AWE’s Evandra-2 drilling preparations

AWE Limited reports that at 0600 hours today operations have commenced at the Evandra-2 well site in preparation for side-tracking operations. The side-tracked well is planned to be drilled to an expected total measured depth of 2,380 metres.

Evandra-2, located within the L1 production license, will be side-tracked from the existing Evandra-1 wellbore at a depth of approximately 1,900 metres. The side-track is designed to test the oil potential of the Dongara reservoir over the Evandra structure. The Evandra-1 well, drilled in 2005 did not intersect the Dongara reservoir, with the prognosed reservoir interpreted to have been faulted out at the well location. However, Evandra-1 did encounter an oil column in the underlying tight Wagina Sandstone. This reservoir tested oil at low production rates.

Additional prospectivity has been identified in the close proximity to the side-track location. This prospectivity is also dependent on the presence of Dongara reservoir in the area.

AWE Limited (via subsidiaries) is sole-risking the sidetracking operation and will fund 100% of the work program.

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