



# AUSTIN EXPLORATION

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

ASX ANNOUNCEMENT

15 October 2014

## Austin Completes Bridging Facility

Austin Exploration Ltd (ASX: AKK) (“Austin” or “Company”) today announces that it has closed an unsecured bridging facility for \$2 million which will be used as required to complement the Company’s existing cash reserves and ensure it meets its current Eagle Ford development drilling commitments in its farm-out program with Halcon Resources Corporation in Texas as well as drilling two shallow Pierre wells at its 100% controlled Pathfinder property in the DJ Basin in Colorado.

Austin expects the Eagle Ford project to spud an additional 3 wells in the coming weeks and the bridge facility and current cash reserves will ensure the Company is adequately funded to meet all current cash calls as it finalises the previously announced US\$40 million debt financing facility.

The key loan terms are as follows:

- Principal: Up to A\$2 million drawable at the Company’s election
- Interest rate: 12% per annum
- Security: Unsecured

Austin’s Managing Director and Chief Executive Officer, Dr. Mark Hart, said: “Austin has a busy 4<sup>th</sup> quarter planned at our Texas Eagle Ford project where results to date have exceed our expectations and subsequently the Joint Venture plans to spud an additional 3 development wells in the short term.

“As the management team works to finalise the \$40 million debt financing facility it is important your Company remains adequately funded to meet the current Eagle Ford development program the operator has put forward and ensure the Company has the flexibility to meet any other obligations over the coming months”, Dr Hart said.

Austin’s Chief Operating Officer Guy Goudy said: “The Company looks forward to updating the market shortly on its Eagle Ford program in Texas. Drilling of this property has been accelerated due to the excellent results that have been achieved thus far. The first four wells drilled have all hit significant amounts of oil and gas and as such our Texas property has now been fully de-risked. We are excited about the ongoing development of this property and the value that it will bring to the Company’s shareholders”, Mr Goudy said.

Austin’s Executive Management team and Chairman Mr. Richard Cottee made specific note thanking DJ Carmichaels for its ongoing support for Austin in organizing this bridging facility.

Ends.

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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-QX International 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.