

AWE reports positive test results at Lengo-2

AWE Limited (ASX: AWE) reports that at 0600 hours yesterday local East Java time (0900 hours Sydney) the Lengo-2 appraisal well was at a measured depth (MD) of 757m (2,485 ft), running in hole with a core assembly in preparation for cutting a second 27.5m (90 ft) of core in the primary objective Kujung 1 carbonate reservoir.

To date a single core has been cut from 739m to 757m (2,425 to 2,485 ft) recovering an estimated 17.7m (58 ft) of carbonate Kujung 1 reservoir formation. The Kujung formation has subsequently been drill stem tested (DST) over an interval from 736m to 757m (2,415 ft to 2,485 ft). This interval flowed gas at a rate of 4.5 million standard cubic feet per day (scf/d) and has achieved a maximum flow rate of 4.6 million scf/d. Gas samples were collected and compositional analysis will be undertaken over the coming days.

The results of the test confirm that the previously untested upper part of the primary objective at Lengo-1 has reservoir quality sufficient to contribute potential future production at the Lengo-2 location. These results are in line with pre-drill expectations and, subject to a successful evaluation of the composition of the gas, plans remain on track for the well to confirm the accumulation as suitable for a future commercial development.

AWE's Managing Director, Mr Bruce Clement, said "The results to date are in line with pre-drill expectations and are providing us with valuable data that will help us progress the Lengo field to a commercial development decision".

The forward plan is to cut a second 27.5m (90 ft) of core in the primary objective, followed by wireline logging and a second DST that will evaluate the entire Kujung 1 formation intersected. The well will then be deepened to a total depth of approximately 830m (2726 ft), tagging basement. This will be followed by the final wireline logging program which represents the last step in the Lengo-2 appraisal well evaluation. On completion of the logging program, the well will be plugged and abandoned as planned.

The Joint Venture partners in the Bulu PSC are:

AWE Limited (via subsidiaries)	42.5%
KrisEnergy Satria Limited (Operator)	42.5%
PT. Satria Energindo	10.0%
PT. Satria Wijaya Kusuma	5.0%

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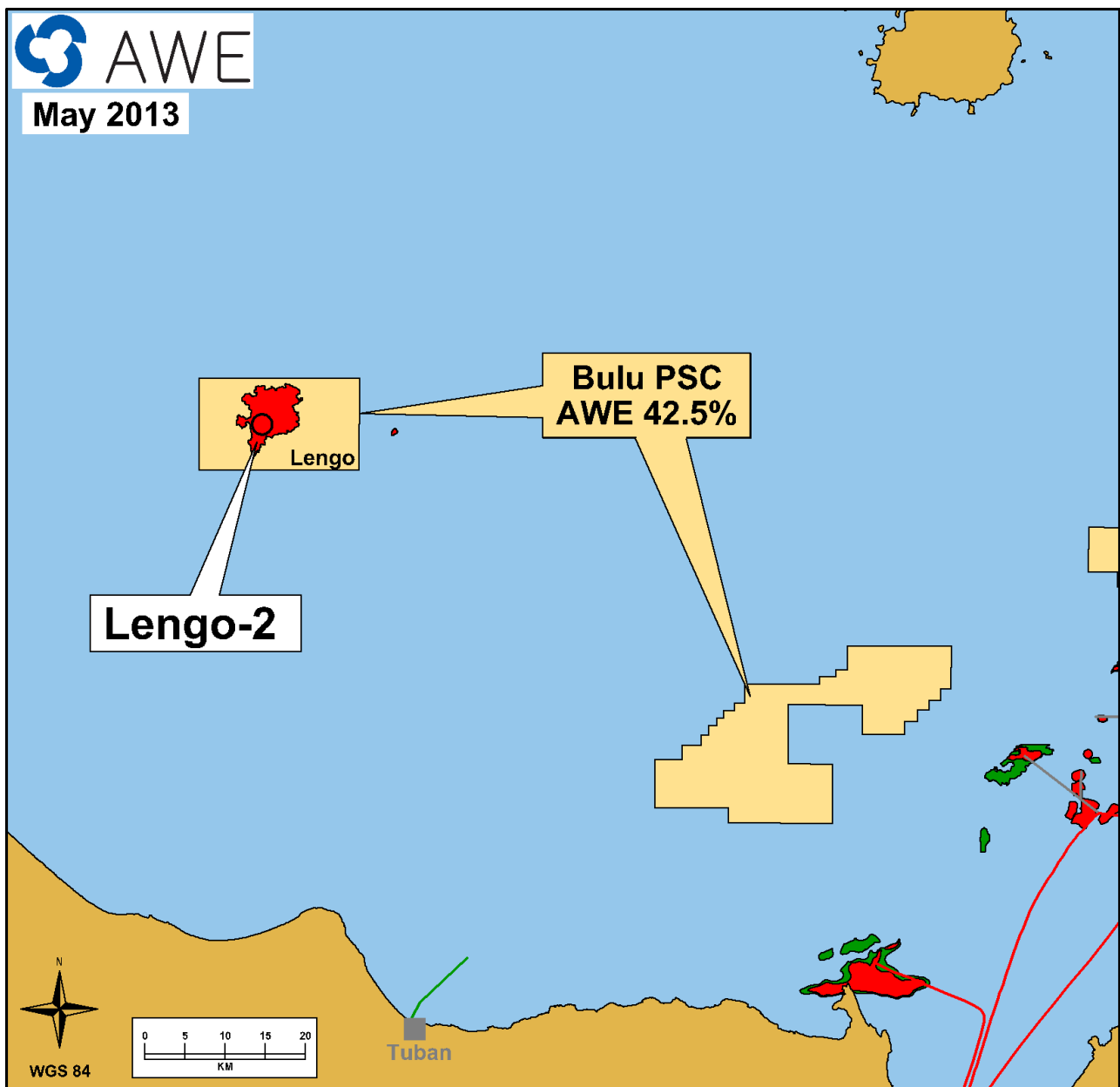
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About AWE Limited

AWE Limited is an Australian energy company focused on upstream oil and gas with production, development and exploration assets in Australia, New Zealand, USA and Indonesia. Established in 1997, the Company employs over 120 people and has its head office in Sydney and regional offices in Perth, New Plymouth and Jakarta. AWE acquired 100% of the Ande Ande Lumut oil field offshore Indonesia in 2012, with an estimated 76 million barrels of recoverable oil, and is moving forward with plans to sell-down and develop the project. AWE has also expanded its conventional oil and gas business to include unconventional resources. AWE has a 10% working interest in the Sugarloaf acreage in the Eagle Ford Shale development in the USA, and is progressing a number of tight sands and shale prospects in the north Perth Basin and Indonesia. With its strong financial and technical base, AWE will continue to pursue conventional and unconventional growth opportunities, primarily in Australasia and South East Asia.



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