



AWE acquires 40% interest in China block

- **Farm-in for 40% of Block 09/05 is AWE's first entry into China**
- **Drilling commenced on first exploration well**

AWE Limited (ASX: AWE) today announced that it has signed a Farm-in Agreement to acquire a 40% working interest in Block 09/05, Offshore Bohai Basin, China, from a wholly owned subsidiary of ROC Oil Company Limited (ASX: ROC).

Block 09 /05 is located in the western part of the prolific Bohai Bay Basin in China, approximately 10km southeast of Tanggu, the largest port in China. The block covers an area of 335 km² with water depths from approximately 5m to 10m. The block has the benefit of low drill and development costs, proximity to existing infra-structure and attractive fiscal terms.

Under the terms of the Farm-in Agreement, AWE will pay ROC USD2 million for past costs, 60% of the first exploration well and 54% of the second exploration well. Should drilling costs exceed the initial gross estimate of USD14.7 million per well, AWE would then contribute at a 40% working interest.

The first exploration well, QK11-1-1, was spudded today and will test a low risk, material size prospect that is covered by recently acquired, excellent quality 3D seismic survey data.

Several other prospects and leads have been identified within the block, providing significant follow-up potential for the second commitment well, anticipated in 3Q calendar year 2015.

The transfer of interest to AWE is subject to normal regulatory approvals.

Managing Director, Bruce Clement, said: "This farm-in represents an important milestone and provides an ideal platform to expand into China. The opportunity is consistent with AWE's exploration strategy to strengthen our prospect inventory by adding quality acreage within the Asia region. AWE believes that the partnership with ROC (an established operator within China) will provide mutual benefits to both companies."

The Joint Venture partners in Block 09/05 are:

AWE Limited (via subsidiary)	40.0%
ROC Oil Company Limited (via subsidiary) (Operator)	60.0%

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

Investor Relations

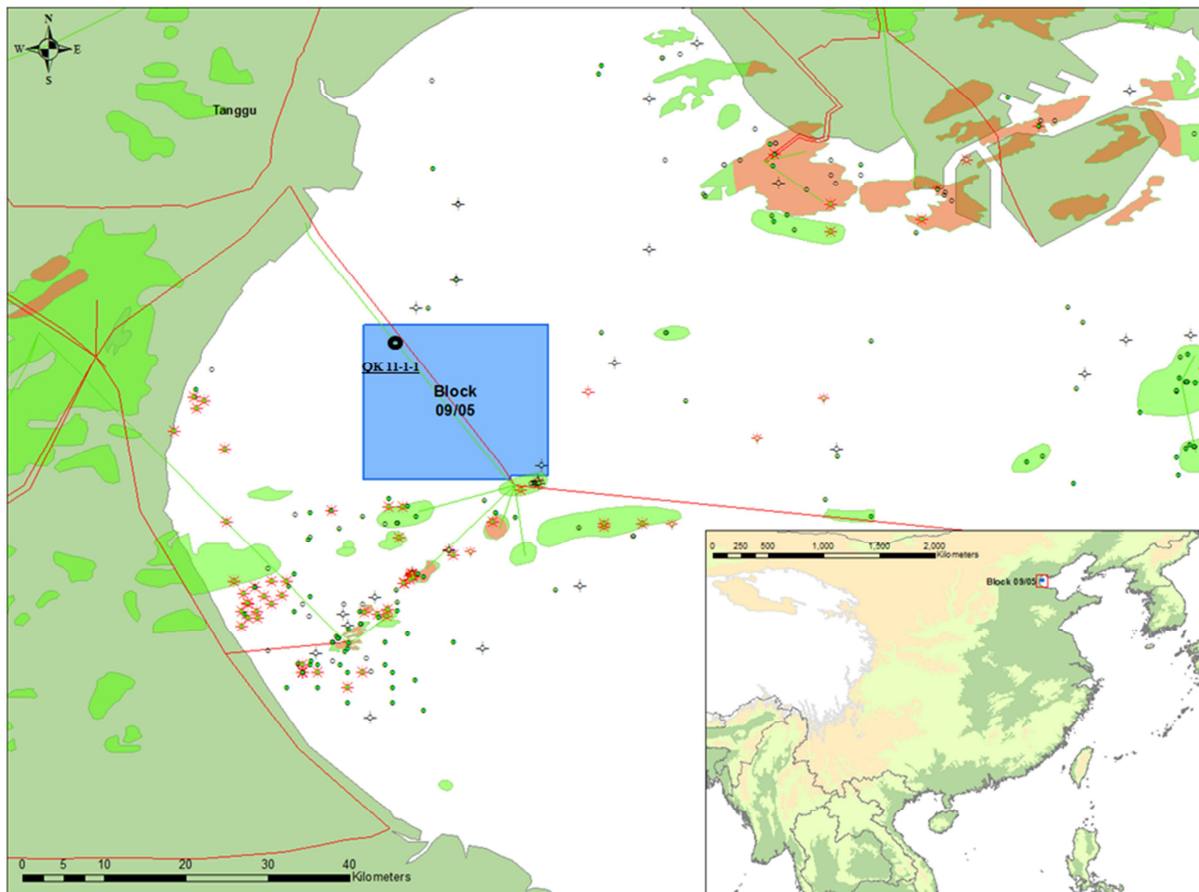
Matthew Sullivan
AWE Limited
02 8912 8022
matthew.sullivan@awexplore.com

Media Enquiries

Ian Howarth
Collins St Media
03 9223 2465
ian@collinsstreetmedia.com.au



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, including major growth opportunities such as the Ande Ande Lumut oil project in Indonesia and large unconventional gas resources in Australia. AWE also holds an interest in the Sugarloaf AMI in the Eagle Ford shale play in the USA. With its strong financial and technical base, AWE will continue to pursue exploration, appraisal and development growth opportunities in the greater Asian region.



ENDS