

ASX Announcement

6 May 2014



Pateke-4H drilling update

AWE Limited (ASX: AWE) reports that as at 06:00 hours (6.00am NZDT) today the Pateke-4H development well was at a total measured depth of 4,772m, including a 749m horizontal section through the reservoir. The total depth was revised from the original 5,381m target due to the high quality of the reservoir encountered and to ensure a stable well bore was achieved for effective completion and production.

Installation of a 6 5/8 inch slotted production liner has been completed. Preparations are being made to run the completion and suspend the well to enable production in Q1 2015 following the installation of sub-sea flowline infrastructure and tie-back to the Tui FPSO.

The oil-bearing properties of the Kapuni F10 reservoir are positive. Further analysis is required to determine the expected recovery from Pateke-4H, but initial evaluation suggests a resource range consistent with the pre-drill estimate of approximately 2.5 million barrels gross.

Based on the significant additional work required to mitigate the mechanical difficulties and drill the two sidetracks, gross pre-completion well costs have increased beyond the pre-drilling estimate of USD 55 million (AWE share 32 million). The revised estimated gross pre-completion well cost is USD 99 million (AWE share USD 57 million) with completion costs estimated at USD 12 million gross.

The Pateke-4H development well is in PMP 38158 and AWE is the Operator. Located in the offshore Taranaki Basin, New Zealand, PMP 38158 contains the Tui, Amokura and Pateke fields and has been producing since 2007. Pateke-4H is in water depth of approximately 124m and has been drilled into a northern extension of the producing Pateke field.

The Joint Venture partners in PMP 38158 are:

AWE Limited (via subsidiaries) (Operator)	57.5%
New Zealand Oil & Gas (via subsidiaries)	27.5%
Pan Pacific Petroleum (via subsidiaries)	15.0%

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

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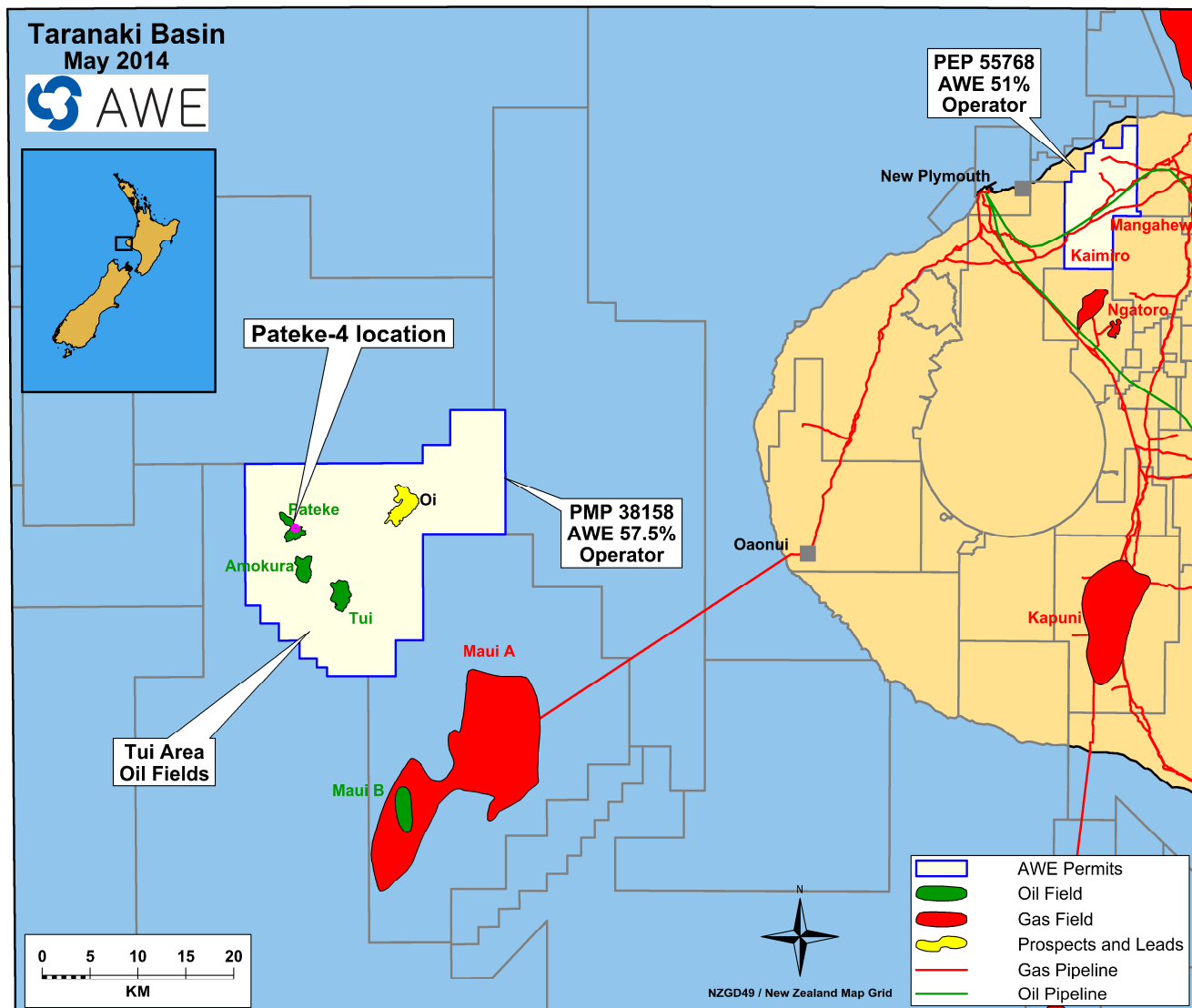
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Reserves and Resources. The reserves and resources information contained in this report is based on information compiled by Neil Tupper (General Manager Exploration & Geoscience). Mr Tupper holds a Bachelor degree in Geology and has over 31 years' experience in the practice of geology and has 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 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 and Indonesia, including major growth opportunities such as the 100 million barrel 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.



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