
ASX QUARTERLY ACTIVITIES REPORT – JUNE 2015 QUARTER

Highlights

- **Block 105 in Peru demonstrates presence of working hydrocarbon system and initial prospective resources of ~30 Million barrels of oil identified in one section**
- **Acquisition of a Technical Evaluation Agreement for an acreage in Peru's Sechura Basin, within 50km of existing production**
- **Exploration program including drilling of a well at Block 105 to commence in June quarter 2016 with rig selection currently underway**
- **Reprocessing of seismic work to better define targets underway, with results expected during the September quarter**
- **Further progress regarding several other opportunities in the Caribbean and South America with view to establishing a diversified portfolio**

Operations

Antilles Oil and Gas NL ("Antilles", ASX: AVD) is pleased to provide an update on its activities to identify and develop opportunities in deep water exploration and near-term exploration/appraisal targeting the Caribbean and northern South America.

Block 105, onshore Peru

Resource estimate

The Company's evaluation of its acreage in onshore Peru resulted in an estimation of a mean potential resource of 29.6mmbo and a probabilistic range of p90, p50 and p10 of 7.4, 20.7 and 61mmbo. The range in area of the potential resource is 1.25, 6.6 and 34.7km². This gives an indication of the spread in the possible results of an exploration well which discovers hydrocarbons and as a minimum will be an economic success being greater than 2 mmbo.

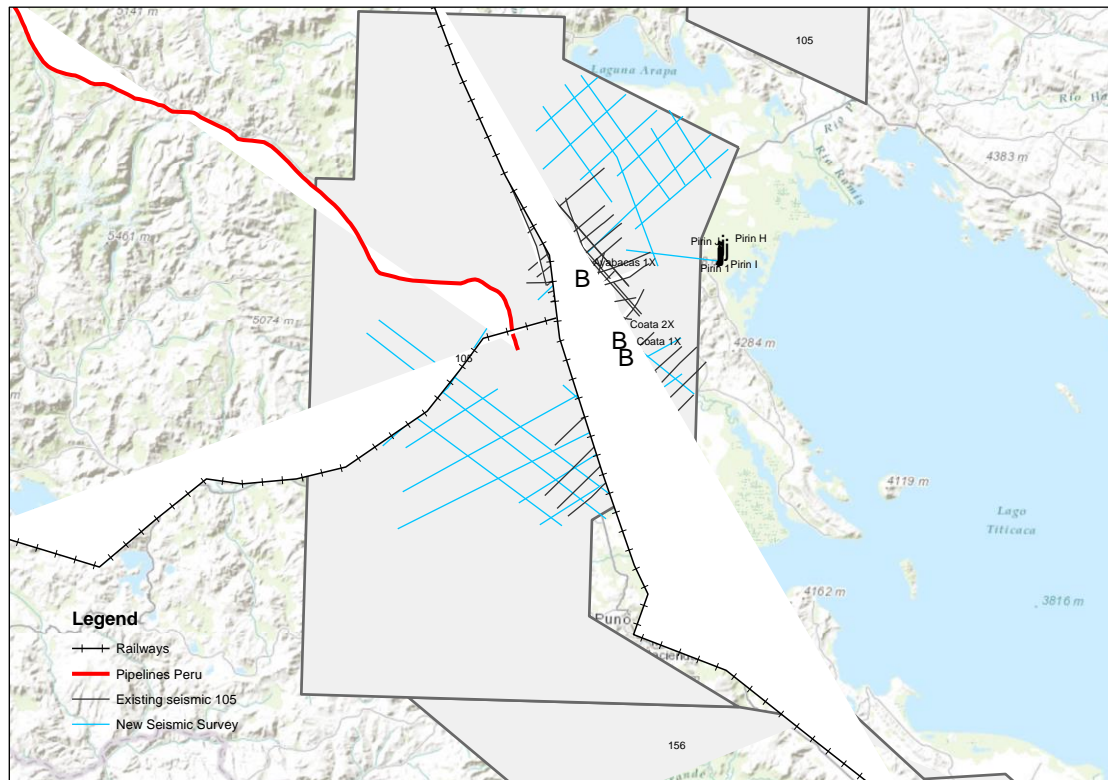
The position is in the Titicaca Basin on trend to the historic producing field Pirin in the block. The low costs associated with operations in the block allow for rapid development of potential resources and attractive returns in the current oil price environment.

Figure 1 – Regional structure with existing rail export and Pirin Oil Field

Peru and Bolivia two-nation meeting

A Presidential meeting between Peru and Bolivia on 23 June discussed the prospect of Bolivia linking into the South Peru Gas (SPG) pipeline project, with the presidents agreeing to study a

project granting Bolivia access to connect to the existing pipeline from the Camisea Project.



The SPG is integral to Antilles, providing a pipeline to the Company's Block 105 which would allow for export of any gas discovered there. The pipeline is scheduled to finish construction by March 2019 and will transport gas from the Camisea jungle area in Peru over the Andes to the Pacific coast. It plans to increase natural gas production for the domestic market, provide energy for mining projects and for economic development of southern Peru, as well as develop the petrochemical industry in the region.

Plans for September Quarter

Antilles plans to drill a well into a section that is comparable to the Camisea gas project reservoirs and is undertaking seismic reprocessing to better define further targets at those reservoirs. Results of this work are expected before the end of the September quarter.



ASX ANNOUNCEMENT

31 July 2015

Acquisition of Technical Evaluation Agreement

In May, the Company acquired a 100% equity holding to a Technical Evaluation Agreement (TEA) for an acreage position in onshore Peru, in the Sechura Basin within 50km of existing oil and gas production. The agreement carries a work program of evaluation of existing data. The total expenditure for the initial work program is US\$0.4m over a work term of up to two years.

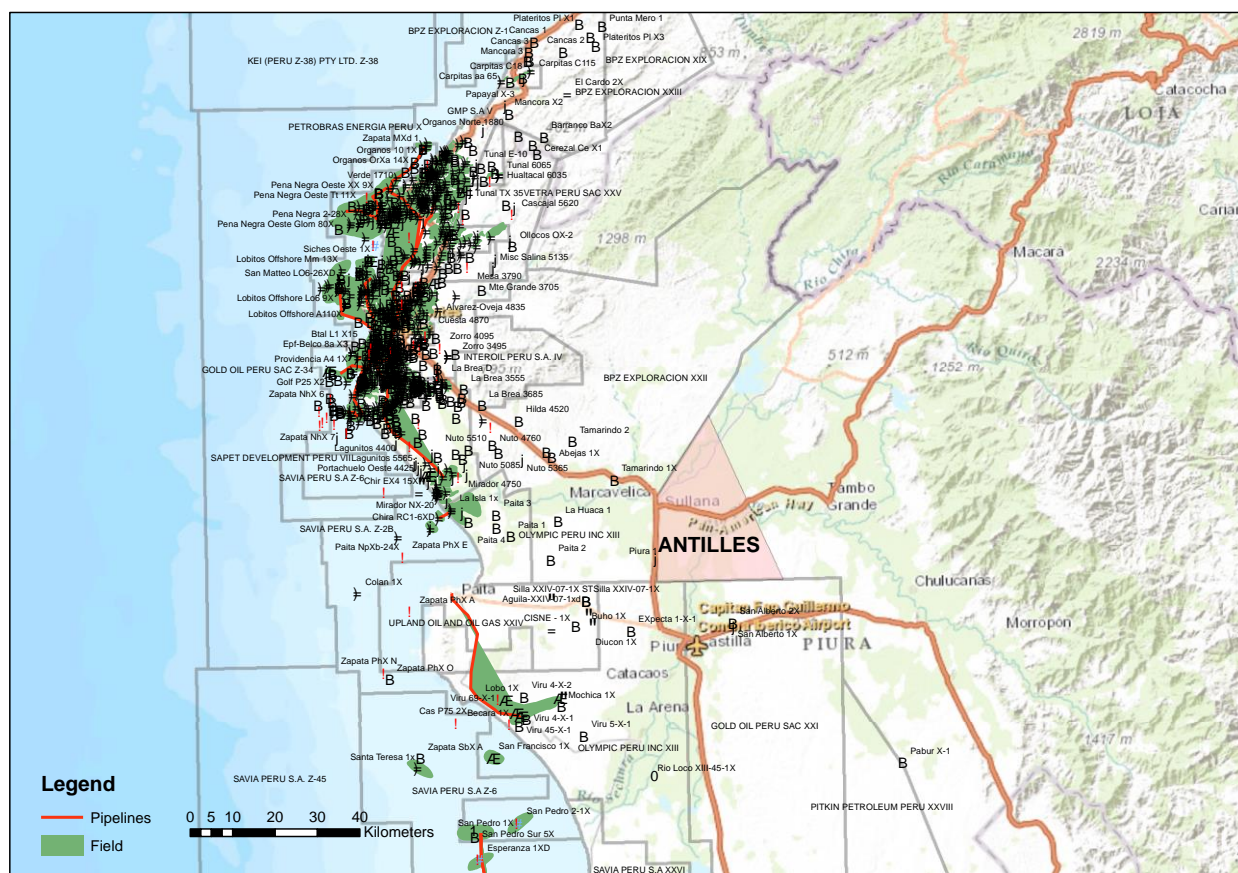


Figure 2 – Northern Peru Block 15 May announcement

The Sechura Basin has a proven source rock for gas and oil hydrocarbons in the TEA area in the Muerto Formation which sourced the surrounding oil fields to the west of the area.

Good oil shows in two wells, Puira-1 and San Alberto-1X, have been sampled in and nearby the block proving the extent and presence of a working hydrocarbon/oil system.

Large-scale reservoirs consisting of good quality deepwater sands are present in the wells in the Tertiary to Upper Cretaceous section. The inversion structures seen within the main grabens generate the large-scale structures which have substantial resource potential.

Surrounding activity includes oil production from the Talara and Sechura Basins with associated pipelines. Major highways in the area allow export by road.

The agreement with the regulator Perupetro gives Antilles a right to evaluate the area and move to an exploration licence. The fiscal terms of the area are highly attractive, with low cost due to the ease of access for onshore drilling activity and seismic acquisition.

Antilles plans to complete the initial evaluation of the permit and move to a license in the first half of 2016.

Corporate

Placement and Renounceable Rights Issue

In May, Antilles announced a placement to sophisticated and institutional investors and raised \$127,500 before costs via the issue of 1,500,000 shares at 8.5 cents each, with a free-attaching option for each share issued.

The Company also offered shareholders the opportunity to participate in a renounceable rights issue at an issue price of 8.5 cents together with a free attaching option, underwritten to \$1 million. It received applications from shareholders subscribing for 551,190 new shares and also subsequently issued 11,647,062 new shares under the underwriting agreement. Total funds raised amounted \$1,036,851 before costs.

Annual General Meeting

At the Company's Annual General Meeting held on 27 May 2015, shareholders passed all resolutions as set out in the Notice of Meeting on a show of hands.

David Ormerod
Managing Director

For further updates refer to the website or contact the Company Secretary for Antilles, Mr Ranko Matic, on (08) 9226 4500.