

5 February 2013

## Dart acquires highly prospective exploration licence in NSW Australia

- ✓ Dart acquires PEL 445 in the Clarence Moreton Basin, NSW
- ✓ Significant potential gas resource to address expected domestic gas shortages

Dart Energy Limited (ASX: DTE) is pleased to announce it has agreed to acquire NSW Petroleum Exploration Licence 445 ("PEL 445") from Arrow Energy, a company owned by a 50:50 Joint Venture between Royal Dutch Shell plc and PetroChina Limited.

Dart Energy will make a modest cash payment to Arrow Energy that reflects the status of the licence, the level of understanding of its resource potential and that Dart Energy is assuming all outstanding licence obligations. The agreement is conditional on approval for the transfer of the licence by the NSW Department of Trade and Investment, Regional Infrastructure and Services ("DTIRIS").

PEL 445 is Arrow Energy's only licence in NSW and is non-core to Arrow's Queensland focus, where it has an established domestic gas supply business and is working to develop its proposed CSG-LNG export project.

PEL 445 covers an area of approximately 7,100 km<sup>2</sup> and is located in the Clarence Moreton Basin ("CMB") adjacent to the border of NSW and Queensland, and to tenements held by Metgasco and ERM (see map below). The CMB represents an extension of the productive Surat Basin into northeast NSW. In Metgasco's CMB licence areas, which are of similar size to PEL 445, 3P and 2P gas reserves of approximately 2,500PJ and 400PJ respectively have been booked.

Based on the work undertaken in the CMB to date by Arrow Energy and others, the basin is considered to be highly prospective for coal seam gas as well as other unconventional and conventional gas deposits. Since 2002, Arrow Energy has drilled 15 exploration wells. Exploration results indicate that the area contains significant gas resources, which are over-pressured, contain significant free gas, and are generally close to 100% saturation with a gas composition regularly over 95% methane.

Importantly, Dart Energy's management team is familiar with the licence area and its potential as they carried out the majority of exploration work done to date whilst at Arrow Energy prior to its acquisition by the JV in 2010. Dart now looks forward to applying its recent global experience and technical knowledge to PEL 445.

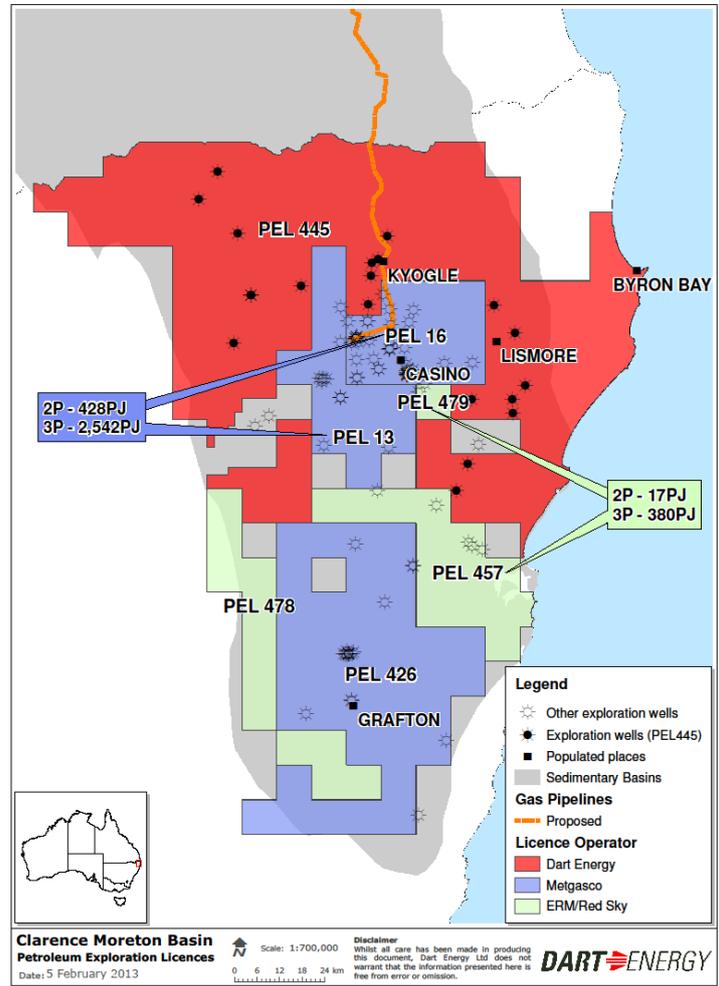
Dart Energy intends to undertake a detailed assessment of further exploration activities required to gain a better understanding of the area's potential in accordance with work commitments to the NSW Government.

Dart Energy considers the area has the potential to make a very significant contribution to addressing the anticipated shortage of domestic natural gas on the East Coast of Australia in the coming years as long term gas supply contracts expire.

CEO Australia, Robbert de Weijer, said "*I am delighted with this addition to Dart's NSW upstream gas portfolio. It adds further scale to our East Coast CSG business and reinforces our future positioning as one of the lowest marginal cost sources of gas available to meet tightening domestic gas markets. I look forward to further near term progress in this licence area and working closely with both the broader community and the other operators in the Clarence Moreton Basin to bring the area's gas resources to market in a way that is both sustainable and co-operative and minimises the impact on local communities.*"

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**PEL445 and surrounding licence areas**



**PEL445 - key technical data**

Methane composition	Greater than 95%
Gas content (DAF)	15 – 20 cc/g
Gas saturation levels	~100%
Prospective formations	300 - 1000m
Number of wells drilled by Arrow	15

**ENDS**

For and on behalf of the Board  
 Paul Marshall, Company Secretary

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