



Irwin-1 gas discovery: 149 Bcf of gas at Irwin and Synaphea

- **AWE estimates gross 2C Contingent Resources of 149 Bcf of gas in the Dongara/Wagina interval in the Irwin and Synaphea structures**
- **Data confirms an extensive lateral reservoir system in the Kingia formation, supporting the previously announced Waitsia gross 2C Contingent Resource estimate of 290 Bcf of gas**

AWE Limited (ASX: AWE) today announced initial results from the Irwin-1 exploration well, located in the onshore Perth Basin, Western Australia. The Irwin structure straddles the EP320 (AWE 33%) and L1 (AWE 50%, Operator) boundary and the Irwin-1 drilling program is being operated by AWE under an agency agreement with joint venture partner, Origin Energy Limited (ASX: ORG).

The Irwin-1 well was drilled to a total depth of 4,049m. The primary target, the Dongara/Wagina sandstones, was intersected at 3,146m. Sidewall cores and gas samples were collected and have been sent for compositional analysis.

Initial analysis of the wireline logs indicates a 32m gas column in the Dongara/Wagina tight gas reservoir with a gas/water contact interpreted at 3,085m total vertical depth subsea (TVDSS). This is the same depth as the log indicated gas/water contact in Warradong-1, previously drilled in the adjacent Synaphea structure, 4.5 km to the south. The common contact suggests that these two wells may have intersected the down-dip portion of a single large gas accumulation that includes both the Irwin and Synaphea structures. AWE estimates gross 2C Contingent Resources of 15 billion cubic feet (Bcf) of gas for Irwin and 134 Bcf of gas for Synaphea. The up-dip portion of the Synaphea structure, located in permit L1 has not yet been drilled.

In light of the Irwin-1 discovery, additional Dongara/Wagina prospectivity has been identified within the L1 permit and work is underway to assess the potential of these leads.

The Kingia Sandstone interval at Irwin-1 was found to be water bearing. This outcome was not unexpected as the Kingia was penetrated below the interpreted gas-water contact at Waitsia. However, the Kingia reservoir is thicker than, and of similar quality to, that in Waitsia located 8km to the west. This confirms that the Kingia reservoir system is laterally extensive, as assumed in the assessment of the previously announced gross 2C Contingent Resource estimate of 290 Bcf of gas for the Waitsia field. Aquifer pressure measured at Irwin-1 also supports the interpreted mid-case gas/water contact for the Waitsia field.

AWE Managing Director, Mr Bruce Clement, said the latest results further highlight the potential of the company's Perth Basin assets to deliver substantial quantities of gas for the Western Australian domestic market.

"AWE is rapidly building a large inventory of conventional and tight gas resources in the north Perth Basin. Importantly, in addition to the significant new Dongara/Wagina discovery, Irwin-1 has intersected the Kingia formation 8km east of Senecio-3, confirming the lateral extension of the Kingia reservoir sands, as well as providing valuable data on reservoir quality and gas/water contact," he said.

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“The Irwin-1 exploration well has achieved its objectives and we are now preparing to drill the Waitsia-1 appraisal well on the Waitsia gas field, later this month. Subject to well results and obtaining the necessary regulatory approvals, we are targeting early production from an initial phase of development by mid-2016,” Clement added.

The Irwin-1 exploration well was spudded on 25 March 2015 and is located approximately 22.7kms east of Dongara, Western Australia.

Table 1. Initial gross 2C Contingent Resource estimates for Irwin and Synaphea structures

Fields / Permits	Reservoir Interval	Discovered Original Gas in Place (Bcf)			Contingent Resources (Bcf of gas)		
		P90	P50	P10	1C	2C	3C
Irwin (EP320, L1)	Dongara/Wagina	34	38	43	11	15	21
Synaphea (L1/L2, EP320)	Dongara/Wagina	282	330	387	101	134	178

Table 2. Initial net 2C Contingent Resource estimates for Irwin and Synaphea structures

Fields / Permits	Reservoir Interval	AWE equity	AWE Share (Bcf of gas)		
			1C	2C	3C
Irwin (EP320, L1)	Dongara/Wagina	33% - 50%	5	7	10
Synaphea (L1/L2, EP320)	Dongara/Wagina	33% - 50%	50	66	88

Table 3. Initial net 2C Contingent Resource estimates announced to date for the north Perth Basin

Fields / Permits	Reservoir Interval	AWE equity	AWE Share (Bcf of gas)		
			1C	2C	3C
Irwin (EP320, L1)	Dongara/Wagina	33% - 50%	5	7	10
Synaphea (L1/L2, EP320)	Dongara/Wagina	33% - 50%	50	66	88
Senecio (L1/L2)	Dongara/Wagina	50%	20	35	65
Waitsia (L1/L2)	Kingia/High Cliff	50%	33	145	585
TOTAL net to AWE			108	253	748

The Joint Venture partners in EP320 are:

AWE Limited (via subsidiaries)	33.0%
Origin Energy Limited (via subsidiaries, Operator)	67.0%

The Joint Venture partners in L1 are:

AWE Limited (via subsidiaries, Operator)	50.0%
Origin Energy Limited (via subsidiaries)	50.0%

The Joint Venture partners in L2 are:

AWE Limited (via subsidiaries, Operator)	50.0%
Origin Energy Limited (via subsidiaries)	50.0%

Reserves and Resources.

The reserve and resource information contained in this announcement is based on information compiled by Dr. Suzanne Hunt (Manager, Engineering and Development). Dr. Hunt is a Petroleum Engineer with a PhD in Geomechanics and has over 18 years' experience in the petroleum sector. She has consented in writing to the inclusion of this information in the format and context in which it appears.

Conversion Tables

Energy Value	Barrel of Oil Equivalents (BOE)
1,000 standard cubic feet of sales gas yields about 1.055 gigajoules (GJ) of heat	Oil 1 barrel = 1 BOE
1 petajoule (PJ) = 1,000,000 gigajoules (GJ)	Condensate 1 barrel = 1 BOE
1 gigajoule = 947,817 British Thermal Units (BTU)	LPG/NGLs 1 tonne = 11.6 BOE
	Sales Gas 6PJ = 1 million BOE

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, Australia, 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. With its strong technical base and disciplined financial management, AWE will continue to pursue exploration, appraisal and development growth opportunities in Australasia and Asia.

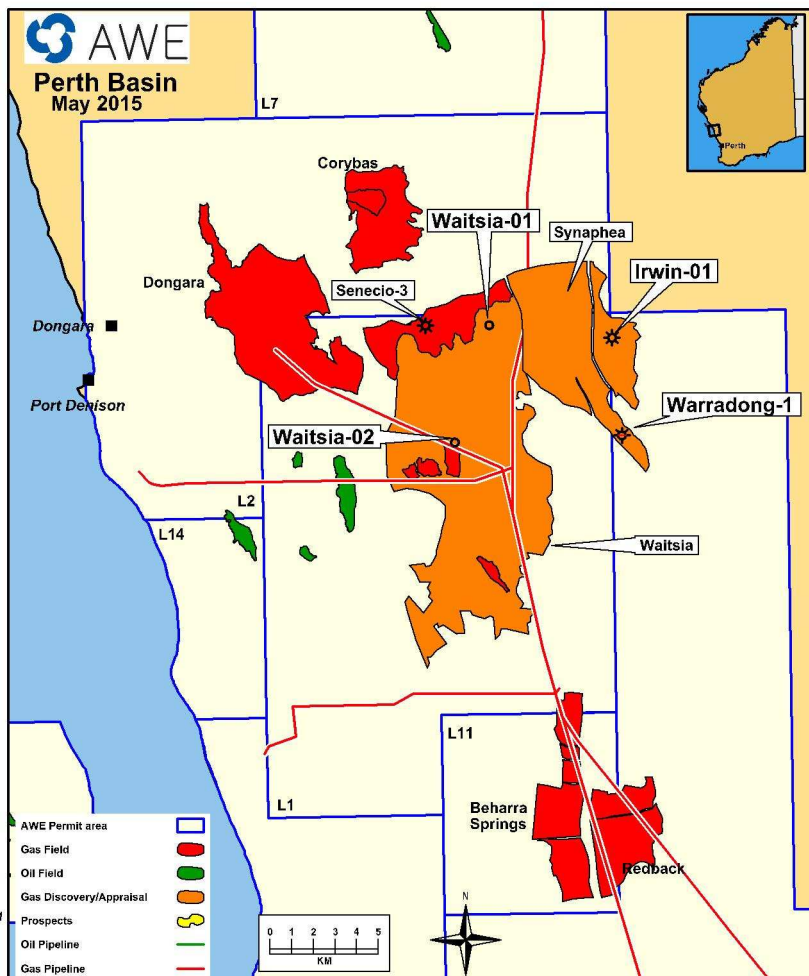
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