AWE Limited

FY17 FULL-YEAR RESULTS PRESENTATION

25 August 2017

Disclaimer

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.

Definition of a Discontinued operation:

- The Company will classify a segment or operation as discontinued if it has been disposed of and it represents a major line of business or a geographical area or operation. For clarification, The USA segment (Sugarloaf) and the New Zealand segment (Tui) are classified as discontinued operations.

Definition of a Continuing operation:

- Continuing operations for Western Australia include Cliff Head production in FY16 despite the asset being sold. This is because AWE still operates significant assets within this segment, particularly in the Onshore Perth Basin. As a result, Cliff Head is classified as a continuing operation.

Agenda

1 **Overview** – **David Biggs**, CEO

2 **Financials** – **Ian Bucknell**, CFO

3 **Project Updates** – **David Biggs**, CEO

4 **Summary** – **David Biggs**, CEO

5 **Appendix**

Photo: David Biggs CEO & Ian Bucknell CFO

Overview

DAVID BIGGS
Chief Executive Officer

AWE

Strategy – unlocking value

AWE

FOCUSED ON BECOMING A LEADING AUSTRALIAN MID-CAP E&P COMPANY

1 Maximise production and revenue

- Waitsia Stage 1A ✓
- BassGas compression ✓
- Recontract Casino gas production
- Recontract BassGas production

2 Deliver development projects

- Waitsia Stage 2
- Casino – Stage 3
- BassGas – Trefoil
- Ande Ande Lumut (AAL)

3 Acquire value accretive production

- Selectively target new oil or gas production
- Current sphere of operations
- Operatorship preferred
- Opportunistic approach

AWE's clear goals

AIMING TO DOUBLE RESERVES, PRODUCTION AND REVENUE BY FY21

Previous FY21 Goals adjusted to reflect delay in AAL

AWE has set the following clear goals,

- **To double Reserves:** 2P Reserves are anticipated to increase in Waitsia
- **To double production:** Forecast growth in production is delivered from the Waitsia Stage 2 development
- **To double revenue:** Revenue growth is expected from the recontracting of existing gas production plus Waitsia Stage 2 gas contracts

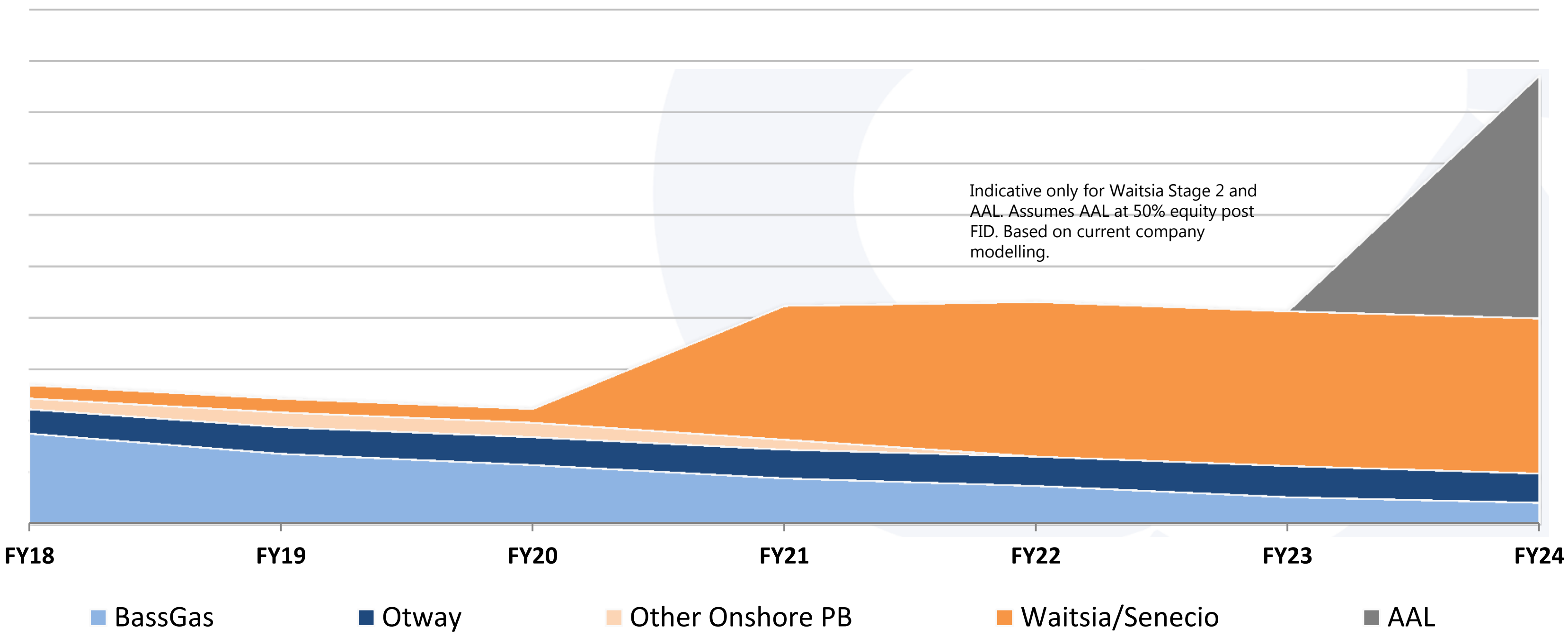
Growth delivered from the current assets in the portfolio

Note: Goals determined with reference to current company modelling and strategy. Assumes FID for Waitsia Stage 2 in FY18 with first gas in FY21. Goals are aspirational and are not formal company forecasts.

Strong growth potential in place

SIGNIFICANT GROWTH POTENTIAL FROM HIGH VALUE DEVELOPMENT PROJECTS

Potential Forward Production Outlook



Note: Does not take into account possible future production from Trefoil, production from Waitsia 1A beyond the current contract, or potential upside form Beharra. Goals are aspirational and are not formal company forecasts.

FY17 in review

STRONG PROGRESS MADE ACROSS BUSINESS – WAITSIA THE FOCUS

Base Business

- **Safety** - strong safety performance maintained
- **Management** - refreshed management team and strategy
- **Overheads reduced** – 36% reduction in overheads reflects ongoing cost discipline
- **BassGas** - MLE compression project delivered. Nameplate capacity reached
- **Casino** -
  - Marketing of uncontracted gas post February 2018 has commenced
  - Successful transition of Operatorship to COE

Development Projects

- **Waitsia Stage 1A** - delivered on time and under budget
- **Waitsia Stage 2** -
  - Entered FEED with design competition
  - Gas marketing progressing
  - Increased 2P Reserves from Waitsia-3 well
  - Successful Waitsia-4 well completed
  - Further Reserves upgrades anticipated in 4Q 2017
- **AAL development** - expected to be delayed. Remains option on oil price improvement

Portfolio Management

- **Tui oil fields** – successfully divested late life asset in February 2017
- **Lengo** – sale of Bulu PSC, approved by the Indonesian government post year end
- **Divestment program** – Successfully delivered lower debt ($236m), significantly reduced decommissioning liabilities ($119m) and removed forward capital commitments of (~$100m p.a.)

FY17 Guidance Scorecard

AWE'S OPERATING PERFORMANCE IN LINE WITH GUIDANCE

	FY17 Guidance	FY17 Actual
Production (MMboe)	2.7 - 2.8	2.75
Revenue ($m)	100 - 110	105
Development Expenditure ($m)	50 - 60	40
Exploration Expenditure ($m)	5	3

Health, Safety, Environment & Community

HSE&C ARE CRITICAL TO AWE MAINTAINING ITS POSITION AS A TRUSTED OPERATOR

No Lost Time Injuries recorded in FY17

- 806 days injury free to 23 August 2017

No significant environmental incidents in FY17

- 5th consecutive year of no significant environmental incidents

Maintain focus on community and stakeholder relations activities

- AWE provided funding for initial CSIRO Perth Basin baseline study (groundwater, air quality) which was completed in 2017
- Over $6.5m (unaudited) economic contribution to the Mid-West region of WA in FY17

Financial and Operating Performance

IAN BUCKNELL
Chief Financial Officer

AWE

Financial overview

RESULT IMPACTED BY ASSET DIVESTMENTS

Operating result impacted by the divestment of late life and non-core assets (Tui, Sugarloaf and Cliff Head)

- Production of 2.75 MMboe in line with guidance, but 45% lower than FY16
- Sales revenue of $103.6m in line with guidance, but down 49%
- Significant reduction in Operating and Administration costs (down 43% and 36% respectively)
- Field EBITDAX totalled $41.1m compared to $91.9m for FY16
- Underlying net loss after tax of $29.8m, a 56% improvement from FY16
- Overall CAPEX reduced by 69% year on year

$m (unless otherwise indicated)	FY17	FY16	Change
Production (MMboe)	2.75	5.02	↓ 45%
Average realised liquids price[1] (A$/bbl)	62.9	57.5	↑ 9%
Sales revenue[1]	103.6	202.4	↓ 49%
Operating costs	62.4	110.4	↓ 43%
Field EBITDAX	41.1	91.9	↓ 55%
Administration costs	6.8	10.6	↓ 36%
Impairments and write downs before tax	224.2	291.8	↓ 23%
Statutory net loss after tax	217.5	363.0	↓ 40%
Underlying net loss after tax	29.8	67.4	↓ 56%
Operating cash flow	19.9	70.3	↓ 72%
Capital expenditure	42.7	139.1	↓ 69%

Note: See the appendix for a reconciliation of the FY17 full-year net loss to underlying profit. [1] Includes realised hedge gains

Financial overview – continuing operations

A SIMPLIFIED BASE BUSINESS

Comparison based on continuing operations, including BassGas, Casino and Perth Basin

- Production of 2.36 MMboe, 20% lower than FY16 of 2.94 mmboe
- Sales revenue of $70.5m, down 30% compared to $100.7m for FY16
- This decline reflects lower production volumes from natural field declines and planned and unplanned maintenance
- Field EBITDAX totalled $31.9m compared to $46.7m for FY16

$m (unless otherwise indicated)	FY17	FY16	Change
Production (MMboe)	2.36	2.94	↓ 20%
Average realised liquids price[1] (A$/bbl)	62.9	57.5	↑ 9%
Sales revenue[1]	70.5	100.7	↓ 30%
Operating costs	38.5	53.9	↓ 29%
Field EBITDAX	31.9	46.7	↓ 32%
Impairments and write downs before tax	224.2	238.2	↓ 6%
Statutory net loss after tax	255.6	311.8	↓ 18%
Operating cash flow	8.9	73.8	↓ 88%

Note: See the appendix for a reconciliation of the FY17 full-year net loss to underlying profit. [1.] Includes realised hedge gains.

Production

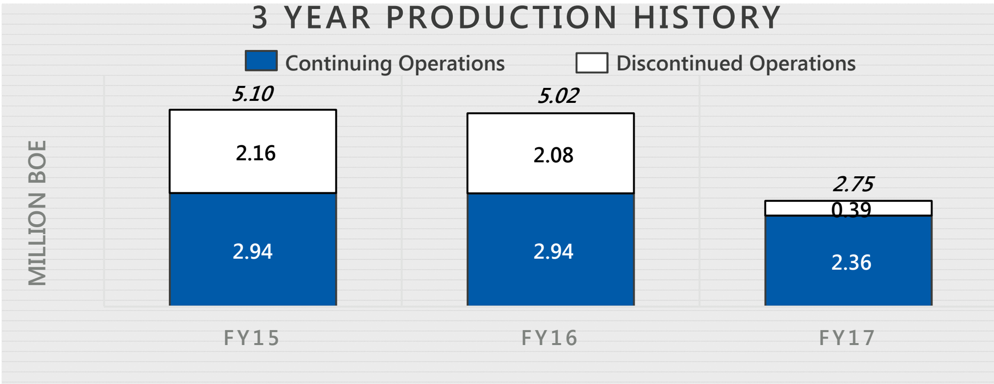
TOTAL PRODUCTION OF 2.75 MMBOE IN LINE WITH GUIDANCE

Decline in production (45%) reflects impact of asset sales (Sugarloaf, Cliff Head, Tui)

Production from continuing operations down 20% year-on-year driven by:

- Planned and unplanned maintenance downtime (9%) - BassGas and Casino;
- Sale of Cliff Head (9%) in FY16; and
- Natural field decline (2%)

Production increasingly gas weighted (FY17 86% gas v FY16 75% gas)



Production continuing operations (MMboe)	FY17	FY16	Change
Gas	2.02	2.22	(9%)
LPG	0.17	0.22	(23%)
Condensate	0.17	0.22	(23%)
Oil[1]	-	0.28	(100%)
TOTAL	2.36	2.94	(20%)

Note: [1] Oil production in FY16 relates to Cliff Head which was sold on the 30 June 2016.

Sales revenue

SALES REVENUE FOR THE FULL YEAR IN LINE WITH PRODUCTION

Total Sales revenue of $103.6m down 49% - mainly due to asset sales and change in production mix

- Reduced liquids revenue impact

Total Sales revenue ($m)	FY17	FY16	Change
South-East Australia	59.6	71.9	-17%
Western Australia	10.8	28.7	-62%
New Zealand (Discontinued)	33.1	42.7	-22%
USA (Discontinued)	-	59.0	-100%
TOTAL	103.6	202.4	-49%

Continuing Operations Sales revenue down 30% due to:

- 17% - Cliff Head sale
- 11% - planned maintenance across BassGas and Casino in South-East Australia (April & Nov)
- 2% - Natural field decline

Continuing Operations ($m)	FY17	FY16	Change
Gas	52.8	61.4	-14%
LPG	8.2	10.3	-20%
Condensate	9.4	12.1	-22%
Oil[1]	-	16.9	-100%
TOTAL	70.5	100.7	-30%

Note: Tables may not add due to rounding. [1.] FY16 result includes Cliff Head production.

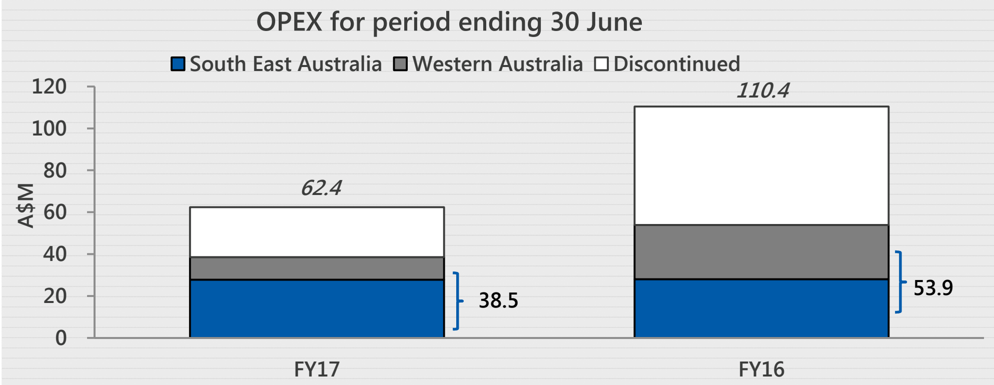
Operating costs

CONTINUING BUSINESS OPERATING COSTS EX CLIFF HEAD FLAT

Total operating costs of $62.4m down 43%

Operating costs on continuing operations have fallen $15.4m to $38.5m driven by:

- The sale of Cliff Head - $15.0m of opex included in FY16 under Western Australia assets
- A like for like comparison shows flat opex costs in AWE's primary producing segments of South-East Australia and Western Australia (ex Cliff Head)



$ million	FY17	FY16	Change
South-East Australia	27.8	28.0	-1%
Western Australia	10.7	25.9	-59%
New Zealand (Discontinued)	23.9	28.5	-16%
USA (Discontinued)	-	28.0	-100%
TOTAL	62.4	110.4	-43%

Note: Tables may not add due to rounding.

Non-cash impairments for FY17

SUBDUED OIL PRICE DRIVES AAL IMPAIRMENTS

The financial result was significantly impacted by one-off non cash impairments:

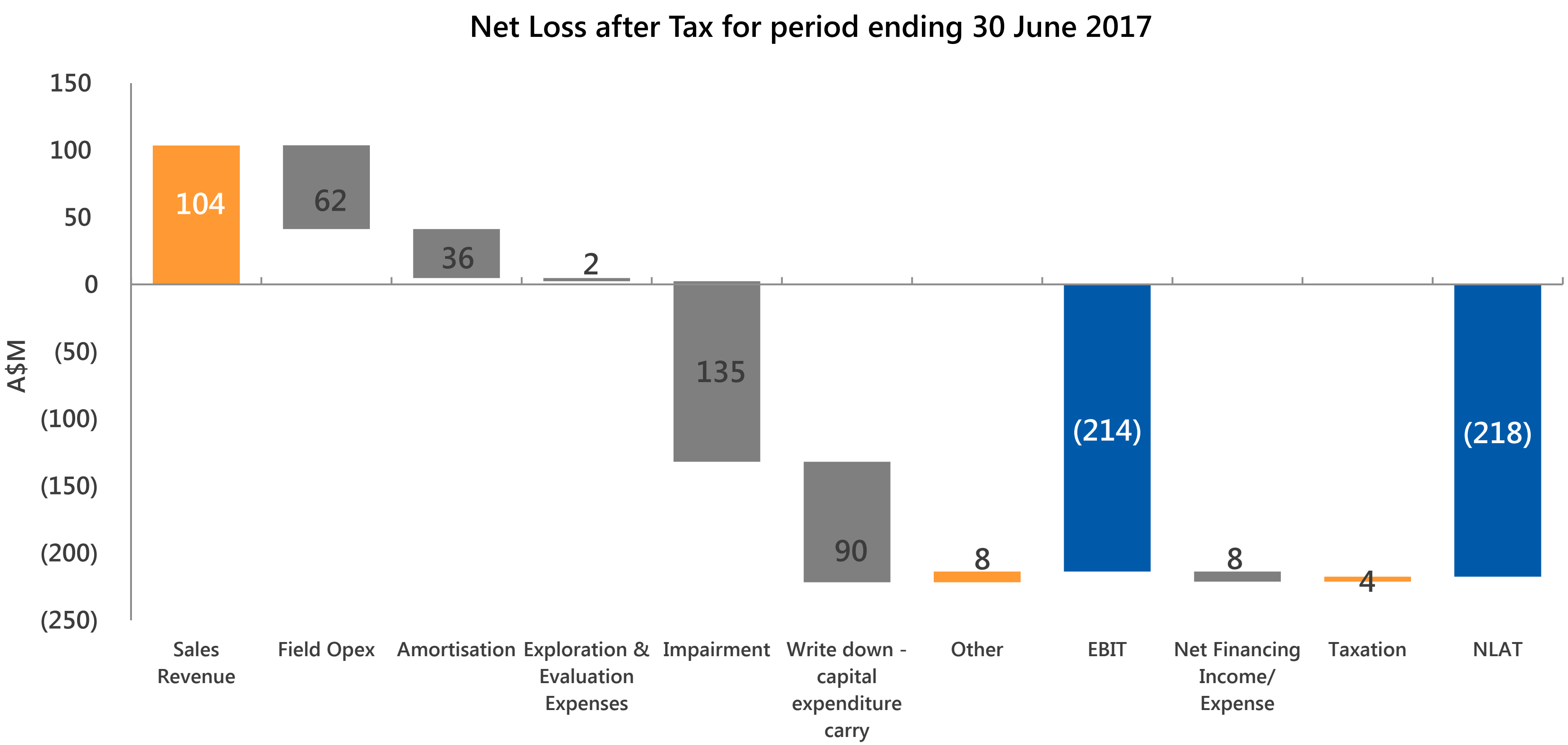
- Increased uncertainty in the timing of the AAL development due to low oil price and likely operator exit, resulted in an impairment of the asset by $131.1m
- Perth Basin impairments include Dongara, Corybas, Mt Horner and Hovea
- The capital expenditure carry receivable (payable upon FID) for AAL of $89.7m before tax was de-recognised

	Total before tax $m	Taxation Benefit $m	Total after tax $m
AAL	131.1	-	131.1
Perth Basin	3.2	1.0	2.2
Exploration	0.2	-	0.2
Total Impairments	**134.5**	**1.0**	**133.5**
AAL carry write down	89.7	13.4	76.3
Total impairments and write downs	**224.2**	**14.4**	**209.8**

Note: Tables may not add due to rounding.

Earnings analysis

NET LOSS DRIVEN BY NON-CASH IMPAIRMENTS



Non-core asset divestment program now complete

SIGNIFICANT REDUCTION IN DECOMMISSIONING COSTS AND FUTURE CAPEX

Over the past 2 years the divestment program of non-core assets has successfully:

- Eliminated significant recurring capex (up to $100m per annum at Sugarloaf) and development capex (a further $100m at Lengo)
- Repaid Debt ($236m in FY16)
- Reduced exposure to significant future decommissioning costs ($69m in Tui, $50m in Cliff Head)

Asset divestments in FY17 and post balance sheet date include:

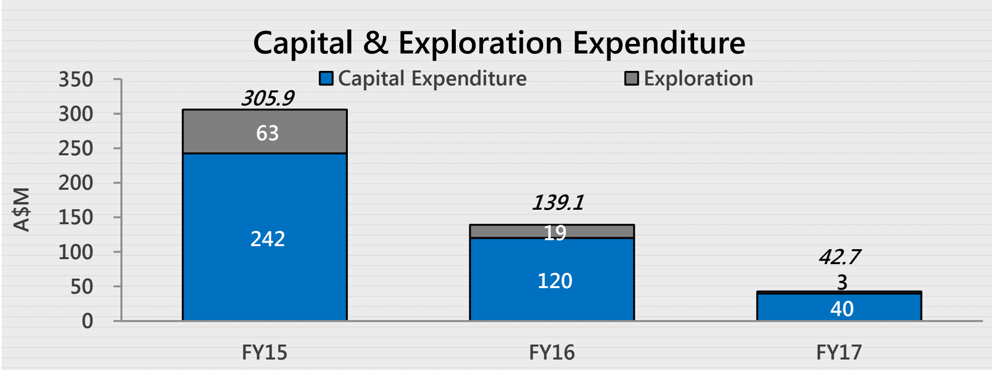
- Sale of **Tui oil fields** (57.5% operating interest) – Mature oil assets with significant abandonment liabilities offshore New Zealand for US$1.5m
- Exit from **North Madura PSC** (100% interest) – Exit from offshore Indonesian exploration PSC
- Sale of **Lengo gas project** (42.5% interest) - Offshore Indonesian development project for up to A$27.5m
- Sale of **Jingemia** (44.1% interest) – Onshore Perth Basin

Capital expenditure

SIGNIFICANTLY REDUCED INVESTMENT SPEND

Total capital costs of $43m down 69% from $139m in FY16

- East coast gas project spend of $16.6m includes:
  - Conclusion of BassGas MLE Project
  - Stay in business capex BassGas and Casino
- WA spend of $14.9m includes:
  - Stage 2 project management – pre-FEED/ FEED
  - Waitsia 3 drilling
  - subsurface studies
- A further $8.1m in Indonesia attributable to:
  - FEED studies
  - Exploration drilling and subsurface works
- $3m on exploration expenditure targeted on the Perth Basin



$ million	FY17	FY16	Change
South-East Australia	16.6	45.2	-63%
Western Australia	14.9	17.7	-16%
New Zealand (discontinued)	-	(2.5)	-100%
USA (discontinued)	-	26.2	-100%
Indonesia	8.1	33.7	-75%
Total Development	**39.7**	**120.3**	**-67%**
Total Exploration	3.0	18.8	-84%
Total Capital Expenditure	**42.7**	**139.1**	**-69%**

Note: Table may not add due to rounding.

Guidance for FY18

REFLECTS A SIMPLIFIED BUSINESS AND REDUCED EXPENDITURE PROFILE

Key Indicator	Unit	FY17 Actual	FY18 Guidance
Production	MMboe	2.75	2.5 – 2.7
Revenue	$m	105	77 - 85
Development Expenditure [1. 2.]	$m	40	40 – 45
Exploration Expenditure [2.]	$m	3	7

Note: [1.] Development expenditure excludes Waitsia Stage 2 costs post FID. [2.] Development and Exploration Expenditure for FY18 is broken down further in the appendix (Slide 44).

Project Updates

DAVID BIGGS
Chief Executive Officer

AWE

Focused on regional opportunities

PORTFOLIO OF QUALITY PRODUCTION, DEVELOPMENT AND EXPLORATION ASSETS

1

Onshore Perth Basin

Waitsia Gas Project

Waitsia Stage 1A

EXCEEDS EXPECTATIONS

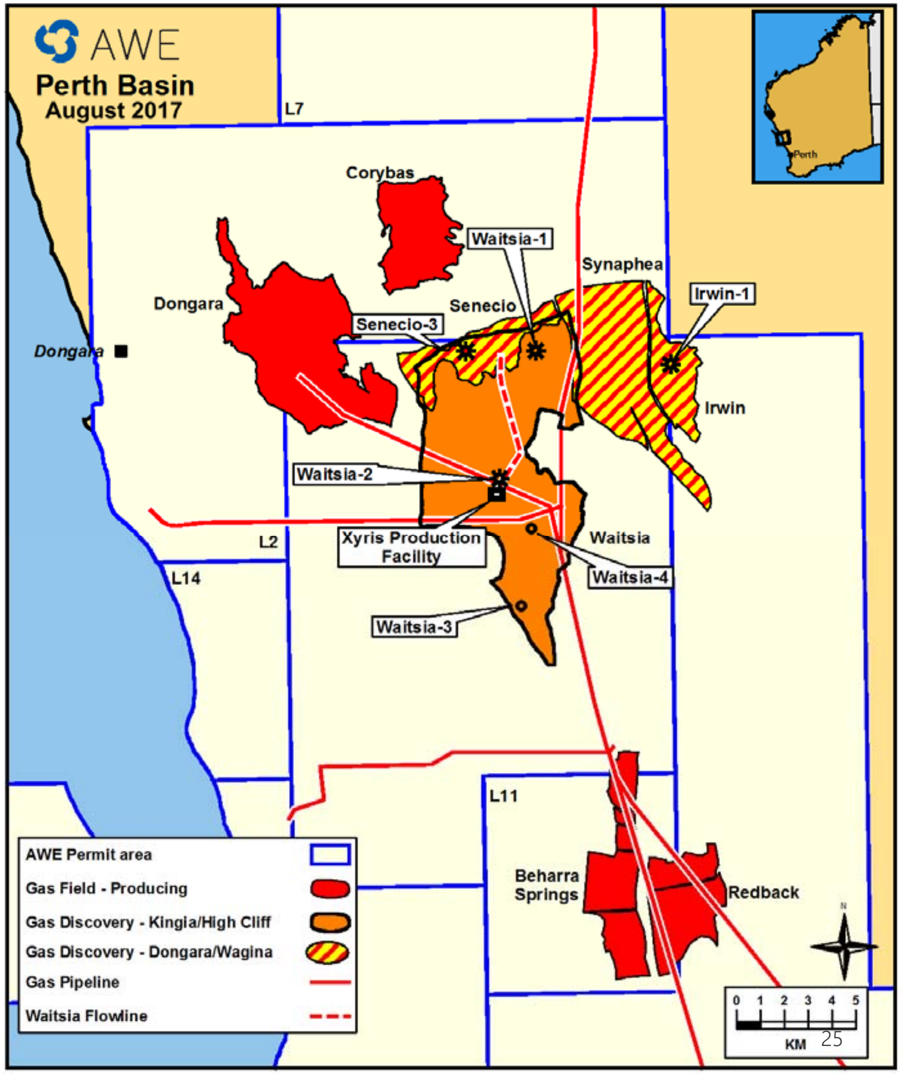
First gas achieved on time and under budget

- Comprises 2 wells in extended production test (Senecio-3 and Waitsia-1)
- Preliminary well performance has exceeded pre-production expectations

Confirms high quality conventional reservoir with excellent connectivity from:

- Kingia formation, and
- High Cliff Sandstone

Project supplies a Maximum Daily Quantity (MDQ) of 9.6 TJ/d under a 2.5 year take or pay agreement with Alinta



Waitsia Stage 2: Project overview

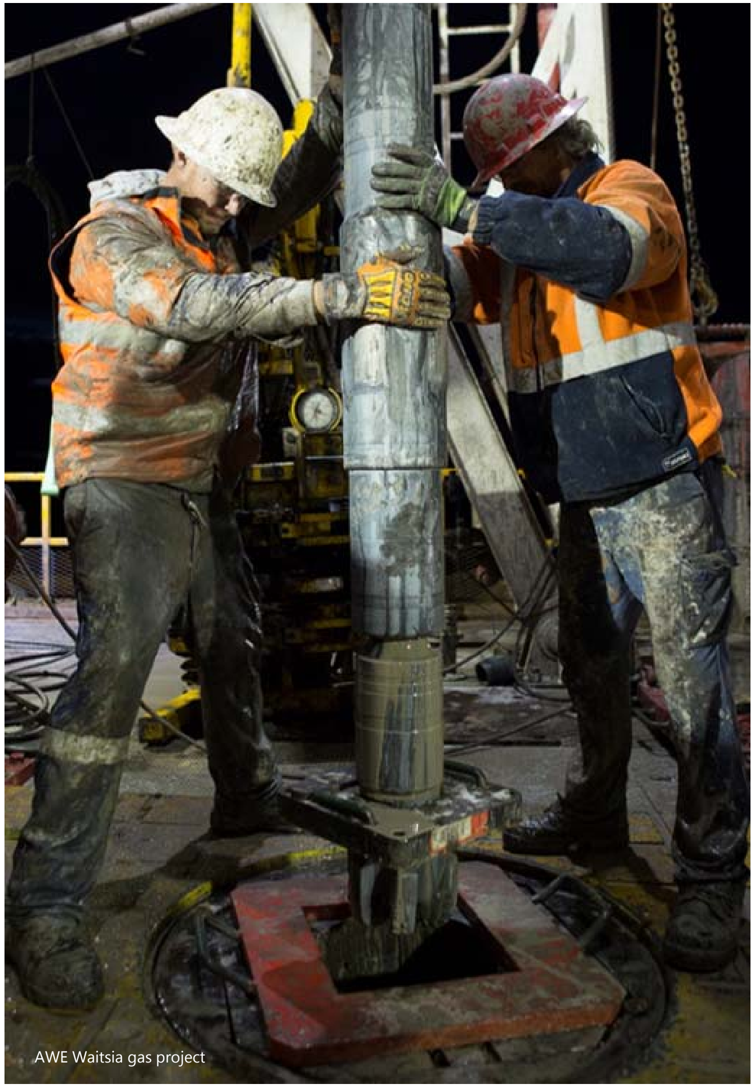
WAITSIA STAGE 2 – GROWING IN VALUE

Waitsia Stage 2 comprises the development of a gas plant and associated infrastructure, capable of producing 100 TJ/day of gas for at least 10 years into the Western Australian gas market from 2020

Significant progress has been made on the Project with three key work streams being progressed:

1. Subsurface - Proving up Reserves
2. Gas Marketing
3. Facilities FEED – Design competition (tenders due Nov 17)

A Final Investment Decision (FID) to commit to the development of the project is targeted for the end of CY17


AWE Waitsia gas project

1 Subsurface

2P CONVENTIONAL RESERVES SECURED FOR STAGE 2 PROJECT

Reserves certified and upgraded – Strong progress has been made on this work stream in FY17

- All Waitsia Reserves booked are for conventional gas resources
- Waitsia-3 and Waitsia-4 drilling results exceed pre-drill expectations
- Waitsia 2P Reserves upgraded by 25% to reflect Waitsia-3 success
- AWE net share of 2P Reserves as at 30 June 2017 - 228 PJ of sales gas (38.1 MMboe)
- Additional Reserve upgrade likely post Waitsia-4 results and remapping of the field

Waitsia-3 and -4 drilling results strengthen the Reserves position underpinning the 10 year project and beyond

2 Gas Marketing

STRONG DEMAND FOR GAS

Market and price range for Waitsia gas established

- Aiming to contract substantial gas volumes in 2017
- Positive feedback from potential customers that Waitsia gas increases competition, diversity and security of supply
- First gas sales term sheet agreed in February 2017 with AGL for 15 TJ/d. Currently negotiating additional gas sale arrangements with other potential customers
- Current economics robust at ~60-65 TJ/d of gas
- Further term sheets targeted to be agreed in 2H CY17


AWE: Waitsia Gas project

3 Facilities

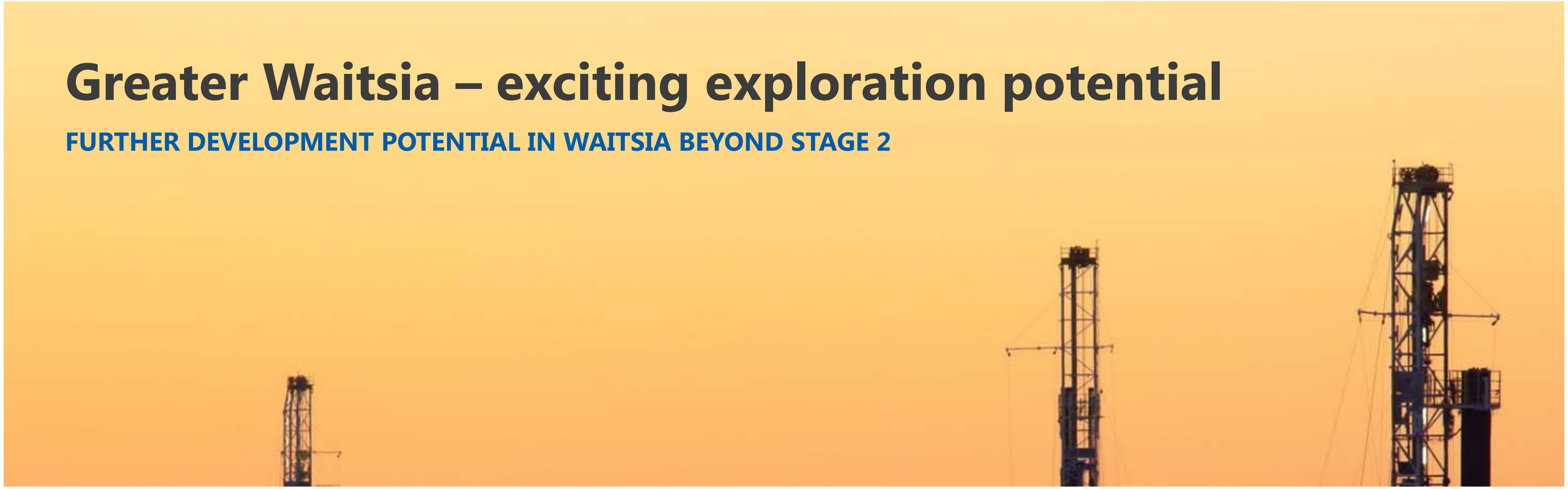
FEED DESIGN COMPETITION

Design competition expected to deliver competitive tension to facility pricing

- The project moved from Pre-FEED to FEED in June 2017
- FEED is carried out via a design competition process involving four shortlisted bidders selected to provide two EPC and two BOO contracting alternatives
- The JV will then assess and compare the delivery alternatives
- Capital costs to be finalised post FEED

Greater Waitsia – exciting exploration potential

FURTHER DEVELOPMENT POTENTIAL IN WAITSIA BEYOND STAGE 2



1 **AWE has the largest exploration acreage position in the onshore Perth Basin**

Potential to extend the field life or in time increase production from Stage 2

2 **Kingia and HCSS horizons**

Significant exploration potential at Kingia and HCSS horizons south and east of Waitsia

3 **Beharra Deep**

Potential Beharra Deep well targeting significant Waitsia-like prospect adjacent to Beharra gas plant

2

East Coast Gas

Casino and BassGas

Casino: Subsea pipe laying, Port Campbell

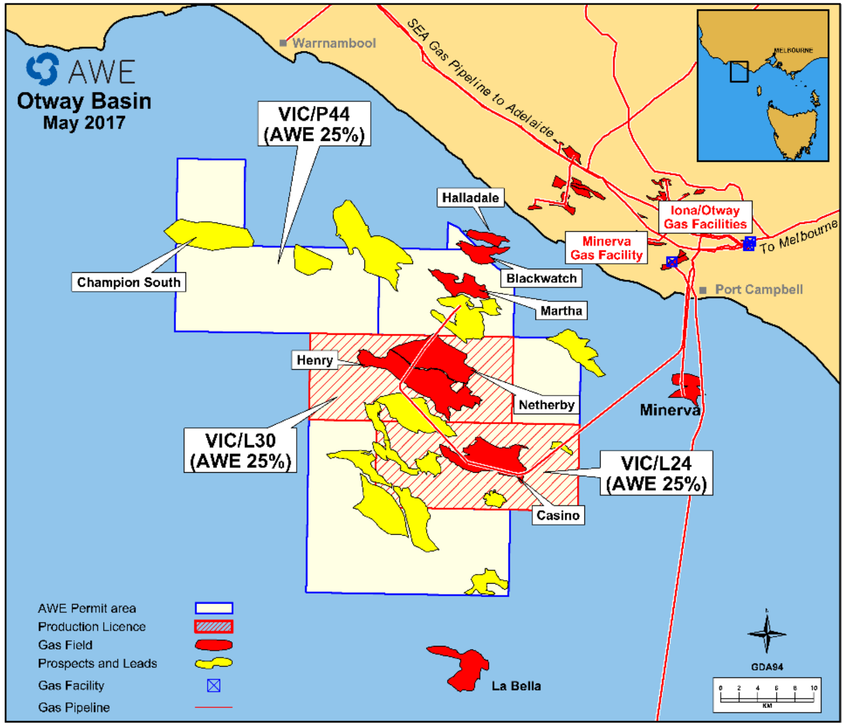
Casino: opportunities for growth

CASINO WELL PLACED TO LEVERAGE UPSIDE IN EAST COAST GAS PRICES

Transition of Operatorship from Santos to Cooper Energy complete

- Recontracting of remaining gas reserves has commenced – expect to realise substantially higher prices
- Revenue step up from new gas contract pricing from March 2018
- Negotiations underway to secure gas processing post February 2018
- Operator progressing studies for Stage 3 development case (Henry-3 well)
- Joint Venture reviewing options for possible future exploration program
- A workover of Casino-5 (currently suspended) is planned for early 2018

Upside growth potential from Henry-3 development

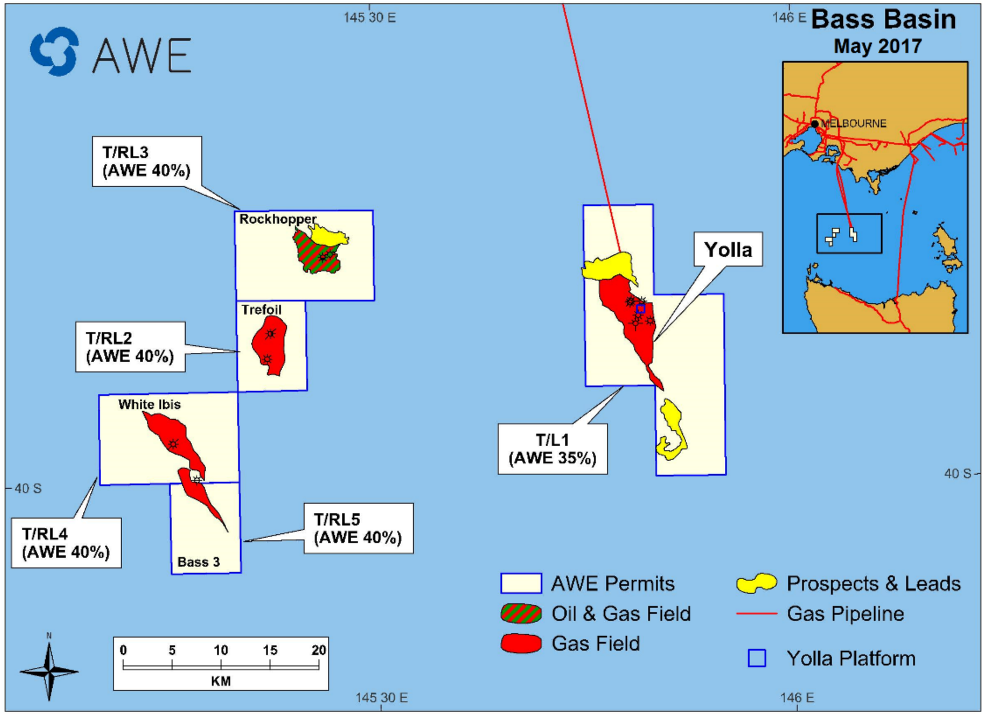


BassGass: MLE project completed

POTENTIAL GROWTH OPPORTUNITY – TREFOIL FIELD DEVELOPMENT

Final stage of MLE project (compression hook-up) completed in June 2017

- Following a brief period of commissioning, production increased to nameplate capacity (~67 TJ/d)
- The Operator continues to optimise compressor operation
- Improved production anticipated in FY18
- Reserves revised 13% upwards (before FY17 production)
- Process to contract remaining reserves to commence in 2H CY18 – expect to realise substantially higher prices
- Revenue step up from new gas contract pricing from 1H CY19
- Operator is progressing development concept studies for the Trefoil Field



3

Indonesia

Ande Ande Lumut (AAL)

AWE: Umuroa FPSO vessel

AAL – Development delayed

AAL REMAINS AN OPTION TO INCREASED OIL PRICES

4XST1 appraisal well completed ahead of time and under budget in FY17

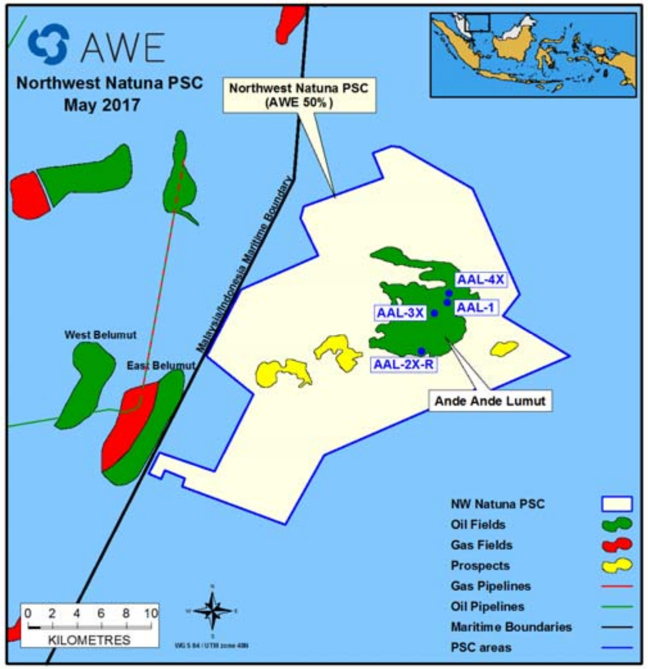
- Improved oil quality in K and G sands – both reduces future capex and increases revenue
- Better than expected reservoir quality in K Sand
- Ability to co-produce the two sands demonstrated
- Reduced number of wells required

Technical evaluation of FPSO and WHP tenders complete

At 30 June, AWE took the following actions with regard to AAL to recognise increased uncertainty in the timing of development[1]:

- Reclassified 2P reserves as 2C contingent resources
- Impaired the carrying value of the asset
- De-booked the capital expenditure carry. The carry remains in place subject to the project progressing

Uncertainty around the Operator remaining in the permit



Note: [1.] For further information see ASX announcement 9th August 2017.

Summary

DAVID BIGGS
Chief Executive Officer

Summary

GROWTH FROM WAITSIA, EXPOSURE TO STRONG EAST COAST GAS MARKETS, AN OPTION ON OIL PRICE

1. **Waitsia Stage 2 Project - building momentum to FID**
   - Reserves – sufficient 2P Reserves in place for 10 year project and beyond
   - Gas marketing - progressing and first term sheet agreed
   - FEED underway - determining delivery method and capex
   - FID on track for end of CY2017

2. **BassGas - Compression project complete, enhanced production expected in FY18**

3. **Casino - Looking to recontract gas in stronger pricing environment**

4. **AAL – Remains an option to improved oil price**

THANK YOU

APPENDIX

AWE

Full-year production analysis

REGION AND ASSETS	FY17 Production	Percentage of total	FY16 Production	Percentage of total
Australia	**'000 BOE**	**%**	**'000 BOE**	**%**
Bass Basin (BassGas)	**1,221**	44%	1,497	30%
Otway Basin (Casino)	**645**	24%	805	16%
Perth Basin (Cliff Head[1], Waitsia[2], Beharra)	**499**	18%	638	13%
New Zealand				
Taranaki Basin (Tui[2]) [3]	**386**	14%	789	16%
USA				
Eagle Ford, Texas (Sugarloaf) [3]	**-**	-	1,289	25%
TOTAL	**2,752**		**5,019**	

- Production: down 45% due to asset sales and natural field decline compared to FY16
- Total Product mix was 73% gas : 27% liquids in FY17 and 86% gas : 14% liquids for continuing operations.

Note: Numbers may not add due to rounding. [1] Cliff Head Sold on 30 June 2016, [2] Denotes Operatorship, [3] Sugarloaf Sold 17 March 2016 and Tui Sold on 30 Nov 2016.

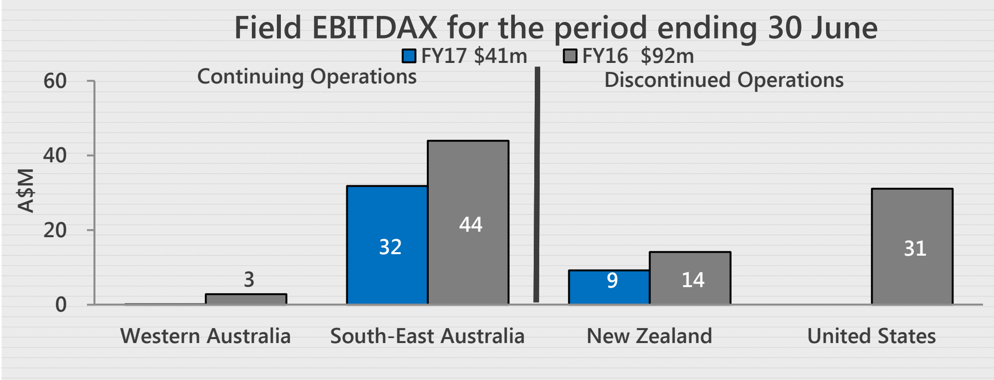
Field EBITDAX

FIELD EBITDAX IMPACTED BY ASSET SALES

Field EBITDAX of $41.1m down 55%

Field EBITDAX on continuing operations has fallen $14.8m to $31.9m driven by:

1. Sale of Cliff Head
2. BassGas and Casino plant shutdowns
3. Lower volumes out of Casino, BassGas and the Perth Basin



$ million	FY17	FY16	Change
South-East Australia	31.8	43.9	-28%
Western Australia	0.1	2.8	-97%
New Zealand (Discontinued)	9.2	14.1	-35%
USA (Discontinued)	-	31.1	-100%
TOTAL	**41.1**	**91.9**	**-55%**

Note: Table may not add due to rounding.

Underlying NPAT reconciliation

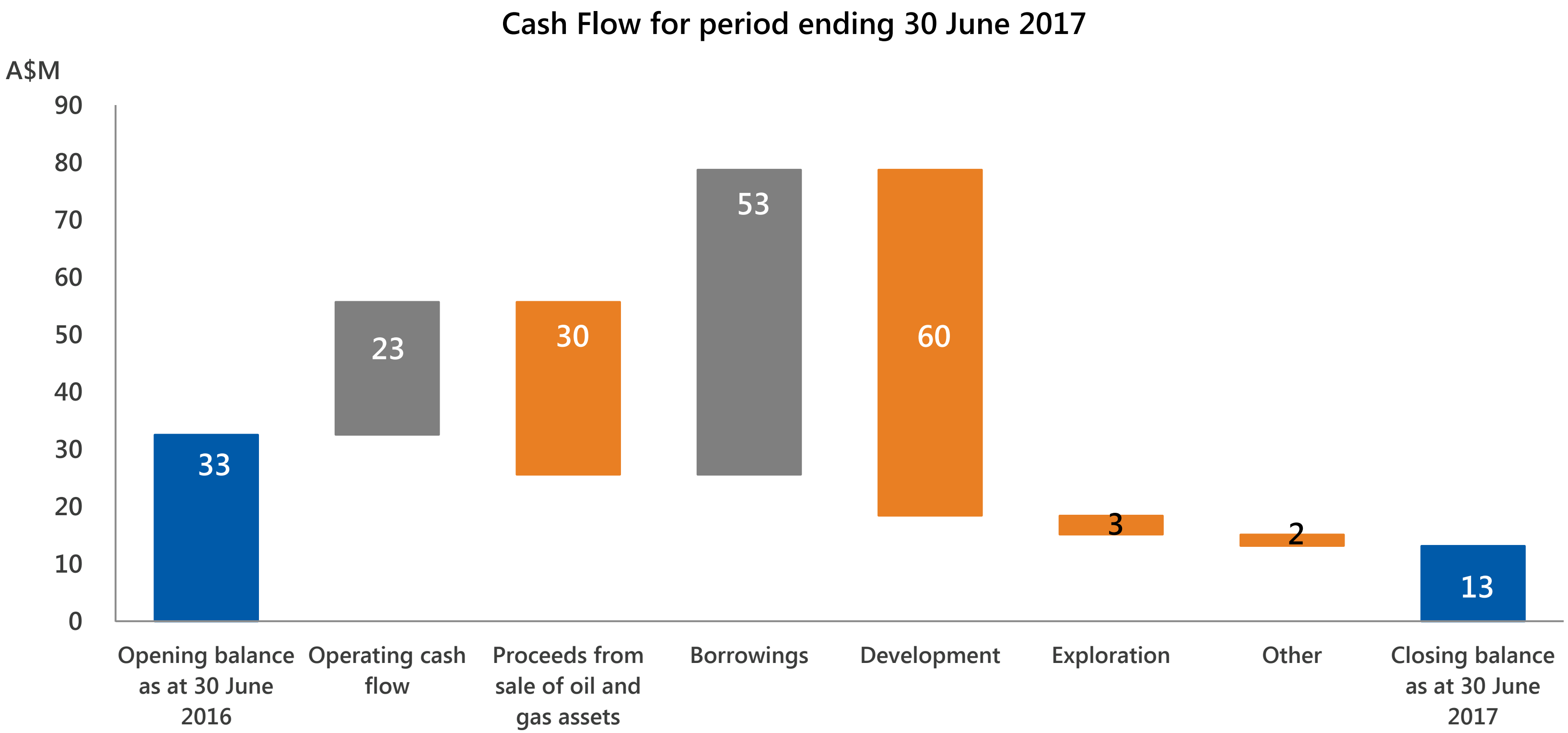
UNDERLYING NET LOSS REDUCED BY 56%

Reconciliation of underlying NPAT	FY17 $m	FY16 $m
Statutory NPAT	(217.5)	(363.0)
Less non-recurring items (after tax):		
Impairment	133.5	242.5
Write down of Carry	76.3	-
Net gains on divestments	(36.3)	(31.9)
Arbitration costs	3.6	-
Loss on divestment of Lengo and North Madura	10.7	-
Restructuring costs	-	5.8
Perth Basin restoration costs	-	6.2
Fair value adjustment on held for sale assets	-	2.1
De-recognition of tax losses and deferred tax assets	-	65.9
Other non recurring costs	-	5.0
Total non-recurring items	187.8	295.6
Underlying NPAT [1]	(29.8)	(67.4)

Note: [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.

Movement in cash

NET CASH IMPACTED BY ONE OFFS ASSOCIATED WITH DIVESTMENTS

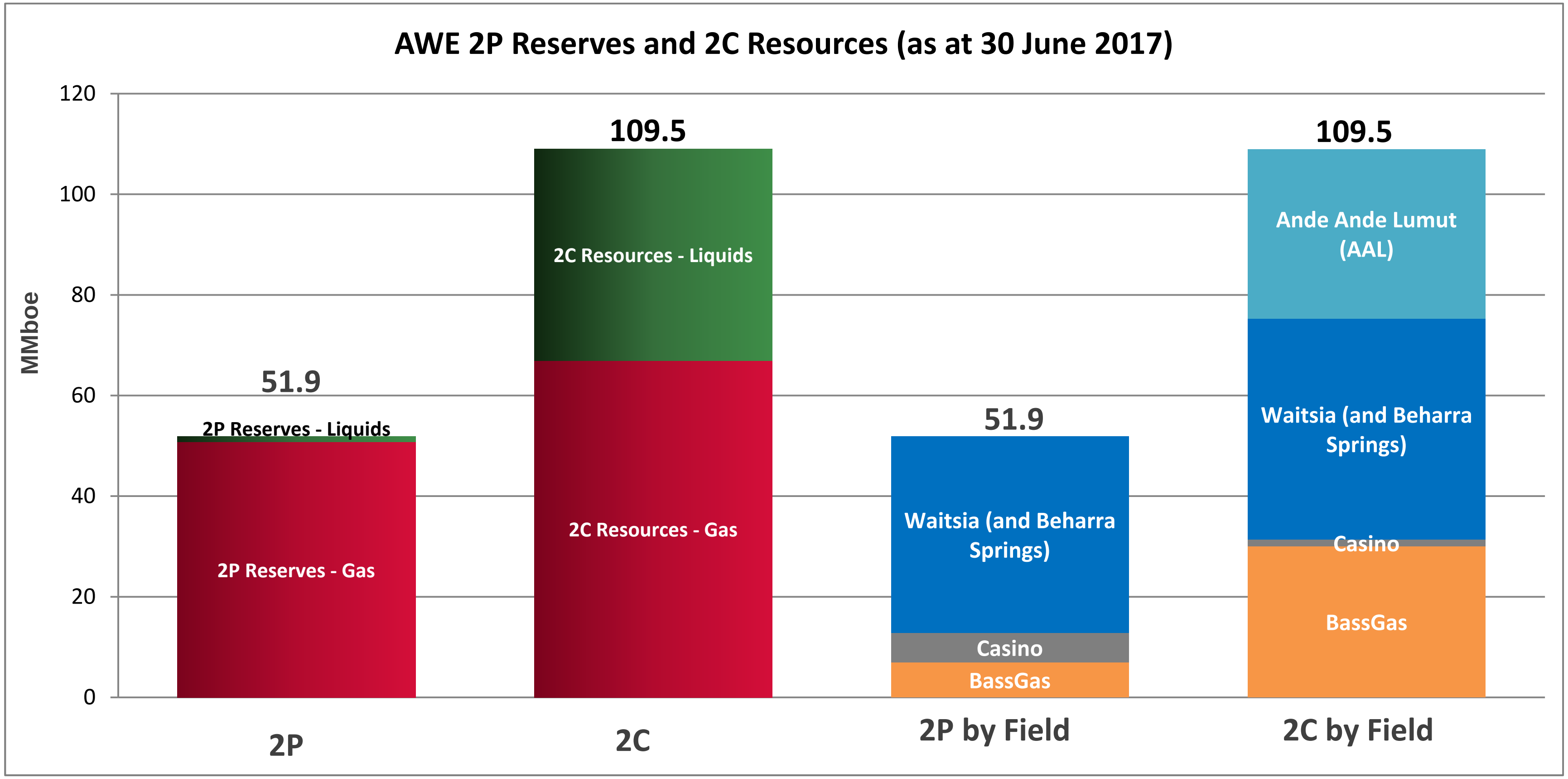


Capital expenditure program

Segment	Capital expenditure	Total $m	App/Dev $m	Exp. $m	Activities
South-East Australia	BassGas	5-6	5-6	-	• Carried over MLE compression costs • Stay in business capex • Trefoil pre-FEED evaluation
	Casino	7-8	7-8	-	• Casino-5 well intervention • Processing plant costs • Stay in business capex
Perth Basin	Waitsia/Senecio	20	20	-	• Carried over Waitsia-3 and -4 drilling • Stay in business capex for Xyris • FEED activity
	Beharra Springs	1-2	1-2	-	• Compression upgrade • Stay in business capex
Indonesia	AAL	5-6	5-6	-	• Subsurface work • WHP/FPSO tender
Other	Other exploration	7	-	7	• 3D seismic Acquisition EP320 • Other permit retention and subsurface work
	Abandonment	2-3	2-3	-	• Decommissioning work in the Perth basin.
	Corporate	0-1	-	-	• IT spend, minor office capex
	Total	**47-52**	**40-45**	**7**	

Reserves and Resources

PORTFOLIO OF VALUABLE 2P AND 2C ASSETS REMAINS STRONG

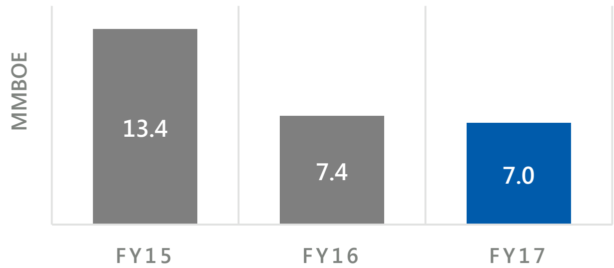


AWE Reserves as at 30 June 2017

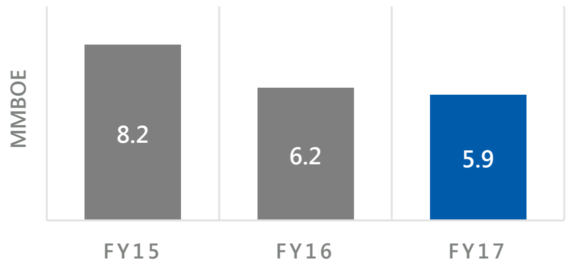
Reserves and Contingent Resources

MMboe	30 June 2016	Asset sales	Production	Tfrs to/from Reserves or Resources	Revisions to previous estimates	30 June 2017	% change year-on-year
Reserves							
1P	44.4	-0.2	-2.8	-13.1	1.1	29.5	-34%
2P	71.0	-0.7	-2.8	-17.0	1.4	51.9	-27%
Resources							
2C	102.5	-10.4		17.7	-0.3	109.5	+7%
Total 2P + 2C	173.5	-11.1	-2.8	0.7	1.1	161.4	-7%

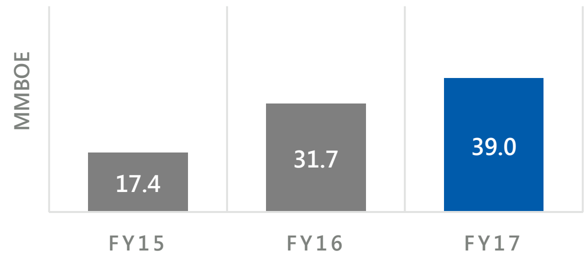
3 YEAR 2P RESERVES - BASSGAS



3 YEAR 2P RESERVES - CASINO



3 YEAR 2P RESERVES - PERTH BASIN



Note: Numbers may not add due to rounding. AWE's annual reserves statement to be published 25th August 2017. Assets sold in FY17 include Tui and Lengo

Reserves and Contingent Resources

The Reserves and Contingent Resources in this report 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 20 years' experience in the petroleum sector in geoscience, field development planning, Reserves estimation, reservoir production and facilities engineering and has been involved in the resource sector more generally for 30 years. 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 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.

The estimation of 30 June 2017 Reserves and Resources have been prepared in accordance with the following:

- SPE/AAPG/WPC/SPEE Petroleum Resources Management System guidelines of November 2011;
- ASX Disclosure rules for Oil and Gas Entities, Chapter 5, July 2014;
- ASX Listing Rules Guidance Note 32, 2013.

All material changes in reserves and contingent resources are presented to the AWE Reserves Committee. The Committee meets as a minimum every six months, or when any material change occurs, to review and endorse reserves and contingent resource estimates. The endorsed reserves and contingent resources evaluations are reported to the AWE Audit and Governance Committee and form an integral part of the half year and annual financial reporting.

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.

Glossary and Conversion tables

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

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 = 103
mega = million = 106
giga = 1,000 million = 109
tera = million million = 1012
peta = 1,000 million million = 1015

AWE