



AWE reduces Yolla field reserves

AWE Limited (ASX: AWE) advises that the Operator of the BassGas Joint Venture in permit T/L1, Origin Energy (ASX: ORG), has provided a preliminary reassessment of reserves for the Yolla field based on new data obtained from the recently drilled Yolla-5 and Yolla-6 development wells.

Interpretation of log and pressure data obtained from Yolla-5 and Yolla-6 has resulted in a reduction in the estimated original gas in place for the field, although further technical work is required to validate this estimate.

Whilst recognising the need for further analysis, AWE has chosen to adopt the preliminary reassessment of the Operator and reduce its share of reported remaining 2P Reserves for the Yolla field by 5.5 mmboe, down to 13 mmboe (as at 30 June 2015). After the recently announced 19.3 mmboe increase in 2P Reserves in the Company's Sugarloaf project, the Yolla reduction represents 5% of the Company's total remaining 2P Reserves of approximately 100 mmboe.

AWE expects to recognise a non-cash impairment of the carrying value for the BassGas asset of between \$100 million to \$110 million after tax in its full year accounts.

AWE's Managing Director, Bruce Clement, said, "The updated reserves at Yolla will result in less gas production later in the field life, but overall it is not expected to have a material impact on production or cash flow during the next three to four years. We anticipate production from the field will increase to a rate close to the facilities' capacity of 67 TJ/day, once the Yolla-5 and Yolla-6 development wells are brought on-stream.

"AWE will now consider accelerating development feasibility studies for the Trefoil field in adjacent permit T/18P to determine if its 2C Contingent Resources of 17 mmboe (AWE share) can be developed earlier as an incremental project to Yolla production," he said.

Mr Clement added, "AWE will continue to focus on progressing its major development projects, particularly the appraisal drilling and early development of the Waitsia gas project in Western Australia".

AWE will undertake further detailed assessment of the Yolla field reserves prior to the release of its Reserves and Resources report to be published in the Company's 2015 Annual Report.

The BassGas project consists of the Yolla offshore well head platform connected by pipeline to the gas processing facility at Lang Lang, Victoria. The Yolla platform is located in Bass Strait, approximately 140km offshore from Kilcunda, Victoria.



The BassGas Joint Venture partners in T/L1 are:

AWE Limited (via subsidiaries)	35.00%
Origin Energy Resources Limited (Operator)	42.50%
Toyota Tsusho Gas E&P Trefoil Limited	11.25%
Prize Petroleum International Pte. Ltd	11.25%

The Joint Venture partners in T/18P are:

AWE Limited (via subsidiaries)	40.00%
Origin Energy Resources Limited (Operator)	39.00%
Toyota Tsusho Gas E&P Trefoil Limited	6.25%
Toyota Tsusho Gas E&P Otway Limited	5.00%
Prize Petroleum International Pte Ltd	9.75%

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, Indonesia and China. With its strong technical base and disciplined financial management, AWE will continue to pursue exploration, appraisal and development growth opportunities in Australasia and Asia.

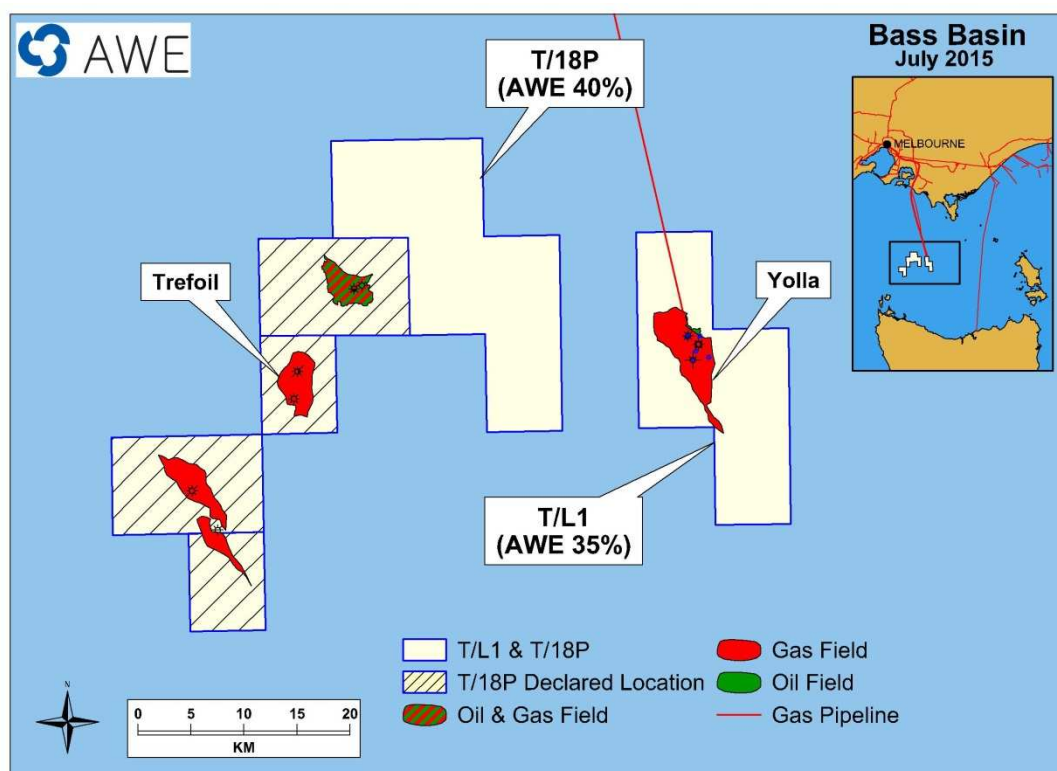
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