



Annual General Meeting

24 November 2011



Welcome

Directors

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Bruce Phillips,
Chairman



Bruce Clement,
Managing Director



David McEvoy



Andy Hogendijk



Ken Williams



Nick Jukes



Vijoleta Braach-
Maksvytis



- Notice of Meeting
- Accounts and Reports
 - Chairman's report
 - Managing Director's report
 - Questions
- Remuneration Report
- Election of Directors
- Grant of Cash Share Rights to Bruce Clement
- Changes to Constitution (including Proportional Takeover Provisions)
- Other Business
- Closure

- Accounts and Reports
 - Chairman's Report

Chairman's address

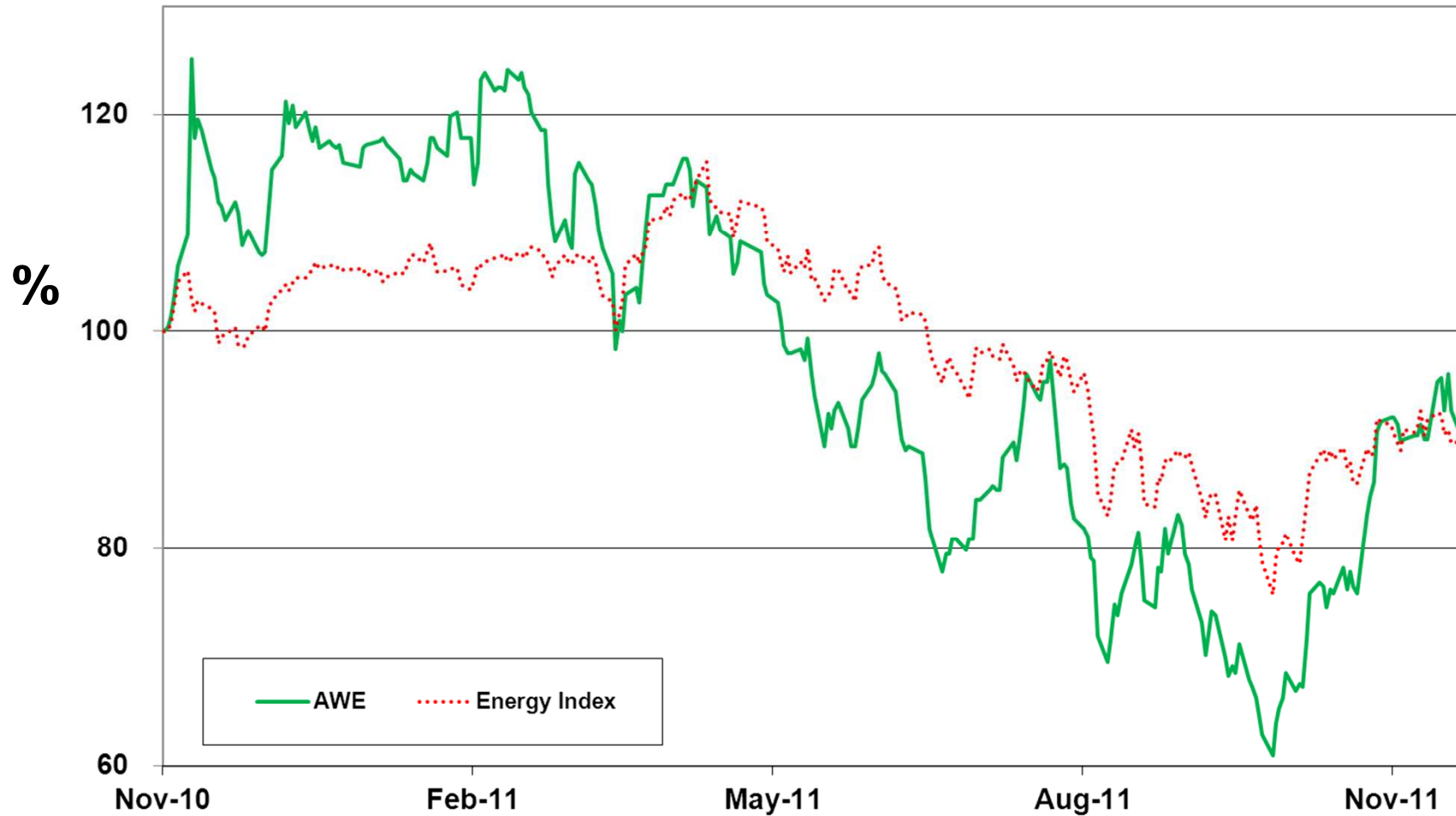


- Accounts and Reports
 - Managing Director's Report

- Financial Results
- Reserves and Resources
- BassGas MLE
- Shale Gas Initiative
- 2011/12 Plans

AWE share price performance

from November 1, 2011



Financial results year ending 30 June 2011

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➤ Base business is strong

Production	6.1 mmbob
Sales revenue	\$305 million
Operating cash flow ⁽¹⁾	\$161 million

➤ Reported loss after tax \$117.6 million

Impacted by:

Asset impairments	\$75.7 million
Derecognition of tax losses	\$20.3 million
Foreign exchange losses	<u>\$5.7 million</u>

Underlying loss after tax \$16.1 million

Which includes:

Exploration expense	\$50.0 million
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(1) Excludes \$21 million exploration expense



➤ Excellent Reserves and Resources Base

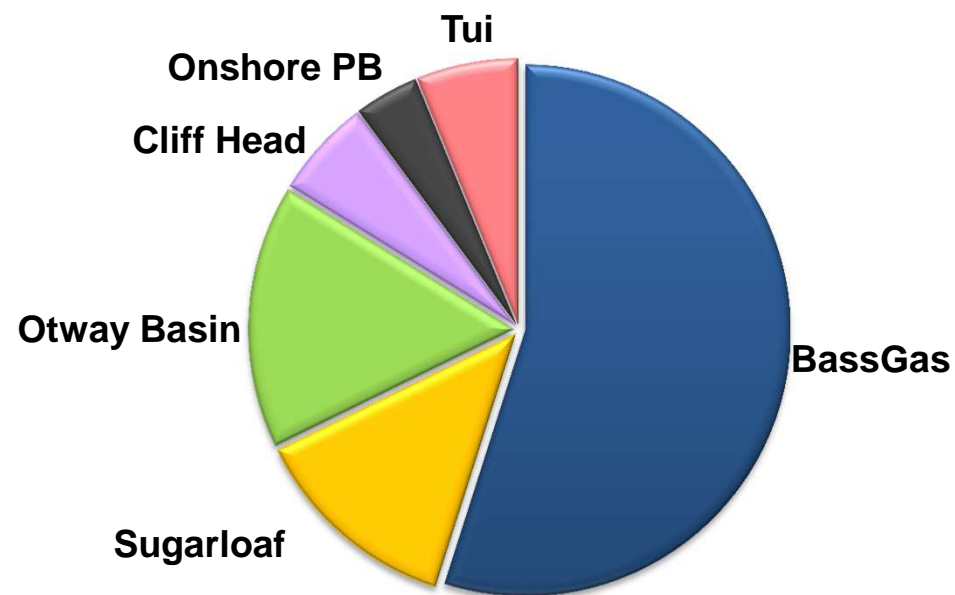
2P Reserves	66.1 mmboe
Contingent Resources	77.8 mmboe

➤ Strong Balance Sheet

Cash	\$117 million
Debt	Nil
Undrawn debt facility	\$150 million

AWE's long term reserves base

<u>Project</u>	<u>Equity</u>	<u>2P Reserves (million boe) (as at June 2011)</u>
Bass Gas	57.5%	36.3
Otway Basin	25.0%	10.6
Cliff Head	57.5%	4.0
Onshore PB	33%-100%	2.6
Tui	42.5%	4.1
Sugarloaf	10.0%	8.5
Total		66.1

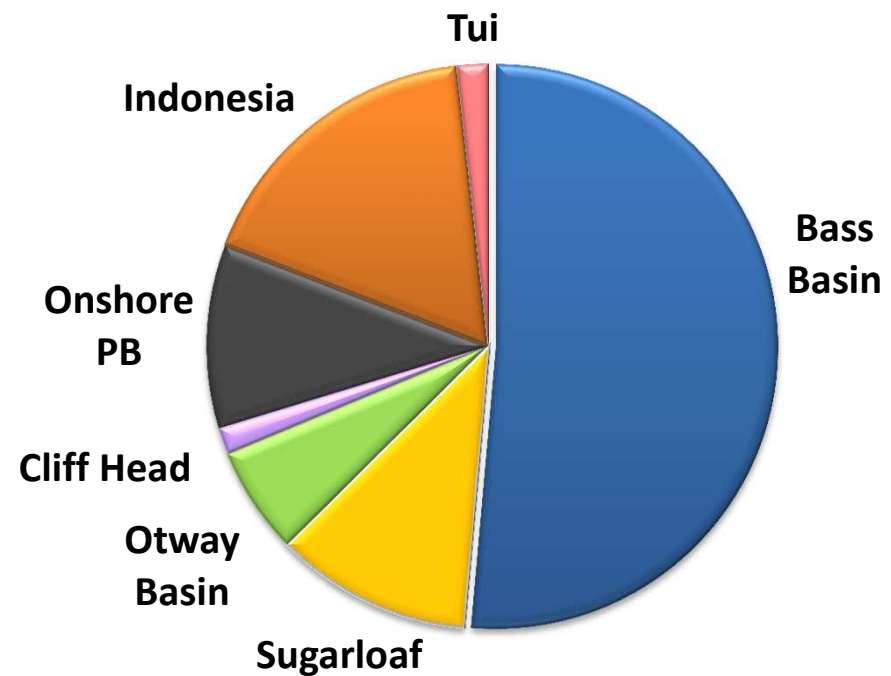


36% of 2P reserves are oil and liquids



AWE's Contingent Resources rose by 37% in 2010-11

<u>Project</u>	<u>Equity</u>	<u>Contingent Resources (million boe)</u>
Bass Basin	47.5% - 57.5%	40.0
Otway Basin	25.0%	4.8
Cliff Head	57.5%	1.2
Onshore PB	33%-100%	8.2
Tui	42.5%	1.4
Indonesia	42.5%	13.5
Sugarloaf	10.0%	8.7
Total		77.8



AWE strategy is to 'grow shareholder returns as an energy company'

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1. Deliver sustainable base business

Focus on core assets and optimize performance

2. Maximise value from near-field opportunities

Focus on development of resources near to infrastructure

3. Grow through exploration and selective acquisition

Identify and pursue selective growth assets

4. Develop further opportunities in the energy sector

Utilise skills from Sugarloaf and Perth Basin initiative



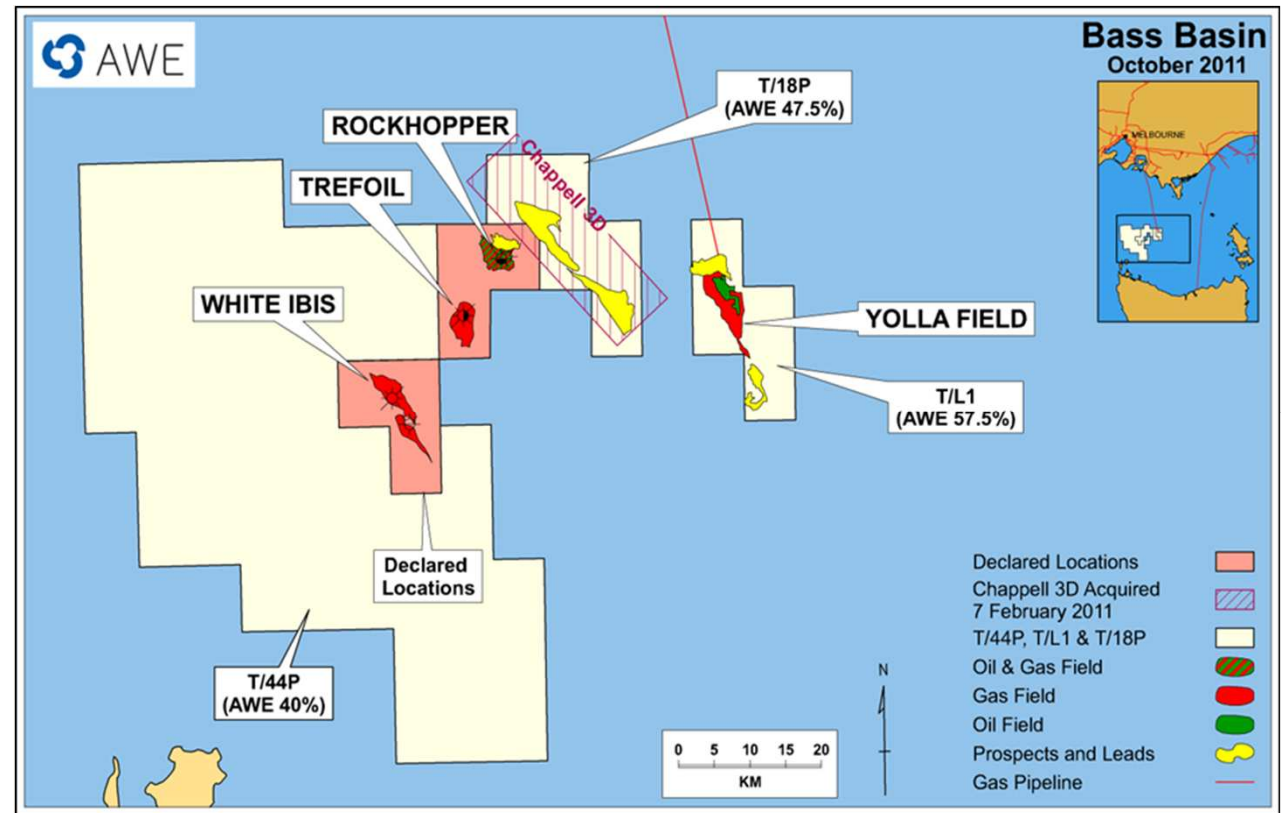
- BassGas Mid Life Enhancement Project
- Shale Gas Initiative
- Exploration plans



BassGas Mid Life Enhancement Project

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- Upgrade offshore facilities for life of field production
- Increase production capacity by 30%
- Fully exploit gas reserves and resources
- Potential to test upside oil resources



- Phase 1 Offshore facilities
 - Accommodation and gas compression
 - Preparations for additional wells

- Phase 2 Development drilling
 - At least 2 gas development wells drilled summer 2012/13
 - JV has selected option for jack up drilling over platform

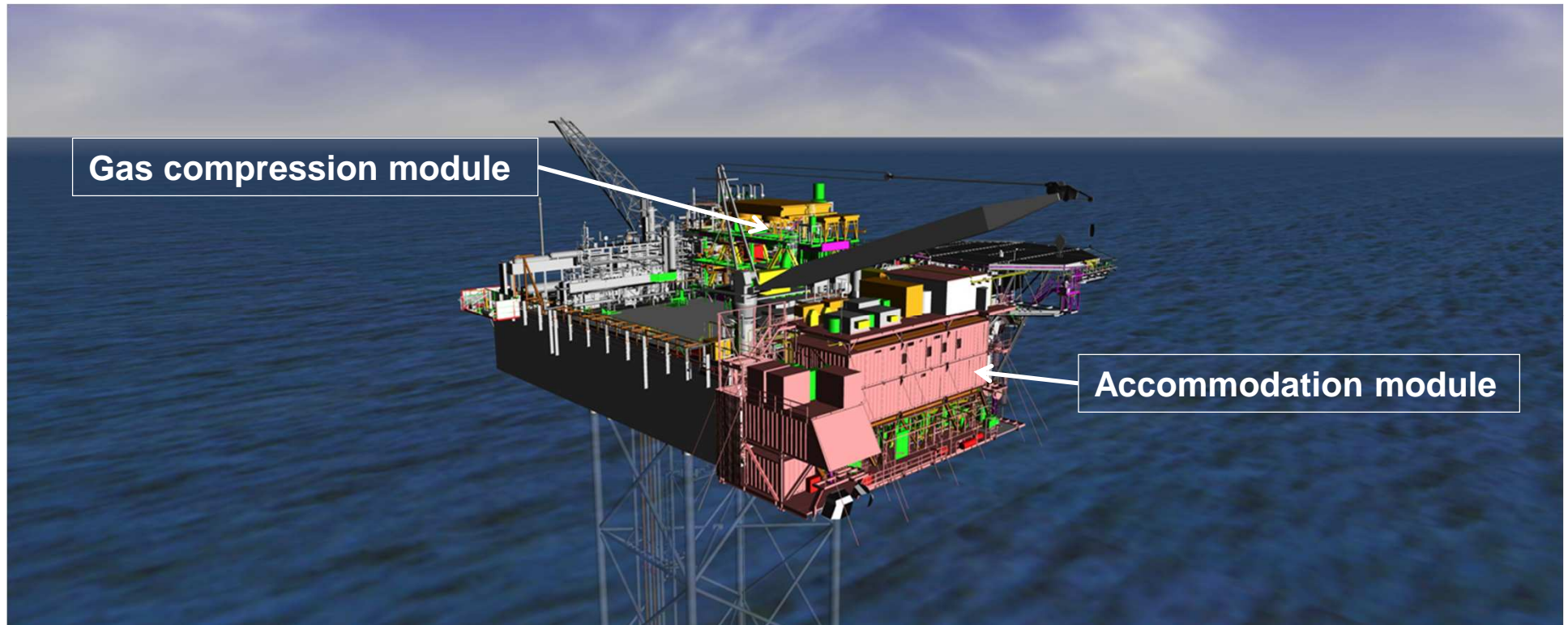
- Total cost Approximately \$500 million gross
 - \$140 million incurred to September 2011

- On schedule for Phase 1 offshore construction to commence in early December 2011



MLE: schematic of Yolla platform showing new modules

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MLE: Accommodation module in New Plymouth

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- Sugarloaf development project
 - Reserves increases
 - Production increase during 2011
 - Value increase from acquisition

- Perth Basin exploration and appraisal
 - Preparations complete for 3 wells to test tight gas and shale gas potential
 - Awaiting final government approval

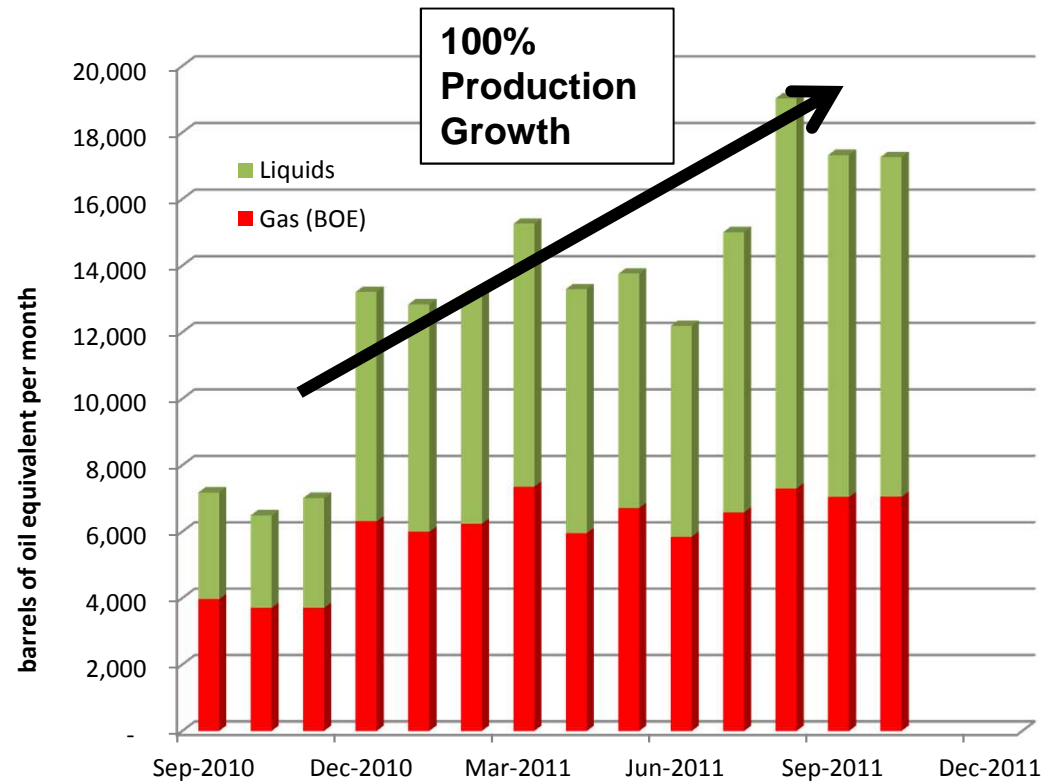


Sugarloaf project delivering results

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- Outstanding production performance
- Wells delivering 250+ bbls of liquids per mmcf
- Improved production facilities: liquids stripping, shared facilities
- Accelerated drilling in 2012 at tighter well spacing – up to 30 wells.
- Further conversion of contingent resources to reserves expected

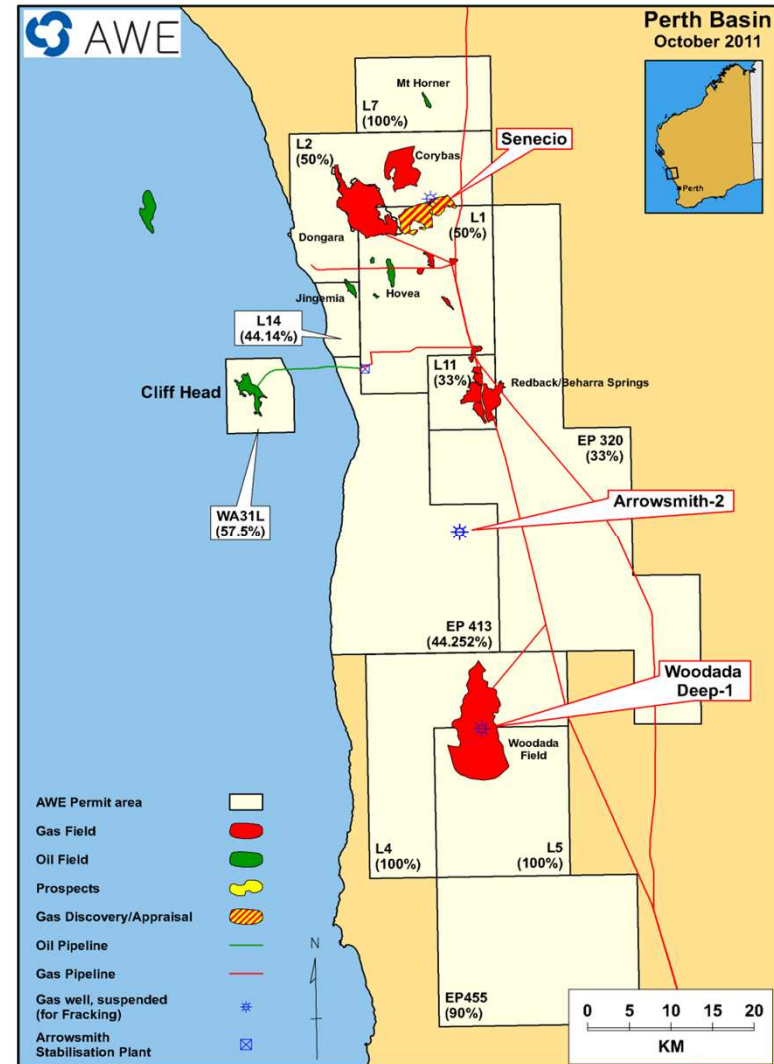
AWE Production from Sugarloaf AMI



Perth Basin – exciting tight gas and shale gas opportunity

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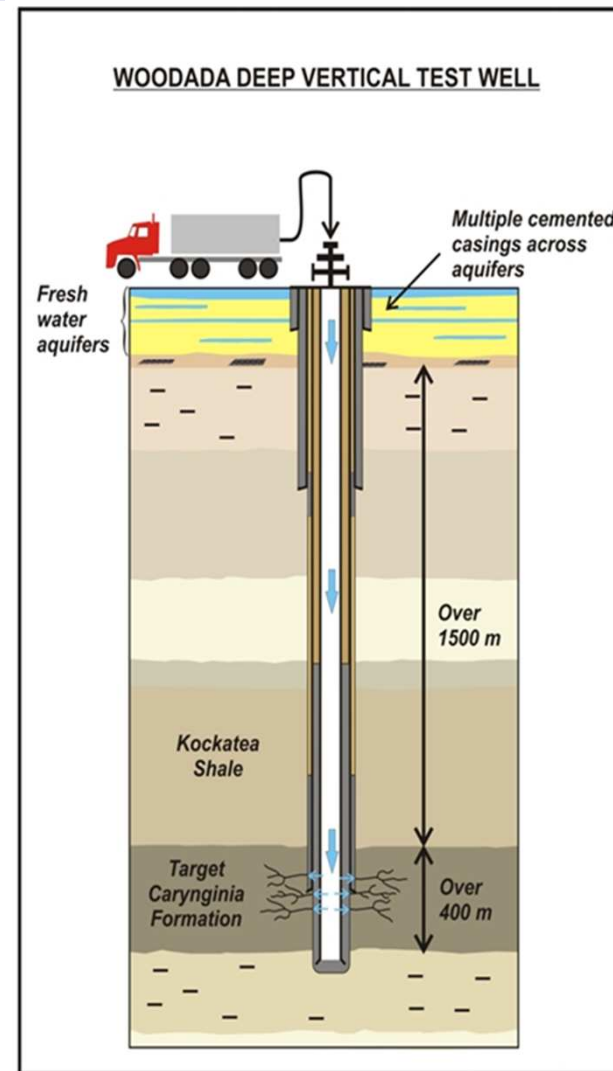
- Significant shale gas resource identified across AWE acreage, 13 to 20 TCF gas in place in Carynginia shale
- Located adjacent to existing infrastructure: gas plants and pipelines
- Strong WA domestic gas market with increasing demand
- 3 wells drilled and ready for testing, awaiting government approval



Plans for testing Carynginia shale at Woodada Deep

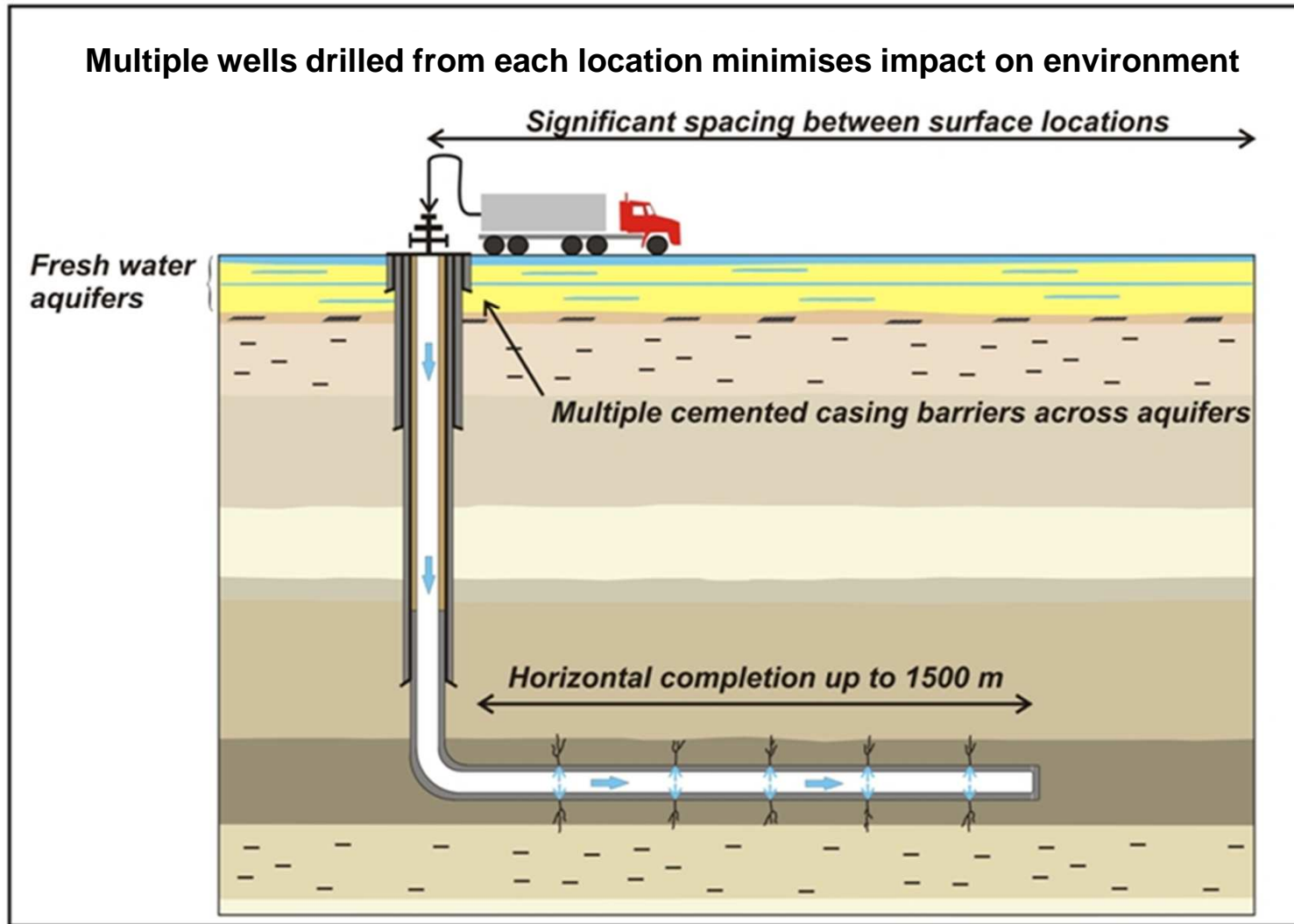
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- AWE is focused on environmental management
- AWE has engaged openly with local communities and landowners and has published its environment management plan
- Target Carynginia shale is over 1500 metres below fresh water aquifers
- Multiple steel casing barriers in place across aquifers
- Active monitoring of fresh water aquifers planned
- Chemical additives represent less than 0.5% of injected fluids and are not considered to be a risk at these concentrations



Potential shale gas development plan

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- Atlas-1 exploration well, offshore Indonesia
 - In conjunction with Lengo discovery, targeting up to 1 tcf of sales gas
 - Potential to establish a significant gas business

- Onshore Perth Basin
 - Conventional and unconventional gas opportunities
 - Infrastructure in place, strong gas market

- Near field opportunities
 - Cliff Head, Tui and BassGas opportunities being evaluated



Sound operating performance, Quarter ending 30 September 2011

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Meeting production and revenue targets

1.6 mmboe



Production

\$86 million



Revenue

- Sugarloaf
- Onshore PB
- Cliff Head
- Tui
- Casino
- BassGas



AWE is delivering strong operating results and is well positioned for future growth

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- Strong, sustainable base business
 - 66 million BOE 2P Reserves
 - 78 million BOE 2C Contingent Resources

- Valuable Core Business
 - \$161 million operating cashflow in 2011
 - \$140 million cash at 30 September 2011
 - 5.0 to 5.5 mmboe production in 2011/12, down 1.0 mmboe due to BassGas shutdown
 - \$270 million to \$300 million sales revenue in 2011/12

- Growth potential
 - Well positioned for improving prices in the east coast gas market
 - Upside in existing assets, including undeveloped gas potential
 - Targeted exploration and acquisition
 - Shale gas and tight gas opportunities

Thank you

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This presentation may contain forward looking statements that are subject to risk factors associated with the oil and gas businesses. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including but not limited to: price fluctuations, actual demand, currency fluctuations, drilling and production results, reserve estimates, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory developments, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimates.

All references to dollars, cents or \$ in this presentation are to Australian currency, unless otherwise stated.

The reserve and resource information contained in this report is based on information compiled by David Gaudoin (General Manager, Exploration and Geoscience) and Ian Palmer (General Manager Development). Mr Gaudoin is a petroleum geologist, holds a Masters Degree in Petroleum Geology, and has 21 years experience in petroleum exploration. Mr Palmer holds a Bachelor Degree in Engineering and has 30 years experience in the practice of petroleum engineering. Both have consented in writing to the inclusion of this information in the form and context in which it appears.



- Accounts and Reports
 - Questions



- Remuneration Report



Resolution 1, adopt remuneration report

- Proxies for 252,325,120
- Proxies against 4,742,893
- Proxies undirected 4,533,938
- Proxies abstained 4,805,828

- Election of Directors

Re-election of Mr David I McEvoy

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Resolution 2A, re-elect Mr D I McEvoy

- Proxies for 256,159,004
- Proxies against 2,999,939
- Proxies undirected 3,052,838
- Proxies abstained 4,225,998

Election of Mr Kenneth G Williams

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Resolution 2B, re-elect Mr K G Williams

- Proxies for 253,933,146
- Proxies against 3,069,069
- Proxies undirected 5,197,570
- Proxies abstained 4,237,994

- Grant of Cash Share Rights to Mr Bruce Clement

Resolution 3A, grant Mr B Clement 2013

Grant of 920,245 Cash Share Rights vesting 30 June 2013:

- Proxies for 251,056,524
- Proxies against 6,448,590
- Proxies undirected 4,527,303
- Proxies abstained 4,373,562

Resolution 3B, grant Mr B Clement 2014

Grant of 916,031 Cash Share Rights vesting 30 June 2014:

- Proxies for 251,034,399
- Proxies against 6,458,325
- Proxies undirected 4,532,401
- Proxies abstained 4,382,654

- Changes to Constitution (including Proportional Takeover Provisions)

Changes to Constitution (including Proportional Takeover Provisions)

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Resolution 4, changes to constitution

- Proxies for 112,981,547
- Proxies against 145,631,440
- Proxies undirected 3,202,742
- Proxies abstained 4,614,050

- Other business

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AWE thanks you for your attendance today

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