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**For Immediate Release
Calgary, Alberta**

September 10, 2007

TSX Venture Exchange - Symbol "AUZ"

AUSAM ANNOUNCES CLOSE OF SECURITIES ISSUANCE

CALGARY, September 10, 2007 - Ausam Energy Corporation ("Ausam" or the "Company") is pleased to announce that it has closed a private placement financing consisting of 1,256,852 units ("Units") at a price of US\$0.54 (C\$0.57) per Unit, each Unit consisting 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 "Unit Warrant"), each whole Unit Warrant entitling the holder thereof to purchase one Common Share at a price of C\$0.65 for a period of 24 months from the date of issuance, for aggregate gross proceeds of US\$678,700.

These funds represent the remainder of the funds raised in connection with the acquisition of assets from SKH Management L.P. and certain of its affiliates that closed February 9, 2007 (the "Acquisition"). For various reasons these funds were not included in the prior financing and were held in escrow pending completion of the debt financing with The Huff Energy Fund that closed July 5, 2007.

The TSX Venture Exchange (the "TSXV") has conditionally approved the listing of the Common Shares and the common shares issuable upon exercise of the Unit Warrants, subject to receipt of certain final materials. The Company will issue a further press release at the time of issuance of the TSXV bulletin.

The Company also issued 588,235 Common Shares to William M. Hitchcock, a director of the Company, as payment of an acquisition fee relating to the Acquisition, as previously disclosed in the Company's Information Circular dated November 28, 2006.

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 a public company engaged in the business of oil and gas exploration and development. Ausam, through its U.S. subsidiary Noram Resources, Inc, has 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 active in Queensland, Victoria and Western Australia. Ausam's growth strategy includes the organic development of its current holdings and selective corporate transactions. The Company trades under the symbol "AUZ" on the TSX Venture Exchange.

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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 of 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.