



Lengo gas project receives government approval

- **Plan of Development for Lengo gas project approved by Indonesian regulator**
- **Operator preparing to pursue formal negotiations for gas sales agreements**

AWE Limited (ASX: AWE) has been advised by the Operator of the Bulu production sharing contract (PSC), KrisEnergy, that the Government of Indonesia has approved the Plan of Development (POD) for the Lengo gas field, offshore East Java

A copy of KrisEnergy's announcement is attached.

Mr Bruce Clement, AWE's Managing Director, said:

"Achieving an approved plan of development for the Lengo gas project in Indonesia is another significant milestone for AWE and underlines the success of our growth strategy and the benefits of our balanced portfolio of assets.

"Lengo is well positioned to supply a strengthening gas market in East Java where growing demand has helped gas prices remain firm despite current oil market volatility.

"The project has considerable momentum and we look forward to working with the Operator, KrisEnergy, to progress to a final investment decision," Clement said.

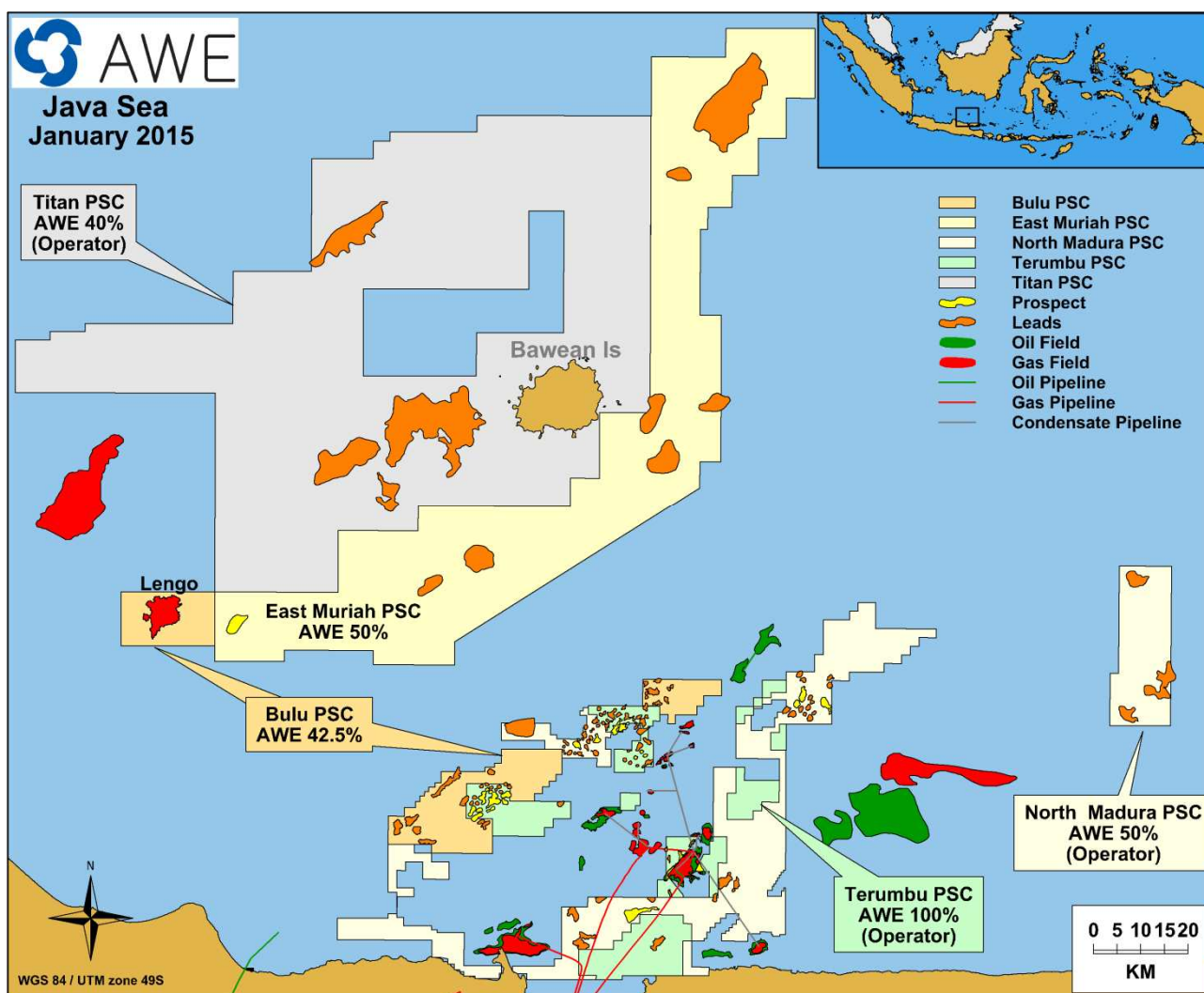
The Joint Venture partners in the Bulu PSC are:

AWE Limited (via subsidiaries)	42.5%
KrisEnergy Ltd (Operator)	42.5%
PT Satria Energindo	10.0%
PT Satria Wijayakusuma	5.0%

About AWE Limited.

AWE Limited is an Australian based energy company focused on upstream oil and gas and related energy opportunities. Established in 1997 and listed on the ASX, the Company is headquartered in Sydney with international operating offices in New Zealand and Indonesia. AWE has built a substantial portfolio of production, development and exploration assets in Australia, New Zealand, USA, Indonesia and China, including four cornerstone growth assets: the Sugarloaf unconventional shale play in the USA, the Ande Ande Lumut oil project in Indonesia, the BassGas project offshore Victoria, and the Waitsia gas field in the onshore Perth Basin, Western Australia. With its strong financial and technical base, AWE will continue to pursue exploration, appraisal and development growth opportunities in Australasia and Asia.





For information please see our website www.awexplore.com or contact:

Investor Relations

Matthew Sullivan

AWE Limited

02 8912 8022

matthew.sullivan@awexplore.com

Media Enquiries

Ian Howarth

Collins St Media

03 9600 1979

ian@collinsstreetmedia.com.au

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KrisEnergy receives green light for Indonesia gas project

Plan of development approved for Lengo gas field offshore East Java

Singapore, 29 December 2014 – KrisEnergy Ltd. (“KrisEnergy” or “the “Company”), an independent upstream oil and gas company, announces that the Government of Indonesia has approved the plan of development (“POD”) for the Lengo gas field in the Bulu production sharing contract (“PSC”) offshore East Java. Approval of the POD paves the way for the operator, KrisEnergy, to pursue formal negotiations for gas sales agreements with potential offtakers.

The Bulu PSC covers 697 sq. km in three separate areas – Bulu A, Bulu B and Bulu C – over the East Java Basin in water depths of 50 to 60 metres. The Lengo gas discovery is located in the Bulu A area and will be developed via four development wells and an unmanned wellhead platform. A 20-inch, 65-km export pipeline will transport the gas directly to shore. Production is anticipated to commence approximately 24 months after the joint-venture partners declare final investment decision and is expected to plateau at 70 million cubic feet per day.

The Bulu PSC lies adjacent to the KrisEnergy-operated East Muriah PSC, which contains the East Lengo gas discovery. The Company plans to drill an appraisal well in the East Muriah PSC and, if successful, to develop East Lengo gas via a single well tied back to the Lengo facilities. KrisEnergy also operates the Sakti PSC, an exploration block adjacent to the Bulu A area, where the Company completed 1,202 km 2D and 401 sq. km 3D seismic acquisition programs earlier this year.

Chris Gibson-Robinson, Director Exploration & Production commented: “This is our first development as the operator in Indonesia and we have been building up our technical and project management competencies in Jakarta to be ready for this moment. When on stream, the Lengo field will bring the group’s production mix to approximately 52% gas versus 48% oil. Demand for gas continues to grow strongly across Indonesia and long-term pipeline prices are holding firm despite volatility in the international oil markets. Bulu is the potential aggregation hub for gas into East Java if we are successful in the appraisal of East Lengo and exploration in Sakti.”

KrisEnergy holds a 42.5% operated working interest in the Bulu PSC and is partnered by AWE Limited with 42.5%, PT Satria Energindo with 10% and PT Satria Wijayakusuma with 5%.

Contacts:

Richard Lorentz
Director Business Development
T: +65 6838 5430
E: richard.lorentz@krisenergy.com

Tanya Pang
Head of Investor Relations & Corporate
Communications
T: +65 6838 5430
E: tanya.pang@krisenergy.com



About KrisEnergy:

KrisEnergy Ltd. is an independent upstream company focused on the exploration for, and the development and production of oil and gas in Southeast Asia. Our strategy is to acquire assets in countries and basins where our technical team has expertise derived from decades of experience. Since 2009, we have built a portfolio of 18 contract areas in Bangladesh, Cambodia, Indonesia, Thailand and Vietnam, spanning the entire exploration-to-production life cycle. The Company also has acquired a non-operated interest in Block A Aceh onshore Sumatra, the transaction for which is pending government approvals. Once approvals are received, the portfolio will increase to 19 contract areas.

KrisEnergy's shares are listed on the mainboard of the Singapore Exchange Securities Trading Ltd under the ticker SK3.

For further information, visit www.krisenergy.com.

The initial public offering of the Company was sponsored by CLSA Singapore Pte Ltd and Merrill Lynch (Singapore) Pte. Ltd. (the "**Joint Issue Managers, Global Coordinators, Bookrunners and Underwriters**"). The Joint Issue Managers, Global Coordinators, Bookrunners and Underwriters assume no responsibility for the contents of this announcement.