



AUSTIN EXPLORATION

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

ASX ANNOUNCEMENT

2 December 2016

Reserve & Resource Review Commences

- **Reserve and resource assessment to be undertaken over the Pathfinder Project following the completion of three development wells**
- **Renowned petroleum engineering firm Gustavson Associates conducting an oil and gas reserves and resources analysis over the Pierre Formation**
- **Drilling has revealed that the Pierre formation at Pathfinder is thicker and deeper than the established production region.**

Austin Exploration Limited (**ASX:AKK**) (“**Austin**” or “**the Company**”) is pleased to announce that a reserve and resource review over the Pathfinder Project has been initiated by world renowned Petroleum Engineering firm Gustavson Associates.

Austin’s recent commercial oil discovery on the Magellan #1 well confirmed a material extension to the Florence oilfield that has produced 15 million barrels of oil from the Pierre formation. Drilling has revealed that the Pierre formation at Pathfinder is thicker and deeper than the established production region to the East of Austin’s property.

As such, and is the case with any new oil and gas step-out discovery, the Company is conducting a thorough Geologic and Engineering analysis over the Pierre formation. The Company has engaged Gustavson Associates and Weatherford Laboratories to assist with this process and to ensure an intricate understanding of the reservoir is obtained.

Gustavson Associates will be completing a comprehensive oil and gas reserves and resources report over the Pierre formation. On the back of the recent Magellan oil discovery and the significant amount of gas hydrocarbons that are emanating from the Marco Polo and Columbus wells, the Company expects that a significant amount of oil and gas reserves and resources remain in place in the Pierre formation at the Pathfinder property.

Mrs. Letha C. Lencioni Vice-President, Petroleum Engineering at Gustavson commented that” We are pleased to be working with Austin on an oil and gas reserves and resources study over the Pierre formation in such an historic oil producing region in Florence Colorado. Austin’s recent oil and gas discoveries to the West of the established Florence

Field oil production support an extension of an active petroleum system into the Pathfinder property. The presence of strong initial gas flows following drilling supports original oil reserves remaining in place and justification for field development”

Weatherford Laboratories have been engaged to conduct a detailed and comprehensive drill cuttings analysis to further understand the Pierre formation and the reservoir to assist in optimizing oil and gas production as the Company prepares to accelerate field development and ramp up production, beginning in 2017.

The Company looks forward to updating the market on the reserve and resource review shortly.

The learn more about Gustavson Associates, please visit their web-site at:

<http://www.gustavson.com/>

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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. The Company has now established a major presence in two of America’s most prolific oil and gas basins. Austin controls more than 15,000 acres in Colorado in the DJ Basin (Niobrara and Pierre Shale) and 4000 acres in the Illinois Basin in Kentucky. Austin has interests in producing oil and gas wells in Colorado, Kentucky and Texas. 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).

DISCLAIMER:

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.