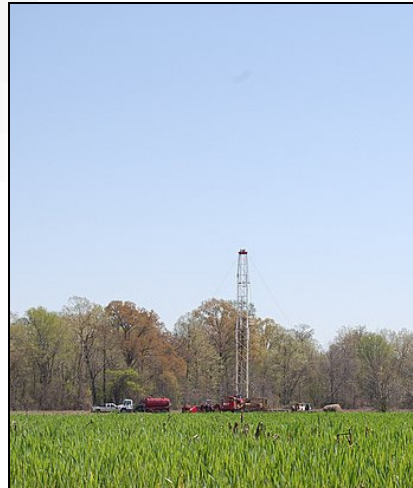
Wilcox oil production in the state of Mississippi is associated with saltwater. A productive well can have an oil cut from 1-15% and a saltwater cut of 99% to 85%. The operator is anticipating Ellislie Plantation #1 to have around a 7% oil cut. This combination of oil and saltwater requires moving a large amount of fluid daily, hence the large pump-jack. This saltwater will be injected back into the ground via the water injection well and the oil will flow to storage tanks. Oil analyzed from percussion sidewall cores measured 47 degrees and is classified as the more favorable "light crude oil".

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## Pictures - Working Toward Completion of Saltwater Disposal Injection Well



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## HELD INTEREST

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

## COMPETENT PERSON'S 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/>

**ENDS**

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