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**For Immediate Release**

**Calgary, Alberta  
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**TSX Venture Exchange - symbol "AUZ"**

**AUSAM ANNOUNCES NEW BOARD OF DIRECTORS AND APPROVAL OF RESOLUTIONS**

CALGARY, August 3, 2007 - Ausam Energy Corporation ("Ausam" or the "Company") is pleased to announce that the shareholders of the Company elected Mr. William M. Hitchcock and Mr. Robert Eriksson to Ausam's board of directors and re-elected incumbent directors Mark G. Avery, Richard G. Lummis, and Alastair J. Robertson. The shareholders also approved a resolution authorizing the consolidation of the outstanding shares of the Company's common stock on a five for one basis.

**Appointment of new Chairman and new Director**

On July 5, 2007, the new board of directors of Ausam appointed Mr. William M. Hitchcock as Chairman. Mr. Mark G. Avery will continue as President and CEO. Mr. Hitchcock announced to the board that he is "enthusiastic about becoming Ausam's Chairman, the Company's opportunities and its potential for significant growth. The acquisition of the SKH portfolio of 20 prospects, the assembly of a highly skilled team to implement the planned drilling program, and securing the financing from Huff have served to favorably re-position the Company with the necessary capital to drill a group of excellent prospects."

The board of directors also appointed Mr. Barry Borak of The Huff Energy Fund L.P. to the board of Ausam. Mr Borak will also serve as director of the Company's wholly-owned subsidiary, Noram Resources, Inc. ("Noram"). Mr. Borak is a certified petroleum geologist, reservoir engineer, and investment analyst. Mr. Avery commented that "personally and on behalf of the Company we welcome Mr. Hitchcock, Mr. Eriksson and Mr. Borak. Ausam is fortunate to have the combined strengths provided by the new board members, whose years of successful experience in the oil and gas industry, capital markets and investor relations are expected to provide management the advice and guidance necessary for the effective and profitable development of the Company and the new prospect portfolio."

At the same meeting, the board of directors named Mr. Hitchcock, Mr. Eriksson, and Mr. Borak, all independent directors, to serve on the Company's Audit, Reserves, and Compensation committees.

**Forward Program**

Ausam, through its U.S. subsidiary Noram, expects to drill 18 wells over the next 24 months. Current plans for 2007 include wells in Starr, Liberty, Jefferson and Wharton Counties, all located in the onshore Texas Gulf Coast region, and also in Oktibbeha County, Mississippi.

## **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, 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 engaged in oil and gas exploration and development and through its U.S. subsidiary, Noram Resources, Inc., recently acquired a diverse portfolio of oil and gas leases and prospects in Texas, Louisiana, Mississippi, Alabama and Arkansas. Ausam, through its Australian subsidiary Ausam Resources Pty Ltd, is also applying proven North American drilling and completion techniques, which were not traditionally 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. Ausam is a public company trading on the TSX Venture Exchange under the symbol AUZ.

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