



Senecio-3 drilling update – well deepened after elevated gas shows

AWE Limited (ASX: AWE), as Operator of Permits L1/L2 in the Perth Basin, Western Australia, advises that as at 06:00 hours (6.00am) AWST today, the Senecio-3 appraisal well had drilled an 8 ½ inch hole to a revised Total Depth (TD) of 3,370m.

The Dongara/Wagina formation was intersected from 2,635m to 2,759m which is in line with AWE's initial prognosis.

Elevated gas shows were observed below the Dongara/Wagina and it was decided to deepen the well beyond the original TD of 2,783m to a revised TD of 3,370m. Current status of operations is that the well has been drilled to a revised TD of 3,370m and wireline logging is in progress.

The Senecio-3 appraisal well is designed to test the unconventional gas potential in the western side of the Senecio reservoir. Core samples and log data will be collected and sent for analysis and AWE will not conduct hydraulic fracture stimulation on Senecio-3 at this stage.

If the results are positive, AWE anticipates commencing the approvals process for the first phase of the Senecio unconventional gas field development. The Senecio-3 well could potentially be completed as a production well in a future field development.

The Senecio-3 appraisal well is located on agricultural land approximately 14.5 kilometres east of Dongara, Western Australia, and 7 kilometres from the operating Dongara gas plant.

The Joint Venture partners in L1/L2 are:

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

About the Senecio Reservoir

AWE has previously advised that the Senecio-2 well, located on the eastern side of the reservoir, was fracture stimulated over a 5 metre perforation interval in the Dongara and Wagina tight sandstone formation in August 2012. A successful 40 hour flow test was conducted in September 2012 and a stabilised gas flow rate of 1.35 million standard cubic feet per day was recorded. The test produced a total of 4.65 million standard cubic feet of gas and approximately 65 barrels of crude oil/condensate over the flow period.



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.

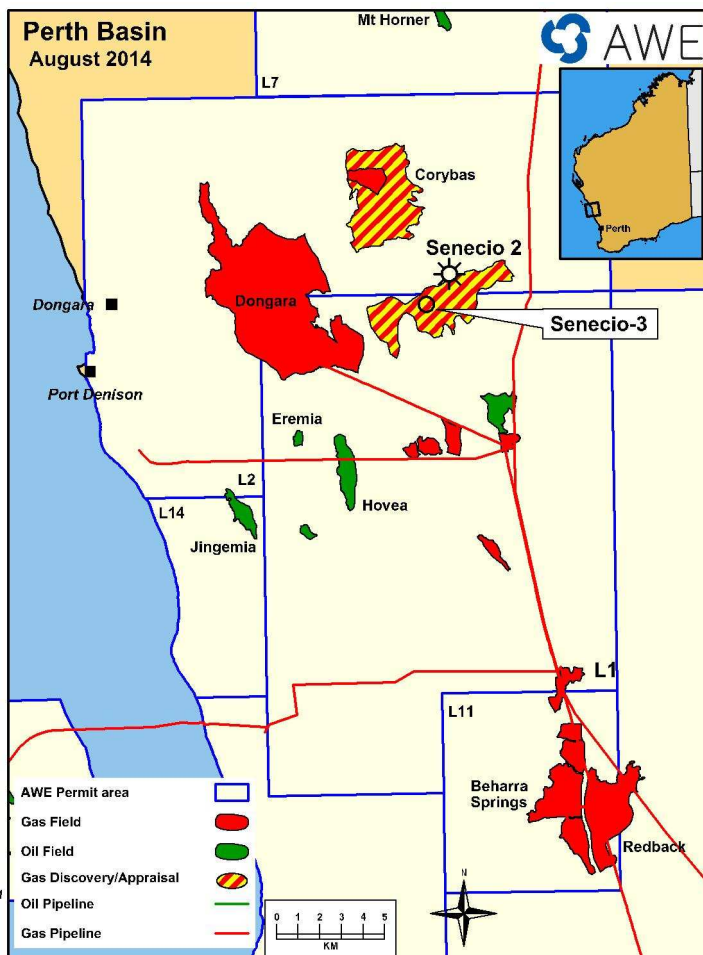
For information please see our website www.awexplore.com or contact:

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



ENDS