



AWE achieves first gas sales from Waitsia project – on time and within budget

AWE Limited (ASX: AWE) today announced that commercial gas sales from Stage 1A of the Waitsia gas project have commenced and that the development was delivered on time and within the approved budget of \$18 million (\$9 million net to AWE).

The Waitsia gas project (AWE 50% interest) is Operated by AWE and located in production licence L1/L2 in the onshore Perth Basin, Western Australia, approximately 367km north of Perth and 16.5km east-southeast of Dongara. Stage 1A comprised the installation of new infrastructure to connect the Waitsia-1 and Senecio-3 gas wells to the upgraded Xyris Production Facility (XPF).

The XPF has been successfully commissioned and production capacity of 10 TJ/d has been achieved. Gas is being delivered to the Parmelia pipeline with Alinta Energy taking up to a Maximum Daily Quantity of 9.6 TJ/day under a 2.5 year Take or Pay gas sales agreement.

AWE is now focused on moving towards Stage 2, a full field development phase that would increase production capacity up to 100 TJ/d. The development concept selection process for Waitsia Stage 2 has begun and two new appraisal/production wells are planned to be drilled in calendar year 2017.

AWE's Managing Director and CEO, David Biggs, said, "The first gas sale from the Waitsia gas project represents a major milestone for AWE."

"The Waitsia gas field was discovered less than two years ago and we moved quickly to appraise the asset ahead of a Final Investment Decision (FID) for Stage 1A in January 2016. Engineering and construction work was completed on schedule, and first gas achieved less than nine months after FID on time and within budget.

"This is the first step towards full field development of the Waitsia gas project, which will deliver significant revenue growth for AWE from 2020, and highlights the strength of our technical and operating capabilities.

The Joint Venture partners in L1/L2 are:

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



About AWE Limited

AWE Limited is an independent, Australian energy company focused on upstream oil and gas opportunities. Established in 1997 and listed on the Australian Securities Exchange (ASX: AWE), the company is based in Sydney with project offices in Perth and New Zealand. AWE has a substantial portfolio of production, development and exploration assets in Australia, New Zealand, and Indonesia.

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

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