



Austin Exploration Limited

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

ASX RELEASE

For Immediate Release

9 May 2008

General Manager
The Company Announcements Office
Australian Stock Exchange Limited
PO Box H224
Australia Square
SYDNEY NSW 1215

Dear Sir/Madam

Austin Exploration Limited – Share Purchase Plan

The directors of Austin Exploration Limited (**Austin**) (**ASX: AKK**) are pleased to announce details of a Share Purchase Plan (**SPP**) to registered shareholders as at 5.00pm (ACST) Friday 9 May 2008.

The SPP will provide eligible shareholders with the opportunity to purchase up to \$5,000 worth of fully paid ordinary shares in Austin (ranking equally with existing fully paid ordinary shares) without brokerage costs and at a discount to the current market price.

Under the terms of the SPP, eligible shareholders will be offered new shares for subscription at **31 cents per share**. This represents a 10% discount to market.

In formulating the SPP issue price, the Board has considered the closing market price of existing fully paid ordinary shares over the five trading days immediately prior to the announcement of the SPP today.

Funds raised through the SPP will be used to further facilitate the continuing development of the Park City gas project and for general administrative purposes.

Much progress has been made at Park City. The delivery pipeline, gas processing plant and sales agreements for the oil and the gas are all now in place. Austin's drilling program has produced 10 successful gas wells, four of which have oil shows and two additional wells are currently being drilled. With the completed infrastructure now in place, Austin is confident that a continued long term drilling program is in the best interest of the Company and its shareholders.

The right to participate in the SPP is available only to Australian and New Zealand shareholders who are registered as holders of fully paid ordinary shares in Austin at 5.00pm (ACST) on Friday 9 May 2008.

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It is noted that on the basis of ASX trading settlement procedures, any new shareholder that purchases shares after Friday 9 May 2008 will not be eligible to participate in the SPP.

Full details of the SPP will be set out in documentation together with an application form which Austin will send to all eligible shareholders.

For further information please contact Mr Graham Seppelt on Telephone 0419 035 297.

For and on behalf of the Board

A handwritten signature in black ink, appearing to read "Graham Seppelt". The signature is written in a cursive, flowing style.

Graham Seppelt
Company Secretary