



AUSTIN EXPLORATION

Listed on the Australian Securities Exchange ("AKK") and the OTC in the USA (AUN-XY)
ACN 114 198 471

ASX ANNOUNCEMENT

19 October 2015

High Impact Oil Target Identified in Colorado

- **Successful exploration and high definition 3D seismic uncovers highly prospective oil target in the Pierre Shale formation**
- **Drilling to commence in December – preparations already advanced**
- **Funds raised from Rights Issue will be allocated towards this drilling program**
- **Well satisfies lease commitments for full acreage retention**

Austin Exploration ("Austin" or "the Company") (ASX:AKK) is pleased to announce that the Company has identified a series of high impact oil exploration targets in the Pierre Shale at its Pathfinder Project in Fremont County, Colorado. Austin is the operator here and controls a 100% Working Interest in its 15,282 acre property that lies over the prolific oil and gas bearing DJ Basin.

Austin's C18#2 well will be drilled in December and a discovery should unlock a significant amount of value in the project, with the Company's Pathfinder property big enough to accommodate more than 350 wells. The site has been staked and it is anticipated that Colorado State drilling permits will be issued in the coming weeks.

Austin has been methodically de-risking its field development at Pathfinder by applying the most modern engineering and geophysical exploration techniques available for this upcoming well, including a 3D seismic program, surface geochemistry work and satellite imagery studies.

As previously reported, the Company completed a state-of-the art, high definition "zig-zag" 3D seismic program at the project this year, identifying several highly fractured areas within the Pierre formation. The upcoming drilling program is consistent with the company strategy to target the identified target zones of its 3-D seismic field work in further proving up the Project through lower cost drilling. In conjunction with its successful exploration drilling, Austin has now identified several areas that have all the attributes necessary for highly productive oil wells.

As announced to the ASX on July 30, Austin drilled its C18#4 exploration and commitment well which intersected gas hydrocarbons.

Austin's CEO & Managing Director, Mr. Guy Goudy, added: "We've put in a huge amount of work in preparation for this drilling program and I'm proud of our Team. We have a property that lies directly across the road from one of the world's oldest producing oil fields and we intend to fully capitalise on this opportunity."

"Our oil reserves remain largely in virgin territory and I'm confident that we've approached the development of this property in a prudent and strategic manner. I believe that success awaits us."

"The majority of funds raised from the current Rights Issue, when completed, will be allocated towards this drilling program and we're confident that this program will deliver significant returns for shareholders."



The C18#2 well site has been staked in preparation for drilling

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ABOUT AUSTIN EXPLORATION:

Austin Exploration is an Oil and Gas Company with a portfolio of oil and gas assets in the United States. In 2010, Austin strategically shifted its core focus towards non-conventional shale exploration and production. The Company has now established a major presence in two of America's most prolific oil and gas basins. Austin controls more than 11,000 acres in Colorado in the Niobrara Shale and has an interest in over 5,000 acres in Texas in the Eagle Ford Shale and the Austin Chalk. Austin has producing oil and gas wells in Colorado, Texas, Mississippi and Kentucky. Austin has built a world class Board and Management team with proven company builders to derive maximum value from its oil and gas properties. Austin is listed on the Australian Securities Exchange (ASX code: AKK) and on the OTC in the United States (AUN-XY).

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This announcement contains or may contain "forward looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21B of the Securities Exchange Act of 1934. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, goals, assumptions or future events or performance are not statements of historical fact and may be "forward looking statements." Forward looking statements are based on expectations, estimates and projections at the time the statements are made that involve a number of risks and uncertainties which could cause actual results or events to differ materially from those presently anticipated. Forward looking statements in this action may be identified through the use of words such as "expects", "will," "anticipates," "estimates," "believes," or statements indicating certain actions "may," "could," or "might" occur. Oil production rates fluctuate over time due to reservoir pressures, depletion or down time for maintenance. The Company does not represent that quoted production rates will continue indefinitely.

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