



Waitsia-4 well exceeds expectations & confirms further extension to Waitsia Gas Field

- **Successful appraisal of eastern extension of the Waitsia Gas Field confirms Waitsia as one of the largest conventional onshore gas discoveries in Australia**
- **Strong gas shows across 150 m interval of Kingia and High Cliff Sandstone reservoirs**
- **Excellent Kingia reservoir properties consistent with Waitsia-3; both the best intersected in the field**
- **Waitsia-4 has been cased for future testing and production**
- **No further appraisal drilling required for Waitsia Field prior to FID**
- **Anticipate booking additional Waitsia 2P Reserves in 2017**

AWE Limited (ASX: AWE), the Operator of Production Licences L1/L2 in the northern Perth Basin, Western Australia, advises that preliminary analysis of wireline log and pressure data from the Waitsia-4 appraisal well has confirmed the eastern extension of the Waitsia Gas Field by encountering strong gas shows across a 150 m gross interval including the Kingia and High Cliff Sandstone reservoir targets.

The well was successfully drilled to a Total Depth of 3,744 m Measured Depth below Rotary Table (MDRT), having drilled through all primary and secondary targets. The Kingia reservoir was penetrated very close to prognosis at 3,379 m MDRT. Strong gas shows were encountered in the Kingia and High Cliff Sandstone intervals as well as minor shows in the Irwin River Coal Measures.

The well has been cased and suspended for future testing and production. Preparations are now underway to flow test Waitsia-2, Waitsia-3 and Waitsia-4 in early Q4 2017.

Preliminary interpretation of the Kingia reservoir shows excellent conventional reservoir qualities similar to those observed in Waitsia-3 and considerably better than pre-drill estimates. The gross Kingia reservoir interval of 42 m contains 21 m of net gas pay with reservoir quality similar to Waitsia-3. The Kingia net reservoir interval in both Waitsia-3 and Waitsia-4 is more than double that observed in other wells in the field and confirms the laterally extensive nature of this excellent reservoir. The High Cliff Sandstone reservoir interval and Irwin River Coal Measures were gas-bearing and preliminary analysis indicates these are tight reservoirs.

No Gas-Water-Contact (GWC) was intersected in the well, however MDT formation pressures indicate that the Waitsia-4 gas column is continuous with that seen in Waitsia-2, indicating a common gas-water contact in this part of the field. Two gas samples were recovered to surface from the Kingia reservoir and are currently being analysed.



David Biggs, CEO and Managing Director of AWE, said:

“Both Waitsia-3 and Waitsia-4 appraisal wells have significantly exceeded our pre-drill expectations.

“The substantial thickness of the Kingia reservoir, combined with exceptional porosity, net pay and low levels of total inerts, continues to position the Waitsia Field as the largest onshore conventional gas discovery in 40+ years.

“The combined data from Waitsia-3 and Waitsia-4 will allow a complete re-evaluation of the extended Waitsia Field and we anticipate a further upgrade to Reserves and Contingent Resources in the first half of FY18,” Biggs added.

Waitsia-4 was spudded on 9 July 2017 and was forecast to take approximately five weeks in total to complete. The well was drilled on schedule and on budget and all primary and secondary objectives were met including a complete program of wireline logs, pressure data and sidewall core samples.

The Enerdrill Rig 3 has been released and this concludes the current drilling evaluation program.

The Joint Venture partners in L1/L2 are:

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

About the Waitsia gas field

The northern Perth Basin has been one of Western Australia’s major gas producing regions for more than 50 years. Discovered in September 2014, the Waitsia field is regarded as the largest onshore conventional gas discovery in Australia for the last 40 years and has the capability to supply the domestic market with 100 TJ/d for over 10 years from conventional reservoirs.

About AWE Limited.

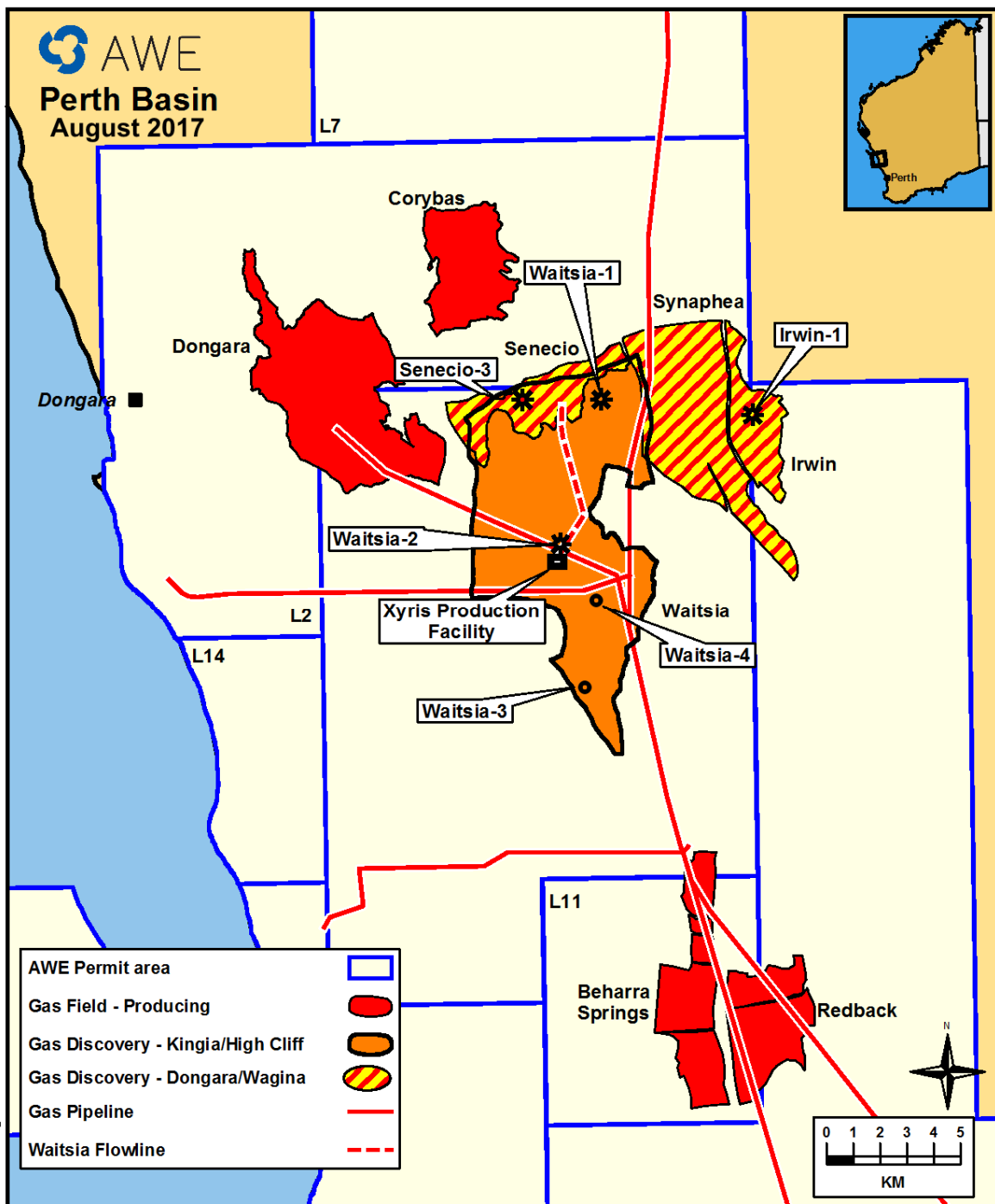
AWE Limited is an independent, Australian energy company focused on upstream oil and gas opportunities. Established in 1997 and listed on the Australian Securities Exchange (ASX: AWE), the company is based in Sydney with offices in both Sydney and Perth. AWE has a substantial portfolio of production,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

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

David Biggs
CEO and Managing Director
AWE Limited
02 8912 8000

Media Enquiries
Ian Howarth
Collins St Media
0407 822 319
ian@collinsstreetmedia.com.au

Fig 1. Waitsia and surrounding gas fields



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