

# AUSAM ENERGY CORPORATION

**For Immediate Release**  
**Calgary, Alberta**  
**(TSX Venture Exchange - symbol "AUZ")**

**November 8, 2005**  
**Common Shares Outstanding: 50,175,451**

## AUSAM ENERGY ANNOUNCES UPDATE ON ACTIVITIES

CALGARY, ALBERTA, Tuesday, November 8, 2005: Ausam Energy Corporation ("Ausam" or the "Company") is pleased to provide an update on its drilling activities in the Surat/Bowen Basin in Queensland, Australia.

### **Namarah-7 and Parknook-7 Wells (PL 71)**

The Coil Tubing Unit (CTU), support equipment and personnel are staged to return to Namarah-7 and then Parknook-7 now that the locally based CTU has been serviced and repaired. The underbalanced re-entry at Namarah-7 will begin as soon as the CTU can be moved to location. The delay is due to the record rainfall in the Surat area during the last month, restricting the movement of heavy equipment in the Roma, Queensland area. Ground conditions are expected to improve prior to 30 November 2005, which will allow the PL 71 joint venture to re-enter Namarah-7 and drill the primary objective, the Basal Rewan Sandstone, underbalanced.

Ausam and its joint venture partners, Origin Energy CSG Limited ("Origin") and Santos QNT Pty Ltd, initially re-entered the Namarah-7 development well using a CTU to drill the objective sections underbalanced. Once the shallow secondary objectives were penetrated underbalanced, an open hole flow test was conducted. The well flowed gas to surface at 0.25 MMscf/d at 24-26psi on a 1/2 inch choke from the Showgrounds sandstone and gas flow increased to 0.60 MMscf/d on a 1/2 inch choke once the Rewan sandstone was drilled. The primary reservoir, the Basal Rewan, remains to be drilled.

Following the completion of underbalanced drilling at Namarah-7, the CTU will move to the Parknook-7 well and drill the three objective sections underbalanced. Both wells are located in PL 71, a production license that is 33,000 acres (52 sections) and is operated by Origin. Ausam has earned a 20% interest in PL 71 and can earn an additional 10% interest in the permit by spending an additional A\$1.5 million through the drilling, completion, and connection of additional wells.

### **About Ausam**

Ausam is a public company trading on the TSX Venture Exchange under the symbol AUZ. Ausam, through its Australian subsidiary Ausam Resources Pty Ltd ("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's growth strategy includes the organic development of its current holdings and selective corporate transactions. Ausam presently has permit interests over approximately 3.4 million gross (2.1 million net) acres of exploration lands onshore Australia.

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