AWE LIMITED

EUROZ CONFERENCE PRESENTATION

15 March 2017

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CEO and Managing Director

Disclaimer

This presentation may contain forward looking statements that are subject to risk factors associated with the oil and gas businesses. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including but not limited to: price fluctuations, actual demand, currency fluctuations, drilling and production results, reserve estimates, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory developments, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimates.

This presentation may also contain non-IFRS measures that are unaudited but are derived from and reconciled to the audited accounts. All references to dollars, cents or $ in this presentation are to Australian currency, unless otherwise stated.

Agenda

1. Overview

2. Project Updates

3. Looking to the Future

Company overview

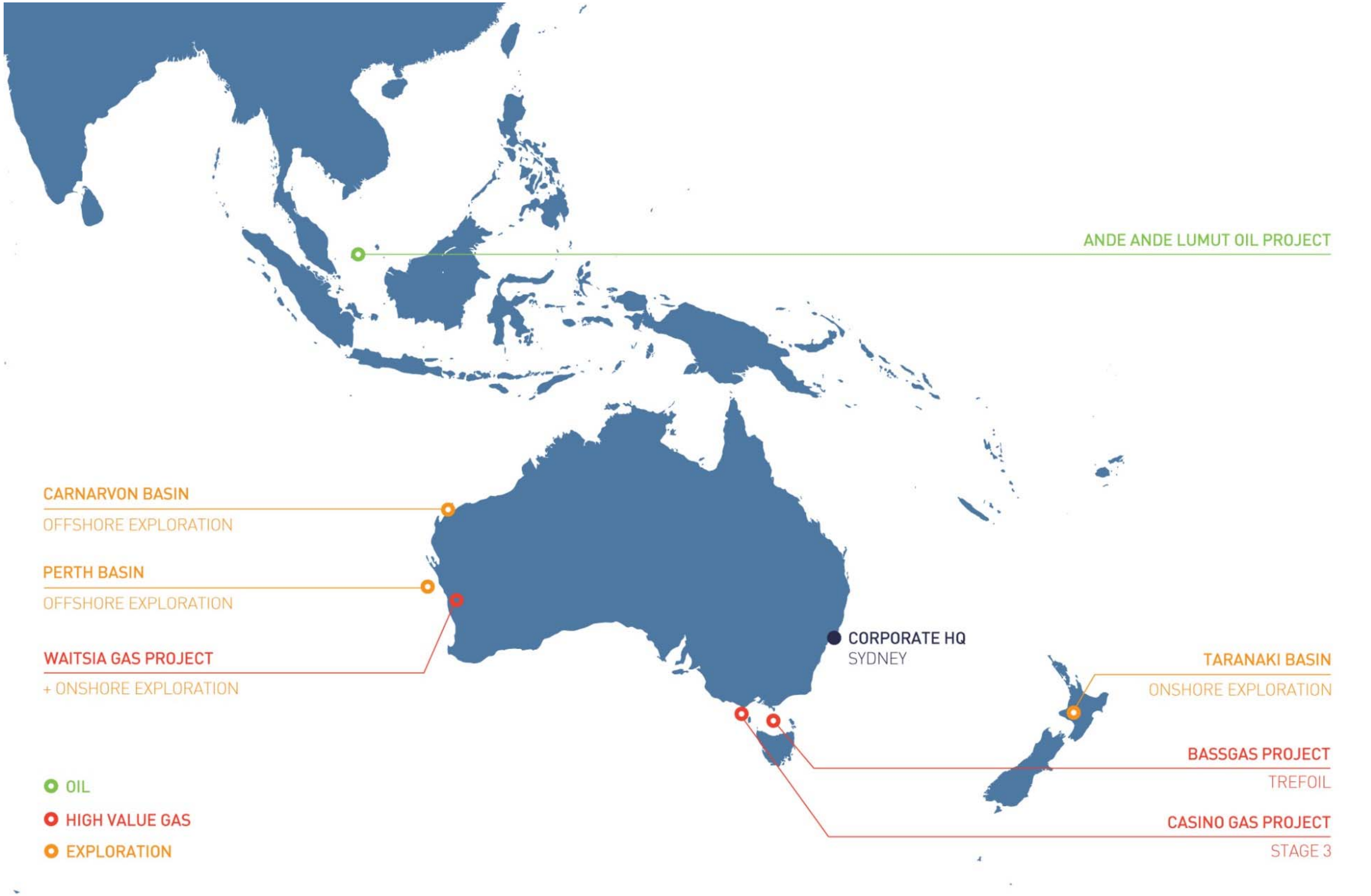
AWE is an Australian energy company focused on upstream oil and gas opportunities in Australia, New Zealand and Indonesia.

- Established in 1997 and ASX listed
- Offshore and onshore operating capability
- Experienced Board and Management
- Three main production assets:
  - BassGas Project (Bass Basin)
  - Casino Gas Project (Otway Basin)
  - Waitsia Gas Project Stage 1A (Perth Basin)
- Sound balance sheet underpinned by cash of $23m and undrawn facilities of $257m at 31 Dec 2016
- 2P Reserves of 69.6 mmboe and 2C Contingent Resources of 102.5 mmboe provides significant organic growth opportunities

Metric	
Shares on Issue	528,156,857
Market Cap[1]	$264m
Daily Average Volume	1.8m
52 Week High	$0.95
52 Week Low	$0.47
Index	ASX 300
Sector	E&P
Shareholders	>18,000
- Domestic	~ 89% of IC[2]
- Institutional	~ 64% of IC[2]
Net Debt	$20m
Head Office	Sydney

1. At $0.50/share
2. Issued Capital

Focused on regional opportunities



Portfolio of quality production, development and exploration assets

AWE today

Reshaped and refocused

- Non-core assets divested, organisation restructured, streamlined and simplified
- Balance sheet strengthened, low debt, minimal commitments and significantly reduced liabilities
- Excellent position in the onshore Perth Basin across multiple permits

Near term focus on gas assets with low volatility

- Contracting gas into high value domestic markets with strong demand and pricing growth potential
- Well positioned to leverage any future oil price increase with AAL

New management team focused on clear priorities

- Sell uncontracted gas at substantially higher prices
- Further de-risk and deliver high value Waitsia and AAL projects
- Unlock further onshore Perth Basin potential
- Maintain flexible balance sheet with funding optionality
- Identify potential acquisitions that add value and production

AWE well positioned to move forward into growth phase

Experienced management team

David Biggs, CEO and Managing Director
Commenced in May 2016

Ian Bucknell, Chief Financial Officer
Commenced in July 2016

Andy Furniss, GM Exploration and Geoscience
Appointed in January 2016

Suzanne Hunt, GM WA Assets and Engineering
Appointed in August 2016

Neville Kelly, Company Secretary and GM Corporate Services
Commenced in July 1997

Management team focused on delivering growth

AWE's clear vision

To more than double production by FY21 and become a leading Australian mid-cap E&P company by:

- Maximising production and revenue growth from current gas assets
- Delivering high value gas and oil development projects (Waitsia, AAL, Trefoil and Casino Stage 3) from current portfolio of 2P Reserves and 2C Contingent Resources
- Adding value-accretive production and reserves through acquisition
- Increasing focus on high potential exploration assets embedded in our existing portfolio
- Creating shareholder value by delivering improved production, revenue, cash flow and profitability
- Enhancing and extending our Operating capability
- Maintaining our focus on safety, asset integrity, community and the environment

AWE is focused on transitioning to new, high value growth assets

AWE's clear goals

Indicator	FY17 estimates	FY21 goals
Production	2.7 - 2.8 mmboe	**~6-10 mmboe**
Gas:Liquids ratio	~70:30	**~60:40**
Revenue	$100-$110 million	**$400-$650 million**
2P Reserves	69 mmboe	**>110 mmboe**
Market cap	$270 million	**>$750 million**
Dividend	No Dividend	**Dividend**
Index	ASX300	**ASX200**

Goals determined with reference to current company modelling and strategy. Includes Waitsia Stage 2 and AAL development at 25% equity post FID. Goals are aspirational and are not formal company forecasts.

AWE aiming to more than double production by FY21

HY17 financial performance

	Unit	HY17
Total Production[1]	mmboe	1.52
Sales Revenue	$m	54.2
Field EBITDAX[1]	$m	19.3
Statutory net loss after tax[1]	$m	12.5
Underlying net loss after tax[1]	$m	11.5
Net debt	$m	20.0
Development expenditure	$m	24.4
Exploration expenditure	$m	1.7

1. Comprising Continued & Discontinued Operations.

Improved performance, in line with guidance

HY17 operational highlights

Rapidly de-risking Waitsia

- First gas from Waitsia Stage 1A achieved on time and under budget
- Stage 1A wells performing better than pre-production expectations
- External review of Waitsia 2P reserves (announced 20.9.16) is 34% above AWE's current estimate
- JV approves budget for two appraisal wells to be drilled in Apr-Jun 2017
- Waitsia Stage 2 enters Pre-FEED; gas marketing making good progress (first gas sales term sheet signed in February 2017)

AAL evolving with G-Sand appraisal

- AAL G-Sand appraisal well completed ahead of time and under budget
- Significant improvement in oil quality confirmed, anticipate Brent +/- pricing
- Better than expected reservoir quality in K sand (comparable to some of the best reservoirs in Bass Strait)
- G sand discovery confirmed

Maximise value of existing assets

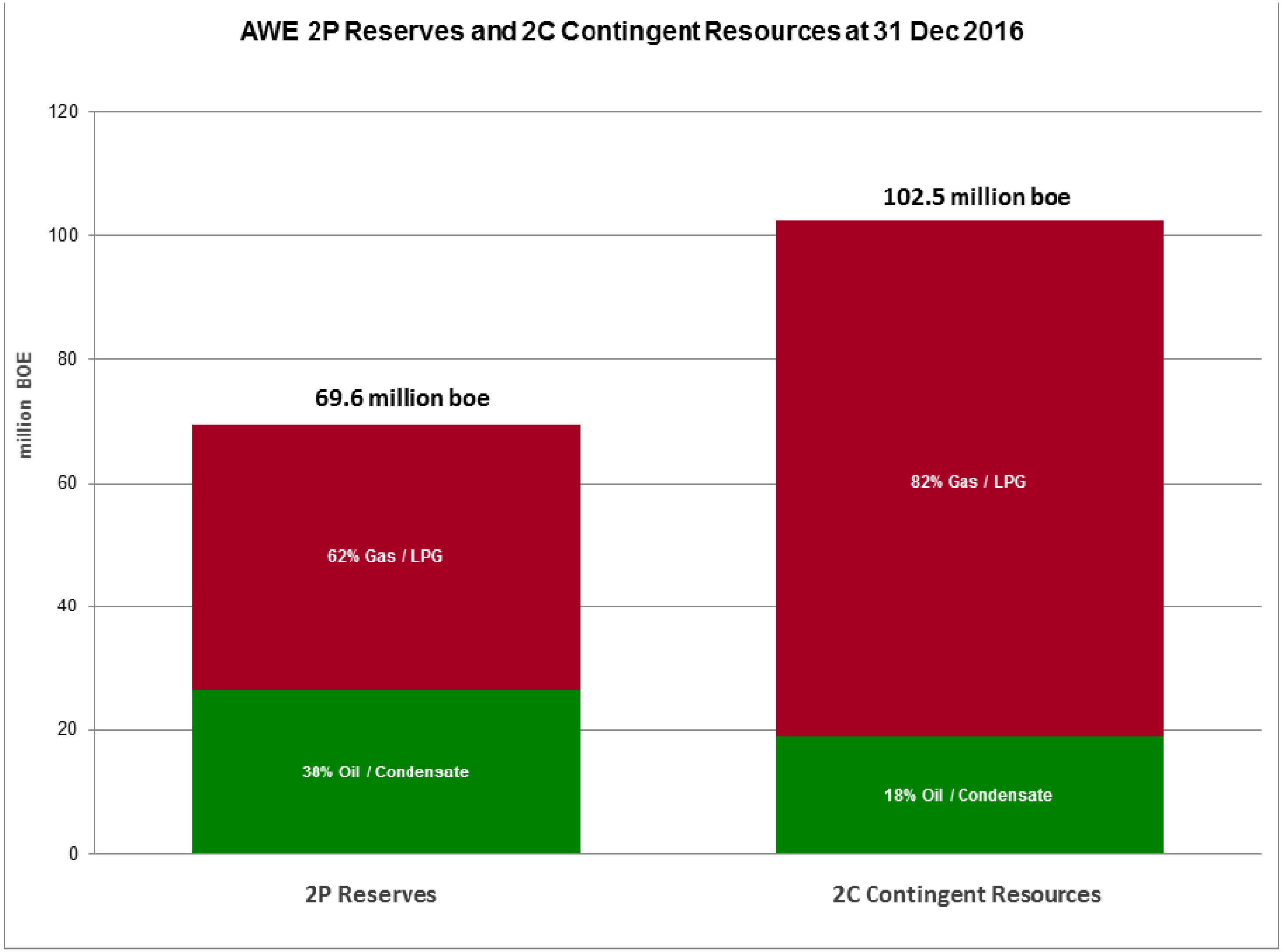
- BassGas MLE project nearing completion, commissioning compression module

Exited late life assets

- Sale of Tui Area Oil Project, offshore New Zealand, concludes divestment program

Continued good safety performance - no Lost Time Injuries recorded during the period

Reserves and resources

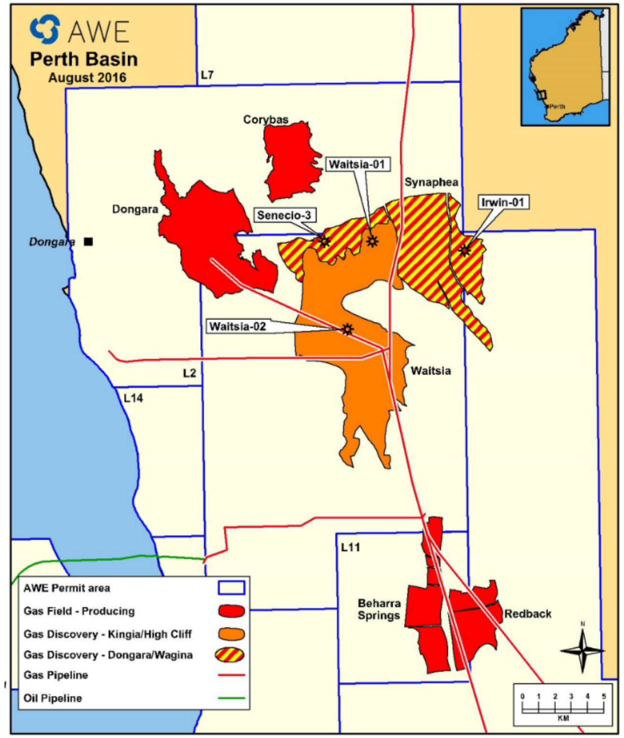


Portfolio of valuable 2P and 2C assets remains strong

Project Updates

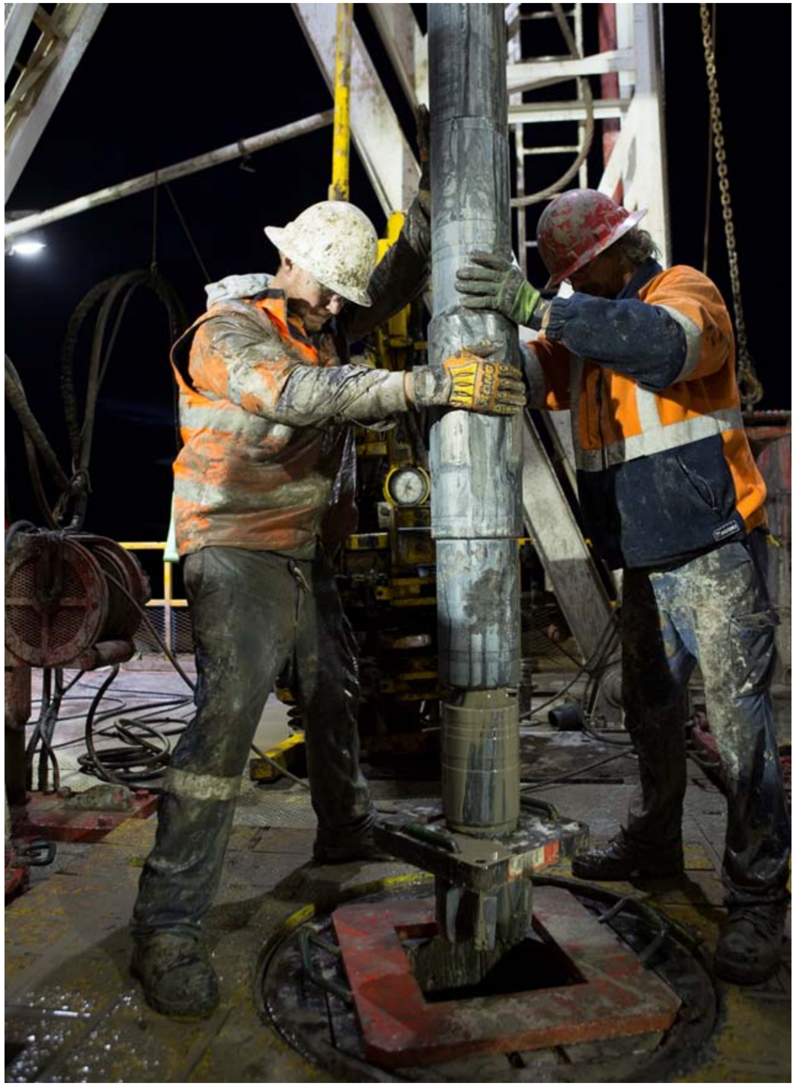
Waitsia Stage 1A exceeds expectations

- First gas achieved on time and under budget in August 2016
- Stage 1A comprises 2 wells in extended production test – Senecio-3 and Waitsia-1
- Preliminary well performance has exceeded pre-production expectations
- Confirmed high quality conventional reservoir system with excellent connectivity from:
  - Kingia Sandstone (produced from Senecio-3), and
  - High Cliff Sandstone (produced from Waitsia-1)
- Stage 1A supplies a MDQ of 9.6 TJ/d under a 2.5 year take or pay agreement with Alinta
- Opportunity to continue Stage 1A production in parallel with Stage 2, with potential to expand



Production data from Stage 1A will aid Stage 2 development

Waitsia Stage 2 growing in value



- JV approves 2017 work program and budget
  - Waitsia-3 and 4 appraisal wells planned to be drilled from April to June 2017
- Independent review of Waitsia 2P reserves[1] is 34% higher than AWE's current estimate
  - Certifies capacity to deliver 100 TJ/d for 10 years
  - Conventional reservoir structure
- Potential to upgrade Waitsia 2P Reserves
- Pre-FEED under way; targeting FEED start in June quarter
- Capital costs to be finalised post FEED
  - Relatively simple onshore plant, close to pipeline infrastructure
- AWE targeting FID in late 2017
- Potential sale/IPO of Origin upstream assets having a positive impact

1. Announced 20 September 2016

Waitsia work program designed to further de-risk project and add substantial value

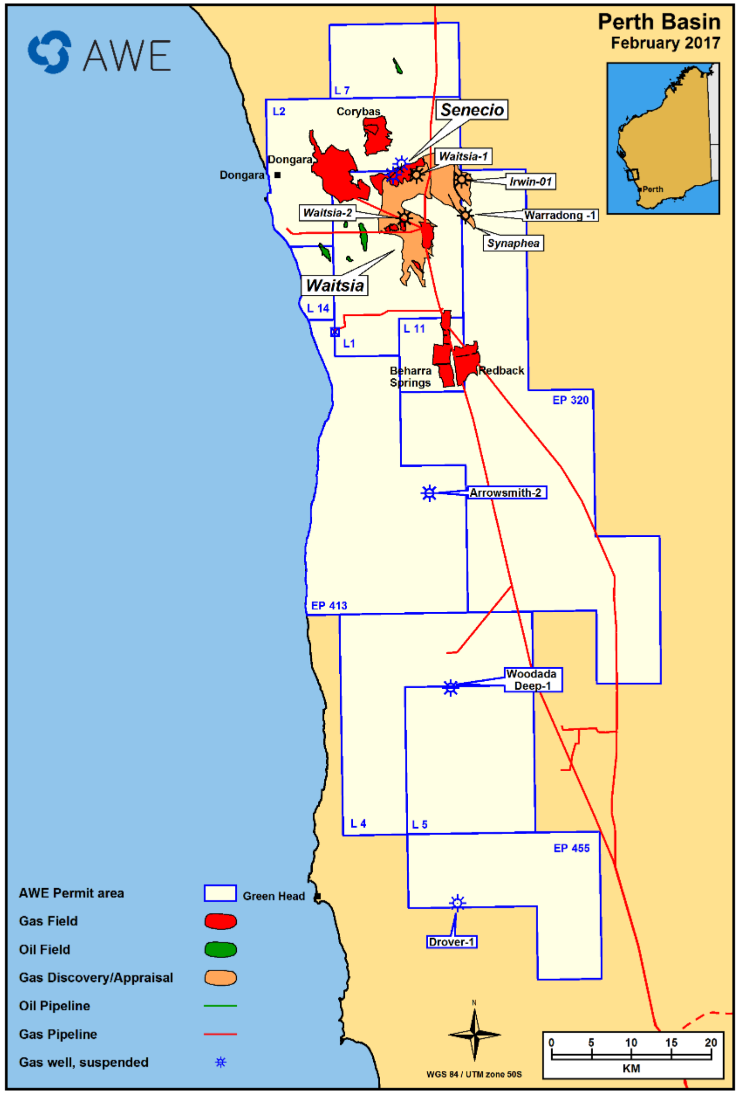
Waitsia gas marketing – strong demand

- Aiming to contract substantial gas volumes in 2017 ahead of FID
- Tender process completed in 2016 with positive feedback from potential customers
  - Waitsia gas increases competition, improves diversity and security of supply
- Bid volumes totalled more than double the JV's 2P Reserves
- First gas sales term sheet agreed
  - Gas sales term sheet for 15 TJ/d agreed with AGL in February 2017
  - Negotiating gas sale arrangements with other potential customers
  - Targeting Gas Sales Agreements by mid year

Market and price range for Waitsia gas established

Waitsia – exciting exploration potential

- Further development potential in Waitsia beyond Stage 2
- Potential to increase production to 150 TJ/d from Stage 2 and existing facilities
- Largest exploration acreage position in the onshore Perth Basin
- Significant exploration potential at Kingia and HCSS horizons south of Waitsia
- Potential Beharra Deep well targeting significant Waitsia-like prospect adjacent to Beharra gas plant

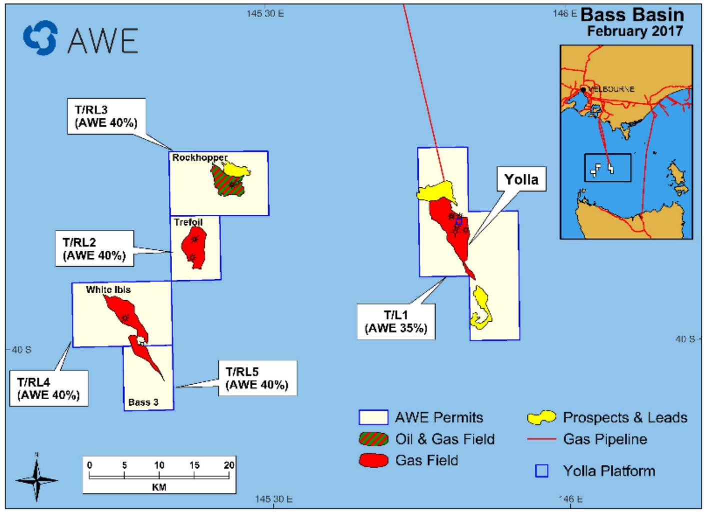


The onshore Perth Basin is AWE's cornerstone asset

BassGas MLE nearing completion

AWE

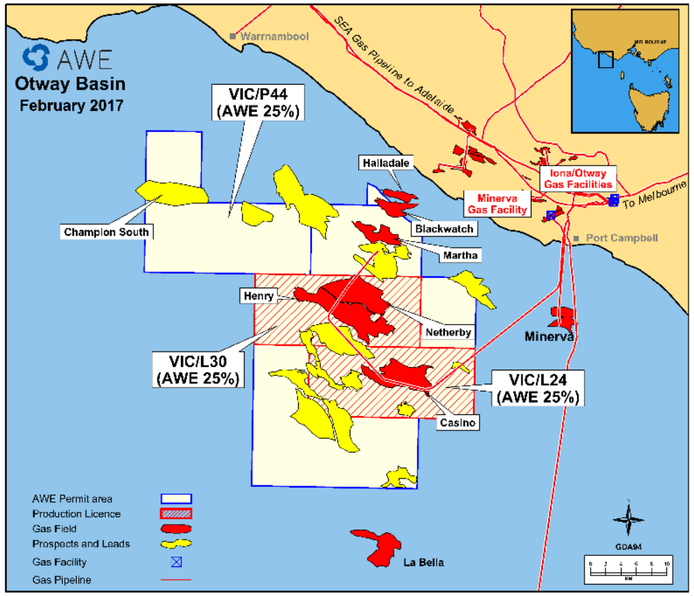
- Final stage of MLE project (compression) on track for completion in Q4 FY17
- Targeting gas production rates >60 TJ/d after start up - anticipate revenue uplift in FY18
- AWE building new reserves model based on better than forecast production
- Process to contract remaining reserves to commence in 2018 – expect to realise substantially higher prices
- Revenue step up from new gas contract pricing from 2019
- Operator is progressing development concept studies for the Trefoil Field



Opportunity to tie in Trefoil Field to BassGas infrastructure in future development case

Casino – assessing growth potential

AWE

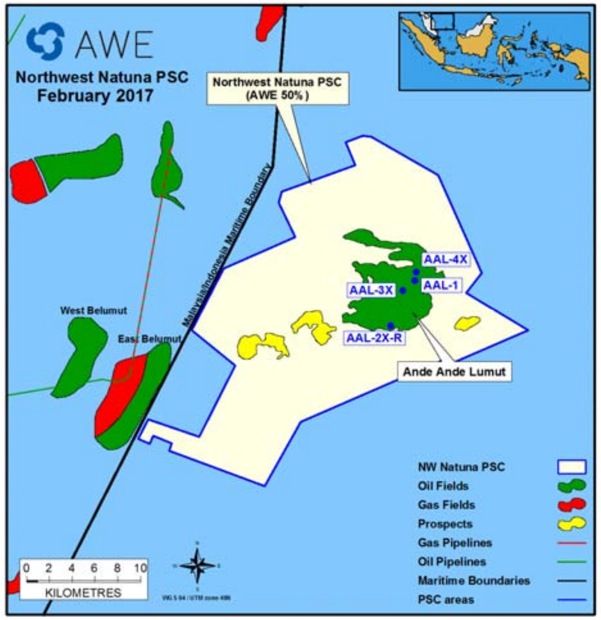


- Project transitioning from old Operator (Santos) to new Operator (Cooper Energy)
- Production to reduce to 40 TJ/d from March due to Operator of Iona processing facility increasing backpressure
- Process to contract remaining reserves to commence in 2017 – expect to realise substantially higher prices
- Revenue step up from new gas contract pricing from 2018
- Operator is progressing studies for Stage 3 development case (Henry-3 well)
- Joint Venture is also reviewing options for possible future exploration program

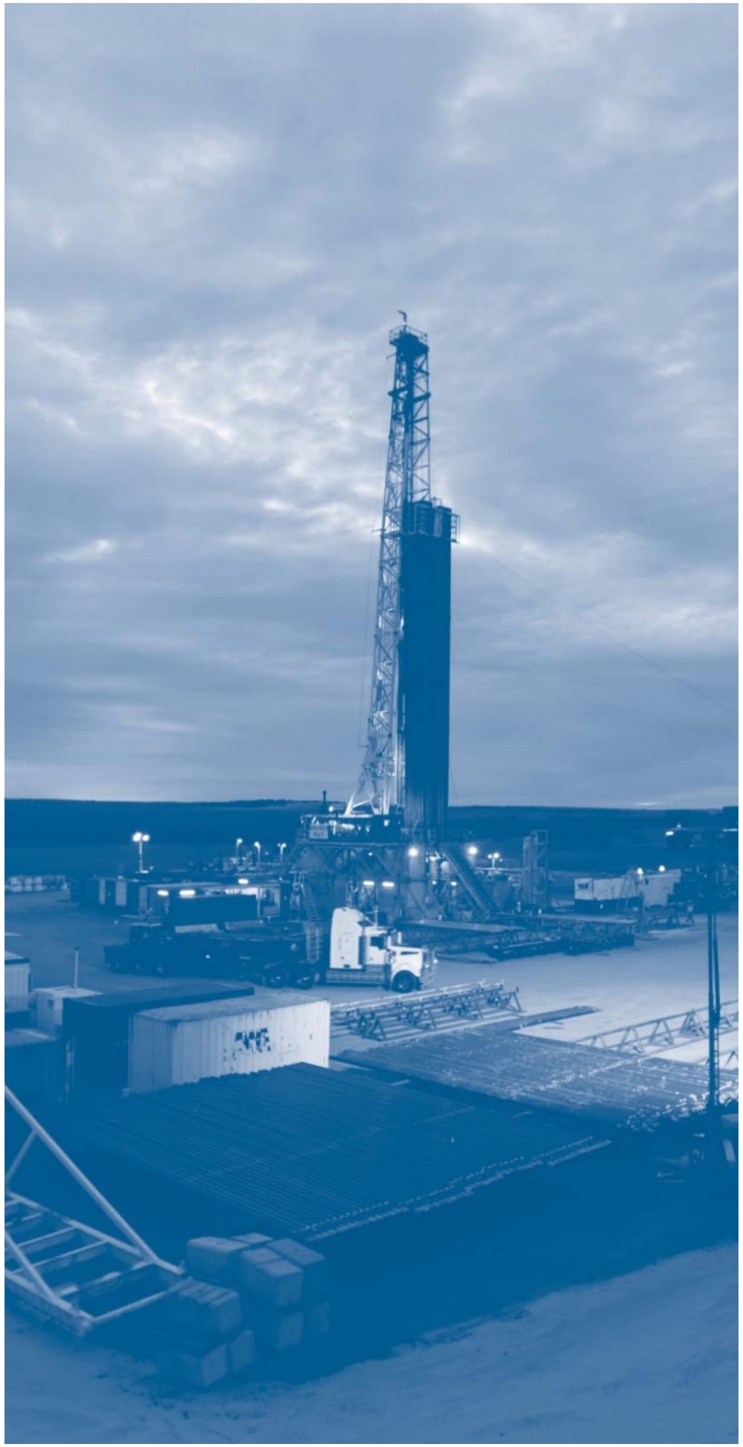
Casino well placed to leverage upside in East Coast gas prices

AAL – assessing G Sand potential

- AAL G Sand appraisal well (AAL-4XST1) completed ahead of time and under budget
  - Significant improvement in oil quality confirmed, anticipate Brent +/- pricing
  - Better than expected reservoir quality in K Sand
  - G Sand discovery confirmed
- Working G Sand well data to optimise field development and assess feasibility of co-mingled production of K Sand and G Sand oil
- Technical evaluation of FPSO and WHP tenders complete
  - Operator is preparing recommendations for Stage 2 commercial tenders
- Updating project economics to reflect better crude quality, improved oil prices, anticipated reduced FPSO, WHP and drilling costs

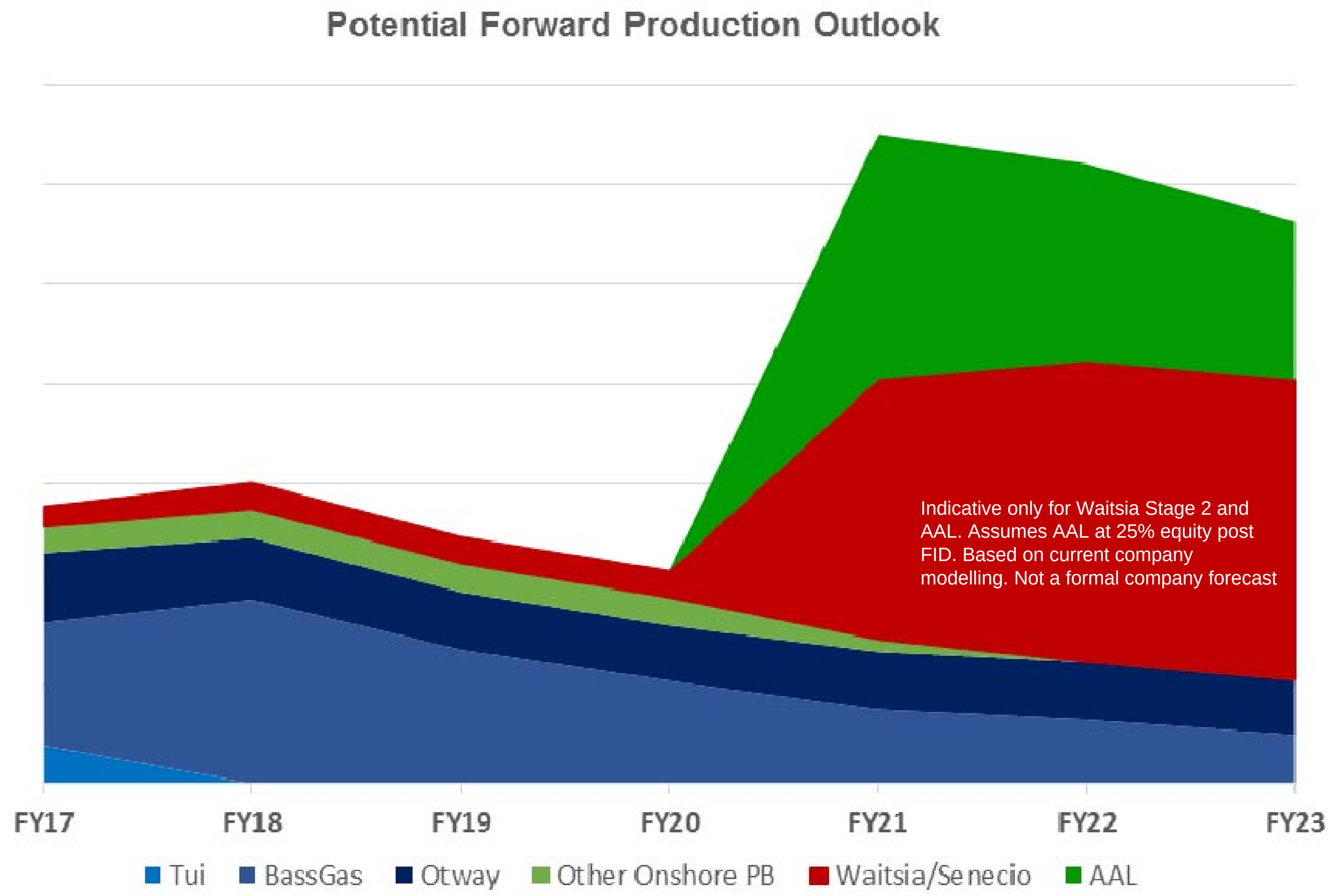


FID planned for end CY 2017; timing primarily dependent on oil price



Looking to the Future

Strong growth potential in place



Significant growth potential from high value development projects

Unlocking value in AWE

AWE

1 Maximise production and revenue growth from gas assets

- Waitsia Stage 1A
- BassGas compression
- Recontract Casino and BassGas to maximise high east coast gas prices

2 Deliver high value development projects

- Waitsia Stage 2 (onshore gas)
- Ande Ande Lumut (offshore oil)
- BassGas – Trefoil (offshore gas)
- Casino – Stage 3 (offshore gas)

3 Acquire value accretive production asset(s)

- Targeting oil and gas producing assets
- Value-accretive
- Current sphere of operations
- Prefer operatorship

AWE is focused on becoming a leading Australian mid-cap E&P company

Leveraging domestic gas markets

East coast gas market

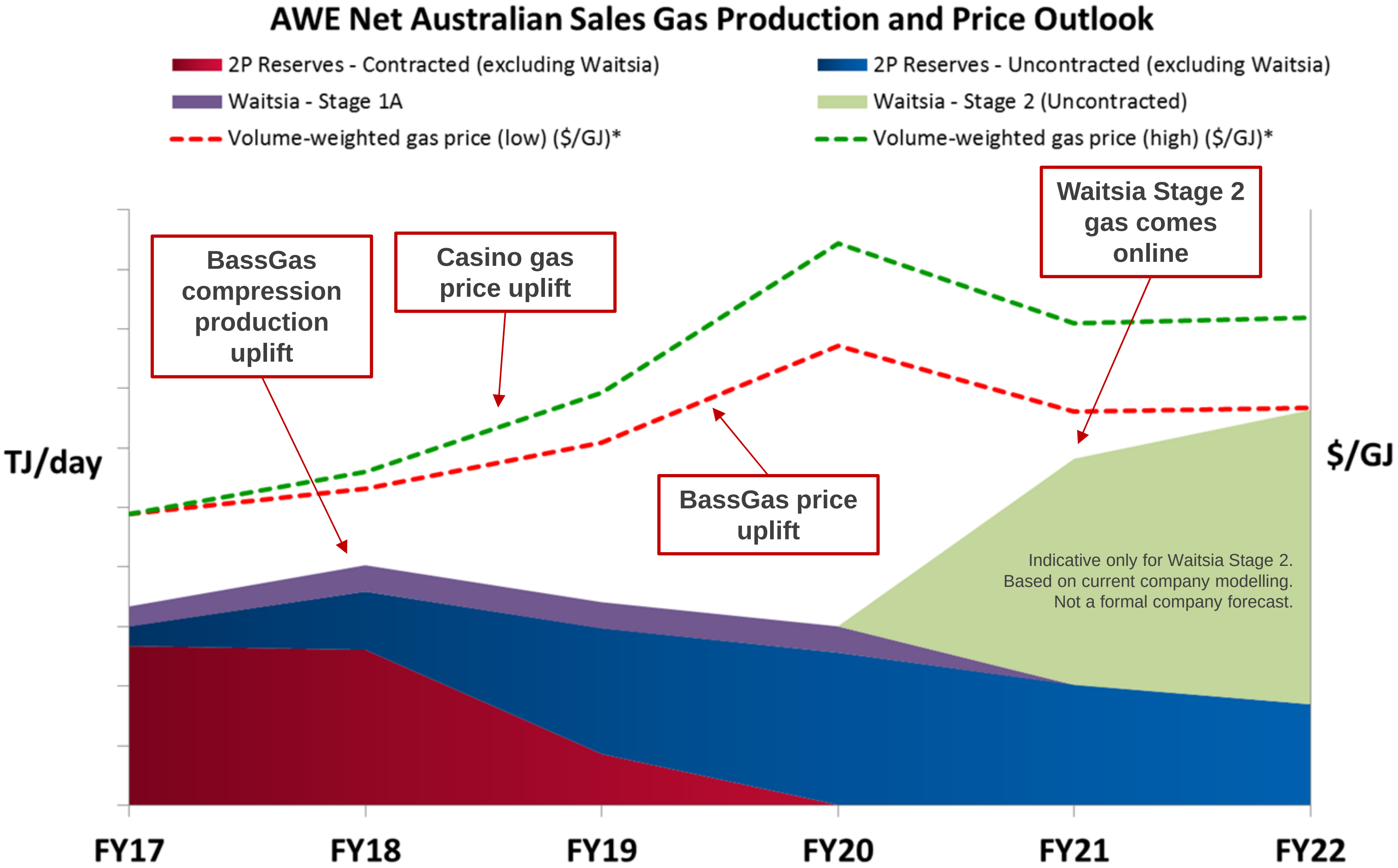
- **Market overview**
  - Energy supply issues across southern Australia contributing to forecast price increases
  - Industry demand for reliable domestic supply
  - Widespread view that some LNG producers are short gas
- **Opportunity**
  - Casino and BassGas to re-contract in 2018 and 2019 respectively
  - Anticipate significantly higher prices when re-contracting

West coast gas market

- **Market overview**
  - NW Shelf confirmed reduced supply to WA market
  - Temporary spot market oversupply to wane
  - Domestic demand resilient
  - Customers want diversity of producers and supply security
- **Opportunity**
  - Waitsia aligned with optimal customer re-contracting window over next 3-5 years
  - Anticipate significantly stronger pricing for term contracts

Excellent pricing potential in both major markets

Strengthening domestic gas markets



* Internal gas price scenarios incorporate blended indicative east and west coast gas price assumptions. Actual price assumptions not disclosed for reasons of commercial confidentiality

Potential to double contracted gas prices for east coast assets over next 2 - 3 years

The road ahead

AWE

CY 2017

- BassGas compression to increase production
- Drill Waitsia appraisal wells & review reserves
- Waitsia Stage 2 term sheets & gas contracts
- Recontract Casino gas production
- FID for Waitsia Stage 2 & AAL

CY 2018 - 2019

- Casino revenue step up in early 2018
- JV decision on Casino Henry development well
- Recontract BassGas production
- BassGas revenue step up in early 2019
- Concept select for Trefoil (Bass Basin)
- Waitsia Stage 2 & AAL in development

CY 2020 - 2021

- First gas from Waitsia Stage 2
- First oil from AAL
- Trefoil in development*
- Casino Stage 3 in development/production*

Increased exploration and acquisition evaluation

Waitsia Stage 1A → BassGas MLE 1C → Casino Stage 3 → Waitsia Stage 2 → AAL K-Sand → Trefoil (BassGas)

Current project order of delivery. Subject to change.
* Subject to FID and approvals.

Gas Project: Waitsia Stage 1A, BassGas MLE 1C, Casino Stage 3, Waitsia Stage 2, Trefoil (BassGas)
Oil Project: AAL K-Sand

Key milestones in 2017

Waitsia Gas Project Stage 2

- Finalise term sheets and gas contracts
- Targeting FEED start in June quarter
- Two appraisal wells planned for April – June 2017, followed by reserves review
- Targeting FID for Waitsia Stage 2 by the end of CY 2017

BassGas Project

- Final MLE stage (compression) to add production and revenue from mid-CY 2017
- Trefoil development studies continue

Casino Gas Project

- Progress Stage 3 development proposal (Henry-3)
- Gas Sales Agreements for uncontracted gas by end CY 2017

Ande Ande Lumut oil project

- Complete evaluation of G Sand appraisal well results
- Assess timing and approach for G Sand POD
- Complete tender process ahead of FID in late CY 2017

AWE will continue to push hard to realise potential from Operated and non-Operated assets

Well positioned to drive growth

AWE

Stronger balance sheet, low debt, minimal commitments and reduced liabilities

Maximising production from existing gas assets

- Waitsia Stage 1A, BassGas compression, Casino

Targeting revenue growth in domestic gas markets with higher pricing potential

- East Coast – Casino and BassGas recontracting
- West Coast – Waitsia Stage 2 new GSAs

Further de-risking new growth assets

- Waitsia Stage 2 (onshore conventional gas)
- Ande Ande Lumut (offshore oil)
- Trefoil, Casino Stage 3 (potential extensions to existing gas assets)

Increase focus on Perth Basin onshore exploration and appraisal

Targeting acquisition of additional production assets and increase reserves

AWE aiming to more than double production by FY21 and become a leading mid cap

Thank you

AWE

Appendix

Half Year 17 Results

HY17 financial performance - Total

		HY17 Operations		Total		
	Unit	*Continuing*	*Discontinued*	HY17	HY16	Change
Total Production	mmboe	*1.22*	*0.30*	**1.52**	2.87	(47%)
Sales Revenue[1]	$m	*34.6*	*19.6*	**54.2**	122.1	(56%)
Operating costs	$m	*20.4*	*14.5*	**34.9**	64.9	46%
Field EBITDAX	$m	*14.2*	*5.1*	**19.3**	57.2	(66%)
Asset impairments before tax	$m	-	-	**-**	236.8	>100%
Statutory net (loss) / profit after tax	$m	*(21.9)*	*9.4*	**(12.5)**	(273.9)	95%
Underlying net (loss) / profit after tax	$m	*(20.9)*	*9.4*	**(11.5)**	(62.9)	82%
Operating cash flow	$m			**3.7**	29.3	(87%)
Capital expenditure (Dev + Exp)	$m			**26.1**	87.1	70%
Average realised oil & condensate price[1]	A$/bbl			**61.18**	57.78	6%

- At 31 December 2016, AWE held cash of $23m, drawn debt of $43m, undrawn facilities totalling $257m

1. Includes realised hedge (losses) / gains

A half-year performance in line with guidance

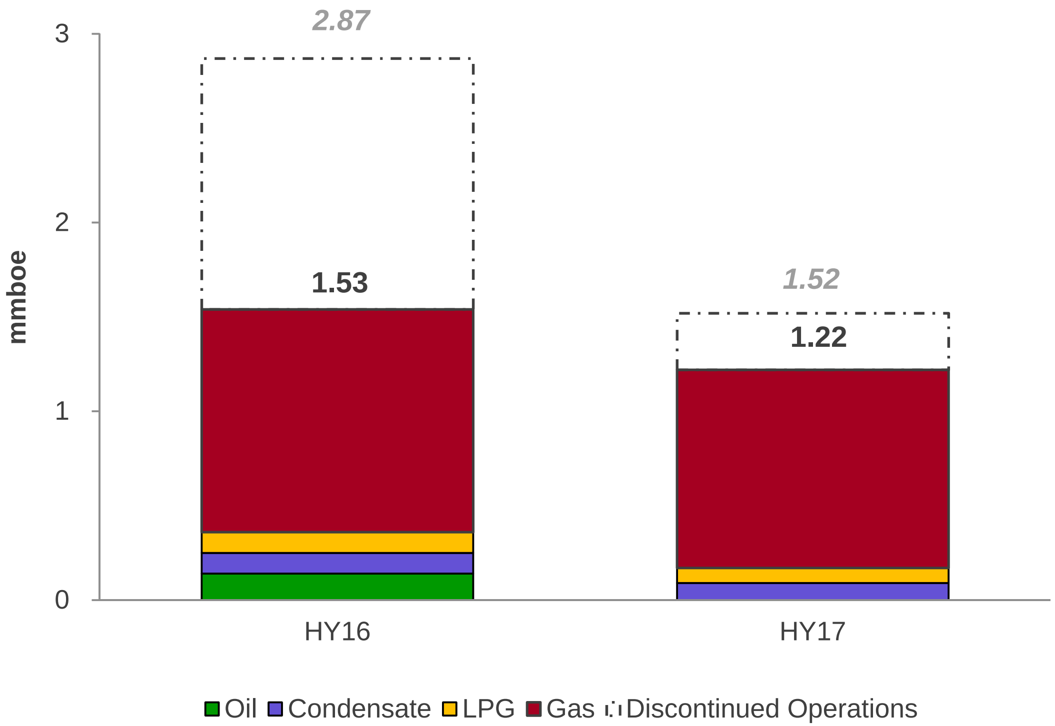
HY17 financial performance – Continuing Operations

		Continuing Operations		
	Unit	HY17	HY16	Change
Total Production	mmboe	**1.2**	1.5	(20%)
Sales Revenue[1]	$m	**34.6**	53.6	(36%)
Operating costs	$m	**20.4**	27.7	27%
Field EBITDAX	$m	**14.2**	25.9	(45%)
Asset impairments before tax	$m	**-**	182.8	>100%
Statutory net loss after tax	$m	**(21.9)**	(211.3)	90%
Capital expenditure (Dev + Exp)	$m	**26.1**	71.6	64%

1. Includes realised hedge (losses) / gains

A simplified asset base with reduced capital commitments

Total production



Continuing operations
Total Production

mmboe	HY17	HY16	Change
Gas	1.05	1.17	(11%)
LPG	0.08	0.11	(28%)
Condensate	0.09	0.11	(20%)
Oil*	-	0.14	(>100%)
TOTAL	**1.22**	**1.53**	**(20%)**

- Total production including Tui was 1.52 mmboe for HY17
- Production from continuing operations was 1.22 mmboe (down 20%) driven by:
  - Planned maintenance downtime (9%) - BassGas and Casino;
  - Sale of Cliff Head (9%). No production in HY17; and
  - Natural field declines (2%).
- Production from continuing operations increasingly gas weighted (HY17 86% gas v HY16 76% gas)

Note: Numbers may not add due to rounding
* Cliff Head sold 30 June 2016.

First half production of 1.52 mmboe

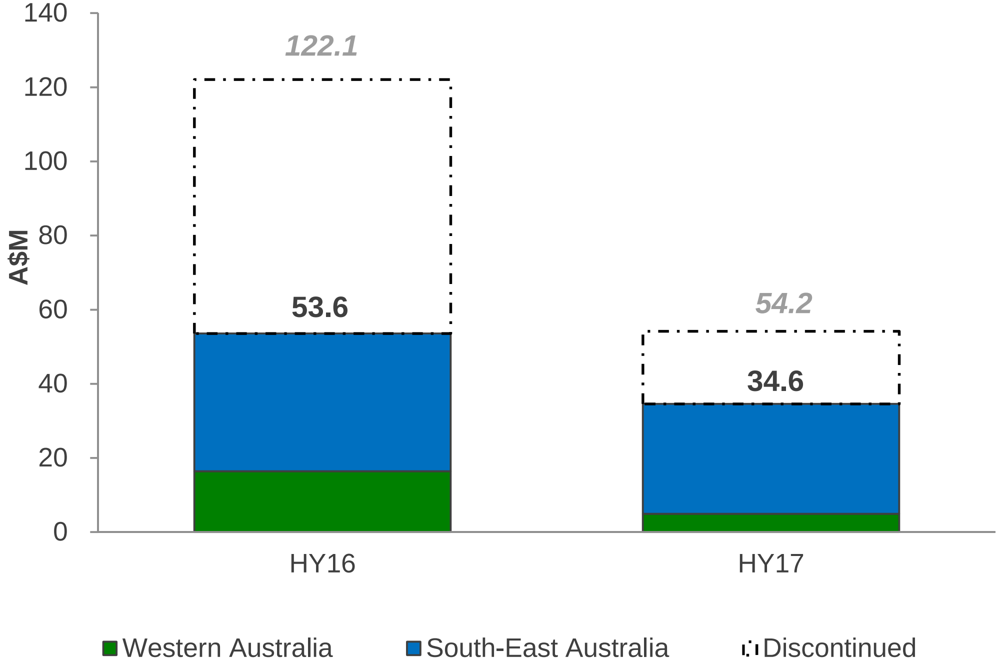
Production analysis – HY17

REGION AND ASSETS	HY17 Production	HY16 Adjusted	HY16 Actual
Australia	**‘000 BOE**	**‘000 BOE**	**‘000 BOE**
Bass Basin (BassGas)	610	756	756
Otway Basin (Casino)	370	431	431
Perth Basin (Waitsia, onshore*)	236	209	356
Taranaki Basin (Tui*)	297	447	447
Eagle Ford, Texas (Sugarloaf)	-	-	875
TOTAL (‘000 BOE)	**1,520**	**1,844**	**2,866**

* Denotes Operatorship (not all Perth Basin assets operated). Numbers may not add due to rounding. Production data for HY16 has been adjusted to exclude Sugarloaf (a discontinued operation) and Cliff Head (not classified as a discontinued operation, but divested on 30 June 2016) following their divestment. Both HY17 and HY16 include Tui production.

- HY17 production was down 47% compared to HY16 actual due to asset sales (Sugarloaf and Cliff Head) and natural field decline
- HY17 product mix was 69:31 gas to liquids, including contributions from discontinued operations

Sales revenue



Continuing Operations

Sales Revenue

$ million	**HY17**	**HY16**	**Change**
South-East Australia	29.7	37.2	(20%)
Western Australia	4.9	16.4	(70%)
TOTAL	**34.6**	**53.6**	**(36%)**

Total Sales Revenue of $54.2m down 56% - mainly due to asset sales

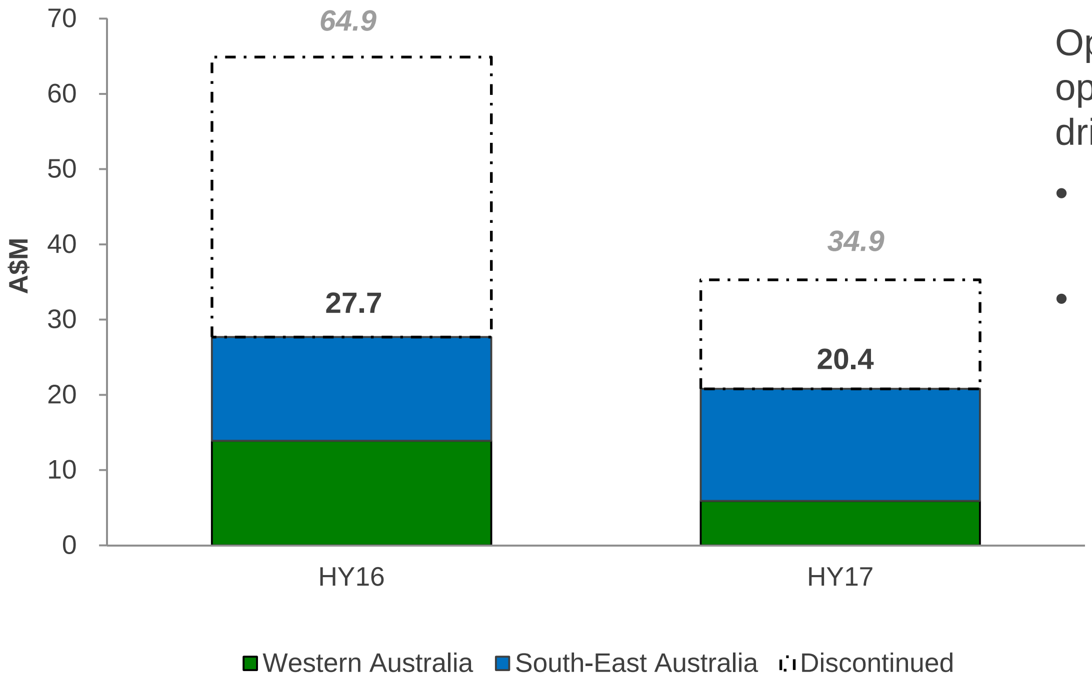
Continuing Operations sales revenue down 36% due to:

- 17% - Cliff Head sale
- 14% - Lower volumes across gas condensate and LPG in South-East Australia
- 5% - Reduced volumes at Beharra Springs partially offset by Waitsia Stage 1A

Note: Numbers may not add due to rounding
* Cliff Head sold 30 June 2016.

Sales revenue for the half-year of $54.2m

Operating costs



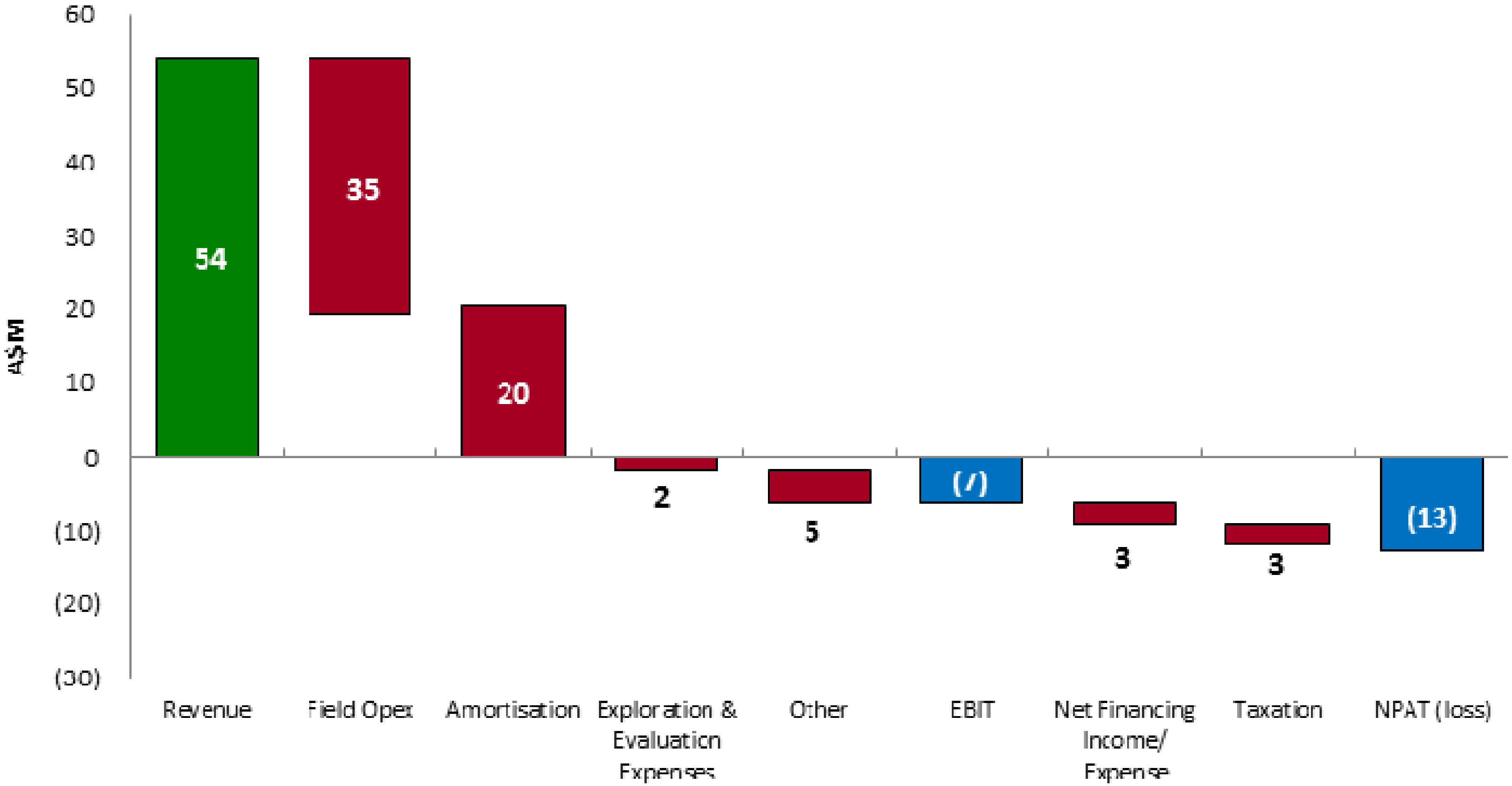
Total operating costs of $34.9m down 46%

Operating costs on continuing operations have fallen $7.3m to $20.4m driven by:

- The sale of Cliff Head - $8.3m of opex included in HY16 comparative
- Offset by a slight increase in South-East Australian opex due to planned BassGas and Casino plant shutdowns

Continuing business operating costs reduced

Earnings analysis



NPAT (loss) improves post asset sales, impairments and balance sheet repair

Half-year earnings breakdown

	HY17 $m	HY16 $m
Sales Revenue	54.2	122.1
Operating Costs	(34.9)	(64.9)
Amortisation	(20.4)	(63.7)
Exploration costs expensed	(1.5)	(16.8)
Asset impairments/reversals	-	(236.8)
Net financing	(2.9)	(5.8)
Net other	(4.5)	(7.6)
Loss before tax	**(10.0)**	**(273.5)**
Tax expense	(2.5)	(0.4)
Statutory net loss after tax	**(12.5)**	**(273.9)**

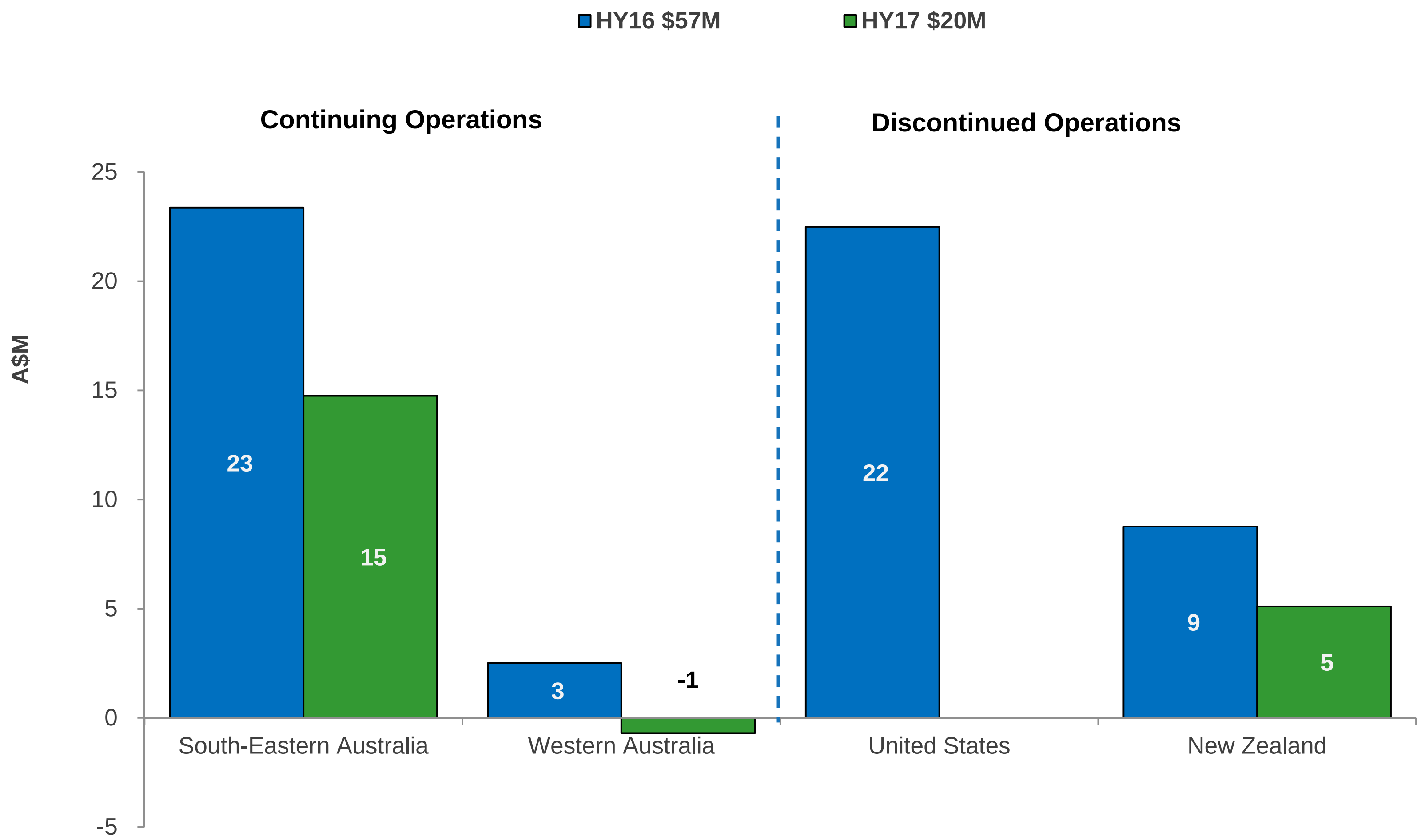
Underlying NPAT (Loss) reconciliation

Reconciliation of underlying NPAT (Loss)	HY17 $m	HY16 $m
Statutory Net Loss After Tax	**(12.5)**	**(273.9)**
Less non-recurring items (after tax):		
Impairment	-	191.3
Restructuring costs	1.0	5.0
Fair value adjustment on held for sale assets	-	-
De-recognition of tax losses and deferred tax assets	-	14.8
Total non-recurring items	**1.0**	**211.1**
Underlying NPAT (Loss)(1)	**(11.5)**	**(62.9)**

1. AWE's Financial Report complies with Australian Accounting Standards and International Financial Reporting Standards (IFRS). The underlying (non-IFRS) profit / (loss) is unaudited but is derived from the audited accounts by removing the impact of non-recurring items from the reported (IFRS) audited profit. AWE believes the non-IFRS profit / (loss) reflects a more meaningful measure of the consolidated entity's underlying performance.

Underlying net loss of $11.5m

Field EBITDAX

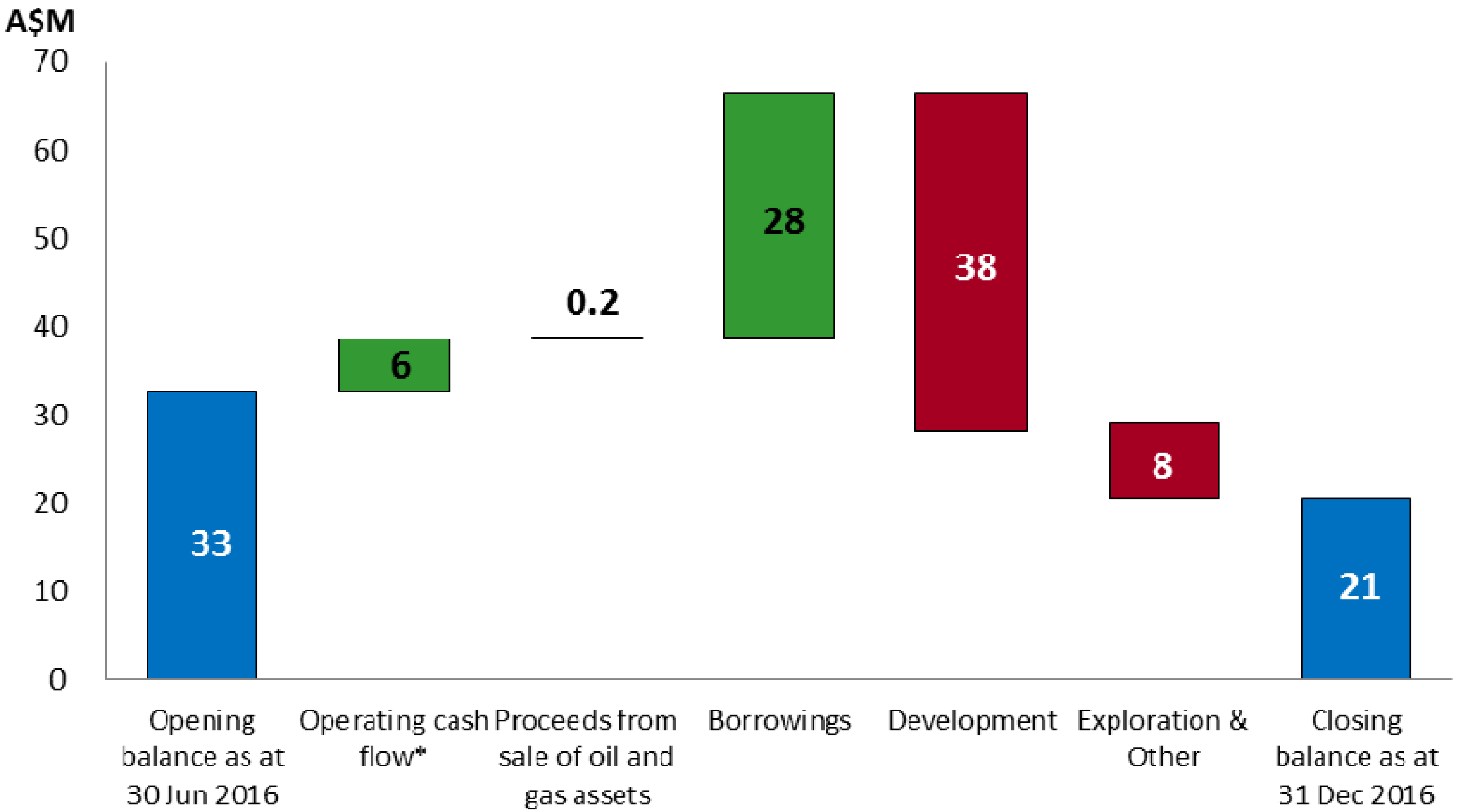


Field EBITDAX impacted by asset sales & lower revenue

HY17 - segmental reporting

$ millions	Total	New Zealand	South-East Australia	Western Australia	Exploration
Sales revenue	54.2	19.6	29.7	4.9	-
Production costs and royalties	(34.9)	(14.5)	(14.9)	(5.5)	-
Net field contribution	**19.3**	**5.1**	**14.8**	**(0.6)**	**-**
Amortisation	(20.4)	(4.0)	(14.4)	(2.0)	-
Exploration expenses	(1.5)	-	-	-	(1.5)
Segment Profit/(Loss)	**(2.6)**	**1.1**	**0.4**	**(2.5)**	**(1.5)**
Unallocated expenses	(7.4)				
Net loss before tax	**(10.0)**				

Cash flow analysis



*Cash flow from operating activities excludes exploration expenditure.

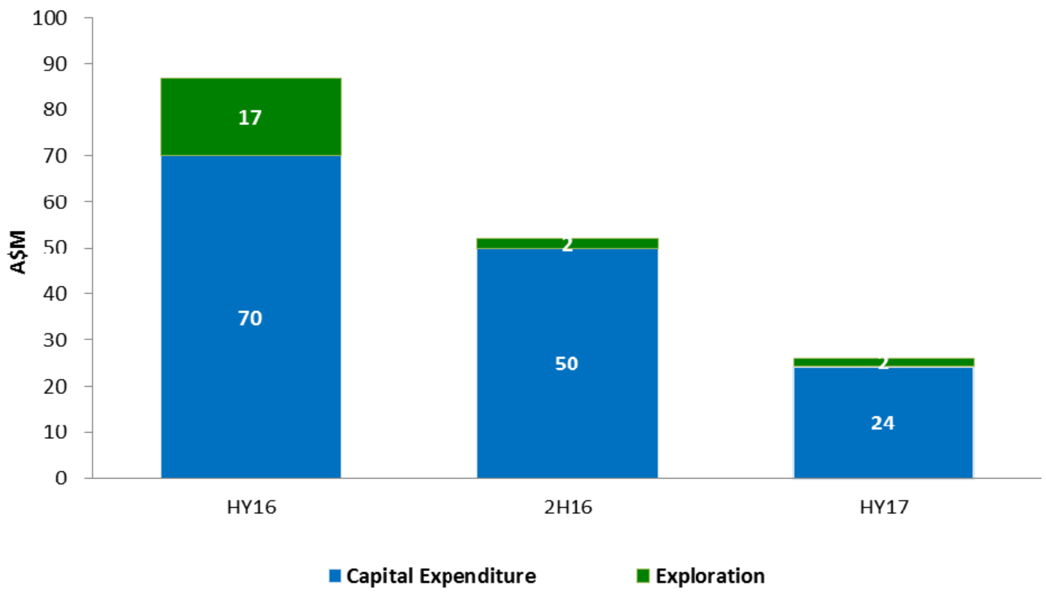
Cash flow invested in development projects

Half-year cash flow analysis

	HY17 $m	HY16 $m
Opening cash	**32.6**	**46.6**
Net cash flow from operations*	3.7	29.3
Development spending	(38.3)	(99.9)
Proceeds/repayment of borrowings	27.7	54.6
Other	(4.7)	(0.4)
Closing cash	**20.9**	**30.1**
* includes exploration and evaluation costs	(2.0)	(15.0)

Numbers may not add due to rounding

Investment Analysis



Development Expenditure

$ million	HY17	HY16	change
S.E. Australia	9.6	34.6	(72%)
W. Australia	5.8	8.4	(31%)
New Zealand	-	(2.5)	>100%
USA	-	18.3	>100%
Indonesia	9.0	11.2	(20%)
TOTAL	24.4	70.0	(65%)

- AWE has successfully reduced capital expenditure over the past two years
- South East Australian development capex related to compression for the Mid Life Enhancement (MLE) project at Bass Gas
- Western Australia included the Waitsia stage 1A development costs, and Pre-FEED for stage 2
- Indonesia included the continuation of FEED activity
- Exploration activity continues to be minimal

Continuing reduced investment spend

Balance Sheet summary

Balance sheet item	Dec 2016 $m	Jun 2016 $m
Assets		
Cash and cash equivalents	20.9	32.6
Receivables and inventory	134.3	140.3
Exploration and evaluation assets	33.2	33.0
Oil and gas assets	378.8	375.7
Assets held for sale	58.7	24.1
Land and buildings	12.2	12.2
Other assets	1.9	2.5
Deferred tax assets	117.5	131.5
Liabilities		
Trade and other payables	37.1	57.2
Taxes payable/(refundable)	2.3	2.4
Loan facility drawdown	43.4	14.8
Provisions	147.1	218.5
Deferred tax liabilities	15.1	15.0
Liabilities associated with assets held for sale	81.8	3.8
Other liabilities	1.6	4.3
Net assets	**429.3**	**435.7**

Asset divestment program concluded

The divestment of non-core assets has concluded. Recent sales include:

- Sale of **Cliff Head oil project** (57.5% interest) – Mature oil asset offshore Western Australia for $3.2m. Closed on 30 June 2016.
- Sale of **Tui oil fields** (57.5% operating interest) – Mature oil assets with significant abandonment liabilities offshore New Zealand for US$1.5m. Completed on 28 February 2017 (announced 1 March 2017).
- Sale of **Lengo gas project** (42.5% interest) - Offshore Indonesian development project in Bulu PSC for up to A$27.5m. Completion expected by end of FY17.
- Exit from **North Madura PSC** (50% interest) – Exit from offshore Indonesian exploration PSC. Completion expected by end of FY17.
- AWE estimates these divestments have reduced the company's future decommissioning liabilities by $105m and significantly reduced future capex and exploration commitments.

Significant reduction in decommissioning costs and future capex

Tightened guidance for FY17

Key Indicator	Guidance FY17	Half-year Actual	Revised Guidance FY17
Production (million BOE)	2.7 – 3.0	1.5	2.7 – 2.8
Sales Revenue ($m)	100 – 120	54	100 – 110
Development Expenditure ($m)	50 – 60	24	50 – 60
Exploration Expenditure ($m)	5	2	5

- Revised Guidance range has tightened to reflect:
  - The assumed completion of the Tui oil field (imminent - loss of 4 months production and revenue);
  - 6 months of actual production data

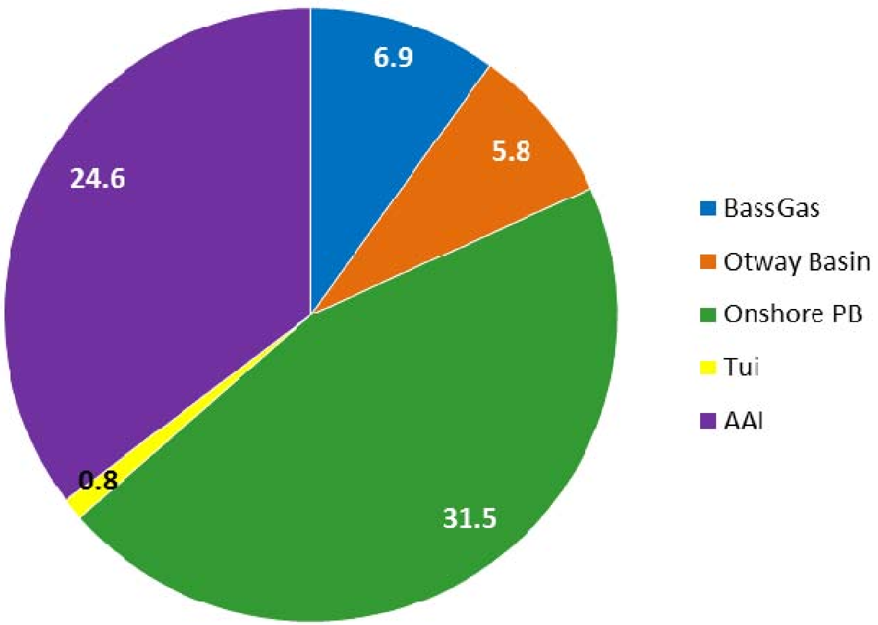
Original Guidance prepared using Brent Oil price of US$52 per barrel and A$/US$ of 74 cents

Revised Guidance prepared using Brent Oil price of US$57 per barrel to 30 June 2017 and A$/US$ exchange rate of 72 cents

Guidance revised to incorporate Tui sale completion

AWE 2P Reserves as at 31 December 2016

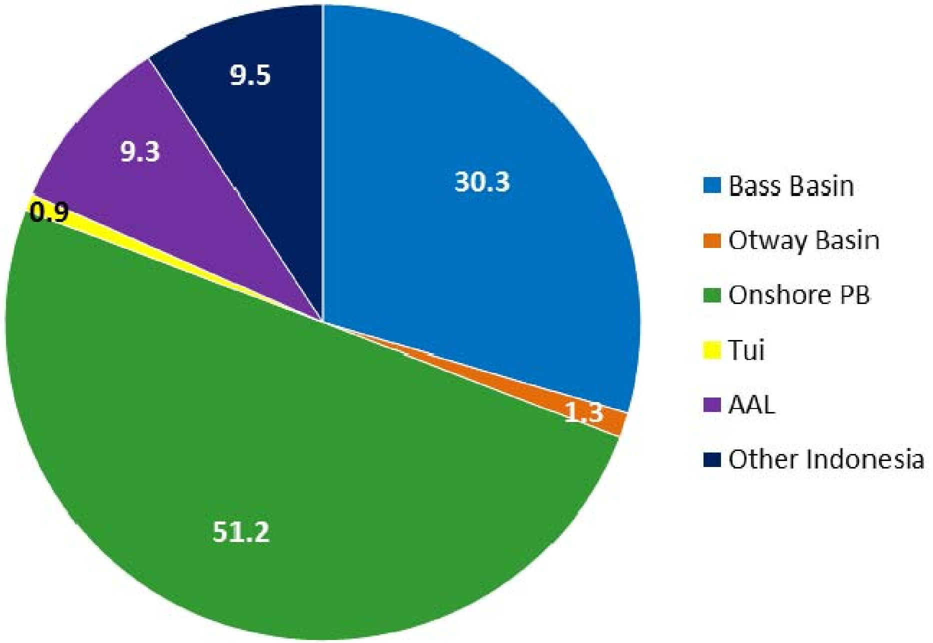
Project/Area	Equity	2P Reserves (million boe)
BassGas	35%	6.9
Otway Basin	25%	5.8
Onshore PB	33-100%	31.5
Tui	57.5%*	0.8
AAL	50%^	24.6
Total		**69.6**



^ Reported reserves reflect AWE's net entitlement under the PSC terms and not 50% of gross recoverable oil
Note: Numbers may not add due to rounding. To be read in conjunction with AWE's annual reserves statement previously published in its 2016 Annual Report.
* Tui sale in progress as at 31 Dec 2016

AWE 2C Resources as at 31 December 2016

Project/Area	Equity	2C Resources (million boe)
Bass Basin	35-40%	30.3
Otway Basin	25%	1.3
Onshore PB	50-100%	51.2
Tui	57.5%*	0.9
AAL	50%^	9.3
Lengo	42.5%*	9.5
Total		**102.5**



^ Reported reserves reflect AWE's net entitlement under the PSC terms and not 50% of gross recoverable oil
Note: Numbers may not add due to rounding. To be read in conjunction with AWE's annual reserves statement previously published in its 2016 Annual Report.
* Tui & Lengo sale in progress as at 31 Dec 2016

Reserves and Contingent Resources

The Reserves and Contingent Resources in this presentation are based on and fairly represent information and supporting documentation prepared by and under the supervision of qualified petroleum reserves and resource evaluators Dr. Suzanne Hunt, AWE General Manager WA Assets and Engineering, and Mr Andrew Furniss, AWE General Manager Exploration and Geoscience. Dr. Hunt, a Petroleum Engineer with a Ph.D. in Geomechanics, is a member of the Society of Petroleum Engineers and has over 20 years' experience in the petroleum sector in geoscience, field development planning, reserves estimation, reservoir production and facilities engineering. Mr Furniss, a member of the Society of Petroleum Engineers and the American Association of Petroleum Geologists, holds an MSc in Exploration Geophysics and a BSc (Hons) in Geological Sciences and has over 26 years' of industry experience in strategic planning, portfolio management, prospect evaluation, technical due diligence and peer review, reserves and resource assessment, the application of advanced geophysical technology and business development. Dr Hunt and Mr Furniss have consented in writing to the inclusion of this information in the format and context in which it appears.

AWE reserves and contingent resources are estimated in accordance with the following:

- **SPE/AAPG/WPC/SPEE Petroleum Resources Management System guidelines of November 2011;**
- **SPEE Monograph 3 "Guidelines for the Practical Evaluation of Undeveloped Reserves in Resource Plays";**
- **ASX Disclosure rules for Oil and Gas Entities, Chapter 5; and**
- **ASX Listing Rules Guidance Note 32.**

AWE applied deterministic methods for reserves and contingent resource estimation for all assets. The reserves were estimated at the lowest aggregation level (reservoir) and aggregated to field, asset, basin and company levels. Estimated contingent resources are un-risked and it is not certain that these resources will be commercially viable to produce.

Conversion Tables

Volume
1 cubic metre = 1 kilolitre = 35.3 cubic feet = 6.29 barrels
1 megalitre = 1,000 cubic metres

Energy Value
1,000 standard cubic feet of sales gas yields about
1.055 gigajoules (GJ) of heat
1 petajoule (PJ) = 1,000,000 gigajoules (GJ)
1 gigajoule = 947,817 British Thermal Units (BTU)

Barrel of Oil Equivalents (BOE)
Sales Gas: 6PJ = 1 MMBOE
LPG: 1 tonne = 11.6 BOE
Condensate: 1 barrel = 1 BOE
Oil: 1 barrel = 1 BOE

Decimal Number Prefixes
kilo = thousand = 10^3
mega = million = 10^6
giga = 1,000 million = 10^9
tera = million million = 10^{12}
peta = 1,000 million million = 10^{15}

Glossary

1H	First Half
2H	Second Half
2P	Proved and Probable Reserves
2C	Contingent Resources
AAL	Ande Ande Lumut
AMI	Area of Mutual Interest
Bcf	Billion cubic feet
BOE	Barrels of Oil Equivalent
Bbls	Barrels
Bopd	Barrels of oil per day
CY	Calendar Year
EBITDAX	Earnings before interest, tax, depreciation, amortisation and exploration expenses
FEED	Front End Engineering & Design
FID	Final Investment Decision
FPSO	Floating Production Storage and Offloading
FY	Financial Year
GM	General Manager
HY	Half Year
LPG	Liquefied Petroleum Gas
LTI	Lost Time Injuries
MDQ	Maximum Daily Quantity
MLE	Mid Life Enhancement
mmboe	Million Barrels of Oil Equivalent
mmscf/d	Million Standard Cubic Feet of gas per Day
p.a.	Per annum
P&L	Profit & Loss Account
PJ	Petajoules
PSC	Production Sharing Contract
SA	South Australia
TJ	Terajoules
TJ/d	Terajoules per day
WA	Western Australia
WHP	Well head platform

AWE