



# AUSTIN EXPLORATION

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

ASX ANNOUNCEMENT

13 October 2016

## Colorado Drilling Update

- **Deviated drilling operations on the Columbus #1 well progressing well**
- **Hydrocarbons encountered in the Pierre formation**
- **Flow testing operations to commence this month**

The Board and Management of Austin Exploration Limited (**ASX: AKK**) (**Austin or the Company**) are pleased to announce that the deviated drilling operations on the Columbus #1 well are progressing well. The curved section of the well bore was drilled successfully to plan with no well bore integrity issues or operational issues encountered.

Drilling is progressing through the Pierre formation and hydrocarbons in the cuttings are being encountered which is encouraging. These drill cuttings are being analysed by an on-site independent geologist. This is an important part of the geologic process and assists in determining the potentially productive zones within the formation.



**Drilling Operations Progressing well on the Columbus #1 well**

Drilling operations are being performed internally and on 12 hour day-light shifts to keep costs as low as possible. The Company is able to perform operations in such a manner due its strategic and dedicated drill rig fleet rental agreement where high daily rates and stand-by rates are not being incurred.

The Company expects that drilling operations will conclude this month with sequential flow testing of the three wells to commence immediately following drilling. The Magellan #1 well is the first of the three wells that is scheduled for flow testing.

The three-Well program is being conducted in three phases which has been designed to significantly reduce drilling costs and maximise operational efficiencies:

Phase 1 – Sequentially drilling the upper vertical sections on the three wells – *SUCCESSFULLY COMPLETED*

Phase 2 – Sequentially drilling the deviated well bore sections on the three wells – *UNDERWAY*

Phase 3 – Sequentially flow testing the three wells – *NEXT PHASE*

Austin is the operator of the Pathfinder project and controls a 100% working interest that covers 15,773 gross acres.

The Company looks forward to providing material updates as they occur.



On location for the drilling of the Columbus #1 well



Drill cuttings being returned to the drilling pits under pressure through the blooie line

– ENDS –

Released through Ben Jarvis, Six Degrees Investor Relations: +61 413 150 448

**ABOUT AUSTIN EXPLORATION:**

Austin Exploration is an Oil and Gas Company with a portfolio of oil and gas assets in the United States. The Company has now established a major presence in two of America’s most prolific oil and gas basins. Austin controls more than 15,000 acres in Colorado in the DJ Basin (Niobrara and Pierre Shale) and 4000 acres in the Illinois Basin in Kentucky. Austin has interests in producing oil and gas wells in Colorado, Kentucky and Texas. Austin has built a world class Board and Management team with proven company builders to derive maximum value from its oil and gas properties. Austin is listed on the Australian Securities Exchange (ASX code: AKK) and on the OTC in the United States (AUN-XY).

**DISCLAIMER:**

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