



NEWS RELEASE

**AMERICAN EXPLORATION CORP. ENTERS AGREEMENT TO ACQUIRE
5000 ACRE LEASE IN JEFFERSON COUNTY, MISSISSIPPI**

Calgary, Alberta – Aug. 20, 2009 – PR NEWswire/FIRSTCALL – American Exploration Corp., a Nevada company (“the Company”), symbol AEXP – OTC BB, has signed a Letter Agreement to acquire 5000 net acres in Jefferson County, Mississippi in order to drill and evaluate the potential Haynesville Shale gas formation in the region.

Under the terms of the Letter Agreement, American Exploration Corp. will acquire 100% Working Interest and 75% Net Revenue Interest on all gas formations within the 5000 net acres (“the leases”), which are located in southwestern Mississippi within the Mississippi Interior Salt Basin.

A number of USGS and US Department of Energy resource assessments have been commissioned over this area over the last decade. All report the deep gas potential of the area, pointing to the Upper Jurassic as a favorable exploration target. According to public records, no wells have drilled and tested the Haynesville Shale in the target region to date.

Company President Steve Harding states, “Having undertaken an extensive technical review of this prospect that is now complete, we are confident about the enormous upside potential of this acquisition. American Exploration plans to make it our leading exploration focus and a model for our operations going forward.”

About American Exploration Corp.

American Exploration Corp. is engaged in the exploration and development of oil and gas prospects with the potential for discovery of new or unconventional hydrocarbon resources in the continental United States.

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