

AUSAM ENERGY CORPORATION

For Immediate Release
Calgary, Alberta

April 19, 2005
Common Shares Outstanding: 38,506,835
(TSX Venture Exchange – symbol “AUZ”)

AUSAM ANNOUNCES SUCCESSFUL FIRST STAGE OF NAMARAH-7 WELL

CALGARY, ALBERTA, Tuesday April 19, 2005: Ausam Energy Corporation (“Ausam” or the “Company”) is pleased to announce the completion of the first stage of drilling of the Namarah-7 well, the first well in its 2005 drilling program in the Surat/Bowen Basin of Queensland, Australia.

Up-hole section completed

The up-hole section was logged and cased on April 17, 2005, on time, on budget and on target. Drilling commenced on the up-hole section of the Namarah-7 development well on April 8, 2005. The well was conventionally drilled to its target depth of 2,115 metres. A coiled tubing unit will be used to drill underbalanced into the Triassic Showgrounds and Rewan reservoirs of the well.

Namarah-7 is the first well in Ausam’s previously announced 2005 drilling program and is the first of a series of development wells to be drilled in PL71 licence in Queensland, Australia. The PL 71 licence, which contains the producing Parknook and Namarah fields, is a 33,112 acre (52 section) permit located in the Surat Basin of Queensland, Australia.

The drilling rig is now relocating to drill the Parknook-7 gas development well in PL 71. Immediately thereafter, the Ungabilla -1 exploration/commitment well in ATP 754P will be drilled. The Ungabilla well will be drilled conventionally to test initially the Tinowon sands.

The up-hole section of the Parknook-7 gas development well will also be conventionally drilled and a coiled tubing unit will also be used to drill underbalanced into the Triassic Showgrounds and Rewan reservoirs of the well. Results from both wells are expected by the end of May 2005, with results from the coiled tubing completion to follow in late June 2005.

About Ausam

Ausam is a public company trading on the TSX Venture Exchange under the symbol AUZ. Ausam, through its Australian subsidiary Ausam Resources Limited (“ARL”), is engaged in the business of oil and natural gas development and exploration in Queensland, Victoria and Western Australia. Since 1999, ARL has identified, assessed and acquired acreage on prospects onshore Australia. Ausam presently owns interests on its approximately 3.6 million gross (2.3 million net) acres of exploration lands onshore Australia.

Unless otherwise indicated, all financial information is provided in Canadian dollars.

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