Government approval for AWE’s Perth Basin shale gas testing

AWE Limited ("AWE"), as Operator of the L4/L5 Licence (AWE 100%) and L1/L2 joint venture (AWE 50%), has been advised that the Western Australian Minister of Environment ("Minister") has dismissed the appeal against the decision of the Western Australian Environmental Protection Agency ("EPA") to not assess the planned hydraulic stimulation of the Woodada Deep-1 and Senecio-2 wells in the onshore Perth Basin, Western Australia.

The Company has also received notice from the operator of the Arrowsmith-2 well in EP 413 (AWE 44.252%) that the Minister has dismissed the appeal against the decision of the EPA to not assess the hydraulic stimulation of the Arrowsmith-2 well in the onshore Perth Basin.

Based on the current availability of equipment in Australia to undertake the work, AWE expects that the hydraulic stimulation activities on all three wells will commence during the second quarter of 2012.

Commenting on the decisions, AWE’s Managing Director, Bruce Clement said:

“AWE is pleased with the Minister’s decisions to dismiss the appeals. The Company has identified significant potential for shale gas and tight gas in the onshore Perth Basin and now looks forward to working with all stakeholders, including the government and local communities, to test this potential.”

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

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