

AWE Limited Update on Perth Basin Arrowsmith-2 recovers oil and gas

AWE Limited is pleased to report on the progress of the Arrowsmith-2 well. During the weekend, the Kockatea shale was perforated over the interval 2,639 to 2,681 metres and the hydraulic fracture stimulation was completed.

The Operator, Norwest Energy, has reported that initial flow back from the well has included both oil and gas. Well testing has been temporarily suspended to enable the Operator to mobilise the appropriate separation equipment to the well site to handle the produced oil, prior to recommencing flow back.

Commenting on the campaign, AWE's Managing Director, Mr Bruce Clement said:

"AWE is extremely pleased with the initial outcome from the Perth Basin program. The tight gas and shale gas testing program has successfully achieved its initial objectives.

"To date, the Company has been involved with the hydraulic fracture stimulation of three wells (Arrowsmith-2, Senecio-2 and Woodada Deep-1) where all zones targeted have been successfully stimulated and hydrocarbons have been recovered from each of the zones during well clean up.

"The most recent result from Arrowsmith-2 highlights the potential for oil and wet gas within the Kockatea Shale in the Perth Basin. AWE holds an extensive portfolio of prospective acreage across the Perth Basin as well as substantial existing oil and gas facilities and infrastructure.

"Further well clean up and testing is planned for all three wells, and at the conclusion of this work, AWE will be in a position to evaluate all well results as part of its future plans for the Perth Basin."



Joint venture partners in the Arrowsmith testing program are:

AWE Limited (via subsidiaries)	44.252%
Norwest Energy NL (Operator)	27.945%
Bharat PetroResources Ltd	27.803%

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