

**AUSTIN DEVELOPMENTS CORP.**  
**Suite 2833, 595 Burrard Street**  
**Vancouver, British Columbia**  
**V7X 1C4**  
**Tel: (604) 689-1799**  
**Fax: (604) 689-8199**

Aug 12<sup>th</sup>, 2008

**TSX Venture: AUL**

**Austin closes first tranche of Private Placement.**

**Austin Developments Corp.** (the "Company") (TSX: V-AUL) is pleased to announce that, further to its news release of June 23<sup>rd</sup>, 2008, it has closed 13,300,000 units of the announced private placement of 15,000,000 units at a price of \$0.10 per unit, subject to the approval of the TSX Venture Exchange. The securities issued under the private placement are subject to a hold period expiring on December 13, 2008.

The units are non flow-through units with each non flow-through unit consisting of one common share and one share purchase warrant, each warrant entitling the holder to purchase one additional common share of the Company for a period of two years at a price of \$0.15 per share. The proceeds of the private placement will be used for new acquisitions as well as the Company's oil and gas projects in Gabon, Africa and Tennessee, USA and for general working capital.

A commission may be payable in either cash or securities in accordance with the policies of the TSX Venture Exchange Inc.

On behalf of the Board of Directors

**Austin Developments Corp.**

Per:

*"Patrick Power"*

Patrick Power

President and Director

THE TSX VENTURE EXCHANGE HAS NOT REVIEWED AND DOES NOT ACCEPT  
RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.