



Listed on the Australian Securities Exchange ("AKK") and the OTC-QX International in the USA (AUN-XY)
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ASX ANNOUNCEMENT

16 June 2015

Texas Birch Property Update

- **Austin engages Meagher Energy Advisors to run a tender process for a potential sale of its 5,040 acre Oil and Gas property in Burleson County Texas**

Austin Exploration ("Austin" or "the Company") (ASX:AKK) advises that it has engaged Meagher Energy Advisors to conduct a tender process for a potential sale of the Company's Birch project in Burleson County, Texas.

The Company can confirm that it has received several unsolicited approaches that have no financial backing and are not capable of a transaction. The work of Meagher Advisors is to test these advances and this process will provide guidance to the Board on a potential divestiture of the asset which has not yet been decided on. Following this, the Board will then be in a position to recommend to shareholders if there is value in a potential sale.

Meagher's process requests that bids on the property are due in by July 8.

Meagher Energy Advisors is based out of Colorado and is a leading broker of oil and gas assets in North America. They have closed over USD\$1billion in oil and gas transactions in the last year.

Austin has a 30% interest in approximately 5,040 acres in the Eagle Ford Shale in Texas. Six Eagle Ford horizontal wells have been successfully drilled and are now in production. Independent estimates have calculated that each horizontal well has an Estimated Ultimate Recovery (EUR) ranging between 450,000 to 475,000 BOE (Barrels of oil Equivalent). Austin's acreage is considered to be in the "sweet spot" of the Eagle Ford oil window in East Texas.

Austin is taking the decision to assess sale options for the Birch project in order to focus its resources and funding on the development of the company's Colorado assets. Austin is also assessing other growth opportunities in Colorado and remains committed to adding value to its oil and gas assets in Mississippi and Kentucky.

The Company will update the market on any material progress with regard to the sale process as it comes to hand.

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ABOUT AUSTIN EXPLORATION:

Austin Exploration is an Oil and Gas Company with a portfolio of oil and gas assets in the United States. In 2010, Austin strategically shifted its core focus towards non-conventional shale exploration and production. The

Company has now established a major presence in two of America's most prolific oil and gas basins. Austin controls more than 11,000 acres in Colorado in the Niobrara Shale and has an interest in over 5,000 acres in Texas in the Eagle Ford Shale and the Austin Chalk. Austin has producing oil and gas wells in Colorado, Texas, Mississippi and Kentucky. Austin has built a world class Board and Management team with proven company builders to derive maximum value from its oil and gas properties. Austin is listed on the Australian Securities Exchange (ASX code: AKK) and on the OTC 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.