

# WARRO UPDATE

February 2, 2016

## Encouraging Initial Gas Flows at Warro-6, Testing at Warro-5 Set to Start

Transerv Energy (ASX: TSV) is pleased to announce that testing operations at the Warro-6 onshore well in WA have commenced and recorded substantial initial gas flows.

The well is presently flowing at 1.3 mmcf/d on a 42/64" choke with a jet pump assisting with the lifting of the fluids from the well.

The flow rates are yet to stabilise and continue to improve. Importantly, the amount of lifting effort required of the jet pump is diminishing as the gas rate increases.

Warro is Australia's biggest undeveloped onshore gas field, with a total estimated Resource of 11.6 trillion cubic feet of gas initially in place. The P90 Resource, which accounts for just half of the total Resource, is estimated to be worth \$1.8 billion at current market prices.

Transerv Managing Director Stephen Keenihan said the promising results were in line with Transerv's expectations at this stage.

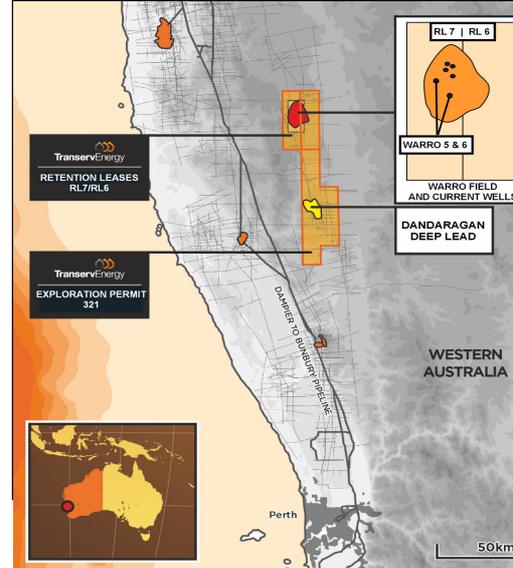
"While it is very early days in our long term testing programme of Warro-6, and the well is yet to stabilise, we are encouraged by the flows we are seeing at this early stage". Mr Keenihan said.

The completion operations at the Warro-5 well are almost finished and testing is expected to commence within 48 hours.

For and on behalf of the Board.



STEPHEN KEENIHAN  
Managing Director



Permit	RL-7
Well Location – Warro-5	30°12'24.55"S, 115°43'43.44"E
Well Location – Warro-6	30°10'53.70"S, 115°43'08.57"E
Transerv Energy's Interest	56%
Field Name	Warro Gas Field
Depth to Reservoir	~4100m RT
Date of Report	17 November 2015
Geological Formation	Yarragadee Sandstone
Forward Operations	Reservoir Stimulation and Testing

ASX : TSV

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