



16 January 2013

Manager of Company Announcements
ASX Limited
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PERTH WA 6000

By E-Lodgement

WA-460-P – Update

Following its listing on 4 January 2013, Cott Oil and Gas Limited (ASX:CMT) (**'Cott'** or **'Company'**) is pleased to provide an update in respect of one of its Carnarvon Basin interests, WA-460-P. Cott holds a 33% interest in WA-460-P, with its joint venture partners being WHL Energy Ltd (ASX:WHN) (33%) and Strike Energy Ltd (ASX:STX) (33%).

WA-460-P sits adjacent to WA-384-P where Shell/Mitsubishi are currently drilling the large Palta prospect. The Palta 1 well was spudded on 14 October 2012 and was scheduled to take between 60 to 90 days to drill, with drilling being undertaken by the Noble Clyde Boudreaux drilling vessel.

Cott understands that the drill rig remains on site within WA-384-P, and that completion of the drilling has been delayed by rig downtime and local weather conditions. Cott shall monitor further news in respect of the well.

Cott has previously mapped the Palta prospect as potentially containing a prospective resource of upwards of 13.5 Tcf of gas, with approximately 18% of the prospect lying within WA-460-P.

Cott originally lead the consortium of WHL and Strike Energy in identifying and applying for WA-460-P.

Further background to WA-460-P and the Palta Prospect

Cott evaluated the WA-460-P area open for application in the May 2011 bid rounds, and determined that the area would provide an opportunity to be involved in the potential drilling of the Palta 1 prospect. Shell had completed a 3D seismic survey to the south of WA-460-P covering the Palta 1 prospect and Cott had evaluated that 18% of the Palta 1 prospect was within WA-460-P. Cott arranged a bidding consortium and was awarded the permit. Shell subsequently confirmed the drilling of Palta 1.

WA-460-P is located approximately 70 km west of North West Cape and lies at the southern end of the Ningaloo Arch towards the western flank of the Exmouth Sub-basin. It consists of a single graticular block covering approximately 80km². Water depth is generally around 1400 metres but the permit is partly bisected by a deep submarine canyon where the water depth reaches almost 2500 metres. The canyon adversely affects the seismic data and Cott's experienced technical team was able to identify the significance of the Palta Prospect.

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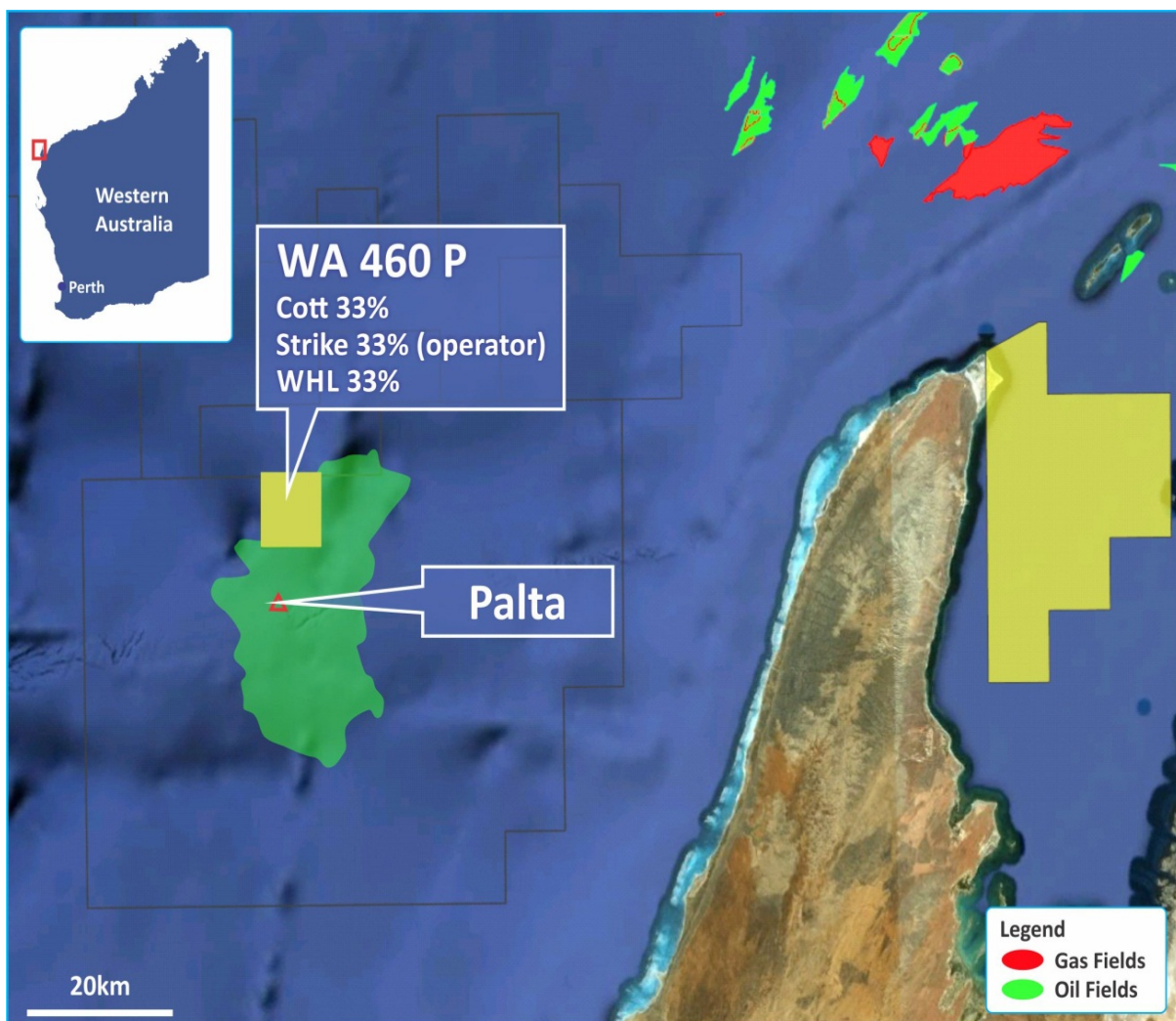
CMT



The permit is covered by a sparse grid of 2D seismic shot in 1996, 1998 and 2001. Line spacing varies between 700-2000 metres. Shell shot the Salsa 3D seismic survey over the Palta prospect immediately to the south of the permit in 2010.

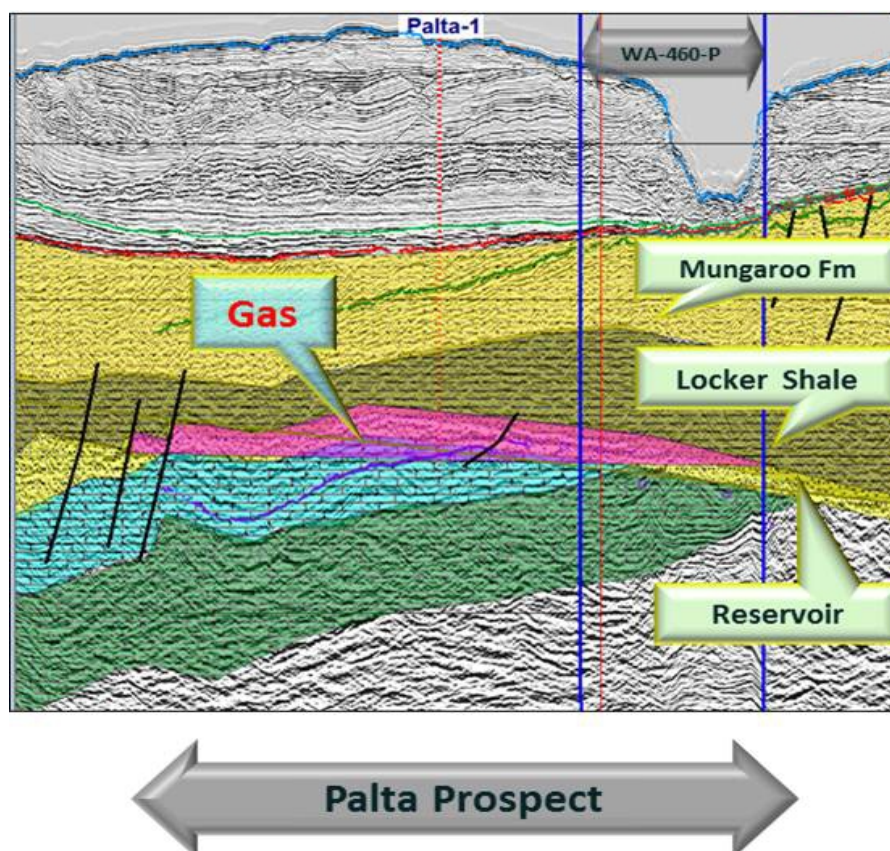
The nearest well control is Falcone 1A drilled about 40km to the northeast by Woodside in 2005 as a test of a Triassic fault block and encountered a non-commercial gross gas column of approximately 35 metres.

Mapping of the 2D seismic data over the permit and the surrounding areas show the very large Palta prospect in WA-384-P to the South of WA-460-P extends into WA-460-P. Palta is a large rotated Palaeozoic fault block. The seal is the Locker Shale and the reservoirs are possibly Permian to Devonian in age and may be either siliciclastics or carbonates. Prospective resources are estimated to be approximately 13.5 Tcf of which approximately 2.5 Tcf is estimated to fall within WA-460-P.





Schematic Strike Section



The Palta 1 well is the final work programme obligation for the extended Year 6 of WA-384-P permit. Shell contracted the semi-submersible rig, Noble Clyde Boudreaux, to drill the Palta 1 well. The water depth is approximately 1300 meters and the well is being drilled to a target depth of greater than 5000 meters.

About Cott Oil and Gas Ltd

Cott listed on ASX in January 2013. Cott has a highly experienced management team and holds a strategically prospective suite of oil and gas opportunities across the Westralian Superbasin, which underlies Australia's northwest continental margin.

The Company's current portfolio includes:

Carnarvon Basin

- Part of the Palta prospect in the Carnarvon Basin which is at present being drilled by Shell;
- Drilling targets extending the Chamois Oilfield;
- Shallow drilling targets in the Rivoli gasfield.

Papua New Guinea

- Underexplored, strategic onshore acreage in PNG, held in 50/50 JV partnership with PNG specialist Kina Petroleum Limited (ASX:KPL).
- Cott's granted interests in PNG cover over 9,200km² (2.27m acres) on a net basis.



For and on behalf of the Board,

Andrew Dimsey
Managing Director

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