

ASX Announcement
January 20, 2011



AWE's AI Meashar-2 final update

The Operator of the AI Meashar-2 appraisal well has issued an update.

The release is attached.

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

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OIL SEARCH LIMITED

(Incorporated in Papua New Guinea)
ARBN – 055 079 868

DRILLING REPORT – 20 January 2011

WELL NAME: Al Meashar-2, Block 7, Yemen

Oil Search reports that the Al Meashar-2 well in Block 7, Yemen, which was an appraisal well of the Al Meashar-1 oil discovery, has been suspended as a potential future producer, pending evaluation of the well results.

During the week, testing was completed, the well suspended and the rig was released.

The participants in Block 7 are:

Oil Search (ROY) Ltd	34%, Operator.
Kuwait Foreign Petroleum Exploration Co. (Aden) Ltd	21.25%
ARC Energy Holdings Ltd*	21.25%
Mitsui Exploration & Production Middle East B.V	8.5%
Yemen General Corporation for Oil and Gas	15%
Total	100%

* A wholly owned subsidiary of AWE Limited

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