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**For Immediate Release  
Calgary, Alberta**

**26 December 2006  
Common Shares Outstanding: 54,697,769**

**TSX Venture Exchange - symbol "AUZ"**

**AUSAM ANNOUNCES ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS TO  
BE HELD ON DECEMBER 28, 2006**

CALGARY, ALBERTA, Tuesday, December 26, 2006: As previously announced, Ausam Energy Corporation ("Ausam" or "the Company") will be holding the Annual and Special meeting of shareholders on December 28, 2006.

The meeting is open to shareholders, analysts and all interested parties on Thursday, December 28, 2006 at 10:00 a.m. MT (12:00pm ET) and will be in the Royal Room, The Metropolitan Centre, 333-4 Ave S.W., Calgary, Alberta.

The formal portion of the meeting will be followed by a presentation from Ausam's management at which time the meeting will be opened to questions from the audience. Dial in instructions will be provided by the operator after the formal part of the meeting. The dial-in numbers are as follows:

Calling from:

North America 1-800-733-7571  
Australia 0011-800-0022-8228  
Sweden 00-800-0022-8228  
Switzerland 00-800-0022-8228  
UK 00-800-0000-2288  
Direct Elite 416-644-3414

For those unable to attend, the meeting will be broadcasted via the Internet. To access the webcast please visit:

URL: <http://www.newswire.ca/en/webcast/viewEvent.cgi?eventID=1679040>

**About Ausam**

Ausam is a public company trading on the TSX Venture Exchange under the symbol AUZ and is engaged in the business of oil and gas exploration. Ausam, through its Australian subsidiary Ausam Resources Pty Ltd, is applying proven North American drilling and completion techniques that have not traditionally been used in the Australian energy industry to targets in Queensland, Victoria and Western Australia. Ausam's growth strategy includes the organic development of its current holdings and selective corporate transactions.

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