ASX Announcement
18 March 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 preparing to sidetrack a short section of lower wellbore. The mechanical drill string difficulties experienced in the original hole were unable to be fully resolved and the lower part of the hole has been abandoned. It is now proposed to sidetrack with a 12 ¼ inch drilling assembly from a measured depth of 3,375m, drill into the F10 reservoir at a horizontal angle of approximately 90 degrees, and then set the 9 5/8 inch casing at approximately 4,110m as planned. The well will then be drilled horizontally through the F10 reservoir to a total measured depth of 5,361m.

The Kapuni F10 sandstone objective has already been intersected on prognosis with oil shows and real time logging measurements indicating the likely presence of an oil bearing reservoir, which is very encouraging. However, the commercial significance of the oil shows will not be clear until the horizontal drilling has been completed.

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 targeting a mapped northern extension of the currently producing Pateke field. The well is being drilled in water depth of approximately 124m with a planned total measured depth of 5,361m, including a 1,272m horizontal section. If successful, the well will be completed for subsequent tie-back to the Tui FPSO ("Umuroa") for production in 2015.

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%

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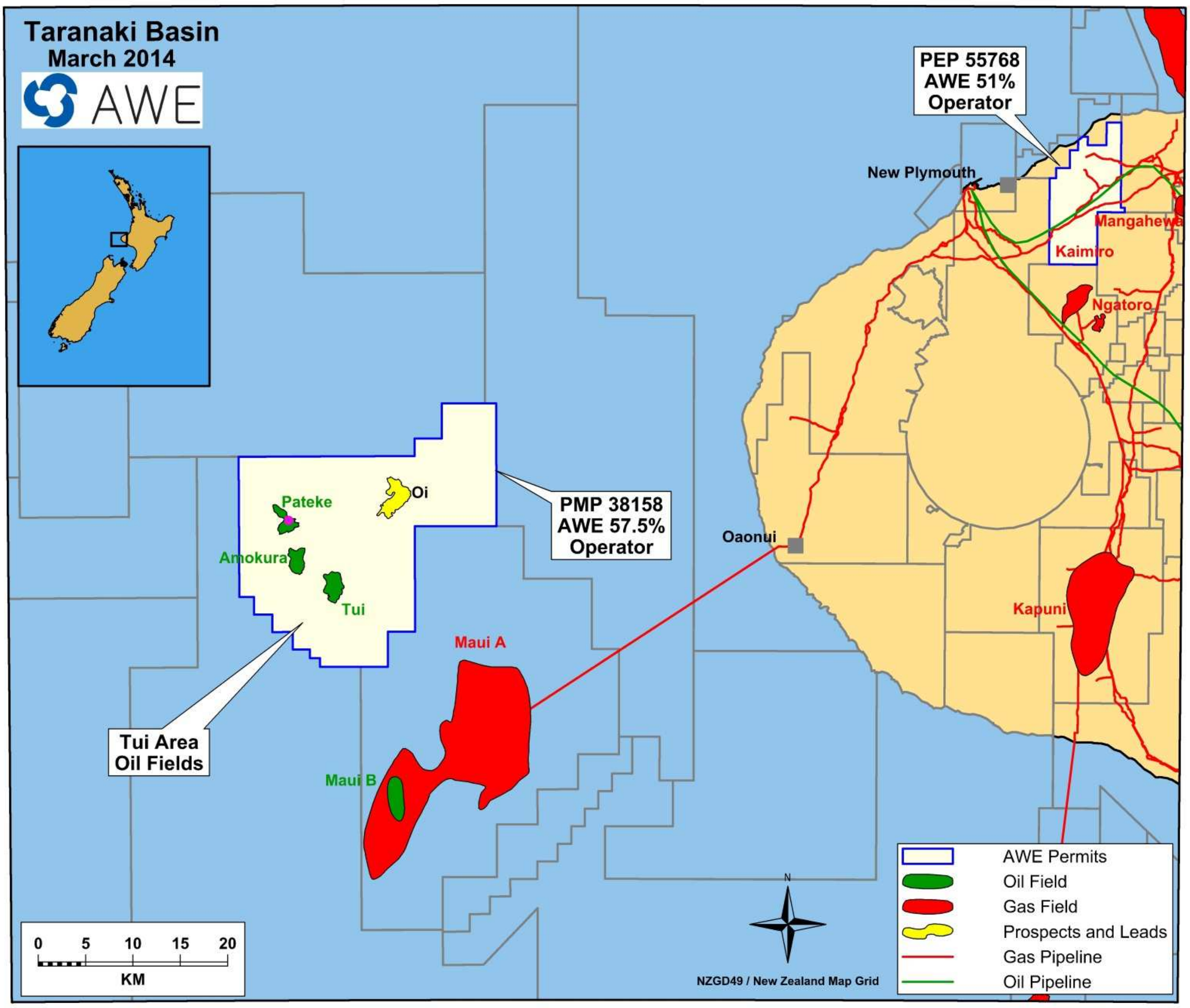
About AWE Limited. AWE Limited is an Australian based energy company focused on upstream oil and gas and related energy opportunities. Established in 1997 and listed on the ASX, the Company is headquartered in Sydney, Australia, with international operating offices in New Zealand and Indonesia. AWE has 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.


Taranaki Basin
March 2014
AWE
PEP 55768
AWE 51%
Operator
New Plymouth
Mangahewa
Kaimiro
Ngatoro
Pateke
Oi
PMP 38158
AWE 57.5%
Operator
Oaonui
Amokura
Tui
Kapuni
Maui A
Tui Area
Oil Fields
Maui B
AWE Permits
Oil Field
Gas Field
Prospects and Leads
Gas Pipeline
Oil Pipeline
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