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**For Immediate Release  
Calgary, Alberta**

**March 12, 2007  
Common Shares Outstanding: 149,041,754**

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

**AUSAM ANNOUNCES FURTHER FINANCING AND POSTPONEMENT OF  
CONSOLIDATION**

Ausam Energy Corporation ("**Ausam**" or the "**Company**") is pleased to announce that it has entered into an agreement with T. R. Winston & Company, LLC, thereby expanding its existing selling dealer group consisting of Research Capital Corporation, Northeast Securities Inc. and Pembroke Capital LLC. The Company has extended its efforts to raise, on a private placement, best-efforts basis, a minimum of US\$5 million over a period of approximately 45 days (the "**Private Placement**") through the issuance of units (each a "**Unit**"). Each Unit will be priced at US\$0.54 (CDN\$0.63) and will consist of one common share in the capital of the Company (each a "**Common Share**") and one half of one Common Share purchase warrant (each a "**Warrant**"), with each whole Warrant entitling the holder thereof to purchase one Common Share at a price of CDN\$0.65 within 24 months of the date of closing of the Private Placement. Proceeds of the Private Placement will be used to fund the Company's drilling and exploration programs.

As a result of the continuing interest of investors in the Private Placement, Ausam also announces that its Board of Directors has decided to postpone the proposed four to one share consolidation (the "**Consolidation**") as described in Ausam's Information Circular dated November 28, 2006. Shareholder's granted approval for the share consolidation at the Annual and Special Meeting of Shareholders on December 28, 2006, and authorized the Board of Directors to not proceed with the consolidation at the Board's discretion. The Company anticipates seeking shareholder approval of the Consolidation at its next Annual General Meeting.

**Cautions Regarding Forward-Looking Statements**

Forward-looking statements (often, but not always, identified by the use of words such as "expect", "may", "could", "anticipate" or "will" and similar expressions) may describe expectations, opinions or guidance that are not statements of fact. Forward-looking statements are based upon the opinions, expectations and estimates of management of Ausam as at the date the statements are made and are subject to a variety of known and unknown risks and uncertainties and other factors that could cause actual events or outcomes to differ materially from those anticipated or implied by such forward-looking statements. Those factors include, but are not limited to risks, uncertainties and other factors that are beyond the control of Ausam, including approval and completion of the Private Placement, risks associated with the oil and gas industry, commodity prices and exchange rate changes, operational risks associated with exploration, development and production operations, delays or changes in plans, risks

associated with the uncertainty of reserve estimates, health and safety risks and the uncertainty of estimates and projections of production, costs and expenses. In light of the risks and uncertainties associated with forward-looking statements, readers are cautioned not to place undue reliance upon forward-looking information. Assumptions relating to certain forward-looking information contained in this press release are set out herein. Although Ausam believes that the expectations reflected in the forward-looking statements set out in this press release or incorporated herein by reference are reasonable, it can give no assurance that such expectations will prove to have been correct. The forward-looking statements of Ausam contained in this press release, or incorporated herein by reference, are expressly qualified, in their entirety, by this cautionary statement.

## **About Ausam**

Ausam is a public company trading on the TSXV under the symbol AUZ and is engaged in the business of oil and gas exploration. Ausam has acquired a diverse portfolio of oil and gas leases in Texas, Louisiana, Mississippi, Alabama and Arkansas and is pursuing exploration and development activities on these leases. Ausam, through its Australian subsidiary Ausam Resources Pty Ltd., is also 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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***The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release.***

***This news release shall not constitute an offer to sell or the solicitation of an offer to buy securities of Ausam in any jurisdiction. The securities to be issued pursuant to the Private Placement by Ausam have not and will not be registered under the United States Securities Act of 1933, as amended (the "1933 Act"), or the securities laws of any state of the United States, and may not be offered or sold in the United States absent registration or an applicable exemption therefrom under the 1933 Act and the securities laws of all applicable states.***