

ASX Announcement

16 May 2016



AAL JV spuds G Sand appraisal well

AWE Limited (ASX: AWE) advises that the Operator of the Northwest Natuna PSC, Santos Limited (ASX: STO), has confirmed that the AAL-4X appraisal well was spudded successfully at 20:00 hours (8.00pm) AEDT on 14 May 2016.

As at 09:00 hours (9.00am) AEDT Monday 16 May, the well was at 200m Total Vertical Depth Sub Sea (TVDSS) in a 24 inch hole. The AAL-4X well will be drilled to a planned maximum total depth of 1,232m TVDSS and is forecast to take approximately 48 days to complete. The well is being drilled in water depth of approximately 72m using the Raniworo jack-up drilling rig.

The Northwest Natuna PSC is located offshore Indonesia and includes the Ande Ande Lumut (AAL) oil project. The AAL project comprises the K Sand reservoir (101 million barrels gross recoverable oil, net 24.3 million barrels of 2P Reserves to AWE) and the underlying G Sand reservoir.

The AAL-4X appraisal well is targeting the G Sand reservoir, which is estimated to contain 289 million barrels gross oil in place with 36 million barrels gross recoverable oil (net 10 million barrels 2C Resources to AWE). Appraisal of the G Sand will facilitate the preparation of Plan of Development for this resource, which could be developed in conjunction with the already approved K Sand development.

The Joint Venture partners in the Northwest Natuna PSC are:

AWE Limited (via subsidiaries)	50.00%
Santos Limited (Operator)	50.00%

Reserves and Resources

The reserves and resources in this announcement are based on and fairly represent information and supporting documentation prepared by and under the supervision of qualified petroleum reserves and resource evaluators: Dr. Suzanne Hunt, AWE Manager for Engineering and Development, and Mr. Andrew Furniss, AWE General Manager for Exploration and Geoscience. Dr. Hunt, a Petroleum Engineer with a Ph.D. in Geomechanics, is a member of the Society of Petroleum Engineer Engineers and has over 19 years' experience in the petroleum sector in field development planning, reserves estimation, production and facilities engineering. Mr. Furniss, a member of the Society of Petroleum Engineers and the American Association of Petroleum Geologists, holds an MSc in Exploration Geophysics and a BSc (Hons) in Geological Sciences and has over 25 years' of industry experience in strategic planning, portfolio management, prospect evaluation, technical due diligence and peer review, reserves and resource assessment, the application of advanced geophysical technology and business development. Both have consented in writing to the inclusion of this information in the format and context in which it appears.



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 project offices in Perth and New Zealand. AWE has a substantial portfolio of production, development and exploration assets in Australia, New Zealand, and Indonesia.

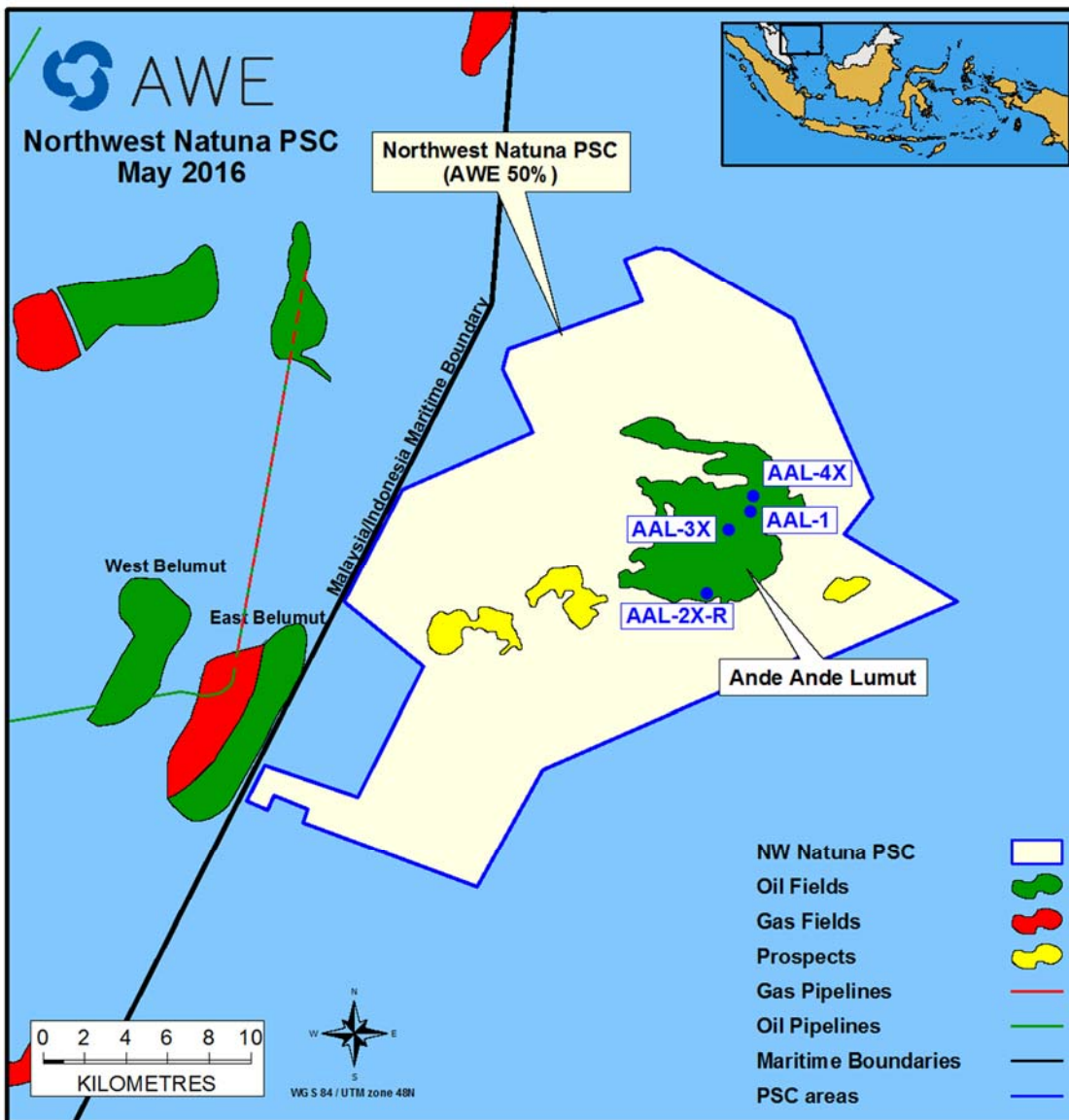
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