

## INTERNATIONAL PROJECTS

## HIGHLIGHTS

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*“Approximately 40% of the 2200 square kilometers (approximately 880 square kilometers) have yet to be explored.”*

BeicipFranlab Report

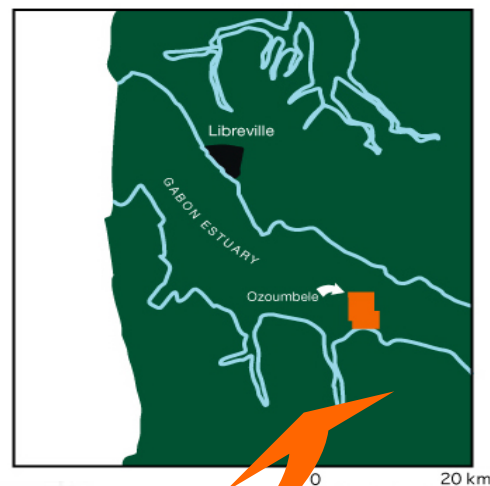
Austin Developments Corp. (“Austin”; TSX-V exchange symbol AUL) is a diverse exploration and production company, developing oil and gas assets in North America and overseas. In the last few years, Austin has been aggressively expanding its oil and gas interests based on the development of new targets, and the redevelopment of existing properties which have the potential to produce economically significant reserves using lean and efficient management practices and modern drilling technologies.

## NKANI G4-222 PROPERTY

### Background

Austin is participating (with an 18% interest after pay-out) with Petrol One Corp. in a production sharing agreement in Gabon, Africa. This agreement was granted by the Gabon Ministere des Mines, de l’Energie, du Pétrole et des Ressources Hydrauliques, with respect to The Nkani G4-222 property (a 2,200 square kilometer block located in the Gabon Estuary in West Africa).

By participating in this venture, Austin opens a door to other lucrative international projects of similar scale.



The Nkani G4-222 Property

## POTENTIAL PRIZE

An independent engineering report from BeicipFranlab commissioned by Petrol One Corp. indicates that the property has potential estimated reserves of up to **212 billion cubic feet (Bcf) of gas and 140 million barrels of oil (Mmbo)**. Nkani G4-222 is under-explored and is also thought to be on trend with hydrocarbon-rich (but largely unexplored) Corisco Bay immediately to the north.

**Company Share Structure:**

Outstanding shares  
85,624,147

Fully diluted shares  
141,550,056

Current as of May 15, 2007

**JOINT VENTURE PARTNER**

Austin's joint venture partner is Petrol One Corp. (CNQ: PONE). Petrol One is an international oil and gas exploration and production company.

Petrol one's President and CEO is Sheikh Walid Al Rawaf . Sheikh Walid has more than 40 years experience in oil and gas exploration, development and production. Sheikh Walid was also a pioneering member of Petromin, a sister company to ARAMCO, the Kingdom of Saudi Arabia's state owned petroleum company.

**PROVEN INDUSTRY LEADERS**

A project of this magnitude requires a team of enterprises working together for mutual benefit. Collaborators under consideration include:

**Storm Ventures International Inc.** is a private, Calgary-based oil and gas company with expertise, technology, and capital to create innovative solutions in oil and gas exploration and development. Storm Ventures has successfully applied modern geophysical, drilling, and completion technologies in tight gas, sour gas, heavy oil, and other conventional applications in Canada and internationally. (<http://www.stormventuresinc.com>).

The **Shengli Oilfield Company** is a subsidiary of Sinopec, China's largest vertically integrated energy and chemical company. Shengli Oilfield is the second largest oil producer in China and has produced 853 million tons of crude oil and 37.578 billion cubic meters of natural gas since 1961. It currently has 29,000 wells that produce 500,000 barrels of oil per day.

(<http://english.sinopec.com>)

*"...the block has also the potential to hold up to 140 MMBbbls of oil from two prospects."*

Beicipfranlab Report

**ENGINEERING REPORT HIGHLIGHTS**

Petrol One Corp. commissioned BeicipFranlab, a Paris-based petroleum industry consultancy with extensive experience in Gabon, to prepare an engineering report on the Nkani G4-222 property compliant with Canadian National Instrument 51-101 reporting standards. The report identified that:

- The western side of the concession is prospective for a deep structural trend and is widely covered by a thick salt layer providing a strong seal. It has not yet been tested by drilling.
- A pre-salt petroleum system is proven in the region with good reservoirs and associated seals.
- On the eastern side of the concession, a large number of seismic surveys have been shot, identifying further exploration targets.
- The eastern side hosts oil showings on two wells in addition to a gas discovery on another.
- The Ozoumbele gas field could contain up to 212 Bcf of gas. The block has also the potential to hold up to 140 Mmbo from two prospects.

# EXPLORATION COMMITMENT

The Production Sharing Agreement provides for a five-year exploration period plus an additional four-year exploration period.

The minimum work obligation in the first exploration period requires:

- A minimum JV expenditure of US\$ 10 million (US\$2 million from Austin)
- 700 line kilometers of 2D seismic data
- One exploration well.

The second exploration period requires a minimum work obligation of:

- A minimum JV expenditure of US\$ 12 million (US\$2.4 million from Austin)
- One completed well
- One option exploration well.



## NEWS RELEASE

October 10, 2006

TSX Venture: **AUL**

### ACQUISITION OF GABON OIL AND GAS PROJECT COMPLETED

Vancouver, British Columbia, October 10, 2006 Austin Developments Corp. (TSX-V: AUL) ("Austin") announces that it has acquired (the "Acquisition") an indirect 18% interest after payout in a production sharing agreement (the "Production Sharing Agreement") granted by the Gabon Ministere des Mines, de l'Energie, de l'Electricite et des Ressources Hydrauliques (the "Ministry") in respect of approximately 2,200 square kilometres of oil and gas concessions located in the Gabon Estuary referred to as the Nkani G4-222 Property (the "Property").

The Production Sharing Agreement includes the exclusive exploration and production rights over an approximate 2,200 square kilometre onshore block situated in the Gabon Estuary. The western side of the concession is prospective for a deep structural trend which is widely covered by a thick salt layer providing a strong seal. Previous seismic coverage had limited ability to see below the salt seal and it has therefore not been tested by drilling. However, a potential pre-salt petroleum system has been proven in the region with good reservoirs and associated seals. It is anticipated that the acquisition of seismic data which will be processed using modern techniques will identify potential traps.

On the eastern side of the concession, a large number of seismic surveys have been shot, identifying further exploration targets. The area is also host to oil showings on two wells in addition to a gas discovery on another. BeicipFranlab ([www.beicip.com](http://www.beicip.com)) has completed an engineering report (the "BeicipFranlab Report") on the Property for Petrol One, utilizing Canadian National Instrument 51-101 reporting standards. According to the BeicipFranlab Report dated Sept. 1, 2006, "while there are no proven reserves due to lack of updated data, there are Contingent Resources which are favorable and prospective. Contingent Resources are those quantities of oil and gas on a given date to be potentially recoverable from known accumulations of the time but were not economic. There is no certainty that it will be technically or economically viable to produce any portion of the reported Contingent Resource. The block has a gas discovery and has a number of oil showings. According to a review by BeicipFranlab, the Ozoumboule gas field could contain gas in the range of a low estimate of 106.250 bcf, a medium estimate of 159.375 bcf and a high estimate of 212.500 bcf. The block has also the potential to hold a low estimate of 29 MMBbls, a medium estimate of 100 MMBbls and a high estimate of 140 MMBbls of oil from two prospects. In addition to the above approximately 40% of the 2,200 square kilometers (approximately 880 square kilometers) have yet to be explored, these must be considered to be "Prospective Resources, which are quantities of oil and gas estimated on a given date from undiscovered accumulations." It must also be cautioned there is no certainty that Prospective Resources will be discovered and if discovered that they will be technically or economically viable to produce. A copy of the complete BeicipFranlab Report may be obtained at [www.sedar.com](http://www.sedar.com). Headquartered in Paris, BeicipFranlab, an independent evaluator with no ties to Austin, provides consultancy and advisory services throughout the petroleum sector, and has extensive experience in Gabon.

The Prospective Resources are located in the upper sandy layers of the pre-salt series locally called Gamba-Como and Coniquet of Aptian age. Target depth is between 1000-1500 metres. Oil shows are reported within the block and a small oilfield (Remboue) is located at about 40 km from the block. Two Gabonese giant fields are producing in formations of the same age and identical sedimentary environment (Gamba and Dentale formations). The Gamba-linga oilfield producing since the 1960's and the Rabi-Kounga oilfield producing for more than 20 years are located respectively, 200km and 175 km from the Nkani G4-222 block. The Gamba-linga field is located in a regional high separating the Interior Basin from the pre-salt offshore sub basin in a way which is similar to the main high trend in the Nkani G4-222 block.

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*"The Ozoumbele gas field could contain up to 212 Bcf of gas."*

BeicipFranlab Report

AUSTIN  
DEVELOPMENTS CORP.



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The BeicipFranlab report was prepared for Petrol One, a CNQ listed company. Petrol One's Board of Directors is comprised of Sheikh Walid Al Rawaf, a pioneer of Petromin a sister company of Aramco, the state national oil company. Sheikh Walid's experience includes Managing Director of the Mobil/Petromin refinery at Yanbu and also a position on the board of the Saudi National Railway. Sheikh Walid spent 35 years at Petromin holding various executive positions including petroleum exploration/production, international trade and marketing until his retirement. The other key oil member of the board is Mohamed Messaoudi who has over 25 years experience in the oil and gas business holding senior positions with major and independent companies such as Nexen Inc, Shell International in Gabon and Shell International in Oman and Tunisia.

Gabon has more than 30 years of history in international investment and production sharing agreements, from many of the well-known multi-national and independent petroleum exploration/production firms. Gabon is currently the fourth largest petroleum producer in Sub-Saharan Africa (after Nigeria, Angola and Equatorial Guinea), with approximate daily production of 300,000 bbl/day, equal to approximately US \$18.5 million per day at current market prices (Source: EIA Country Analysis, [www.gasandoil.com](http://www.gasandoil.com)).

Austin has a 20% interest before payout and an 18% interest after payout and the ATAS Group of Saudi Arabia has a 10% carried interest after payout. The Government of Gabon has a back-in right for a 15% carried interest, with an option for an additional 5% carried interest if production exceeds 30,000 barrels per day. Petrol One has an 80% interest before payout and a 72% interest after payout, in the Production Sharing Agreement covering the Property.

A US\$4,500,000 signing bonus was paid to the Ministry in connection with the issuance of the Production Sharing Agreement. Austin has paid US \$900,000 towards this signing bonus for consideration of its 20% interest before payout and 18% interest after payout.

The Production Sharing Agreement provides for a five-year exploration period plus an additional 4 year exploration period. The minimum work obligation in the first exploration period requires expenditures of US\$10,000,000 and includes 700 kilometres of 2D seismic and one exploration well. The second exploration period requires expenditures of US\$12,000,000 and includes one firm and one option exploration well.

For further information please contact the Company at 604-689-1799 or [www.austindevelopments.com](http://www.austindevelopments.com) or [info@austindevelopments.com](mailto:info@austindevelopments.com)

ON BEHALF OF THE BOARD OF DIRECTORS

**AUSTIN DEVELOPMENTS CORP.**

Per:

"Patrick Power"

PATRICK POWER

President

*The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.*

### **Forward Looking Information**

*The enclosed project overview document contains certain forward-looking statements and information relating to Austin Developments he enclosed project overview document contains certain forward-looking statements and information relating to Austin Developments Corp. ("Austin" or the "Company") that are based on the beliefs of its management as well as assumptions made by the information currently available to Austin. When used in this document, the words, "anticipate", "believe", "estimate", "expect", and similar expressions, that relate to Austin, its projects or its management, are statements relating to, amongst other things, regulatory compliance, the sufficiency of working capital, the estimated cost and availability of funding, for the continued exploration and development of Austin with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance and achievements of Austin to be materially different from any future results, performance or achievements that may be expressly implied by such forward looking statements.*

*Important factors are identified in this project overview document. These factors may relate to the company's operations as a public company that may cause future results to differ materially from those expressed or implied by those forward-looking statements and readers are cautioned not to place undue reliance on these statements.*

*The information contained on this and other pages relating to specific joint venture projects has been accumulated previously from reports, news releases and data provided from the mentioned companies. Certain disclosures, including management's assessment of the mentioned companies plans and projects, constitute forward-looking statements that are subject to numerous risks, uncertainties and other factors. Investors should not consider the enclosed material as a guide to purchase or sell shares in the Company without first consulting their own professional advisors and conducting independent due diligence including a review of the Company's filings with the TSX Venture Exchange (TSX-V) and British Columbia or Alberta Securities Commission (BCSC or ASC).*

**Austin Developments Corp.**  
Suite 2833, Three Bental Centre  
P.O. Box 49057  
595 Burrard Street, Vancouver  
British Columbia, V7X 1C4  
Phone: 604.689.1799  
Fax: 604.689.8199  
[info@austindevelopments.com](mailto:info@austindevelopments.com)  
[www.austindevelopments.com](http://www.austindevelopments.com)

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