



AWE spuds Waitsia-1 appraisal well

AWE Limited (ASX: AWE), the Operator of Permits L1/L2 in the Perth Basin, Western Australia, advises that the Waitsia-1 appraisal well commenced drilling operations at 11:00 hours (11:00 am) AWST on Thursday, 14 May 2015.

As at 06:00 hours (6.00am) AWST today, the well was at 423m Measured Depth below Rotary Table (MDRT) in a 17 ½ inch hole. The well will be drilled to a planned section depth of 570m MDRT before installation of the 13 3/8 inch surface casing.

The Waitsia-1 well will be drilled vertically to a planned total depth of 4,050m MDRT and is forecast to take approximately six weeks to complete. The well is designed to further test the gas potential of the Waitsia Field, comprising primary targets in the deep conventional formations in the Kingia and High Cliff Sandstones.

The well will be logged and core samples will be collected and sent for analysis. Secondary targets in the shallower Dongara and Wagina tight sandstone formations, the Carynginia Shale and Irwin River Coal Measures will be intersected prior to reaching the primary targets.

If the results are positive, AWE may undertake a flow test of the Waitsia-1 well and the well may be completed as a production well for a potential future field development. The approved work program for the Waitsia-1 appraisal well does not include hydraulic fracture stimulation.

The Waitsia-1 appraisal well is located on agricultural land approximately 17km east of Dongara, Western Australia, and 10km from the operating Dongara gas plant. The well is the second of a three well drilling program planned for the Perth Basin in 2015. It will be followed by the Waitsia-2 appraisal well in the second half of the 2015 calendar year.

The Joint Venture partners in L1/L2 are:

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

About the Waitsia gas field

The Waitsia discovery was announced on 2 September 2014 while drilling the Senecio-3 well and has the potential to be the largest onshore conventional gas discovery in Western Australia in the last 50 years. AWE's initial estimates for the Waitsia gas field comprise gross 2C Contingent Resources of 290 Bcf in the Kingia/High Cliff Sandstone formations. In addition, AWE has also estimated gross 2C Contingent Resources of 70 Bcf in the Senecio tight gas field and an initial estimate of 149 Bcf in the Irwin/Synaphea tight gas structures.



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.

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

Investor Relations

Matthew Sullivan

AWE Limited

02 8912 8022

Matthew.sullivan@awexplore.com

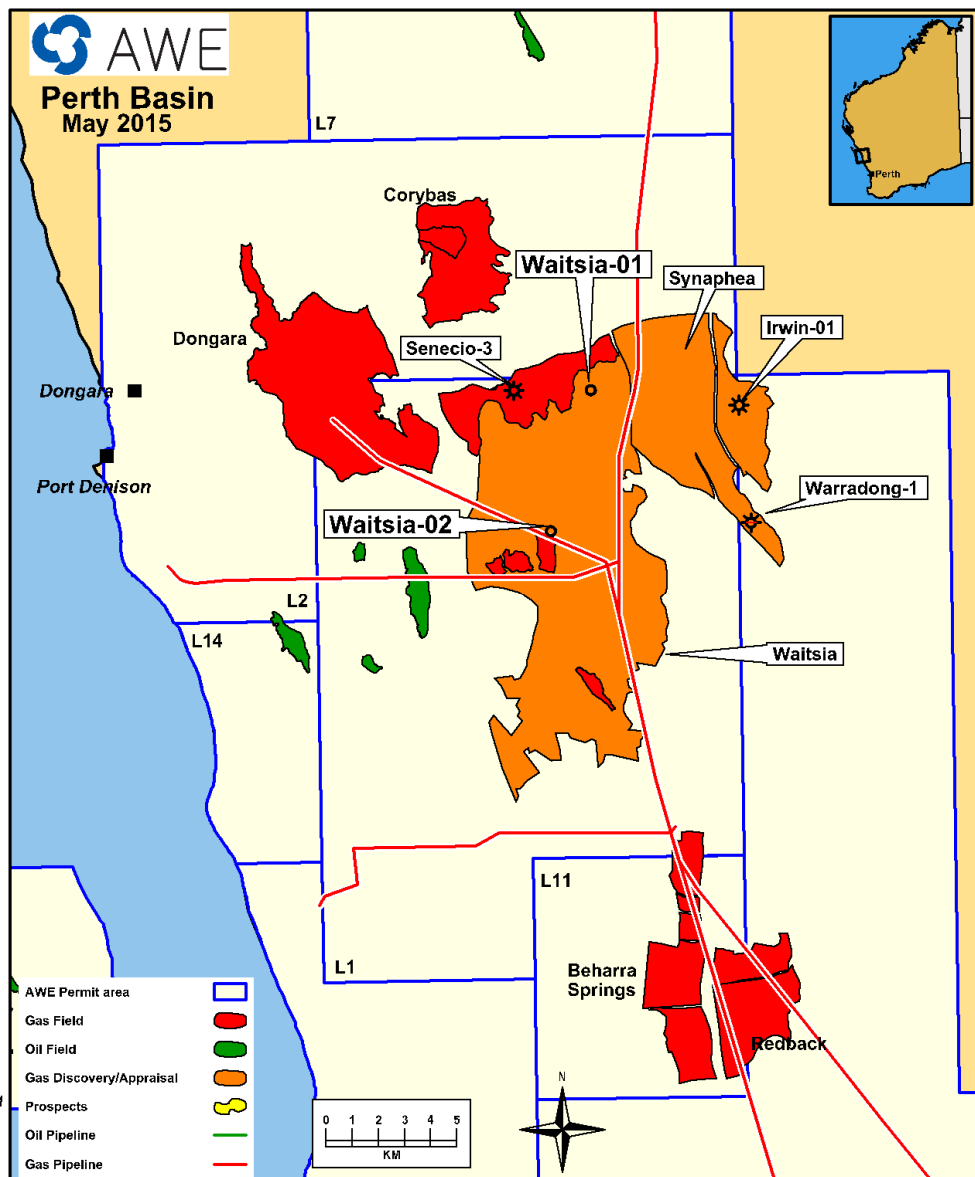
Media Enquiries

Ian Howarth

Collins St Media

03 9600 1979

ian@collinsstreetmedia.com.au



ENDS