

AWE reports improved flow rate at Senecio-2

HIGHLIGHTS

- **Additional flow testing at Senecio-2 has achieved a stabilised flow rate of 1.35 million standard cubic feet of gas per day (“MMscf/d”), up from 1 MMscf/d reported previously**

AWE Limited (ASX: AWE) provides the following update on the tight gas hydraulic fracture stimulation program being undertaken on the Senecio-2 well in the North Perth Basin, Western Australia.

The Senecio-2 well, which had been fracture stimulated over a five metre perforation interval in the Dongara and Wagina tight sandstone formation, was successfully flow tested for more than 40 hours through the well test separator package in September 2012. A stabilised flow rate of 1.35 MMscf/d was recorded and the test produced a total of 4.65 MMscf of gas and approximately 65 bbls of crude oil/condensate over the flow period.

The well has been shut-in and longer term pressure build-up testing is underway. Pressure gauges installed in the well are scheduled to be recovered in four to six weeks to ascertain accurate reservoir pressure data. The data gathered from the flow test, combined with recently acquired 3D seismic data over the field and subsequent analysis, is expected to provide sufficient information to build a reservoir model that may form the basis for any future development plans.

The Managing Director of AWE, Bruce Clement, said that the latest results from Senecio-2 were encouraging signs for the development potential of tight gas in the North Perth Basin.

“As expected, Senecio-2 cleaned up well and progress with production testing has been rapid. The improved flow rate from Senecio-2 is another positive step towards commercialisation and provides additional momentum for other opportunities in the region, including the already discovered Corybas field,” he said.

Joint venture partners in Senecio-2 are:

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

ENDS



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