AUSTIN EXPLORATION LIMITED

Austin Exploration Limited
ABN 98 114 198 471

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CHAIRMAN'S REPORT

On behalf of the Board of directors, our management team, employees and business partners I would like to sincerely thank our shareholders and private investors for their continued support of Austin Exploration Limited (Austin).

This has been a very tough fiscal year for many small oil and gas companies worldwide and Austin has not been an exception. The company's former Managing Director has moved on to other endeavours and we have now reorganized around a strengthened board of directors and a set of management practices that have already proven fruitful.

During and since the year has ended, the company has strengthened the board with additional talent, implemented a stringent new set of business process and oversight practices, raised new capital, drilled four successful oil wells at Park City and strengthened our relationship with our PEL105 farmin partner Adelaide Energy Limited.

Although we have been getting much accomplished we realize that a great deal of work still remains ahead. Our management team and board of directors will continue to establish a strong foundation for success. We have already begun laying the framework to grow beyond our current lease holdings.

We will remain focused on a small list of very important items and then expand our focus as more success comes.

In conclusion, we will bring value to our shareholders by focusing on the delivery of a predictable income stream near term from Kentucky, working diligently to get PEL105 drilling underway as soon as possible and demonstrate our ability to execute against our plans.

Yours Sincerely,

Dominic Pellicano
Chairman of the Board
www.austinexploration.com

Summary Review of Operations and Activities




OIL AND GAS ACTIVITIES (USA)

Kentucky

Project Overview - Austin in Control

- Austin's wholly-owned subsidiary, Aus-Tex Exploration Inc. is now the operator of record and controls a 100% working interest in more than 857.82 acres of mineral leases at Park City.
- Austin has increased its Net Revenue Interest from 56.25% to 78.125% in this project.
- As the Operator of record for the project, Aus-Tex manages every aspect of the oil and gas field. This includes, but is not limited to: well selection, drilling, management, operations, regulatory reporting, service suppliers, land owner relationships, hydrocarbon storage and sales and income distribution to interest holders.
- The company has now mapped the geologic structures of the area, selected the best available completion technique and successfully completed its first four oil wells.
- Well operations became the responsibility of Aus-Tex on July 1, 2009.
- Ten mineral leases that encompass over 857.82 acres of land are currently controlled and managed by Aus-Tex. Additional mineral lease acreage will be acquired as qualified opportunities present themselves.
- These ten leases provide adequate drilling opportunities for an additional 60 wells. Well selection for any new drilling will be initiated based on the completion results of the current 17 wells.
- To increase the likelihood of a successful new drilling program the company will drill additional wells very near to already producing oil wells.

Moving Forward - about the 17 wells and mineral leases

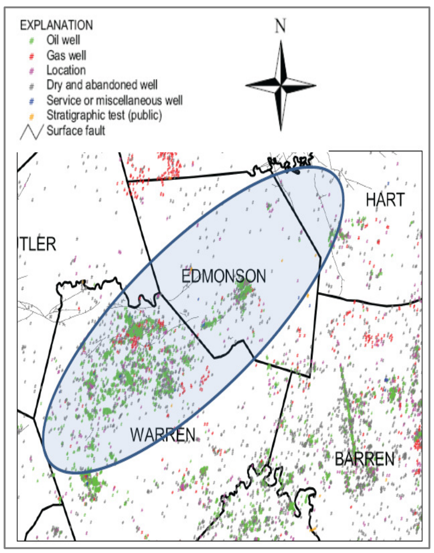
- The combination of proper oil formation geologic structure mapping and the selection of the most appropriate well completion technique have proven successful. This combination will be used on future wells.
- Based on the original wells logs Austin believes that many of the 17 in place wells have corniferous zones of adequate thickness to deploy the radial drilling (SRS) procedure.
- This drilling procedure can also be used for gas pay zones such as the shale formation that is found in all 17 of Austin's wells. Other completion procedures have also been identified.
- Additional off-set wells can be drilled on these same leases in 4 acres increments thus giving Austin space to drill and complete new wells.
- All 17 wells contain New Albany Shale of adequate thickness to produce natural gas

- All of the wells will be completed by the operator Aus-Tex Exploration, Inc.
- Oil will be the primary focus of each completion.

Oil Storage and Transport

- Aus-Tex intends to maintain oil storage tank clusters on each lease that produces oil.
- The oil will be picked up at the storage site by an authorized transport company and transferred to the local refinery.
- Area infrastructure for oil sales has been in place for many years.
- The state of Kentucky currently has two refineries in operation and each is capable of taking supply at notice.

GENERAL OBSERVATIONS



The highlighted area to the left represents the current focus for the company

This focus area contains hundreds of wells that were drilled many years ago and represent SRS completion opportunities for Austin.

Shallow well corniferous oil production has been active in the state since the mid 1800's

The first large oil field was discovered in 1919 and continues to produce oil today

The state's oil producing formations are well known for production lifetimes that can last more than 20 years with little to no remediation

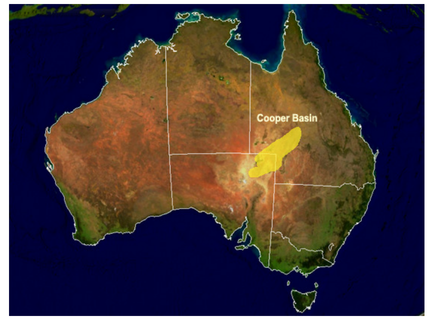
Ten mineral leases totalling 857.82 acres are currently held by the company, cumulatively providing over two years of drilling opportunities if appropriate

- SRS (Short Radius Stimulation) Technology has improved production in the first four Aus-Tex wells.
- Current acreage can sustain an additional 60+wells
- Numerous available wells with previous production and multiple unproduced zones are available in the general area
- Success of the first four wells creating opportunity via landowners calling Aus-Tex
- Strategic deal with KOS Energy will reduce costs, lower operating expenses and ensure solid scheduling.
- Investment capital returned in less than four months, income lasting for 20 years

Low cost, long life drilling – Austin is very encouraged by the initial results of the first four completed wells utilizing the Short Radius Stimulation (SRS) procedure. Based on current economic analysis, the Company can now complete a well at costs that are low enough to return initial investment capital in less than 4 months. The long life potential of these corniferous wells also makes them economically attractive.

Phase two drilling program being prepared – With the success of these first four test wells the company can now move forward with plans to increase the rate of drilling and completions. The company geologist, KOS Energy and other technical resources available to Austin will use the next few weeks to develop and finalize the 12 month plan for this area of Kentucky.

EXPLORATION ACTIVITIES (Australia)



PEL105

Pirie-1 Well Prospect

Drill Ready and waiting on a rig.

The northern Cooper Basin province hosts the massive 100 MMbbl Tirrawarra Oil Field in the liquids-rich Patchawarra Trough. Austin Exploration through its farmin partner acquired 93 km 2D seismic in 2008 to high-grade drilling targets in this proven hydrocarbon province.

- PEL 105 spans the central Patchawarra Trough from the Permit's western limit between the Moorari and Kudrieke fields east to the Santos-operated Bookabourdie Field
- Re-interpretation of geophysical data has identified a large hydrocarbon target between the producing Moorari and Kudrieke fields
- The Pirie-1 exploration well will be drilled as soon as a rig is available on a significant closure above the 1983 Toonman-1 well
- Toonman intersected tight hydrocarbon saturated sand in an era when fracture stimulation was in its infancy – The operator will fracture the tight sands to access un-risked P10 OOIP of 23 MMbbl and P50 OOIP 2 MMbbl.
- The 2008 Wakefield Seismic Survey acquired 93 km 2D seismic to identify and mature a range of drilling targets including around the flanks of the Bookabourdie structure
- Proximity to pipeline infrastructure and processing facilities high-grades all discoveries in PEL 105.

Cooper Basin Highlights

The Cooper Basin contains approximately 160 gas fields and 75 oil fields currently on production. These fields contain approximately 630 producing gas wells and more than 340 producing oil wells which feed into production facilities at Moomba in South Australia and Ballera in Queensland through approximately 5,600 kilometres of pipelines and flow lines via 15 major satellite facilities incorporating field boost compression (65 satellite compressors, 15 nodal compressors).

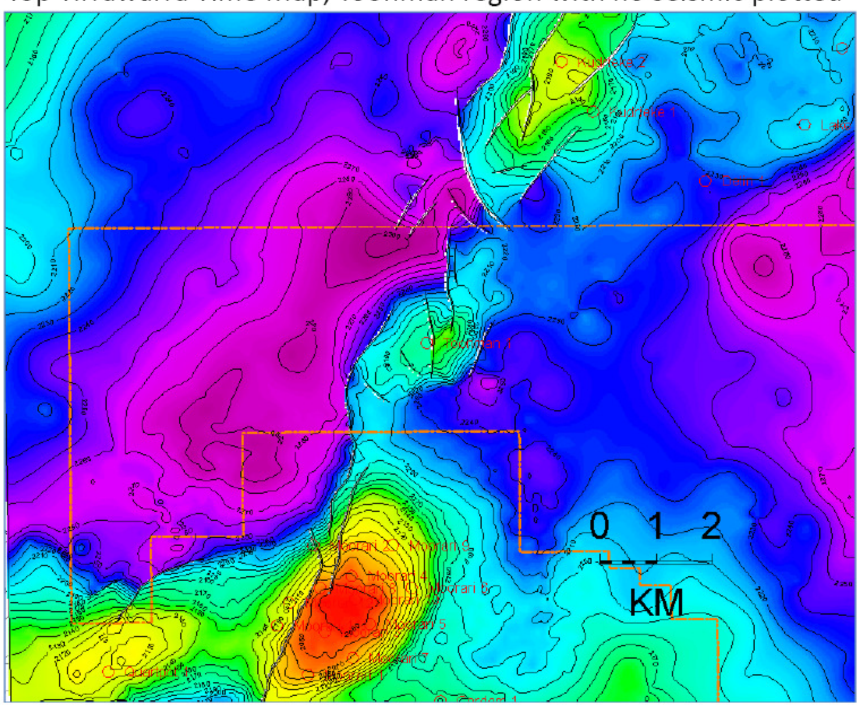
The Moomba facility also incorporates substantial underground storage for processed sales of gas and ethane, while Ballera has a smaller underground storage system for processed sales gas.

Natural gas liquids are recovered via a refrigeration process in the Moomba plant and sent together with stabilised crude oil and condensate via pipeline to Port Bonython near Whyalla, South Australia.

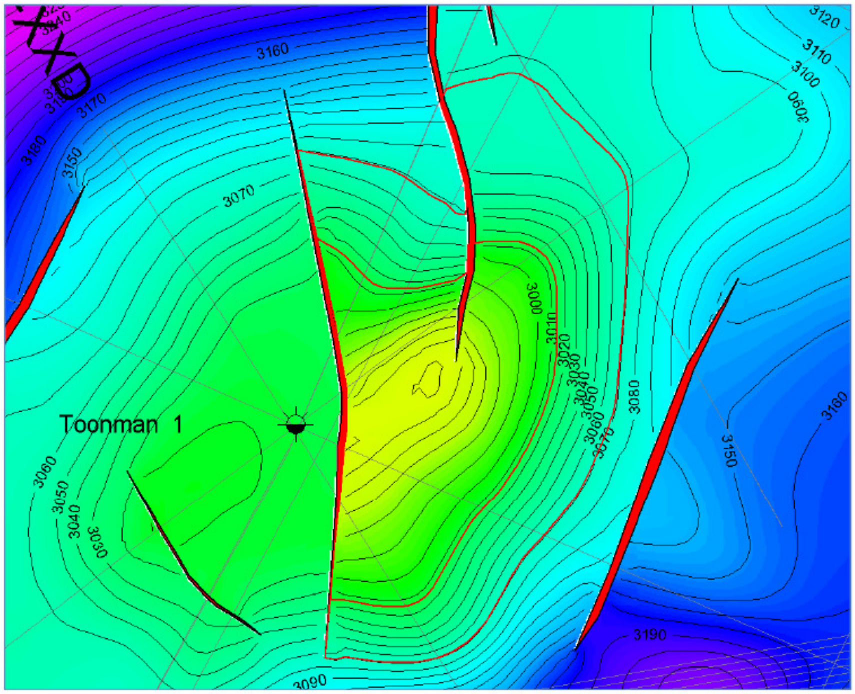
Ethane is sent to Qenos in Sydney via a dedicated pipeline. Sales gas is sent to Adelaide and Sydney via pipelines from Moomba and sales gas is sent to Mt Isa and to Brisbane via pipeline.

Geologic Data Suggests a Large Hydrocarbon Formation is Present

Top Tirrawarra Time Map, Toonman region with no seismic plotted



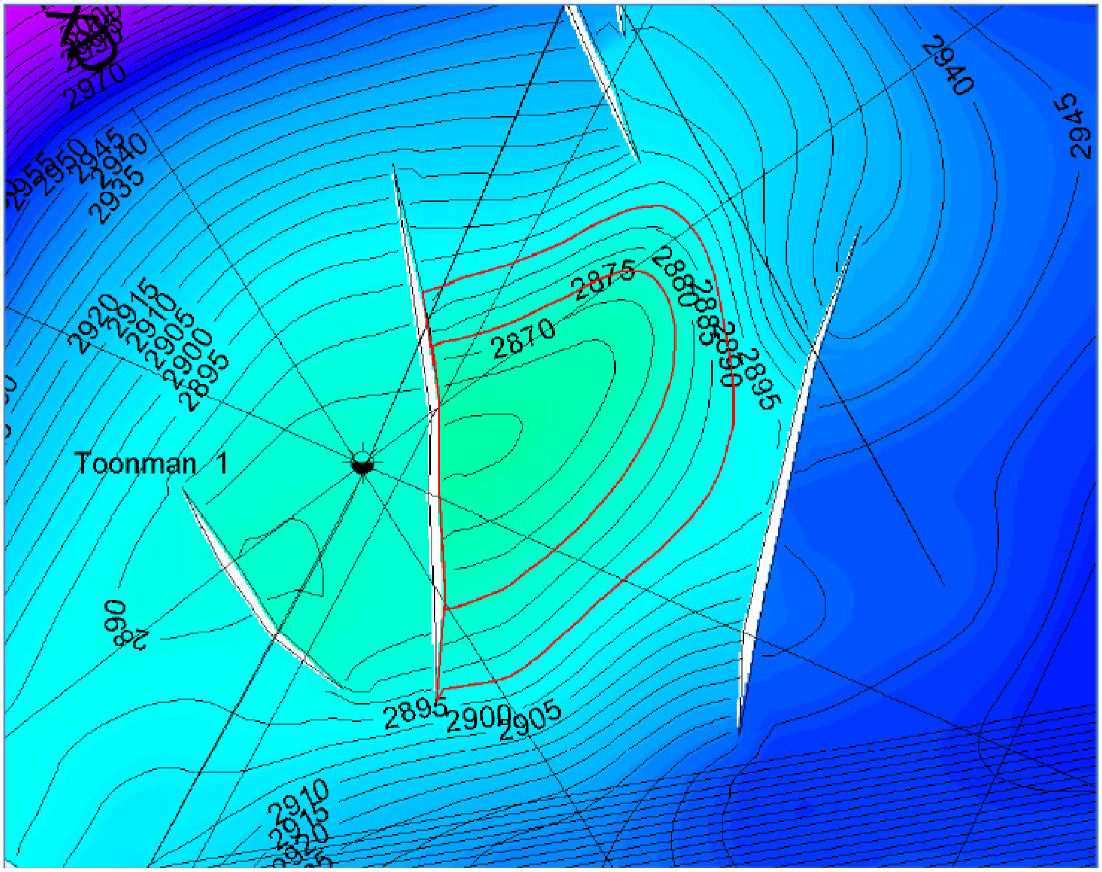
Tirrawarra Depth Map tied to well, showing P50 & P10 polygons



Tirrawarra Sst. Areas, Column Heights, GRV's

- The depth map was produced using the Toonman 1 time-depth curve and then had a shift of -14m applied to tie the well
- The structural crest is 2940m subsea.
- The P50 "spill point" (sand on sand juxtapostion) = 3013 m subsea, giving a column height of 73m.
- The P10 "spill point" depends on the extent of the controlling fault and has been taked as 3069m SS. The P10 column height is therefore 129m.
- The P50 area closure (smallest polygon) is 0.447 sq km on a depth map, and the P50 areas is 0.995 sq km.
- The Tirrawarra in Toonman 1 is 260 ft (79.25m) thick. The P50 column height is less than this but the P10 GRV requires a base Tirrawarra grid to compute GRV. This was produced by adding 79.25m to the top Tirrawarra depth grid.
- The P50 GRV using Petrosys volumetrics accurately calculated from the depth grids – 13,606,972 cu m.
- The P10 GRV = 44,958,585 cu m.

Top Patchawarra Depth Map showing P50 & P10 polygons



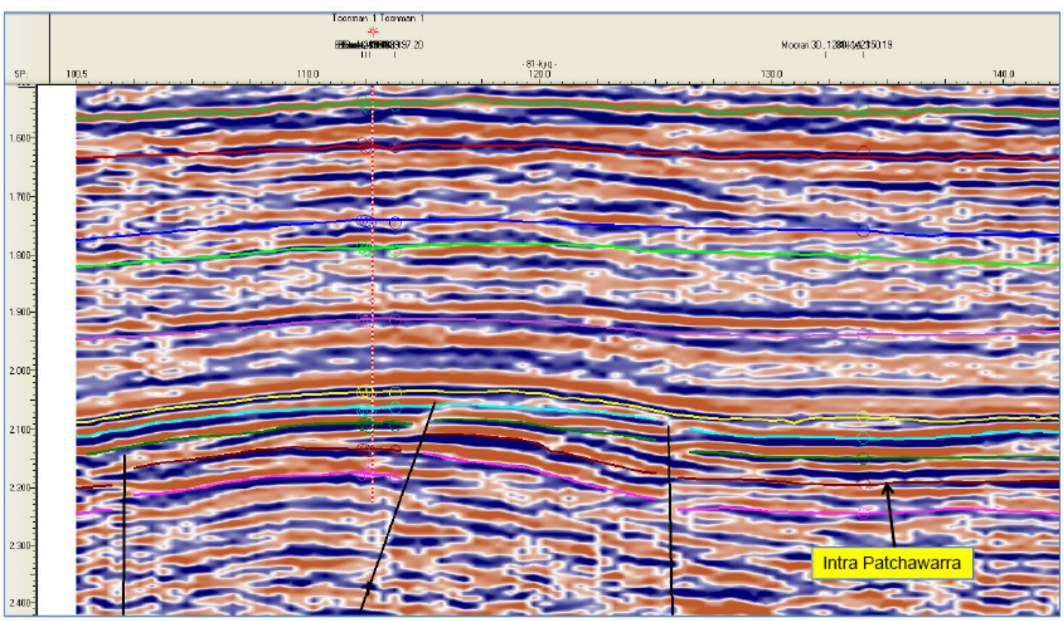
Top Patchawarra GRV's etc.

- Depth map was within 6m of tying well – no correction was made
- On the map, the well is at 2877 m subsea and the lead crest is at 2860m.
- The P50 case calculated values down to 2875m SS, so the column height is 15 metres. The area of closure at 2875m = 0.275 sq km (smallest polygon).
- The P10 case calculated values down to 2890m SS. The column height is 30m and the area at this level is 0.543 sq km. The P20 GRV = 8,367,943 cubic metres.

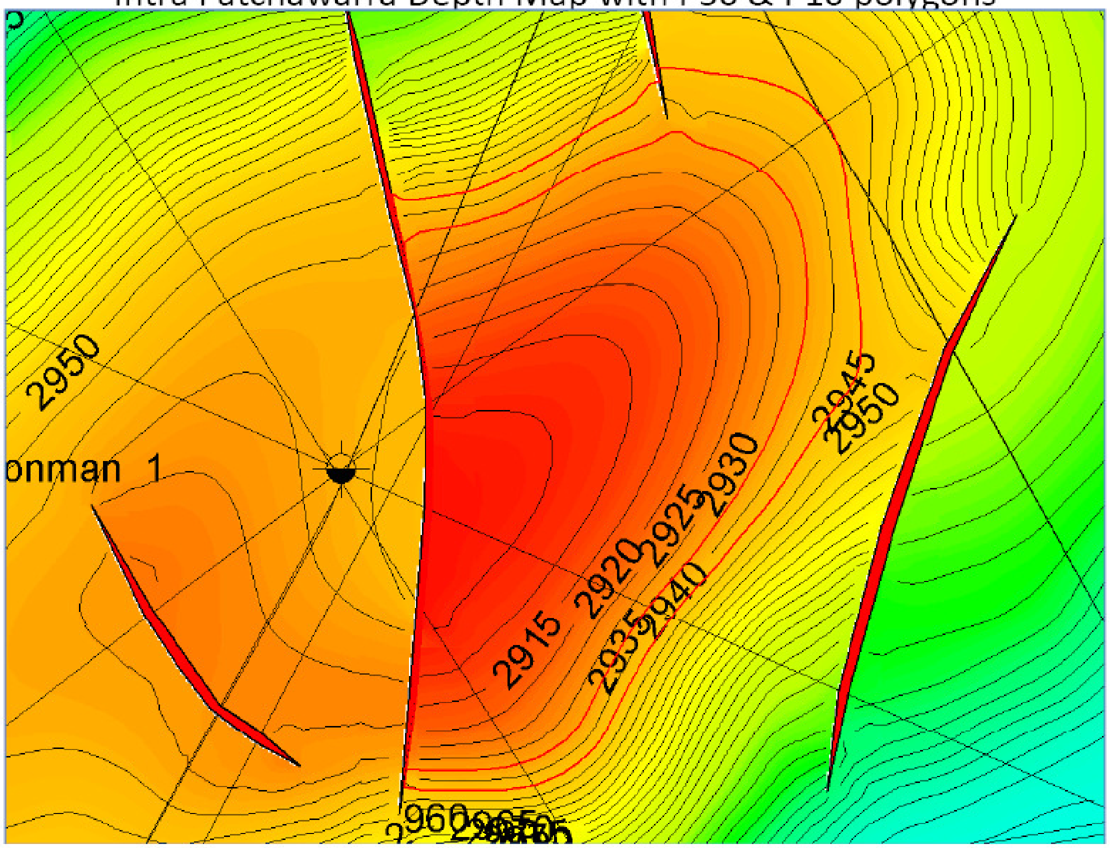
Intra Patchawarra GRV's etc.

- This is a new horizon picked locally at Toonman (see below) to capture the Patchawarra upside as the potential closure at this level is much higher than at the top Patchawarra.
- The well ties the depth map at this level at 2937m SS and the crest of the lease is at 2903m
- The P50 case is down to the 2935m contour, giving a column height of 27m. The area of closure at the 2935m contour on the up thrown side of the fault is 0.522 sq km (note there is a small closure updip of the well on the downthrown side as well). The P50 GRV = 8,089,550 cu m.
- The P10 case was taken to be down tp the 2945m contour, giving a column height of 42m. The area of closure at this contour is 0.675 sq km and the P10 GRV = 13,756,335 cu m.

Line 81-kyq showing Intra Patchawarra horizon (dark red)

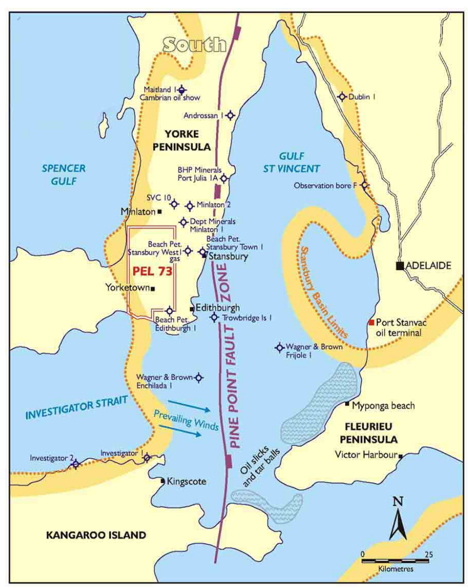


Intra Patchawarra Depth Map with P50 & P10 polygons



PEL73

Stansbury Basin License



PEL 73 contains the Yorketown prospect which is located 96 kilometres west of Adelaide and relatively close to infrastructure. The area covers an area of 625 square kilometres and is within the Stansbury basin, which has been the subject of both onshore and offshore drilling since the 1930's.

Austin maintains a 16.666% Working Interest in the PEL 73 prospect. The interest was acquired as part of the 2006 initial Austin Exploration Limited public offering.

The company has been notified by the operator DMS Exploration and its Managing Director Mr. David Schuette that he intends to offer the licence to another operator.

CONSOLIDATED VIEW OF OIL AND GAS HOLDINGS

	AUSTRALIA		United States	
Prospect Name	**PEL 105**	**Yorktown PEL 73**	**Park City**	**Polecat Creek**
Well Name(s)	**The Pirie-1**	**Gravestock #1**	**Listed on company web site**	**Old Stone Exploration Ezell 4-H**
Location	Cooper Basin, South Australia	Stansbury Basin, South Australia	Edmonson County, Kentucky USA	Falls and Limestone Counties, Texas USA
Ownership Interest	Working Interest 100% - Revenue Interest 100%	Working Interest 16.667% - Revenue Interest 12.5%	Working Interest 100% - Revenue Interest 78.25%	Working Interest 35% - Revenue Interest 26.25%
Partners / Operators	Adelaide Energy Limited earns a 50% NRI after the initial well	DMS Exploration, PIP Ltd., Private Investors	Old Stone Exploration, LLC	Old Stone Exploration, LLC
Objective / Focus	High Grade drilling targets validated by 2D seismic	Frontier Basin - Wildcat well	Sallow low cost long life oil wells	Successful Well Re-entry
Independent Evaluations	Mulready Consulting Services Pty Ltd	Mulready Consulting Services Pty Ltd	Several	Mulready Consulting Services Pty Ltd
Current Status	Drill Ready. Now locating a rig	Initial well plugged and abandoned. Hydrocarbon show encountering at 691 m.	17 wells drilled to date, 4 of those completed as oil wells and now on production	Well has been shut in do to uneconomic flow rates associated with energy price declines
Next Steps	Drilling to commence upon rig confirmation	Operator now re-evaluating this prospect	Continuation of oil production and further well completions	Operator is evaluating a sale of the license

CORPORATE GOVERNANCE STATEMENT

The Board of Austin Exploration Limited (Austin) seeks to practice the highest ethical and commercial standards while executing its responsibilities in directing the business and affairs of the Company on behalf of its shareholders.

The Board of Austin has considered the principles of good corporate governance and best practice recommendations as published by the ASX Corporate Governance Council (ASXCGC) in March 2003 and as revised in 2007. ASX Listing Rule 4.10.3 requires the Company to disclose the extent to which it follows or diverges from these best practice recommendations in its Annual Report.

This report discloses corporate governance practices Directors would like to highlight to stakeholders.

Additional information relating to corporate governance practices that the company has adopted can be found on the company's web site: www.austinexploration.com.au.

The Role of the Board & Management

The company has formalised and disclosed the roles and responsibilities of the board and those delegated to senior management.

The Board of the company is responsible for the overall corporate governance of the Austin Group, including its ethical behavior, strategic direction, establishing goals for management and monitoring the achievement of those goals with a view to optimising company performance and maximising shareholder value.

The role of management is to support the Chief Executive Officer and implement the running of the general operations and financial business of the company, in accordance with the delegated authority of the Board.

Full details of the matters reserved to the board and to senior management are available on the company's web site at www.austinexploration.com.au.

Scheduled meetings of the Board are held at least eight times a year and the Board meets on other occasions to deal with matters that require attention between scheduled meetings. The responsibility for the operation and administration of the consolidated entity is delegated by the Board to the Chief Executive Officer.

The Board is responsible for:

- Setting the strategic direction of the company and establishing goals to ensure these strategic objectives are met;
- Appointing the Chief Executive Officer, setting objectives for the Chief Executive Officer and reviewing performance against those objectives, ensuring appropriate policies and procedures are in place for recruitment, training, remuneration and succession planning;
- Monitoring financial performance including approval of the annual and half-yearly financial reports and liaison with the company's auditors;
- Ensuring that risks facing the company and its controlled entities have been identified ensuring that appropriate and adequate controls, monitoring and reporting mechanisms are in place;
- Receiving detailed briefings from senior management on a regular basis during the year;
- Approving the Boards of Directors of subsidiary companies; and
- Ensuring the company complies with the law and conforms to the highest standards of financial and ethical behavior.

Austin has obligations to its stakeholders to ensure the company is managed with appropriate due diligence and that all necessary processes are implemented to minimise risk and maximise business opportunities.

To this end, all commercial arrangements, capital expenditure, operational expenditure and other commitments are appropriately documented and have been authorised by either the Chief Executive Officer or the board as appropriate.

The composition of the Board is determined in accordance with the Company's constitution and the following principles and guidelines:

- The Board should comprise of at least three Directors with at least two Non-Executive Directors;
- The Board should comprise of Directors with an appropriate range of qualifications and expertise; and
- The Board should meet formally at least eight times per annum and informally on an as required basis with all Directors being made aware of, and having available, all necessary information, to participate in an informed discussion of all agenda items.

Directors in Office

At the date of this statement the following directors are considered independent by the Board:

Name	Position	Independent
Mr Dominic Pellicano	Chairman & Non-Executive Director	No
Dr James Edwards	Non-Executive Director	Yes
Mr Guy Goudy	Non-Executive Director	Yes
Mr William Kefalianos	Non-Executive Director	Yes

The skills, experience, expertise and tenure of each director are disclosed in the Directors' Report within this Annual Report.

Director Independence

The board considers three of Austin's directors as independent under the guidelines.

In assessing the independence of directors, the board follows the ASX guidelines as set out:

An independent director is a non-executive director (ie is not a member of management) and:

- is not a substantial shareholder of the company or an officer of, or otherwise associated directly with, a substantial shareholder of the company;
- within the last three years has not been employed in an executive capacity by the company or another group member, or been a director after ceasing to hold any such employment;
- within the last three years has not been a principal of a material professional adviser or a material consultant to the company or another group member, or an employee materially associated with the service provided;
- is not a material supplier or customer of the company or other group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer;
- has no material contractual relationship with the company or another group member other than as a director of the company;
- has not served on the board for a period which could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of the company; and

- is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of the company.

Mr Pellicano is not considered to be independent because of his directorship of Newtak Pty Ltd, which has undertaken a Participation Agreement with Aus-tex Exploration Pty Ltd (a wholly owned subsidiary of Austin Exploration Limited) for a non recourse loan against the revenues from the Park City and other oil and gas projects.

Through the Nominations Committee, which has met during the current financial year to consider appointments to management and the board, directors have considered the balance of skills and experience required of board members for the size and state of development of Austin. The board believes that it has the right numbers and skill sets within its board members for the current size of the company, and is confident that each non-executive director brings independent judgement to bear on board decisions.

Where additional skills are considered necessary for specific purposes, access is made to independent professional advice at the expense of the company.

Chairman and Chief Executive Officer

The ASXCGC Recommendations recommend that the chairperson be independent. Mr Pellicano is not considered independent by the board under the guidelines as set out.

The roles of chairman and Chief Executive Officer are not exercised by the same individual.

Appointment to the Board

The Board has appointed a Nomination Committee to identify and recommend potential director appointments. Where a casual vacancy arises during the year, the Committee has procedures to select the most suitable candidate with the appropriate experience and expertise to ensure a balanced and effective board. Any director appointed during the year to fill a casual vacancy or as an addition to the current board, holds office until the next Annual General Meeting and is then eligible for re-election by the shareholders.

A copy of the Nomination Committee’s Charter is available on the company’s web site at www.austinexploration.com.au.
New directors receive a letter of appointment which sets out the terms of their appointment. On appointment, an induction program is available to directors that include one-on-one sessions with members of the senior management team.

Evaluation of Senior Executives

Senior executives, including the Chief Executive Officer have a formal job description and letter of appointment describing their term of office, duties, rights, responsibilities and entitlements upon termination.

The performance of senior executives is reviewed annually before the budgets are approved for the next financial year. This process is a formal one with the executive’s performance assessed against company, division and personal benchmarks. Benchmarks are agreed with the respective senior executives and reviews are based upon the degree of achievement against those benchmarks.

Induction procedures are in place to allow new senior executives to participate fully and actively in management decision-making. The induction program includes orientation of:

- The company’s financial position, strategies, operations and risk management policies; and
- The respective rights, duties, responsibilities and roles of the board and senior executives.

A performance evaluation for senior executives has taken place in the reporting period and was in accordance with the process disclosed.

Ethical Business Practices

The Company has adopted a Code of Conduct to maintain confidence in the company's integrity, its legal obligations and the expectations of its stakeholders. The company is committed to being a socially responsible corporate citizen, using honest and fair business practices, to act in the best interests of clients so as to achieve the best outcome for shareholders.

The Board has procedures in place for reporting any matters that may give rise to unethical practices or conflicts between the interests of a director or senior executive and those of the company. These procedures are reviewed as required by the board. To this end, the company has adopted a Conflict of Interest Policy that clarifies the processes for directors and senior executives to determine and disclose when a conflict of interest exists.

The Code of Conduct is available on the company's web site at www.austinexploration.com.au.

Shareholding and Trading

The Board encourages directors and senior executives to own shares in the company to further link their interests with the interests of all shareholders. Trading of shares by directors or senior executives is prohibited under certain circumstances and as described in the ASX Listing Rules and during certain periods of the financial year. A director or senior executive must not deal in the company shares at any time when he or she has unpublished information which, if generally available, might affect the share price. Directors are required to notify the Company Secretary following dealing.

The Trading Policy is available at the company's web site at www.austinexploration.com.au.

Safeguard Integrity

The Board has established an Audit and Risk Management Committee comprised of the four non-executive directors. This committee operates under a charter to enable it to perform its role and responsibilities. The Charter is available at the company's web site at www.austinexploration.com.au. Where considered appropriate, the company's external auditors and the company's management are invited to attend meetings. The members of the Audit and Risk Management Committee are:

Mr William Kefalianos (Chair), Mr Dominic Pellicano, Dr James Edwards, and Mr Guy Goudy.

The qualifications of members of the committee together with their attendances at committee meetings is disclosed in the Directors' Report within this Annual Report.

The role of the Audit and Risk Management Committee is to assist the board fulfill its responsibilities in relation to the identification of the areas of significant business risks and the monitoring of the following:

- Effective management of financial and other business risks;
- Reliable management reporting;
- Compliance with laws and regulations in respect to financial reporting;
- Maintenance of effective and efficient audits;
- Meeting with external auditors on a twice-yearly basis and informally as circumstances require; and
- Recommending to the board the appointment, rotation, removal and remuneration of the external auditors, and review their terms of engagement, and the scope and quality of the audit. Periodically, the Audit and Risk Management Committee reviews the appointment of the external audit engagement partners using a formal process of evaluation to determine the most appropriate level of skills and experience to suit the size and complexity of the company.

The Audit and Risk Management Committee provides the board with additional assurances regarding the reliability of financial information for inclusion in the financial statements. To that extent, the Company Secretary and the Chief Financial Officer are required to declare to the board that in their opinion the Financial Statements and notes to the Accounts within the Annual Report are in accordance with the Corporations Act 2001, comply with the Accounting Standards and the Corporations Regulations 2001 and give a true and fair view of the financial position of the company and are based upon a sound system of risk management and internal compliance and control prior to the signing of the Directors' Declaration in the Annual Report.

The committee is chaired by an independent chair who is not the chairman of the board.

Independent Advice

The Board recognises that in certain circumstances individual directors may need to seek independent professional advice, at the expense of the company. Any advice so received will be made available to other directors.

Timely and Balanced Disclosure

The board recognises the need to comply with ASX Listing Rule 3.1 concerning continuous disclosure.

At each meeting of directors, consideration is given as to whether notice of material information concerning the company, including its financial position, performance, ownership and governance has been made available to all investors.

The Continuous Disclosure Policy also requires senior executives in possession of disclosable information to comply with that policy.

The Continuous Disclosure Policy is available on the company's web site at www.austinexploration.com.au.

Communication with Shareholders

The board aims to ensure that shareholders, on behalf of whom they act, are informed of all major developments affecting the company's activities and its state of affairs, including information necessary to assess the performance of the directors.

Communication with shareholders is achieved through the distribution of the following information:

- The Annual Report distributed to shareholders;
- The Half Yearly Report which is available on the company's web site;
- The Annual General Meeting and other meetings called to obtain shareholder approval for board action as appropriate. Shareholders are encouraged to attend and participate at the company's Annual General Meeting and other General Meetings;
- Letters to shareholders when considered to be appropriate and informative;
- Announcements to the Australian Securities Exchange; and
- Investor information through the Company's internet portal at www.austinexploration.com.au.

The Company strives to ensure that company announcements via the ASX are made in a timely manner, are factual, do not omit material information and are expressed in a clear and objective manner.

The Communications Policy is available at the company's web site at www.austinexploration.com.au.

Shareholders' Role

The shareholders of the Company are responsible for voting on the election of directors at the Annual General Meeting in accordance with the constitution.

All directors (other than the Chief Executive Officer) are subject to re-election by rotation, no later than every three years.

The Annual General Meeting also provides shareholders with the opportunity to express their views on matters concerning the company and to vote on other items of business for resolution by shareholders.

The company's auditor, Grant Thornton SA Partnership, make available a partner of the firm (Mr Simon Gray or other), to be in attendance at the Annual General Meeting and to be available to answer shareholder questions in relation to the audit.

Risk Management

The entire board is responsible for overseeing the risk management function. The company believes that it is crucial for all board members to be a part of the process and as such has established risk management as a component of the Audit and Risk Management Committee.

The board is responsible for ensuring the risks and opportunities are identified on a timely basis.

The board has a number of mechanisms in place to ensure the management's objectives and activities are aligned with the risks identified by the Committee. These include the following:

- Implementation of board approved operating plans and budgets;
- Board monitoring of progress against these budgets, including the monitoring of key performance indicators of both a financial and non financial nature; and
- The establishment of committees to report on specific risk as identified.

Internal Risk Management System Compliance

Management is accountable to the Chief Executive Officer to ensure that operating efficiency, effectiveness of risk management procedures, internal compliance control systems and controls and policies are all being monitored. Management has designed and implemented a risk management and internal control system to manage the company's material business risks and reports to the board at each meeting on the effective management of those risks. The company has developed a series of operational risks which the company believes to be inherent in the industry in which the company operates. These include:

- Changed operating, market or regulatory environments;
- Fluctuations in demand volumes;
- Fluctuations in exchange rates; and
- Increasing costs of operations.

These risk areas are provided here to assist investors better understand the nature of the significant risks faced by the company.

The board requires the Company Secretary and Chief Financial Officer every half year to provide a statement confirming that a sound system of risk management and internal control is in place and that the system is operating effectively in all material respects in relation to financial risks. The board has received that assurance.

The Risk Management Policy is available at the company's web site at www.austinexploration.com.au..
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Monitoring Performance

The Board and senior management monitor the performance of all divisions through the preparation of monthly management accounts. The monthly management accounts are prepared using accrual accounting techniques and report each business unit's result as contribution after overhead allocation. These monthly management accounts are compared to monthly budgets, which have been set allowing for the seasonality of anticipated revenues and costs in each of the divisions.

The monitoring of the company's performance by the board and management assists in identifying the correct allocation of resources and staff to maximise the overall return to shareholders.

A performance evaluation for senior management was undertaken during the year and was in accordance with the process developed by the board for that purpose.

Details of the structure of non-executive directors' and senior executives' remuneration are included in the Remuneration Report within the Directors' Report in this Annual Report.

During the year the board undertook an informal performance review of the board, its committees and its directors, managed by the chair of the Remuneration Committee. The conclusions of the self assessment of the board's performance during the previous year and any recommendations for improvement which become apparent from that review, are discussed by the board.

The performance evaluation was undertaken using the process disclosed above.

Nomination and Remuneration

Nomination Committee

The Board has a Nomination Committee comprising the four non-executive Directors, Mr Dominic Pellicano (Chairman), Dr James Edwards, Mr William Kefalianos and Mr Guy Goudy. Their attendances at committee meetings is disclosed in the Directors' Report within this Annual Report.

The role of the Nomination Committee is to make recommendations to the board on the following matters:

- Determine the appropriate size and composition of the board;
- Determine the terms and conditions of appointment to and retirement from the board;
- Develop appropriate criteria for board membership;
- Reviewing membership of the board and proposing candidates for consideration by the board; and
- Arranging a review of the board's own performance.

The committee met during the year and considered that for the size of the company and the state of its development, the number of directors and their level of skills and experience was appropriate.

The Nomination Committee Charter is available at the company's web site at www.austinexploration.com.au.

Remuneration Committee

The Board has a Remuneration Committee comprising the four non-executive Directors, Mr Dominic Pellicano (Chairman), Dr James Edwards, Mr William Kefalianos, and Mr Guy Goudy

Details of the attendance of directors at committee meetings is disclosed in the Directors' Report in this Annual Report.

The role of the Remuneration Committee is to determine the company's remuneration plans, policies and practices, including compensation arrangements for the non-executive directors, executive directors, Chief Executive Officer and senior executives. It is also responsible for considering general remuneration policies and practices, recruitment and termination policies and superannuation requirements.

The company does not have a policy to preclude its executives from entering into transactions to limit their economic risk from investing in company shares, options or rights and has made executives aware of their obligations in relation to financial commitments against shares issued under the executive securities plan and has requested that they take sufficient professional advice in relation to their individual financial position.

The Remuneration Committee Charter is available at the company's web site at www.austinexploration.com.au.

There are no retirement schemes or retirement benefits other than statutory benefits for non-executive directors.

DIRECTORS' REPORT

The Directors of Austin Exploration Limited ("Austin") present their report on the Company and its controlled entities for the financial year ended 30 June 2009.

Directors

Directors in office during the year and to the date of this report are:

Dominic Pellicano
Non-executive director and Chairman
(appointed a director on 25 July 2008. Appointed chairman on 10 February 2009)
Dominic has been in private practice as a Certified Practicing Accountant (CPA) and a Legal Practitioner for over 30 years. He is currently the senior partner in the Accounting firm of Pellicano & Giovannucci which he founded in 1970. He is a Fellow of the Taxation Institute of Australia, a member of the Law Institute of Victoria and a CPA, Australia. Dominic has extensive experience in financial management and corporate governance and specialises in Taxation Law and Estate Planning. Dominic is also a director Newtak Pty Ltd which has substantial financial interests in the Park City gas project of Austin in Kentucky, USA. and is also a director and shareholder of other companies which are associated with Newtak Pty Ltd.

David Max Schuette
Managing Director
(appointed Managing Director on 3 June 2005, terminated 5 August 2009)
David is the founder of DMS Exploration, an independent Texas oil and gas exploration company. Prior to founding DMS Exploration, he held executive positions with French Petroleum and Torch Energy Advisors in Houston, Texas. He has been an advisor to and investor in the oil and gas industry and brings over 25 years of experience to Austin Exploration.

Dr. James Michael Edwards
Non-executive director
(appointed a director on 14 March 2006)
Dr. Edwards has been actively engaged in USA and international oil exploration and exploitation for more than 30 years. He has participated in oil and gas discoveries in Australia, Columbia, Equatorial Guinea, France, Norway, Trinidad, Thailand, the United Kingdom and the United States of America. Dr. Edwards has held senior executive positions with Tenneco Oil Company, Triton Corporation, and Daytona Energy Corporation.

Guy Thomas Goudy
Non-executive director
(appointed a director on 13 July 2009)
Guy trained at the University of Technology, Sydney (UTS) where he holds various formal qualifications in Business Studies. For the last three years Guy has been employed in the financial services sector and has been an authorised representative with a leading stock broking and financial advisory firm.

William Kefalianos
Non-executive director
(appointed a director on 30 July 2009)
William graduated in 1975 from Monash University with a Bachelor of Economics degree. He is a Fellow of the Taxation Institute of Australia, a registered tax agent and a member of the National Institute of Accountants. William is currently the principal of accounting firm MMI Financial Partners Pty Ltd. Over the last 20 years, he has held many and varied management consultancy roles including commercial systems development, dispute resolution and corporate and private planning.

Paul Desmond Teisseire
Non-executive director and Chairman
(appointed a director on 12 May 2006, appointed Chairman 18 October 2007, retired 10 February 2009)

Paul is a professional independent non-executive director. He spent over 20 years in private practice as a corporate lawyer specialising in business and corporate law with a special interest in corporate governance. He is a non-executive director of ASX listed Gunns Ltd, BSA Limited, Mesbon China Nylon Limited and is also a non executive director of Drake Foodmarkets.

Neville Wayne Martin
Non-executive director
(appointed a director on 11 May 2005, retired as director on 25 July 2008)
Neville is a partner in the Australian law firm Minter Ellison, with over 35 years experience in corporate law and mining oil and gas law. He is a former director of Stuart Petroleum Limited and a former State President of the Australian Mining & Petroleum Law Association. He is also a director of an ASX listed oil exploration company, Adelaide Energy Ltd.

Director Independence

The board considers non-executive directors James Edwards, Guy Goudy and William Kefalianos as independent as defined under the guidelines of the ASX Corporate Governance Council. Dominic Pellicano is not considered independent.

Performance of Directors

In accordance with Principle 8(1) of the ASX Corporate Governance Principles and Recommendations (2nd Edition) the board is required to conduct a review of the performance of its directors and the board's function as a whole during the period. The evaluation of directors was undertaken informally in this year because of the retirement and replacement of directors during the year. The principle of director performance review in accordance with the process established by the board, led by the chairman of the Remuneration committee will be re-instated and will be assessed in June 2010.

Company Secretary

Graham Allan Seppelt (appointed 17 July 2007)
Mr Seppelt is a Certified Practicing Accountant (CPA) and has had extensive experience as a contract accountant and in corporate advisory roles. He is currently the company secretary for ASX listed BSA Limited, Strzelecki Metals Limited, Legend Corporation Limited, Mesbon China Nylon Limited and is additional secretary of Brainytoys Limited.

Directors' Meetings

The number of directors meetings and number of meetings attended by each of the directors of the company during the financial year are:

Director	**Director's Meetings**		**Audit Committee Meetings**		**Remuneration Meetings**	
	A	**B**	**A**	**B**	**A**	**B**
Dominic Pellicano	10	10	2	2	1	-
David Schuette	10	10	*	*	*	*
James Edwards	6	10	2	1	1	-
Guy Goudy	-	-	-	-	-	-
William Kefalianos	-	-	-	-	-	-
Paul Teisseire	4	4	1	1	1	1
Neville Martin	-	-	-	-	-	-

A – Number of meetings attended
B – Number of meetings held during the time that the director held office during the year.
* Not a member of the committee.

Principal Activities

The principle activities of the Consolidated Entity during the year consisted of the accumulation and acquisition of mineral prospective areas and the exploration for oil and gas in both the United States of America and Australia.

Financial Position

The net loss after income tax of the Consolidated Entity for the year ended 30 June 2009 was $4,244,080.

Dividends Paid or Recommended

No dividends were paid or declared since the start of the year. No recommendation for payments of dividend have been made.

Earnings per Share

	2009	**2008**
Loss per ordinary share	3.44 cents	6.83 cents

Review of Operations and Activities

a) *Exploration*

During 2008/2009 the company concentrated on the most significant areas of interest available to the company. In particular, the following activity has taken place during the year:

- In October 2007, a farmin agreement was signed with Adelaide Energy Limited to enable further exploration in PEL 105. In September 2008 Adelaide Energy undertook a 2D seismic study to help pinpoint the first drill site. A drilling location has since been identified and drilling is being planned for early 2010;
- In January 2008 a participation and operating agreement was established with Resource Energy Technology (RET) to undertake a drilling program in an eight thousand acre area at Park City in Kentucky USA. To June 2008, 17 wells had been drilled. Each well presented gas flows and four have identified oil. However, delays incurred by the operator of record meant that Austin halted further exploration and in October 2008 filed a law suit against the operator. This law suit was settled in July 2009 and Aus-Tex Exploration, as the wholly owned subsidiary of Austin, became the operator of record for the area of 857.82 acres within which lie the 17 wells so far drilled. The first four wells have since been subjected to lateral drilling and all are now flowing commercial quantities of oil.
- In September 2008, in PEL 73, a hydrocarbon study was undertaken to assist the company identify the next drill site.

b) *Corporate Matters*

Capital Raising

On 10 November, 2008, the Company issued 5,000,000 shares to a sophisticated investor at $0.20 per share to raise $1.0 million.
On 14 July 2009, the Company issued 16,000,000 shares to sophisticated investors at $0.04 per share to raise $640,000.

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Modification of Officers and Directors

On July 25, 2008, Mr Neville Martin retired as a director of Austin Exploration Limited.

On July 25, 2008 Mr Dominic Pellicano joined the Board of Directors of Austin Exploration Limited.
On July 13 2009, Mr Guy Goudy joined the Board of Directors of Austin Exploration Limited.
On 20 July 2009, Mr William Kefalianos joined the Board of Directors of Austin Exploration Limited.
On 5 August 2009, Mr David Schuette was terminated from the Board of Directors of Austin Exploration Limited under the terms of his employment and consultancy agreements.

Significant Changes in State of Affairs

The following significant changes in the state of affairs of the parent entity occurred during the financial year:

Net decrease in contributed equity to $2,952,692 (2008: $5,572,753) as a result of the following:

- Issue of 5,000,000 fully paid ordinary shares at $0.20 per share to raise $1,000,000; and
- Issue of 708,333 options with a fair value of $11,753. The vested value in the financial year was $11,753.

After Balance Date Events

Since 30 June 2009, the following events have taken place:

- Commencement as operator of its Park City oil and gas field after the settlement of litigation with Resource Energy Technologies and the commencement of oil sales from the first 4 wells in that field, effective July 1, 2009.
- On July 13, 2009 Guy Goudy was appointed as a new Director of Austin Exploration Limited.
- On 30 July 2009 William Kefalianos was appointed as a director of the company.
- On August 6, 2009 David Schuette was terminated from the company under the terms of his employment and consultancy agreements and is no longer a director. On 2 September 2009 Mr David Schuette lodged a claim against Aus-Tex Exploration Inc alleging wrongful dismissal and that the company owes him money against funds lent to the company. The company does not accept the claims made by Mr Schuette, is legally defending itself against those claims and is making a counter claim against Mr Schuette.

Future Developments

The likely future developments of the Consolidated Entity during the next financial year will involve the ongoing principal activity of oil and gas exploration. The Company anticipates the establishment of revenues from its portfolio of prospects and will continue to pursue new prospects in line with its financial resources and ability to acquire appropriate funding.

Environmental Regulations and Performance

The Consolidated Entity is subject to significant environmental regulations under Federal and/or State and/or Territory laws in both Australia and the USA. The Consolidated Entity has not been advised of any environmental breaches during the year.

Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings. The Company was not a party to any such proceedings during the year.

REMUNERATION REPORT - AUDITED

This report details the nature and amount of emoluments for each key management person of the company, and for the executives receiving the highest remuneration.

Remuneration policy

The Company's remuneration policy has been designed to align director and executive objectives with shareholder and business objectives, by providing a fixed remuneration component and offering specific long-term incentives based on key performance areas affecting the consolidated group's financial results. The Board believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best executives and directors to run and manage the consolidated group, as well as create goal congruence between directors, executives and shareholders.

The Board's policy for determining the nature and amount of remuneration for Board members and senior executives of the consolidated entity is as follows:

- The remuneration policy, setting the terms and conditions for the executive directors and other senior executives, was developed and approved by the Board;
- All executives may receive a base salary (which is based on factors such as length of service and experience), superannuation, fringe benefits, options and performance incentives;
- The Board reviews executive packages annually by reference to the consolidated group's performance, executive performance and comparable information from industry sectors.

The performance of executives is measured against criteria agreed annually with each executive and is based predominantly on the forecast growth of shareholders' value. The Board may, however, exercise its discretion in relation to approving incentives, bonuses and options, and can recommend changes to the committee's recommendations. The policy is designed to attract the highest calibre of executives and reward them for performance that results in long-term growth in shareholder wealth.

Executives are also entitled to participate in the employee share and option arrangements.

Any Australian executive directors and executives receive a superannuation guarantee contribution required by the government, which is currently 9%, and do not receive any other retirement benefits.

All remuneration paid to directors and executives is valued at the cost to the Company and is expensed. Shares given to directors and executives are valued as the difference between the market price of those shares and the amount paid by the director or executive. Options are valued using the Black-Scholes methodology.

The Board's intention is to remunerate non-executive directors at market rates for time, commitment and responsibilities. The Remuneration Committee determines payments to the non-executive Directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the Annual General Meeting and currently stands at $500,000 in total. Fees for non-executive directors are not linked to the performance of the consolidated group. However, to align Directors' interests with shareholder interests, the directors are encouraged to hold shares in the Company (but not trade in them) and have been granted options.

Remuneration Details

Details of the remuneration of the directors, the key management personnel of the Group (as defined in AASB 124 Related Party Disclosures) and specified executives of the company and the Group are set out in the following tables.

Group Key Management Personnel	Position held at 30 June 2009 and any changes during the year	Contract Details (Duration & Termination)	Proportions of elements of remuneration not related to performance
Dominic Pellicano	Chairman. Appointed 10 February 2009. Non-executive Director up until 9 February 2009	No fixed term	100%
David Schuette	Managing Director	2 years contract. 3 months notice required to terminate	100%
Dr. James Edwards	Non-executive Director	No fixed term	100%
Paul Teisseire	Chairman up until 9 February 2009. Retired 9 February 2009	No fixed term	100%
Neville Martin	Non-executive Director. Retired 25 July 2008	No fixed term	100%
Kenneth Hill	VP Operations& Investor Relations	2 years contract. 3 months notice required to terminate	100%
Stanley Lindsey	Chief Geologist	No fixed term	100%
Graham Seppelt	Company Secretary	No fixed term	100%

	Short-term benefits		Post employment	Equity-settled share-based payments	
2009	**Salary, Fees and Commissions Paid**	**Salary, Fees and Commissions Accrued & Payable**	**Super-annuation Contributions**	**Options**	**Total**
	$	$	$	$	$
Directors					
Dominic Pellicano	13,333	43,334	-	-	56,667
David Schuette	127,533	-	-	-	127,533
Dr. James Edwards	8,502	25,507	-	-	34,009
Paul Teisseire	44,000	-	-	-	44,000
Neville Martin	-	-	-	-	-
Key Management Personnel					
Kenneth Hill	115,631	133,769	-	6,556	255,956
Stanley Lindsey	187,048	-	-	11,753	198,801
Graham Seppelt	32,472	8,910	-	-	41,382
	528,519	**211,520**	**-**	**18,309**	**758,348**

	Short-term benefits	Post employment	Share-based payments	
2008	**Salary, Fees and Commissions**	**Super-annuation Contributions**	**Options**	**Total**
	$	$	$	$
Paul Teisseire	50,833	-	-	50,833
David Schuette	454.318	-	-	454,318
Paul Davies	43,403	-	-	43,403
Dr. James Edwards	-	-	-	-
Neville Martin	-	-	-	-
Donald Reck	139,790	-	-	139,790
Graham Seppelt	27,122	-	-	27,122
Kenneth Hill	291,695	-	48,092	339,787
	1,007,166	**-**	**48,092**	**1,055,258**

Service Agreements

During the year the company had service agreements with Messrs David Schuette and Kenneth Hill.

A summary of the terms of those agreements is as follows:

David Schuette – Managing Director (Since terminated in July 2009)

Under an agreement dated 12 May 2006 which expired on 12 May 2008 and was extended for two years from that date, between David Max Schuette and the Company, Schuette was appointed as Managing Director (Managing Director) of the Company. As part of the agreement, the Managing Director is required to manage and supervise the day to-day operations of the Company in accordance with the Company's business plans and budgets and will be, based partly in Austin, Texas, USA and partly in Adelaide, South Australia, Australia.

The Managing Director was granted at the commencement of the term of employment 2,000,000 A class options to acquire one share each in the Company at AUD$0.30 per share. All options must be exercised no later that 4.00pm on 31 December 2011.

The Managing Director may terminate his employment, without cause, at any time by 90 days written notice. The Company may not terminate without cause during the two year term of the employment, but it may then do so if the term is extended by a further period (or periods) of 1 year. In that event, the Company must make a severance payment equal to 3 months remuneration. The Company may terminate the Managing Director's employment for reasons which include:

(a) if the Managing Director fails to carry out the agreed services in a competent and satisfactory manner; or

(b) if the Managing Director engages in serious and wilful misconduct or gross neglect in discharging the duties under the agreement.

The Company may also terminate the Managing Director's employment if he is no longer able to perform his services for a consecutive period of 150 days or more (or an aggregate of 200 days in any 12 month period) due to illness, incapacity or accident.

The Managing Director is restrained from involvement with other organisations which may compete with the Company in places where it conducts operation, but is otherwise unrestrained from other unrelated activities. The Managing Director may spend no more than 25% of his available time on independent business activities not related to the Company.

In addition to the above, under an agreement dated 12 May 2006 which expired on 12 May 2008 and was extended for two years from that date, between David Max Schuette and AUS-TEX, Mr Schuette was contracted as a Consultant to AUS-TEX. The Consultant is appointed as AUS-TEX's President and Chief Executive Officer, and to provide strategic technical and business development services in accordance with that company's business plans and budgets (from time to time). The consultancy will require services to be performed partly in Adelaide, South Australia, Austin, Texas, USA and other locations in which AUS-TEX presently conducts, or in the future may conduct, operations.

The Consultant is contracted for a term of 2 years, unless the consultancy is terminated earlier in accordance with the consultancy agreement, in which case the agreement may be terminated by giving 90 days notice by either party. AUS-TEX may extend the consultancy beyond that term for a further period (or periods) of 1 year each. The Consultant will receive an annual consultancy fee of USD$150,000.00. In June 2008, the directors extended the agreement for a further 2 years and increased Mr. Schuette's total annual compensation to $225,000. AUS-TEX also reimburses the Consultant for all reasonable and necessary business expenses properly incurred in the performance of the Consultant's services, including travel expenses to and from Australia and the USA and other destinations directed by AUS-TEX from time to time.

The services of David Schuette were terminated under the terms of the employment and consultancy agreements on 5 August 2009.

Kenneth Hill – VP Operations and Investor Relations

Kenneth Hill was contracted as a Consultant to AUS-TEX.

Under the consulting agreement, the Consultant was appointed as AUS-TEX's Chief information officer to provide information technology support to the company and to its investors. A secondary responsibility of this position is focused on the company's information technology infrastructure build-out and the support services needed to keep the system operational. He also assists the Managing Director with the day to day management of operations and business processes of the company, in accordance with its business plans and budgets.

The consultancy required services to be performed partly in Adelaide, South Australia, Texas, USA and other locations in which AUS-TEX presently conducts, or in the future may conduct, operations.

The Consultant was contracted for a term of 2 years, and is renewable annually. The Consultant received an annual consultancy fee of USD$150,000 and at the commencement of the consultancy. In February, 2008, the annual salary was increased to $200,000. In February 2008, Mr Hill received 1,000,000 D class options to acquire one share each in the Company at AUD$0.24 per share. The issue of 125,000 of those options have not vested as at 30 June 2009.

Share-based Compensation

Options over ordinary shares in Austin Exploration Limited were granted to Stanley Lindsey in January 2009 as reward for services rendered to the company.

The terms and conditions of each grant of options affecting remuneration in the current and future reporting periods are as follows:

Grant Date	Date vested and exercisable	Expiry Date	Exercise Price	Value per option at grant date
28 January 2009	28 January 2009	15 October 2011	$0.20	$0.024

Options granted carry no dividend or voting rights.

The incremental options vest monthly during the continuation of services provided by Kenneth Hill and will lapse if services cease to be provided.

Details of options over ordinary shares in the company provided as remuneration are set out below. When exercised, each option is converted into one ordinary share of Austin Exploration Limited. Further information on the options is set out in note 26 to the financial statements.

Name	Number of options granted during the year		Number of options vested during the year	
	2009	2008	2009	2008
Kenneth Hill	-	1,000,000	208,333	666,667
Stanley Lindsey	500,000	-	500,000	-

The assessed fair value at grant date of options granted to the individuals is allocated equally over the period from grant date to vesting date, and the amount is included in the remuneration tables above. Fair values at grant date are independently determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

Shares provided on exercise of remuneration options

No options were exercised during the year ended 30 June 2009

Directors Interests in Shares and Options

The information on directors' interests in shares and options is set out in note 5 of the financial statements.

End of audited Remuneration Report.

Retirement, Election and Continuation in Office of Directors

Directors are subject to retirement by rotation and election by shareholders at a general meeting. No director other than the Managing Director, may remain on the Board for more than three years without re-election. Where a director is appointed during the year, the director will hold office until the next Annual General Meeting and then be eligible for election.

Guy Goudy was appointed as director on 13 July 2009 and William Kefalianos was appointed as director on 30 July 2009 and in accordance with the constitution retire as directors at the annual general meeting. Being eligible, Guy and William will offer themselves for re-election.

Dr James Edwards is the director retiring by rotation who, being eligible, offers himself for re-election.

Indemnifying Officers and Auditors

The Company has entered into Deeds of Indemnity with each of the Directors and Company Secretary and has taken out Directors and Officers Insurance (D&O) on behalf of each of the Directors and Company Secretary.

No liability has arisen under this indemnity as at the date of this report.

Options

As at the date of this report, the unissued ordinary shares of Austin Exploration Limited under option are as follows:

Grant Date	Date of Expiry	Exercise Price	Number under Option	Class
19/5/2007	30/6/2011	$0.30	5,400,000	A
12/5/2007	30/6/2011	$0.50	12,600,000	B
12/5/2007	30/6/2011	$0.75	12,600,000	C
28/2/2008	28/2/2013	$0.24	1,000,000	D

28/1/2009	15/10/2011	$0.20	500,000	F

No ordinary shares of Austin Exploration Limited were issued on the exercise of options during the reporting year. No further shares have been issued since that date. No amounts are unpaid on any of the shares.

No person entitled to exercise the option had or has any right by virtue of the option to participate in any share issue of any other body corporate.

Auditor

Grant Thornton South Australian Partnership continues in office in accordance with section 327 of the Corporations Act 2001.

Non Audit Services

The company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the company and/or group are important.

The board of directors has considered the position and, in accordance with advice received from the audit committee, is satisfied that the provision of the non audit services is compatible with the general standards of independence for auditors imposed by the Corporations Act 2001. The directors are satisfied that the provision of non audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- All non-audit services have been reviewed by the audit committee to ensure they do not impact the impartiality and objectivity of the auditor;
- None of the services undermine the general principles relating to auditor independence as set out in APES Code of Ethics for Professional Accountants.

Details of the amounts paid or payable to the auditor for audit and non-audit services during the year are set out below.

Auditor's Remuneration

	Consolidated		**Parent**	
	2009	**2008**	**2009**	**2008**
	$	**$**	**$**	**$**
Amounts paid/payable to Grant Thornton for:				
- auditing or reviewing the financial report	24,500	30,400	24,500	30,400
- taxation services	5,100	3,090	5,100	3,090
Total	29,600	33,490	29,600	33,490

Auditor's Independence Declaration

The lead auditors' independence declaration for the year ended 30 June 2009 as required under section 307c of the Corporations Act 2001 has been received and can be found on page 33 of this report.

Dated at Adelaide this 30th day of September 2009.

Signed in accordance with a resolution of the directors

Dominic Pellicano
Director

Grant Thornton

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AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF AUSTIN EXPLORATION LIMITED

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Austin Exploration Limited for the year ended 30 June 2009, I declare that, to the best of my knowledge and belief, there have been:

a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

b no contraventions of any applicable code of professional conduct in relation to the audit.

GRANT THORNTON
South Australian Partnership
Chartered Accountants

S J Gray
Partner

Signed at Wayville on this 30th day of September 2009

FINANCIAL INFORMATION

INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2009

	Note	Consolidated 2009 $	Consolidated 2008 $	Parent 2009 $	Parent 2008 $
Revenue from ordinary activities	2	53,730	217,998	32,471	80,577
Directors' fees		(156,080)	(50,833)	(156,080)	(50,833)
Employee benefits expense	3	(886,180)	(1,086,109)	(11,753)	(91,495)
Amortisation		-	(38,232)	-	-
Impairment charge		(520,053)	(5,322,965)	(3,114,319)	(7,125,216)
Depreciation expense		(59,042)	(23,208)	(11,407)	(12,051)
Finance costs	16	(1,275,172)	(144,079)	-	-
Other expenses	3	(1,401,283)	(1,288,884)	(184,469)	(316,012)
Loss before income tax expense	3	(4,244,080)	(7,736,312)	(3,445,557)	(7,515,030)
Income tax expense	4	-	-	-	-
Loss attributable to members of the parent entity		(4,244,080)	(7,736,312)	(3,445,557)	(7,515,030)
Overall operations					
Basic earnings per share (cents per share)	7	(3.44)	(6.83)	-	-

The accompanying notes form part of these financial statements

BALANCE SHEET AS AT 30 JUNE 2009

	Note	Consolidated		Parent	
		2009	2008	2009	2008
		$	$	$	$
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	8	296,580	2,340,000	155,841	1,623,385
Trade and other receivables	9	4,737	40,948	4,737	984,922
Other current assets	10	20,956	38,768	-	-
TOTAL CURRENT ASSETS		**322,273**	**2,419,716**	**160,578**	**2,608,307**
NON-CURRENT ASSETS					
Financial assets	19	8,582	11,352	1	50,000
Property, plant and equipment	11	75,282	73,499	5,133	17,411
Development and producing assets	12	-	2,753,973	-	-
Exploration and evaluation expenditure	13	4,574,682	957,968	992,985	952,968
TOTAL NON-CURRENT ASSETS		**4,658,546**	**3,796,792**	**998,119**	**1,020,379**
TOTAL ASSETS		**4,980,819**	**6,216,508**	**1,158,697**	**3,628,686**
CURRENT LIABILITIES					
Trade and other payables	14	311,845	240,251	92,897	129,082
Short term borrowings	15	2,796,750	702,756	-	-
TOTAL CURRENT LIABILITIES		**3,108,595**	**943,007**	**92,897**	**129,082**
NON- CURRENT LIABILITIES					
Long term borrowings	16	1,325,312	1,773,897	-	-
TOTAL LIABILITIES		**4,433,907**	**2,716,904**	**92,897**	**129,082**
NET ASSETS		**546,912**	**3,499,604**	**1,065,800**	**3,499,604**
EQUITY					
Issued capital	17	13,993,049	12,993,049	13,993,049	12,993,049
Share based payments reserve		67,245	55,492	67,245	55,492
Retained profits/ (losses)		(13,513,382)	(9,548,937)	(12,994,494)	(9,548,937)
TOTAL EQUITY		**546,912**	**3,499,604**	**1,065,800**	**3,499,604**

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2009

CONSOLIDATED GROUP	Note	Issued Capital	Share-based Payments Reserve	Foreign Currency Reserve	Retained Profits/(losses)	Total
		$	$	$	$	$
Balance at 1 July 2007		10,582,604	7,400	-	(1,517,647)	9,072,357
Share issued during the year	17	2,458,981	-	-	-	2,458,981
Transaction costs		(48,536)	-	-	-	(48,536)
Options Reserve on recognition of the bonus element of options		-	48,092	-	-	48,092
Loss attributable to members of the company		-	-	-	(7,736,312)	(7,736,312)
Foreign currency translation reserve		-	-	(294,978)	-	(294,978)
Balance at 30 June 2008		12,993,049	55,492	(294,978)	(9,253,959)	3,499,604
Share issued during the year	17	1,000,000	-	-	-	1,000,000
Options Reserve on recognition of the bonus element of options		-	11,753	-	-	11,753
Loss attributable to members of the company		-	-	-	(4,244,080)	(4,244,080)
Foreign currency translation reserve		-	-	279,635	-	279,635
Balance at 30 June 2009		13,993,049	67,245	(15,343)	(13,498,039)	546,912

The accompanying notes form part of these financial statements.

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2009

		Consolidated		Parent	
CASH FLOWS FROM OPERATING ACTIVITIES	**Note**	**2009 $**	**2008 $**	**2009 $**	**2008 $**
Receipts from customers		49,884	108,932	-	-
Payments to suppliers and employees		(2,333,895)	(6,154,044)	(364,402)	(105,133)
Interest received		35,048	109,066	32,471	80,577
Interest expense		-	(144,079)	-	-
Net cash used in operating activities	22	(2,248,963)	(6,080,125)	(331,931)	(24,556)
CASH FLOWS FROM INVESTING ACTIVITIES					
Payments for plant and equipment		(47,206)	(52,352)	-	-
Loans to wholly owned subsidiary		-	-	(1,576,413)	(4,670,133)
Payments for development activities		(60,907)	(2,565,905)	-	-
Payments for exploration activities		(276,546)	(1,653,361)	(40,017)	(74,138)
Proceeds for disposal of plant		870	-	870	-
Other		-	(11,353)	-	-
Net cash used in investing activities		(383,789)	(4,282,971)	(1,615,560)	(4,744,271)
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from issue of shares		479,947	2,458,981	479,947	2,458,981
Proceeds from borrowings		-	2,476,653	-	-
Repayment of borrowings		-	-	-	-
Payments for the capitalised costs of capital raisings		-	(48,536)	-	(48,536)
Net cash provided by financing activities		479,947	4,887,098	479,947	2,410,445
Net decrease in cash held		(2,152,805)	(5,475,998)	(1,467,544)	(2,358,382)
Cash at beginning of year		2,340,000	7,802,664	1,623,385	3,981,767
Foreign currency movement		109,385	13,334	-	-
Cash at end of year	8	296,580	2,340,000	155,841	1,623,385

The accompanying notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

NOTE 1 : STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report of Austin Exploration Limited for the year ended 30 June 2009 was authorised for issue in accordance with a resolution of the directors on 30 September 2009.

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001.*

The financial report includes the consolidated financial statements and notes of Austin Exploration Limited and controlled entities (Group), and the separate financial statements and notes of Austin Exploration Limited as an individual parent entity (Parent). Austin Exploration Limited is a listed public company, incorporated and domiciled in Australia.

The following is a summary of the material accounting policies adopted by the company in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Basis of preparation
Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

Reporting basis and Conventions
The financial report has been prepared on an accruals basis and is based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Accounting Policies

a. Principles of consolidation

A controlled entity is any entity over which Austin Exploration Limited has the power to govern the financial and operating policies so as to obtain benefits from its activities. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are considered.

A list of controlled entities is contained in Note 20 to the financial statements. All controlled entities have a June financial year end.

As at the reporting date, the assets and liabilities of all controlled entities have been incorporated into the consolidated financial statements as well as their results for the year then ended. Where controlled entities have entered/(left) the consolidated group during the year, their operating results have been included/(excluded) from the date control was gained/(ceased).

All inter-group balances and transactions between entities in the consolidated group, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

Investments in subsidiaries are accounted for at cost in the individual financial statements of Austin Exploration Limited.

b. Revenue

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009 (CONT)

All revenue is stated net of the amount of goods and services tax (GST).

c. Income tax

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted or are substantially enacted as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authorities.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are recognised for all temporary differences, between carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases, at the tax rates expected to apply when the assets are recovered or liabilities settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. Exceptions are made for certain temporary differences arising on initial recognition of an asset or a liability if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which the benefits of the deferred tax asset can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the Consolidated entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

d. Trade receivables

Trade receivables and other receivables are carried at amounts due less any provision for specific doubtful debts.

e. Impairment of assets

At each reporting date, the group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset’s fair value less costs to sell and value in use, is compared to the asset’s carrying value. Any excess of the asset’s carrying value over its recoverable amount is expensed to the income statement.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

f. Interests in joint ventures

The consolidated group’s share of the assets, liabilities, revenue and expenses of joint venture operations are included in the appropriate items of the consolidated financial statements. Details of the consolidated group’s interests are shown at Note 20.

The consolidated group’s interests in joint venture entities are brought to account using the equity method of accounting in the consolidated financial statements. The parent entity’s interests in joint venture entities are brought to account using the cost method.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009 (Cont)

g. Exploration, evaluation and development expenditure and restoration provisions

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for the costs are accounted on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

h. Amortisation of mineral development expenditures

The group amortises its development assets over the effective useful life of those assets. At each reporting date, the group reviews the carrying value of its production assets to ensure that the expected proceeds from revenue associated with those assets will recover the carrying value of the assets held.

i. Property, plant and equipment

Each class of property, plant and equipment are carried at cost less, where applicable, any accumulated depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The net expected cash flows have been discounted to their present values in determining recoverable amounts.

j. Depreciation

Items of property, plant and equipment, are depreciated over their estimated useful lives ranging from 3 to 40 years to write off the net cost of each asset during its expected useful life to the group. The straight line method of depreciation is used.

Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the time an asset is completed and held ready for use.

The assets residual values and useful lives are reviewed and adjusted if appropriate at each balance sheet date. An asset's carrying amount is written down immediately tom its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses are determined by comparing proceeds received with the asset's carrying amount. These gains and losses are included in the income statement.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009 (Cont)

k. Leases

Leases of plant and equipment are classified as operating leases where the lessor retains substantially all of the risks and benefits of ownership. Minimum lease payments are charged against profits over the accounting periods covered by the lease terms except where an alternative basis would be more representative of the pattern of benefits to be derived from the leased assets.

l. Foreign currency transactions and balances

Functional and presentation currency

The functional currency of each of the group's entities is measured using the currency of the primary economic environment in which the entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the year-end exchange rate.

Exchange differences arising on the translation of monetary items are recognised in the income statement except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange difference arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised, otherwise the exchange difference is recognised in the income statement.

Group companies

The financial results and position of foreign subsidiaries whose functional currency is different from the group's presentation currency are translated as follows:

- assets and liabilities are translated at year-end exchange rates prevailing at that reporting date;
- income and expenses are translated at average exchange rates for the period; and
- retained earnings are translated at the exchange rate prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations are transferred directly to the group's foreign currency translation reserve in the balance sheet. These differences are recognised in the income statement in the period in which the operation is disposed.

m. Employee benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date in respect of wages and salaries, annual leave, long service leave and sick leave when it is probable that settlement will be required and they are capable of being measured reliably.

Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits payable later than one year are measured as the present value of the estimated future cash outflows to be made for those benefits. Those cash flows are discounted using market yields on national government bonds with terms to maturity which match the expected timing of cash flows.

Contributions made by the consolidated entity to employee superannuation funds are charged to expenses as incurred.

n. Equity-settled compensation

The group operates equity-settled share-based payment employee option schemes. The fair value of the equity to which employees become entitled is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase in an equity account. The fair value of options is determined by an independent valuer using a Black-Scholes option pricing model which incorporates all vesting conditions. In determining fair value, no account is taken of any performance conditions other than those related to market conditions. The cumulative expense recognised between grant date and vesting date is adjusted to reflect the directors' best estimate of the number of options that will ultimately vest because of internal conditions of the options, such as the employees having to remain with the company until vesting date, or such that employees are required to meet internal sales targets. No expense is recognised for options that do not ultimately vest because internal conditions were not met. An expense is still recognised for options that do not ultimately vest because a market condition was not met.

o. Accounts Payable

Liabilities are recognised for amounts to be paid in the future for goods or services received, whether or not billed to the Company or consolidated entity.

p. Financial assets and liabilities

Classification

The Group classifies its financial assets in the following categories: financial assets at fair value through profit and loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at each reporting date.

(i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the reporting date which are classified as non-current assets. Loans and receivables are included in the balance sheet.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group has the positive intention and ability to hold-to-maturity. If the Group were to sell other than an insignificant amount of held-to-maturity investments, the whole category would be tainted and reclassified as available-for-sale. Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the reporting date, which are classified as current assets.

(iiii) Available-for sale-financial assets

Available-for-sale financial assets comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified as any other category, and are classified as non-current assets unless management intends to dispose of the investment within 12 months of the reporting date. Investments are designated as available-for-sale if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long term.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009 (Cont)

Recognition and derecognition

Regular purchases and sales of financial assets are recognised as trade-date – the date on which the Group commits to purchase or sell an asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are originally recognised at fair value and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or been transferred and the Group has transferred substantially all the risks and rewards of ownership.

When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in equity are included in the income statement as gains and losses from investment securities.

Subsequent measurement

Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method.

Available-for-sale financial assets and financial assets at fair value through profit and loss are subsequently carried at fair value. Gains or losses arising from changes in the 'fair value of the financial asset through profit or loss' category are presented in the income statement within other income or other expenses in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the income statement as part of the revenue from continuing operations when the Group's right to receive payments is established.

Changes in the value of monetary securities denominated in a foreign currency and classified as available-for-sale are analysed between translation differences resulting from changes in amortised cost of the security and other changes in the carrying amount of the security. The translation differences related to changes in the amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in equity. Changes in the fair value of other monetary and non-monetary securities classified as available for sale are recognised in equity.

Impairment

The Group assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value below its cost is considered as an indicator that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments classified as available-for-sale are not reversed through the income statement.

q. Cash

For the purpose of the statement of cash flows, cash includes;

- cash on hand and at call in banks net of overdrafts; and
- investments in short term deposits

r. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.
All other borrowing costs are recognised in income in the period in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009 (Cont)

s. Contributed Equity

Ordinary share capital is recognised at the fair value of the consideration received. Any transaction costs arising on the issue of shares are recognised (net of tax) directly in equity as a reduction in the share proceeds received.

t. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST. Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

u. Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the group.

Key Estimates – Impairment
The group assesses impairment at each reporting date by evaluating conditions specific to the group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

Exploration and evaluation
The consolidated entity's policy for exploration and evaluation is discussed at note 1(g). The application of this policy requires management to make certain estimates and assumptions as to future events and circumstances. Any such estimates and assumptions may change as new information becomes available. If, after having capitalised exploration and evaluation expenditure, management concludes that the capitalised expenditure is unlikely to be recovered by future sales or exploitation, then the relevant capitalised amount will be written off through the income statement.

v. Standards and interpretations issued not yet effective

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2009 reporting periods. Austin Exploration Limited and the consolidated entity's assessment of the impact or these new standards and interpretations are set out below.

(i) AASB101 *Presentation of Financial Statements* – a revised AASB 102 was issued in September 2007 and is applicable for annual reporting periods beginning on or after 1 January 2009. It requires the presentation of a statement of comprehensive income and makes changes to the statement of changes in equity, but will not affect any of the amounts recognised in the financial statements. If an entity has made a prior period adjustment or has reclassified items in the financial statements, it will need to disclose a third balance sheet (statement of financial positions), this one being as at the beginning of the comparative period. The consolidated entity intends to apply the revised standards from 1 July 2009.

(ii) AASB8 *Operating Segments* – AASB 8 is effective for annual reporting periods on or after 1 January 2009. AASB 8 will result in a significant change in the approach to segment reporting, as it requires adoption of a 'management approach' to reporting on financial performance. The information being reported will be based on what the key decision makers use internally for evaluating segment performance and deciding how to allocate resources operating segments. The consolidated entity has not adopted AASB 8. Application of AASB 8 may result in different segments, segment results and different types of information being reported in the segment note of the financial report. However at this stage, it is not expected to affect any of the amounts recognised in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009 (Cont)

(iii) AASB 2008-1 Amendments to Australian Accounting Standards – Share based Payments: Vesting Conditions and Cancellations, clarifies that vesting conditions comprise service conditions and performance conditions only and that other features of a share-based payment transaction are not vesting conditions and specifies that all cancellations, whether by the entity or by other parties, should receive the same accounting treatment. It is applicable for annual reporting periods beginning on or after 1 January 2009 and is not expected to materially impact the entity.

w. Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009 (CONT.)

	Consolidated		Parent	
NOTE 2 : REVENUE	**2009**	**2008**	**2009**	**2008**
	$	**$**	**$**	**$**
Operating activities				
- interest received from other parties	35,048	109,066	32,471	80,577
- Gas sales	18,682	108,932	-	-
Total Revenue	53,730	217,998	32,471	80,577

NOTE 3 : LOSS FOR THE YEAR

Loss from ordinary activities before income tax has been determined after:

Employment expense	874,427	1,086,109	-	91,495
Share based payments	11,753	48,092	11,753	-
Total employment expenses	886,180	1,134,201	11,753	91,495
Depreciation expense	59,042	23,208	11,407	12,051
Amortisation expense	-	38,232	-	-
Impairment expense	520,053	5,322,965	3,064,320	7,125,216
Interest Expense	1,275,172	144,079	-	-
Other Expenses:				
Professional fees	581,774	520,661	103,822	114,860
Travel, accommodation, meals	307,857	274,373	951	14,566
Foreign exchange	-	86,092	-	86,092
Software expenses	19,408	23,544	-	-
Communication expenses	30,140	8,767	-	440
Printing, stationary & office supplies	33,655	15,478	12,140	13,274
Listing, compliance & registration fees	58,767	69,287	58,324	68,314
Rental expenses on operating leases	224,572	213,384	-	-
Occupancy costs	24,261	-	5	3,425
Insurance	46,836	41,500	-	-
Other	74,013	35,798	9,227	15,041
	1,401,283	1,288,884	184,469	316,012

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009 (CONT.)

NOTE 4 : INCOME TAX EXPENSE

	Consolidated		Parent	
	2009	2008	2009	2008
	$	$	$	$
(a) The components of income tax expense comprise:				
Current Tax	-	-	-	-
Deferred Tax	-	-	-	-
	-	-	-	-
(b) The prima facie tax benefit on loss from ordinary activities is reconciled to the income tax as follows:				
Net Loss	(4,244,080)	(7,736,312)	(3,445,557)	(7,515,030)
Prima facie tax benefit on loss from ordinary activities before income tax at 30%	(1,273,224)	(2,320,894)	(1,033,667)	(2,254,509)
Add/(less) the tax effect of:				
- Differences in tax rate for US controlled entities	(212,204)	(964,824)	-	-
- Other allowable/(non allowable) items	-	-	934,296	2,137,565
	(1,485,428)	(3,285,718)	(99,368)	(116,944)
Tax effect of tax losses and temporary differences not brought to account as they do not meet the recognition criteria	1,485,428	3,285,718	99,368	116,944
Income tax attributable to operating loss	-	-	-	-
(c) Unused tax losses and temporary differences for which no deferred tax asset has been recognised				
- In Australia at 30%	216,312	116,944	216,312	116,944
- In USA at 35%	3,700,442	2,215,014	-	-
	3,700,442	2,331,958	216,312	116,944

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009 (Cont.)

NOTE 5 : INTERESTS OF KEY MANAGEMENT PERSONNEL (KMP)

Refer to the remuneration report contained in the Directors' Report for details of the remuneration paid or payable to each member of the group's key management personnel for the year ended 30 June 2009.

The totals of remuneration paid to KMP of the company and the group during the year are as follows:

	2009 $	2008 $
Short term employee benefits	740,039	1,055,258
Share based payments	11,753	48,092
	751,792	**1,055,258**

KMP Options and Rights Holdings

The number of options over ordinary shares held by each KMP of the group during the financial year is as follows:

2009	Type	Balance 1.7.08	Options Exercised	Options Granted	Balance 30.6.09	Vested during the year	Vested and Exercisable	Vested and un-Exercisable
Paul Teisseire	A	350,000	-	-	350,000	-	350,000	-
David Schuette	A	2,000,000	-	-	2,000,000	-	2,000,000	-
David Schuette	B	6,300,000	-	-	6,300,000	-	6,300,000	-
David Schuette	C	6,300,000	-	-	6,300,000	-	6,300,000	-
Dr. James Edwards	A	350,000	-	-	350,000	-	350,000	-
Neville Martin	A	350,000	-	-	350,000	-	350,000	-
Kenneth Hill	D	1,000,000	-	-	1,000,000	208,333	875,000	125,000
Stan Lindsey	F	-	-	500,000	500,000	500,000	500,000	-
Total*		16,650,000	-	500,000	17,150,000	708,333	17,025,000	125,000

* Donald Reck Jnr ceased employment with the group in 2008 and accordingly has not been reported as key management personnel for reporting purposes in 2009.

2008	Type	Balance 1.7.07	Options Exercised	Options Granted	Balance 30.6.08	Vested during the year	Vested and Exercisable	Vested and un-Exercisable
Paul Teisseire	A	350,000	-	-	350,000	-	350,000	-
David Schuette	A	2,000,000	-	-	2,000,000	-	2,000,000	-
David Schuette	B	6,300,000	-	-	6,300,000	-	6,300,000	-
David Schuette	C	6,300,000	-	-	6,300,000	-	6,300,000	-
Paul Joseph Davies		-	-	-	-	-	-	-
Dr. James Edwards	A	350,000	-	-	350,000	-	350,000	-
Neville Martin	A	350,000	-	-	350,000	-	350,000	-
Donald Reck Jr.	A	2,000,000	-	-	2,000,000	-	2,000,000	-
Kenneth Hill	-	-	-	1,000,000	1,000,000	666,666	666,667	333,333
Graham Seppelt	-	-	-	-	-	-	-	-
Total		17,650,000	-	1,000,000	18,650,000	666,666	18,316,667	333,333

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009 (Cont.)

KMP Shareholdings

The number of ordinary shares in Austin Exploration Limited held by each KMP of the group during the financial year is as follows:

2009	**Note**	**Balance 30.6.08**	**Net Change Other***	**Balance 30.6.09**
Dominic Pellicano	(d)	-	737,198	737,198
Paul Desmond Teisseire	(a)	350,000	(350,000)	-
David Max Schuette		7,900,000	-	7,900,000
Neville Martin	(b)	800,000	-	800,000
Neville Martin	(b)	900,000	-	900,000
Neville Martin	(c)	630,000	-	630,000
Total**		10,580,000	387,198	10,967,198

** Donald Reck Jnr and Paul Joseph Davies both ceased employment with the group in 2008 and accordingly have not been reported as key management personnel for reporting purposes in 2009.

2008	**Note**	**Balance 30.6.07**	**Net Change Other***	**Balance 30.6.08**
Paul Desmond Teisseire	(a)	350,000	-	350,000
David Max Schuette		7,900,000	-	7,900,000
Paul Joseph Davies		550,000	-	550,000
Dr. James Michael Edwards		-	-	-
Neville Martin	(b)	800,000	-	800,000
Neville Martin	(b)	900,000	-	900,000
Neville Martin	(c)	630,000	-	630,000
Donald Frederick Reck Jr.		7,500,000	-	7,500,000
Total		18,630,000	-	18,630,000

* Net Change other refers to shares issued as promoter and founder shares or purchased or sold during the financial year.

Notes

(a) Interest relates to Shares held by the spouse of Mr. Teisseire

(b) Interest relates to shares held by Chaffey Consulting Pty Ltd. Mr. Martin is a director of Chaffey Consulting Pty Ltd which holds the shares on behalf of Mr. Martin and partners of the Adelaide office of Minter Ellison.

(c) Interest relates to Shares held by the Houmar Nominees Pty Ltd as trustee of the Martin Superannuation Fund. Mr. Martin is a beneficiary of that fund. Mr. Martin is also a director of Houmar Nominees Pty Ltd

(d) Interest relates to shares held by Essential Superannuation Limited and Benford Pty Ltd of which Mr. Pellicano is a director.

NOTE 6 : AUDITORS' REMUNERATION	**Consolidated**		**Parent**	
	2009	**2008**	**2009**	**2008**
	$	**$**	**$**	**$**
Remuneration of the auditor for:				
- auditing or reviewing the financial report	24,500	30,400	24,500	30,400
- taxation services	5,100	3,090	5,100	3,090
	29,600	33,490	29,600	33,490

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009 (Cont.)

NOTE 7 : EARNINGS PER SHARE

	Consolidated 2009 $	Consolidated 2008 $
Net loss attributed to ordinary equity holders	(4,244,080)	(7,736,312)
Weighted average number of ordinary shares outstanding during the year used in calculation of basic EPS	123,372,434	112,604,934
Basic Earnings per share	($0.0344)	($0.0683)

NOTE 8 : CASH AND CASH EQUIVALENTS

	Consolidated 2009 $	Consolidated 2008 $	Parent 2009 $	Parent 2008 $
Cash at bank and in hand	296,580	2,340,000	155,841	1,623,385

The effective interest rate on cash at bank was 2.5% pa (2008; 4.75% pa.) This amount is at call.

NOTE 9 : TRADE AND OTHER RECEIVABLES

	Consolidated 2009 $	Consolidated 2008 $	Parent 2009 $	Parent 2008 $
CURRENT				
Amounts due from wholly owned entity	-	-	-	967,854
Amounts due from director related entity (1)	-	12,006	-	-
Other Debtors	-	11,874	-	-
GST Receivable	4,737	17,068	4,737	17,068
	4,737	40,948	4,737	984,922

(1) Amount is due from DMS Exploration Pty Ltd, a company related to Mr D Schuette. Refer note 22.

NOTE 10 : OTHER CURRENT ASSETS

	Consolidated 2009 $	Consolidated 2008 $	Parent 2009 $	Parent 2008 $
CURRENT				
Prepayments	20,956	38,768	-	-

NOTE 11 : PROPERTY, PLANT AND EQUIPMENT

	Consolidated 2009 $	Consolidated 2008 $	Parent 2009 $	Parent 2008 $
Plant and equipment at Cost	158,264	102,588	32,235	36,152
Accumulated depreciation	(82,982)	(29,089)	(27,102)	(18,741)
Total Property, Plant and Equipment	75,282	73,499	5,133	17,411

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009 (Cont.)

a. Movements in Carrying Amounts
Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year

	Consolidated		Parent	
	2009	2008	2009	2008
	$	$	$	$
Balance at the beginning of year	73,499	44,356	17,411	29,462
Additions	47,206	52,351	-	-
Exchange rate differences	14,490	-	-	-
Disposals	(871)	-	(871)	-
Depreciation expense	(59,042)	(23,208)	(11,407)	(12,051)
Carrying amount at the end of year	75,282	73,499	5,133	17,411

NOTE 12 : DEVELOPMENT AND PRODUCING ASSETS	Consolidated		Parent	
	2009	2008	2009	2008
	$	$	$	$
Development Expenditure Capitalised				
Development assets at cost	3,899,893	3,838,986	-	-
Accumulated amortisation	(232,106)	(232,106)	-	-
Provision for impairment	(852,907)	(852,907)	-	-
Exchange rate differences	525,288	-	-	-
Transfer to exploration and evaluation	(3,340,168)	-	-	-
Total development and producing assets	-	2,753,973	-	-

a. Movements in Carrying Amounts: Movement in the carrying amounts for development expenditure capitalised.

	Consolidated		Parent	
	2009	2008	2009	2008
	$	$	$	$
Balance at the beginning of year	2,753,973	449,539	**-**	**-**
Additions	60,907	2,565,906	-	-
Exchange rate differences	525,288	-	-	-
Transfer to exploration and evaluation	(3,340,168)	-	-	-
Amortisation expense	-	(20,877)	-	-
Impairment expense	-	(240,595)	-	-
Carrying amount at the end of year	-	2,753,973	-	-

Park City Kentucky project previously recognised within development and producing assets has been reclassified within exploration and evaluation assets. Park City has recently undergone further lateral drilling and is most likely to become income producing and as such until the full lease acreage has been evaluated the project has been reclassified within exploration and evaluation assets.

Impairment Losses
The total impairment loss recognised in the income statement during the 2008 financial year amounted to $240,595 and is separately presented in the income statement as impairment charge.

NOTE 13 : EXPLORATION AND EVALUATION EXPENDITURE	Consolidated		Parent	
	2009	2008	2009	2008
	$	$	$	$
Exploration Expenditure Capitalised				
Total exploration and evaluation costs	4,574,682	957,968	992,985	952,968

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009 (Cont.)

a. Movements in Carrying Amounts

Movement in the carrying amounts for exploration and evaluation expenditure capitalised.

	Consolidated		Parent	
	2009	2008	2009	2008
	$	$	$	$
Balance at the beginning of year	957,968	4,712,643	952,968	878,829
Additions	276,546	1,327,695	40,017	74,139
Impairment	-	(5,082,370)	-	-
Transfer from development and producing	3,340,168	-	-	-
Carrying amount at the end of year	4,574,682	957,968	992,985	952,968

The ultimate recoupment of costs carried forward is dependent on the successful development and commercial exploitation or sale of the respective areas.

Impairment Losses

The total impairment loss recognised in the income statement during the 2008 financial year amounted to $5,082,370 and is separately presented in the income statement as impairment charge.

During the current financial year, no impairment loss has been recognised. The basis for this decision is as follows;

- PEL 73 underwent further seismic testing during the year and is currently awaiting a conclusion of the best potential site for further activity
- Park City Kentucky has recently undergone further lateral drilling and is most likely to become income producing and as such until the full lease acreage has been evaluated based upon current drilling results no impairment has been charged to the accounts.

NOTE 14 : TRADE AND OTHER PAYABLES	Consolidated		Parent	
	2009	2008	2009	2008
	$	$	$	$
CURRENT				
Trade payables	87,506	73,021	28,907	37,100
Accruals	224,339	93,064	63,990	73,098
Amounts payable to Director related entities	-	74,166	-	18,884
	311,845	240,251	92,897	129,082

NOTE 15 : SHORT TERM BORROWINGS	Consolidated		Parent	
	2009	2008	2009	2008
	$	$	$	$
Current Portion of Drilling Advances Repayable (refer note 16)	1,795,414	702,756	-	-

NOTE 16 : LONG TERM BORROWINGS	Consolidated		Parent	
	2009	2008	2009	2008
	$	$	$	$
Total Drilling Advances Repayable	4,122,062	2,476,653		
Due within 1 year	(1,795,414)	(702,756)	-	-
Net long term Repayable	2,326,648	1,773,897	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009 (Cont.)

On March 24, 2008, the Company executed a Participation Agreement ("PA") for US$5.0M investment with two private Australian based investment groups. The investment provides the Company with capital resources to develop the initial drilling phases of the Park City, Kentucky project. In connection with the investment, the private Australian investment groups will be granted 16,828,969 options to acquire AKK shares at $0.25 per share. The options will be issued 45 days after the total investment has been received by the Company. If the final amount invested is less than US $5 million, the number of options issued will be adjusted downward on a prorate basis. At June 30, 2008, the Company has received funds of US $2,250,000 from the investment groups.

The investment groups have since advised that they will not be funding further investment in the Park City project. Accordingly the number of options has been pro-rated downwards to 7,573,036. The options have not yet been issued under agreement with the investment groups.

The PA provides the investors will be repaid on a two-for-one basis beginning January 1, 2009. Initial monthly payments of $104,112 for three months and $130,140 per month for each of the second three months are due and have not been paid. After the initial six months, the remaining balance of the advances will be repaid in 30 equal monthly payments. Repayment of these advances is non-recourse to the Company and will be made only from production from the Park City project or as otherwise agreed by the board.

The company has recognised borrowing costs at a rate of 34% per annum on the anticipated repayment of these drilling advances. Borrowing costs of $1,275,172 has been included in the accompanying income statement.

NOTE 17 : ISSUED CAPITAL	**Consolidated**		**Parent**	
	2009	**2008**	**2009**	**2008**
	$	**$**	**$**	**$**
125,125,859 (2008: 120,125,859) fully paid ordinary shares				
a. Ordinary shares				
At the beginning of reporting period	12,993,049	11,432,125	12,993,049	11,432,125
Shares issued during the year				
- Share Purchase Plan	1,000,000	2,458,981	1,000,000	2,458,981
	13,993,049	13,891,106	13,993,049	13,891,106
- Less: Cost of capital raising	-	(898,057)	-	(898,057)
At the end of the reporting period	13,993,049	12,993,049	13,993,049	12,993,049
	Number	Number	Number	Number
At the beginning of reporting period	120,125,859	112,193,125	120,125,859	112,193,125
Shares issued during the year				
- Share Purchase Plan	5,000,000	7,932,734	5,000,000	7,932,734
At the end of the reporting period	125,125,859	120,125,859	125,125,859	120,125,859

At shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

b. Options		**Consolidated**		**Parent**	
	Class	**2009**	**2008**	**2009**	**2008**
At the beginning of the reporting period		31,600,000	32,600,000	31,600,000	32,600,000
Options issued during the year					
- Issued to key personnel of the company	D	-	1,000,000	-	1,000,000
- Issued to key personnel of the company	F	500,000	-	500,000	-
Options cancelled during the year		-	(2,000,000)	-	(2,000,000)
At the end of the reporting period		**32,100,000**	**31,600,000**	**32,100,000**	**31,600,000**

The options have the following terms:

D These options are unlisted with an exercise price of $0.24 and vest 500,000 on February 28, 2008 and 1/12 of 500,000 per month for 12 months thereafter. They are exercisable until February 28, 2013.

F These options are unlisted with an exercise price of $0.20. They are exercisable until October 15, 2011.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009 (Cont.)

c. Capital management
Management controls the capital of the group in order to maintain a good debt to equity ratio, provide the shareholders with adequate returns and ensure the group continues as a going concern.

The group's debt and capital includes ordinary share capital, share options and drilling advances re-payable. There are no externally imposed capital requirements. Management effectively manages the group's capital by assessing the financial risks and adjusting the capital structure in response to those risks. These responses include share issues.

NOTE: 18 SEGMENT REPORTING

Primary reporting – Business Segments
The entity operates in the oil and gas exploration industry within Australia and the USA.
The Company does not have any differentiated business segments.

Secondary reporting – Geographical Segments

	Australia		USA	
		2008	2009	2008
		$	$	$
Gas sales	-	-	18,682	108,932
Interest revenue	32,471	80,577	2,577	28,489
Total Revenue	32,471	80,577	21,259	137,421
Depreciation and amortisation	11,407	12,051	47,635	11,157
Segment result	(319,485)	(341,722)	(3,392,789)	(7,346,498)
Segment assets	1,208,696	2,660,832	3,772,122	3,555,677
Additions to non current assets	40,017	74,139	(884,240)	4,197,479
Segment liabilities	(92,897)	(129,082)	(4,341,010)	(2,587,822)

Segment revenues are allocated based on the country in which the customer is located. Segment assets and capital expenditure are allocated based on where the assets are located.

NOTE 19 : FINANCIAL ASSETS	Consolidated		Parent	
	2009	2008	2009	2008
	$	$	$	$
NON CURRENT				
Deposits	8,582	11,352	-	-
Shares in Controlled Entities at cost	-	-	50,000	50,000
Provision for impairment	-	-	(49,999)	-
	8,582	11,352	1	50,000

NOTE 20 : CONTROLLED ENTITIES

a. Controlled Entities	Country of Incorporation	Percentage Owned	
		2009	2008
Parent Entity:			
Austin Exploration Limited	Australia	-	-
Subsidiaries of Austin Exploration Limited:			
AUS-TEX Exploration, Inc.	USA	100%	100%

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009 (Cont.)

b. Joint Venture interests

The group has interests in joint venture operations in oil and gas blocks in Australia and USA as follows:

	AUSTRALIA		United States	
Prospect Name	**PEL 105**	**Yorktown PEL 73**	**Park City**	**Polecat Creek**
Well Name(s)	**The Pirie-1**	**Gravestock #1**	**Listed on company web site**	**Old Stone Exploration Ezell 4-H**
Location	Cooper Basin, South Australia	Stansbury Basin, South Australia	Edmonson County, Kentucky USA	Falls and Limestone Counties, Texas USA
Ownership Interest	Working Interest 100% - Revenue Interest 100%	Working Interest 16.667% - Revenue Interest 12.5%	Working Interest 100% - Revenue Interest 78.25%	Working Interest 35% - Revenue Interest 26.25%
Partners / Operators	Adelaide Energy Limited earns a 50% NRI after the initial well	DMS Exploration, PIP Ltd., Private Investors	Old Stone Exploration, LLC	Old Stone Exploration, LLC
Objective / Focus	High Grade drilling targets validated by 2D seismic	Frontier Basin - Wildcat well	Sallow low cost long life oil wells	Successful Well Re-entry
Independent Evaluations	Mulready Consulting Services Pty Ltd	Mulready Consulting Services Pty Ltd	Several	Mulready Consulting Services Pty Ltd
Current Status	Drill Ready. Now locating a rig	Initial well plugged and abandoned. Hydrocarbon show encountering at 691 m.	17 wells drilled to date, 4 of those completed as oil wells and now on production	Well has been shut in do to uneconomic flow rates associated with energy price declines
Next Steps	Drilling to commence upon rig confirmation	Operator now re-evaluating this prospect	Continuation of oil production and further well completions	Operator is evaluating a sale of the license

The group has accumulated acreage in a number of oil and gas projects comprising mineral leases in the USA. The mineral leases that have producing wells drilled on them during the primary lease term will be held as producing leases. Mineral leases that are drilled and produce a dry hole, or not drilled at all, will expire at the end of the primary term unless re-leased for a further term. The exploration of the leases is managed by operators who make cash calls, hire contractors and pay all accounts.

NOTE 21 : LEASE COMMITMENTS

The company leases its office space and certain equipment under non-cancellable operating leases which require regular monthly payments with varying terms ranging from 1 – 3 years. Total rent expense for all operating leases approximated $224,572 and $213,384 for the twelve months ended 30 June 2009 and 2008, respectively.

Future minimum lease commitments under non-cancellable leases at 30 June 2009 are as follows:

	Consolidated	**Parent**
	$	**$**
Payable within one year	97,827	-
Later than one year but no later than 5 years	32,609	-
Total minimum lease payments	130,436	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009 (Cont.)

NOTE 22 : CASH FLOW INFORMATION	**Consolidated**		**Parent**	
	2009	**2008**	**2009**	**2008**
	$	**$**	**$**	**$**
a. Reconciliation of Cash Flow from Operations with Loss from Ordinary Activities after Income Tax				
Loss from ordinary activities after income tax	(4,244,080)	(7,736,312)	(3,445,557)	(7,515,030)
Non-cash flows in loss from ordinary activities				
Share option expensed	11,753	-	11,753	48,092
Unrealised foreign exchange gain (loss)	710	(13,335)	-	-
Depreciation expense	59,042	23,208	11,407	12,051
Amortisation	-	38,232	-	-
Finance Charges	1,275,172	-	-	-
Impairment expense	520,053	5,322,965	3,114,319	7,124,223
Changes in assets and liabilities				
(Increase)/decrease in receivables	36,211	1,839,283	12,331	517,127
(Increase)/decrease in other assets	20,582	27,900	-	53,625
Increase/(decrease) in trade payables	71,594	(5,595,401)	(36,184)	(264,644)
Receivables recognised as investing activities	-	(503,370)	-	-
Trade creditors and accruals recognised as investing activities	-	565,240	-	-
Prepayments recognised as finance costs	-	(48,535)	-	-
Cash flow from operations	(2,248,963)	(6,080,125)	(331,931)	(24,556)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009 (Cont.)

NOTE 23 FINANCIAL INSTRUMENTS

a. Financial Risk Management Policies

The group's financial instruments consist mainly of deposits with banks, accounts receivable and payable, loans to and from subsidiaries and hire purchase liabilities.

The main purpose of non-derivative financial instruments is to raise finance for group operations.

i. Treasury Risk Management

The board meets on a regular basis and analyses financial risk exposure and evaluates treasury management strategies in the context of the most recent economic conditions and forecasts. The board's overall risk management strategy seeks to assist the consolidated group in meeting its financial targets whilst minimising potential adverse effects on financial performance. Risk management is reviewed by the board on a regular basis and includes review of the group's cash flow requirements.

ii. Financial Risk Exposures and Management

The main risks the group is exposed to through its financial instruments are foreign currency risk, liquidity risk and credit risk.

Foreign currency risk

The group is exposed to fluctuations in foreign currencies arising from the activities in currencies other than the group's measurement currency.

Liquidity risk

The group manages liquidity risk by monitoring forecast cash flows.

Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balanced date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets as disclosed in the balance sheet and notes to the accounts.

There are no material amounts of collateral held as security at 30 June 2009.

The consolidated group does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the consolidated group.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009 (Cont.)

b. Financial instrument composition and maturity analysis

The tables below reflect the undiscounted contractual settlement terms for financial instruments of a fixed period of maturity, as well as management's expectations of the settlement period for all other financial instruments. As such, the amounts may not reconcile to the balance sheet.

	Weighted Average Effective Interest Rate	Floating Interest Rate	Fixed Interest Rate	Non-interest Bearing	Total
	2009 %	2009 $	2009 $	2009 $	2009 $
Financial Assets:					
Cash and cash equivalents	2.5	296,580	-	-	296,580
Receivables	-	-	-	4,737	4,737
Deposits	-	-	-	8,582	8,582
Total Financial Assets		**296,580**	**-**	**13,319**	**309,899**
Financial Liabilities:					
Trade and sundry payables	-	-	-	311,845	311,845
Borrowings	34.00	-	4,122,062	-	4,122,062
Total Financial Liabilities		**-**	**4,122,062**	**311,354**	**4,433,907**
Net Financial Liabilities					**(4,124,008)**
	2008 %	2008 $	2008 $	2008 $	2008 $
Financial Assets:					
Cash and cash equivalents	4.75	2,340,000	-	-	2,340,000
Receivables	-	-	-	40,948	40,948
Deposits	-	-	-	11,352	11,352
Total Financial Assets		**2,340,000**	**-**	**52,300**	**2,392,300**
Financial Liabilities:					
Trade and sundry payables	-	-	-	240,251	240,251
Borrowings	34.00	-	2,476,653	-	2,476,653
Total Financial Liabilities		**-**	**2,476,653**	**240,251**	**2,716,904**
Net Financial Liabilities					**(324,604)**

Trade and sundry payables are expected to be paid within two months.

Reconciliation of Net Financial Assets to Net assets	**2009**	**2008**
	$	**$**
Net financial liabilities (as above)	(4,124,008)	(324,604)
Non Financial assets and liabilities:		
Development and producing assets	-	2,753,973
Exploration expenditure	4,575,682	957,968
Plant & Equipment	75,282	73,499
Other current assets	20,956	38,768
Net Assets per Balance Sheet	546,912	3,499,604

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009 (Cont.)

c. Net Fair Values

The net fair value of cash and cash equivalent and non interest bearing monetary financial assets and financial liabilities of the consolidated entity approximate their carrying value.

The net fair value of other monetary financial assets and financial liabilities is based on discounting future cash flows by the current interest rates for assets and liabilities with similar risk profiles. The balances are not materially different from those disclosed in the balance sheet of the consolidated entity.

No financial assets and financial liabilities are readily traded on organised markets in standardised form.

Financial assets, where the carrying value exceeds net fair values have not been written down as the consolidated group intends to hold these assets to maturity.

d. Sensitivity analysis

The group has performed a sensitivity analysis relating to its exposure to interest rate risk and foreign currency risk.

Interest rate sensitivity analysis

At 30 June 2009, the effect on profit and equity as a result of changes in the interest rate, with all other variables remaining constant would be as follows:

	Consolidated		Parent	
	2009	2008	2009	2008
	$	$	$	$
Change in profit				
Increase in interest rate by 2%	5,932	46,800	3,117	32,468
Decrease in interest rate by 2%	(5,932)	(46,800)	(3,117)	(32,468)
Change in equity				
Increase in interest rate by 2%	5,932	46,800	3,117	32,468
Decrease in interest rate by 2%	(5,932)	(46,800)	(3,117)	(32,468)

Foreign currency sensitivity

At 30 June 2009, the effect on profit and equity as a result of changes in the value of the Australian Dollar (AUD) to the United States dollar (USD), with all other variables remaining constant would be as follows:

	Consolidated		Parent	
	2009	2008	2009	2008
	$	$	$	$
Change in profit				
Improvement in AUD to USD by 10%	(14,074)	-	-	-
Decline in AUD to USD by 10%	14,074	-	-	-
Change in equity				
Improvement in AUD to USD by 10%	(14,074)	(71,662)	-	-
Decline in AUD to USD by 10%	14,074	71,662	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009 (Cont.)

NOTE 24 : RELATED PARTY TRANSACTIONS

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

i. Directors and specified executives

Disclosures relating to key management personnel are set out in Note 5.

ii. Transactions with Director-related Entities

- At 30 June 2008, the company owed $55,282 to DMS Exploration Pty Ltd, (DMS) an entity owned by a director, Mr D Schuette, for its share expenditures as a joint venture participant in a well drilled during the year and for future commitments in the PEL 73 prospect. DMS is the operator of the well (PEL 73) in which Austin Exploration has a working interest on a 2:1 basis by paying 1/3 of the costs. As at the 30 June 2009 this balance is nil.

- During the year, the company utilised the services of Minter Ellison for the provision of legal advice at commercial rates. To the balance date the cost of these services was $29,073. Mr Neville Martin is a partner of Minter Ellison, of which AU$9,803 was accrued at June 30, 2009.

- As at the 30 June 2009 the company owed to Newtak Pty Ltd, a company for which Domenic Pellicano is a director, $4,122,062. The funds assisted in the development of the Park City Kentucky Oil and Gas sites. Total interest charged on this loan for the 2009 financial year $1,275,172.

NOTE 25 : CAPITAL COMMITMENTS RELATING TO JOINT VENTURES AND TENEMENTS

The company is required to meet minimum expenditure requirements of various Government bodies and joint venture agreements.

These obligations may be subject to re-negotiation, may be farmed out or may be relinquished and have not been provided for in the financial statements.

	Consolidated		**Parent**	
	2009	**2008**	**2009**	**2008**
	$	**$**	**$**	**$**
Payables (Note)				
- due within one year	-	-	-	-
- due within 1 – 3 years	3,000,000	3,000,000	3,000,000	3,000,000

Note: During the year the commitments on PEL 105 were revised and are currently as follows:

2010 $1,000,000
2011 $1,000,000
2012 $1,000,000

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009 (Cont.)

NOTE 26 : SHARE BASED PAYMENTS

The following share based payment arrangements existed at 30 June 2009.

On 11 November 2005, 5,400,000 share options were granted to directors to accept ordinary shares at an exercise price of $0.30. The options are exercisable before 30 June 2011. The options hold no voting or dividend rights. At balance date, no share option has been exercised.

On 11 November 2005, 12,600,000 share options were granted to promoters and seed capitalists to accept ordinary shares at an exercise price of $0.50. The options are exercisable before 30 June 2011. The options hold no voting or dividend rights. At balance date, no share option has been exercised.

On 11 November 2005, 5,400,000 share options were granted to promoters and seed capitalists to accept ordinary shares at an exercise price of $0.75. The options are exercisable before 30 June 2011. The options hold no voting or dividend rights. At balance date, no share option has been exercised.

On 28 February 2008, 1,000,000 options were granted to Mr Kenneth Hill. The options will not vest if certain conditions are not met. The options are exercisable before 28 February 2013. The options are to be expensed over the vesting period. At 30 June 2008, 666,667 options had vested to Mr Hill. At 30 June 2009 a further 208,333 options had vested. The exercise price is $0.24. The options hold no voting or dividend rights. At balance date, no share option has been exercised.

On 28 January 2009, 500,000 share options were granted to Mr Stanley Lindsey to accept ordinary shares at an exercise price of $0.20. The options are exercisable before 15 October 2011. The options hold no voting or dividend rights. At balance date, no share option has been exercised.

All options granted to key management personnel are ordinary shares in Austin Exploration Limited, which confer a right of one ordinary share for every option held.

	Consolidated				Parent			
	2009		2008		2009		2008	
	Number of Options	Weighted Average exercise Price cents	Number of Options	Weighted Average exercise Price cents	Number of Options	Weighted Average exercise Price cents	Number of Options	Weighted Average exercise Price cents
Balance at beginning of the year	31,600,000	55.25	32,600,000	56.76	31,600,000	55.25	32,600,000	56.76
Granted	500,000	20.00	1,000,000	24.00	500,000	20.00	1,000,000	24.00
Forfeited	-		(2,000,000)		-		(2,000,000)	
Outstanding at year end	32,100,000	54.68	31,600,000	55.72	32,100,000	54.68	31,600,000	55.72
Exercisable at year end	31,975,000	54.68	31,266,667	55.25	31,975,000	54.68	31,266,667	55.25

The options outstanding at 30 June 2009 had a weighted average exercise price of $0.5468 and a weighted average remaining contractual life of 2.0 years.

The weighted average fair value of options granted during the year was $0.024.
The price was calculated by using a Black-Scholes option pricing model applying the following inputs:

Weighted average exercise price	$0.5468
Weighted average life of the options	2.06
Underlying share price	0.068
Expected share price volatility	35.29%
Risk free interest rate	3.175%

Historical volatility has been the basis for determining expected share price volatility as it is assumed that this is indicative of future tender, which may not eventuate.

The life of the options is based on the historical exercise patterns which may not eventuate in the future.
Included under employee benefits expense in the income statement is $11,753 (2008: $48,092) and relates, in full, to the equity-settled share-based payment transactions.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009 (Cont.)

NOTE 27 : CONTINGENT LIABILITIES

The company is currently a co-defendant in a lawsuit in the state of Texas brought by Mr David Schuette. Mr Schuette alleges wrongful dismissal and that the company owes it money against loans made.

The company believes the case is without merit and is vigorously defending its position in this matter and making a counter claim against Mr Schuette. No provision has been made in the accompanying financial statements based on the company's belief the case will be settled without any additional costs.

NOTE 28 : EVENTS AFTER THE BALANCE SHEET DATE

Since balance date, the following events have occurred:

- Commencement as operator of its Park City oil and gas field after the settlement of litigation with Resource Energy Technologies and the commencement of oil sales from the first 4 wells in that field, effective July 1, 2009.
- On July 13, 2009 Guy Goudy was appointed as a new Director of Austin Exploration Limited.
- On 30 July 2009 William Kefalianos was appointed as a director of the company.
- On August 6, 2009 David Schuette was terminated from the company under the terms of his employment and consultancy agreements and is no longer a director.

NOTE 29 : GOING CONCERN BASIS OF ACCOUNTING

The financial report has been prepared on the basis of a going concern. The projects of the Consolidated Group will require capital for continued development. The Company will be seeking to raise equity capital to fund development and working capital.

The Company's ability to continue as a going concern is contingent upon successfully raising additional capital. If additional funds are not raised, the going concern basis may not be appropriate, with the result that the Consolidated Group may have to realise its assets and extinguish its liabilities, other than in the ordinary course of business and in amounts different from those stated in the financial report. No allowance for such circumstances has been made in the financial report.

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 34 to 62 are in accordance with the *Corporations Act 2001*:
   a comply with Accounting Standards and the *Corporations Regulations 2001*; and
   b give a true and fair view of the financial position as at 30 June 2008 and of the performance for the year ended on that date of the company and consolidated entity;
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.
3. The directors have been given the declarations by the Contract Accountant and Company Secretary required by Sec 295(a) of the Corporations Act 2001.

This declaration is made in accordance with a resolution of the Board of Directors.

Director

Dated this 30th day of September 2009

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF AUSTIN EXPLORATION LIMITED

Report on the Financial Report

We have audited the accompanying financial report of Austin Exploration Limited, (the company) which comprises the balance sheet as at 30 June 2009, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF AUSTIN EXPLORATION LIMITED Cont

Auditor's responsibility Cont

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Independence

In conducting our audit, we complied with applicable independence requirements of the Corporations Act 2001.

Auditor's opinion

In our opinion:

c the financial report of Austin Exploration Limited is in accordance with the Corporations Act 2001, including:

  i giving a true and fair view of the company's and consolidated entity's financial position as at 30 June 2009 and of their performance for the year ended on that date; and

  ii complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and

d the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Material uncertainty regarding continuation as a going concern

Without qualifying our opinion attention is drawn to Note 29 – going concern basis of accounting to the Annual Financial Report. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the company's and consolidated entity's ability to continue as a going concern. The financial report has been prepared on the basis of going concern. The company and consolidated entity are reliant on the raising of additional capital for the continued development of their existing projects and working capital.

Grant Thornton

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF AUSTIN EXPLORATION LIMITED Cont

Material uncertainty regarding continuation as a going concern Cont

The company's and consolidated entity's ability to continue as a going concern is contingent upon successfully raising additional capital. If the additional funds are not raised, the going concern basis may not be appropriate, with the result that the company and consolidated entity may have to realise their assets and extinguish their liabilities, other than in the ordinary course of business and in amounts different from those stated in the Annual Financial Report. No allowance for such circumstances has been made in the financial report.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 26 to 31 of the directors' report for the year ended 30 June 2009. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's opinion

In our opinion the Remuneration Report of Austin Exploration Limited for the year ended 30 June 2009, complies with section 300A of the Corporations Act 2001.

GRANT THORNTON
South Australian Partnership
Chartered Accountants

S J Gray
Partner

Signed at Wayville on this 30th day of September 2009

SHAREHOLDER INFORMATION

Additional Information required by the Australian Stock Exchange Limited Listing Rules and not disclosed elsewhere in this report is set out below.

Shareholdings as at 9 September 2009

a. Distribution of Shareholders

Category	Holders of Ordinary Shares	% of Issued Capital	Unquoted options
1 – 1000	57	0.02	-
1,001 – 5,000	253	0.57	-
5,001 – 10,000	246	1.43	-
10,001 – 100,000	800	20.54	-
100,001 – and over	198	77.43	100.00
Total number of security holders	1,554	100.00	100.00

b. Unmarketable Parcels

	Minimum Parcel Size	Number of Holders	Units
Ordinary Shares	$500.00 at $0.056/unit	438	1,695,655

c. Substantial shareholders

The names of the substantial shareholders listed in the holding company's register as at 22 September 2009 are:

Name	Number of fully paid ordinary shares held	% held
Assam Co Ltd	12,500,000	11.14
A I L Holdings Ltd	6,650,000	5.93
Cromwell Securities Ltd	6,250,000	5.57

d. Voting Rights

Fully paid ordinary shares
Subject to any rights or restrictions attached to any class of shares, at a meeting of members, on a show of hands, each member present (in person, by proxy, attorney or representative) has one vote and on a poll, each member present (in person, by proxy, attorney or representative) has one vote for each fully paid share they hold.

Options
Option holders will be entitled on the payment of the exercise price shown below to be allotted one ordinary fully paid share in the company for each Option exercised. Options are exercisable in whole or in part at any time until 30 June 2013. Any Options not exercised before expiry will lapse.

SHAREHOLDER INFORMATION

e. Twenty largest shareholders

The names of the 20 largest holders of fully paid ordinary shares constituting a class of quoted equity securities on the Australian Stock Exchange Limited including the number and percentage held by those at 9 September 2009 are as follows:

Name	Number of fully paid ordinary shares held	% held
National Nominees Limited	25,187,999	17.85
Mr Robert Anthony Healy	6,216,000	4.40
Mr Anthony Norris Goudy	5,750,000	4.07
Citicorp Nominees Pty Limited	4,973,212	3.52
Merrill Lynch (Australia) Nominees Pty Limited	3,120,811	2.21
Mr Garry John Widdup	2,000,000	1.42
Synergy Pacific Australia Pty Ltd	1,894,000	1.34
Esse Vision Pty Ltd	1,835,000	1.30
Pellicano Pty Ltd	1,500,000	1.06
Pelrus Pty Ltd	1,400,000	0.99
Dr Kuen Seng Chan	1,341,131	0.95
ANZ Nominees Limited Cash Income Account	1,010,000	0.72
Mr Zaccaria Rossi & Mrs Thelma Rossi	1,000,000	0.83
Mr George Karagounis & Mrs Helen Karagounis	925,000	0.66
Mr Charalambos Georgakis	920,000	0.65
Mr Seng Tan & Mrs Wan Neo Tan	758,577	0.54
Chaffey Consulting Pty Ltd	750,000	0.53
Mr Nigel Marris Simpson	724,403	0.51
John Lagogianis Nominees Pty Ltd	714,000	0.51
Mr Jeremy Michael Rosenthal	712,581	0.50
TOTAL	**62,732,714**	**44.44**

f. Unquoted Securities

Options over Unissued Shares

Twenty largest option holders – Unquoted ordinary options

The names of the largest holders of unquoted ordinary options constituting a class of quoted equity securities on the Australian Stock Exchange Limited including the number and percentage held by those at 9 September 2009 are as follows:

Name	Number of unlisted options held	% held
David Max Schuette	14,600,000	45.47
Assam Company Limited	5,861,708	18.26
A I L Holdings Limited	3,092,452	9.63
Cromwell Securities Limited	2,906,640	9.05
Donald Frederick Reck Jnr	2,000,000	6.23
Kenneth Hill	1,000,000	3.11
Anjali Jajodia	506,884	1.58
Stanley Lindsey	500,000	1.55
James Michael Edwards	350,000	1.09
Kenneth Peter Lyle Mackay	350,000	1.09
Neville Wayne Martin	350,000	1.09
Paul Desmond Teisseire	350,000	1.09
Ruchika Jajodia	232,316	0.76
TOTAL	**32,100,000**	**100.00**

The exercise price for each class of option described in note 24 is:

Class A	These options have an exercise price of $0.30 per share;
Class B	These options have an exercise price of $0.50 per share;
Class C	These options have an exercise price of $0.75 per share;
Class D	These options have an exercise price of $0.24 per share;
Class F	These options have an exercise price of $0.20 per share.

CORPORATE DIRECTORY

DIRECTORS

Dominic Pellicano	Non Executive Director and Chairman
Dr. James Edwards	Non Executive Director
Guy Goudy	Non Executive Director
William Kefalianos	Non Executive Director

COMPANY SECRETARY

Graham Seppelt

REGISTERED OFFICE

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SHARE REGISTRY

Computershare Investor Services Pty. Ltd.
Level 5, 115 Grenfell Street
ADELAIDE, SA 500
Phone (inside Australia) : 1300 556 161
Phone (outside Australia): 61 3 9615 4000

AUDITORS

Grant Thornton South Australian Partnership
Chartered Accountants
Level 1, 67 Greenhill Road
WAYVILLE S.A. 5034

AUSTRALIAN LEGAL ADVISORS

Minter Ellison
Level 10
25 Grenfell Street
Adelaide SA 5000

AUSTRALIAN SECURITIES EXCHANGE

The company is listed on the Australian Securities Exchange Limited.

The home exchange is Adelaide.

ASX Codes: Shares: AKK