

BassGas update: Yolla-A achieves significant production increase

AWE Limited (ASX: AWE) has been advised by the Operator, Origin Energy, that the Yolla-A platform has achieved significant production improvement as a result of successful well interventions and is currently producing gas at rates of approximately 57 Tj/day, up from 42 Tj/d that was achieved prior to the well intervention program.

Following the successful completion of a workover at Yolla-3 and wireline logging at Yolla-4, the Yolla-A platform is producing increased quantities of gas, condensate and LPG within the overall limitations of the platform's fluid handling capacity.

The Managing Director of AWE, Mr Bruce Clement, said that the successful well workover at Yolla-3, completed in mid-April, was a positive step towards achieving this improved production performance.

"The Yolla-3 well was shut-in in late January 2013 after testing of the upper EVCM oil bearing zone was completed. The Joint Venture will have the opportunity to produce the upper EVCM oil and gas zone in Yolla-3 later in field life once gas compression and condensate pumping is installed on the Yolla-A platform," he said.

"The Yolla-3 workover achieved its objective of removing an obstruction in the well bore that had prevented access to the well's main gas bearing interval, the 2809 Sand. In addition, wireline logging at Yolla-4 identified opportunities for further production improvement that the Joint Venture is currently evaluating," Mr Clement said.

Mr Clement added, "We remain confident in the long-term production potential of the BassGas asset. AWE will continue to work with the Operator of the project to maximise the potential of the asset and deliver value to our shareholders."

Participants in the BassGas project are:

AWE Limited (via subsidiaries)	46.25%
Origin Energy (via subsidiaries) (Operator)	42.50%
Toyota Tsusho Gas E&P Trefoil Pty Ltd	11.25%

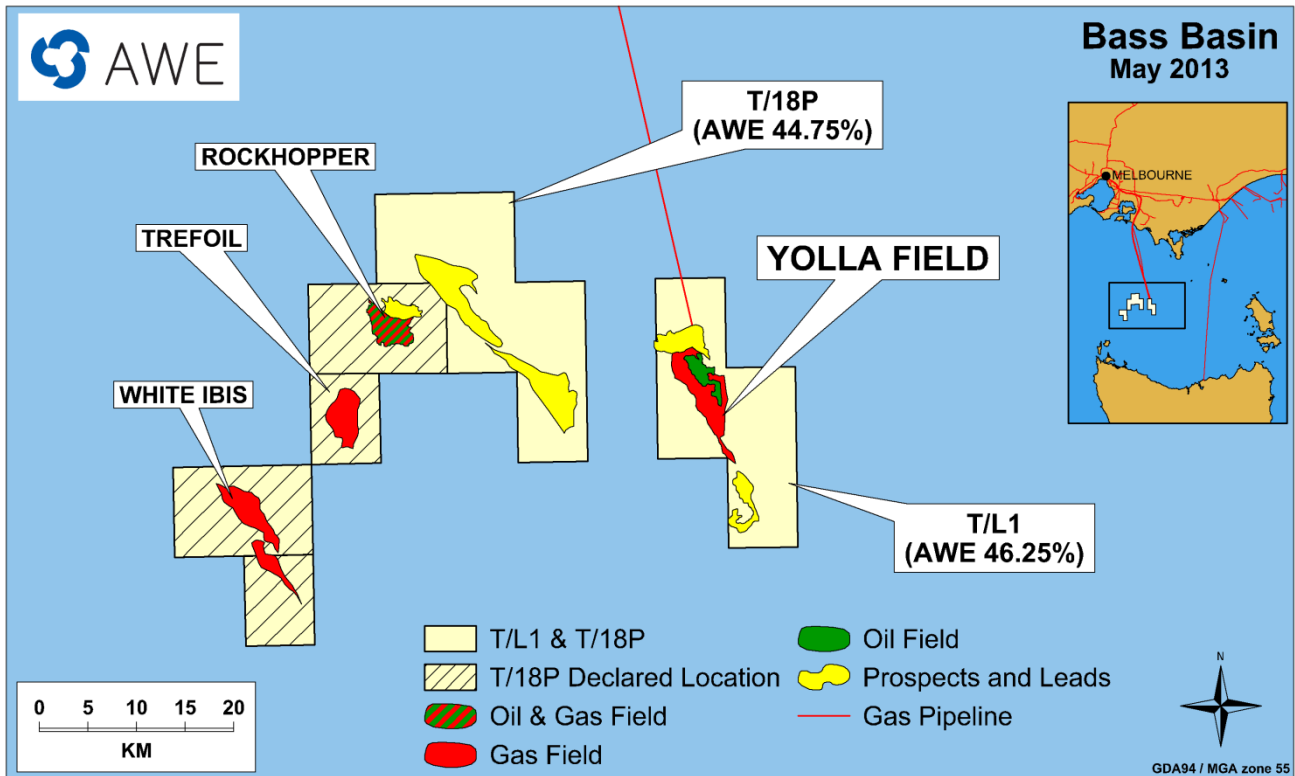
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About AWE Limited

AWE Limited is an upstream oil and gas company 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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