



## **Waitsia-1 results confirm further upside potential in Waitsia gas field**

- **Results support previous 2C Resource estimates with potential for substantial upside**
- **Confirms 95m gross gas column across three conventional reservoirs**
- **Continuity of the conventional Kingia and High Cliff Sandstones established**
- **Considerable thickening of High Cliff Sandstone pay interval with improved reservoir quality**

AWE Limited (ASX: AWE), the Operator of Permits L1/L2 in the Perth Basin, Western Australia, advises that wireline log and pressure data from the Waitsia-1 appraisal well confirm a 95m gross gas column across three conventional reservoir intervals in the Waitsia field, confirming initial results from the discovery well (Senecio-3) and identifying substantial upside potential.

The well was drilled to a revised total depth of 3,507m Measured Depth below Rotary Table (MDRT), having drilled successfully through the full prospective section and into the Holmwood Shale. The primary and secondary targets were penetrated at depths close to prognosis with good gas shows being encountered in the Kingia, High Cliff and Dongara Sandstones. Gas shows were also observed in the Irwin River Coal Measures and the Carynginia Shale.

A Gas-Water Contact (GWC) for the Waitsia field was established at 3,350m total vertical depth subsea (3,432m MDRT) which is approximately 350m below the top of the mapped structure. Wireline pressure data indicate that the three good quality reservoir intervals in the Kingia and High Cliff Sandstones are likely to be continuous with equivalent zones in the Senecio-3 well. Overall reservoir quality appears to be better than Senecio-3 with considerable thickening of the High Cliff Sandstone pay interval. Conventional net gas pay for the well is interpreted to be 18m with average porosity of 18%. Preliminary compositional analysis indicates CO<sub>2</sub> levels of <4%, which is consistent with Senecio-3.

A tight gas reservoir, equivalent in quality to Senecio-3, was also encountered in the shallower Dongara Sandstone and further confirms the extent of the Senecio field.

The data acquired so far support the previously announced gross 2C Contingent Resource estimate of 290 Bcf of gas for the Waitsia field, and the thickening of the net conventional gas pay in Waitsia-1 indicates considerable potential upside. The gas bearing intervals appear to be in pressure communication across the northern culmination from Senecio-3, indicating that this region of the field has sufficient resources for commercial development. Planning for early production from Waitsia-1 and Senecio-3 is under way.

The Managing Director of AWE, Bruce Clement, said the excellent results from the Waitsia-1 appraisal well highlighted the significant conventional gas production potential of the north Perth Basin.

“The further success in Waitsia-1, following discoveries in the Senecio-3 and Irwin-1 wells, has reconfirmed the potential of the North Perth Basin to deliver substantial volumes of commercial gas into the Western Australian domestic gas market. Further work is now underway to quantify the additional gas resource indicated by the thicker, better quality sands intersected in Waitsia-1,” he said.



“The Perth Basin is well served by infrastructure and pipelines and, subject to joint venture and regulatory approvals, AWE is targeting early production from Senecio-3 and Waitsia-1 wells by mid-2016. We have commenced gas marketing and have held a number of meetings with potential customers for early stage gas production,” Clement said.

“Preparations are well advanced to drill Waitsia-2, which is designed to evaluate the southern extent of the field and allow us to appraise some of the upside potential identified in Waitsia-1.

“In addition, the success at Senecio-3 and Waitsia-1 give us further confidence in additional exploration potential within the north-south corridor extending from L1/L2 down into L11,” Clement said.

Following further evaluation and testing, it is expected that Waitsia-1 will be completed and suspended as a future production well with potential plans for future flow testing. The approved work program for the well does not include hydraulic fracture stimulation.

The Waitsia-1 appraisal well is located on agricultural land approximately 3km east of the Senecio-3 well and 17km east of Dongara, Western Australia. It is the second of a three well drilling program planned for the Perth Basin in 2015. After completion of operations at Waitsia-1, the drilling rig will move to the Waitsia-2 location 5.5km to the south west to evaluate the southern extent of the field. The primary target for this well will again be conventional reservoirs in the Kingia and High Cliff Sandstones.

**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](http://www.awexplore.com) or contact:**

**Investor Relations**

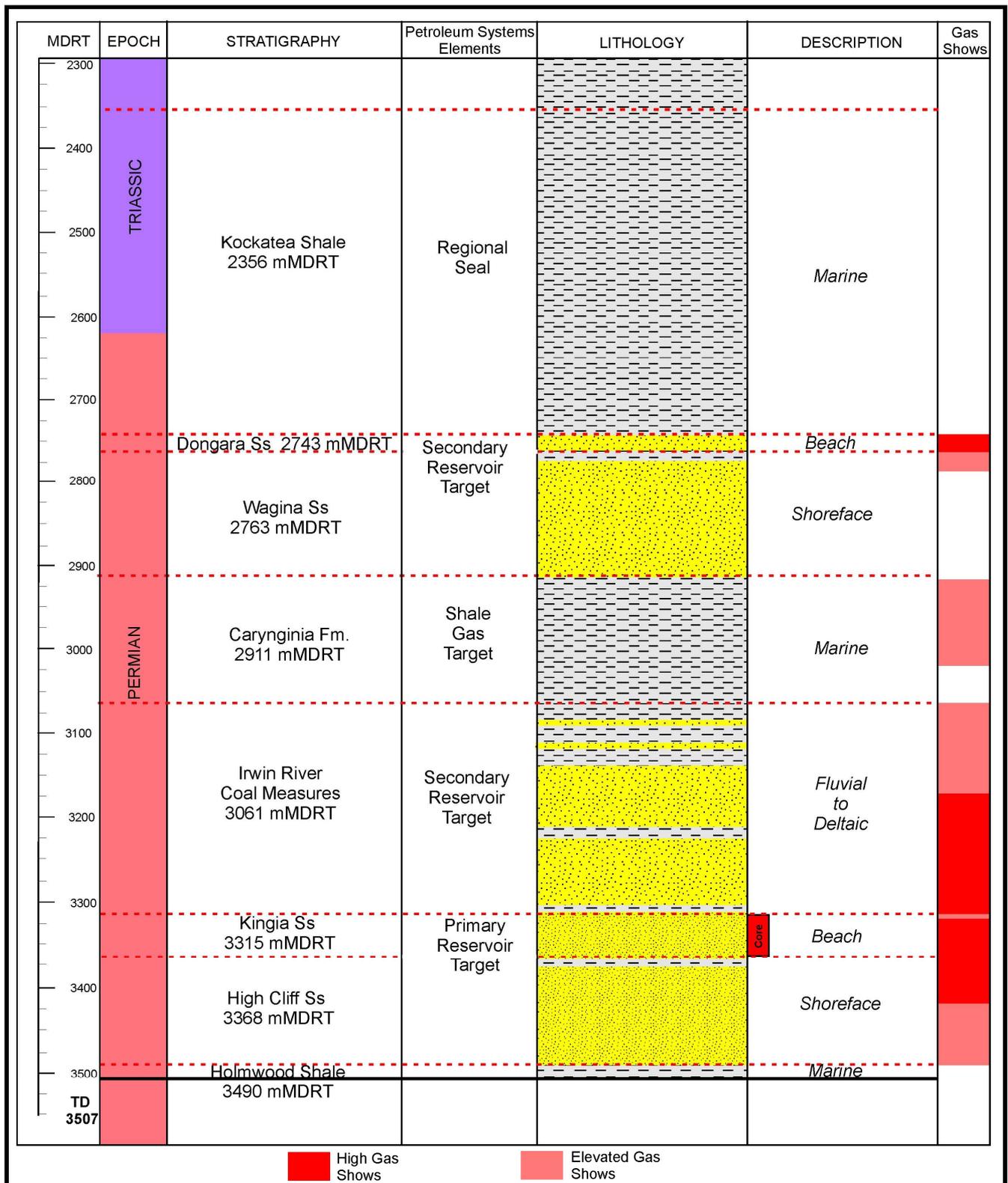
Matthew Sullivan  
AWE Limited  
02 8912 8022  
[Matthew.sullivan@awexplore.com](mailto:Matthew.sullivan@awexplore.com)

**Media Enquiries**

Ian Howarth  
Collins St Media  
03 9600 1979  
[ian@collinsstreetmedia.com.au](mailto:ian@collinsstreetmedia.com.au)

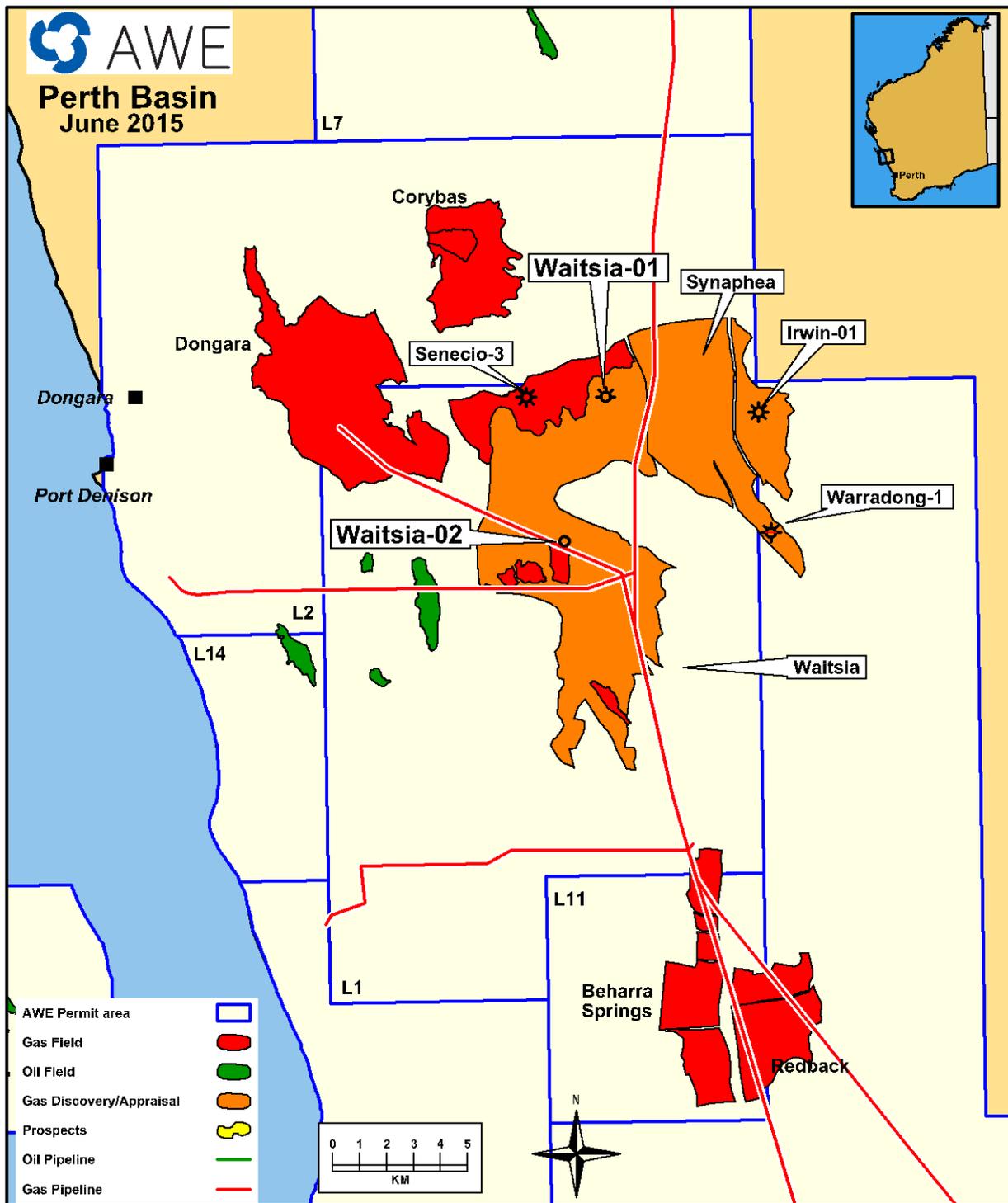
**MAPS TO COME**

**Fig 1. Waitsia-1 reservoirs and gas bearing intervals**



**MORE**

Fig 2. Map of fields and structures being appraised by AWE in the North Perth Basin



ENDS