ASX Announcement
27 October 2015

Waitsia-1 flows gas at 25.7 mmscf/d from second zone; combined flow rate over 50 mmscf/d

- **Flow testing of the second of two zones in the onshore Waitsia-1 well has commenced**
- **The Kingia Formation achieves a flow rate of 25.7 mmscf/d constrained by tubing size**
- **Total combined flow rate of greater than 50 mmscf/d from the Kingia and High Cliff Sandstones**

AWE Limited (ASX: AWE), Operator of the L1/L2 joint venture, today announced it had commenced flow testing of the second zone in the Waitsia-1 well, the Kingia Formation, to further appraise the conventional Waitsia gas discovery in the onshore Perth Basin, Western Australia.

The testing program is designed to determine well deliverability from two conventional reservoir zones and to collect gas samples for compositional analysis. The first zone tested, the High Cliff Sandstone, flowed gas at a rate of 24.7 mmscf/d (announced to the ASX on 7 October 2015).

The second zone being flow tested is the shallower Kingia Formation, where a 15 metre interval (3,333 – 3,348 metres) has been perforated.

Well clean-up operations commenced at approximately 07:00 hours AWST (7.00am Australian Western Standard Time) on Monday 26 October. After an 8 hour combined clean-up and well test period, the well flowed gas at an average rate and pressure of 25.7 mmscf/d and 1530 psig, constrained by tubing size, on a 56/64 inch choke for approximately a one hour period.

AWE's Managing Director, Bruce Clement, said:

"This is clearly an outstanding result. Both reservoir intervals tested in Waitsia-1 have each flowed at 25 mmscf/d, constrained by tubing size, giving us a combined flow rate greater than 50 mmscf/d.

"We have now confirmed the flow potential of the conventional Kingia and High Cliff Sandstone Formations in the field. The excellent flow rates achieved will enable us to reduce the number of wells, and development costs, to achieve the targeted production rate of 100 mmscf/d for the full field development with the potential to increase the field production rate.

"Engineering and planning work for the first stage of development is well advanced, with early stage production of approximately 10 mmscf/d planned for mid-2016.

The Waitsia-1 well will now be shut in for a brief pressure build-up survey prior to a series of flow tests at various choke settings, rates and well head pressures.

The Joint Venture partners in L1/L2 are:

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

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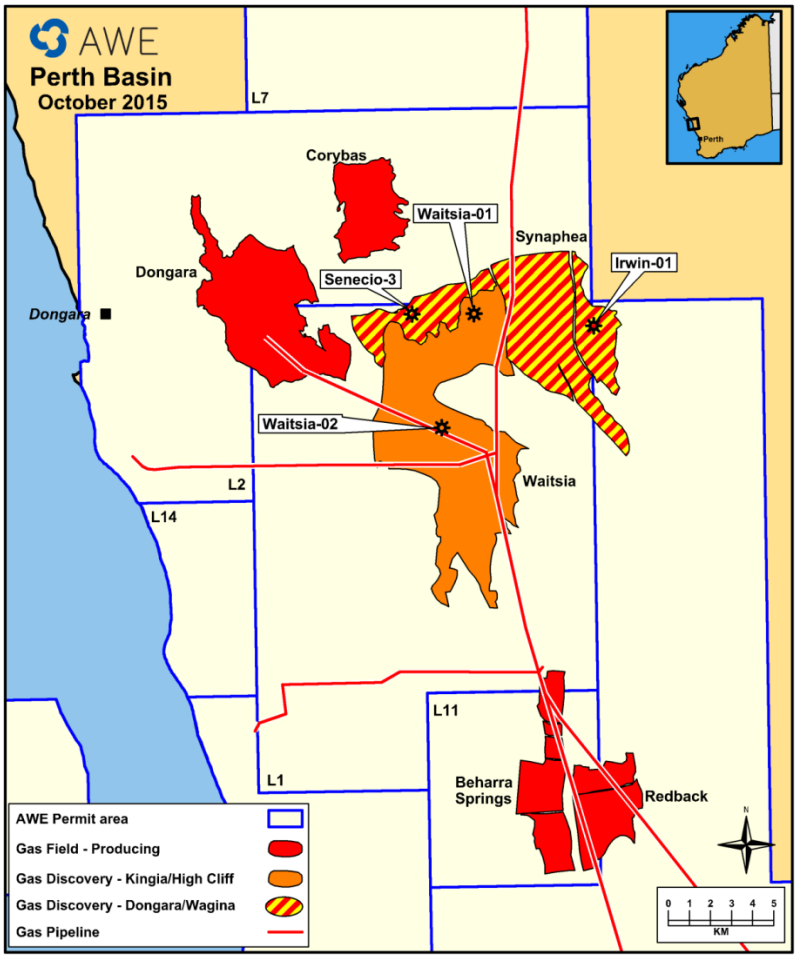
About AWE Limited
AWE Limited is an Australian based energy company focused on upstream oil and gas and related energy opportunities. Established in 1997 and listed on the ASX, the company is headquartered in Sydney, Australia, with international operating offices in New Zealand and Indonesia. AWE has 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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