

SOUTHERN PERU GAS PIPELINE PROJECT GETS FURTHER DEVELOPMENT WITH BOLIVIA

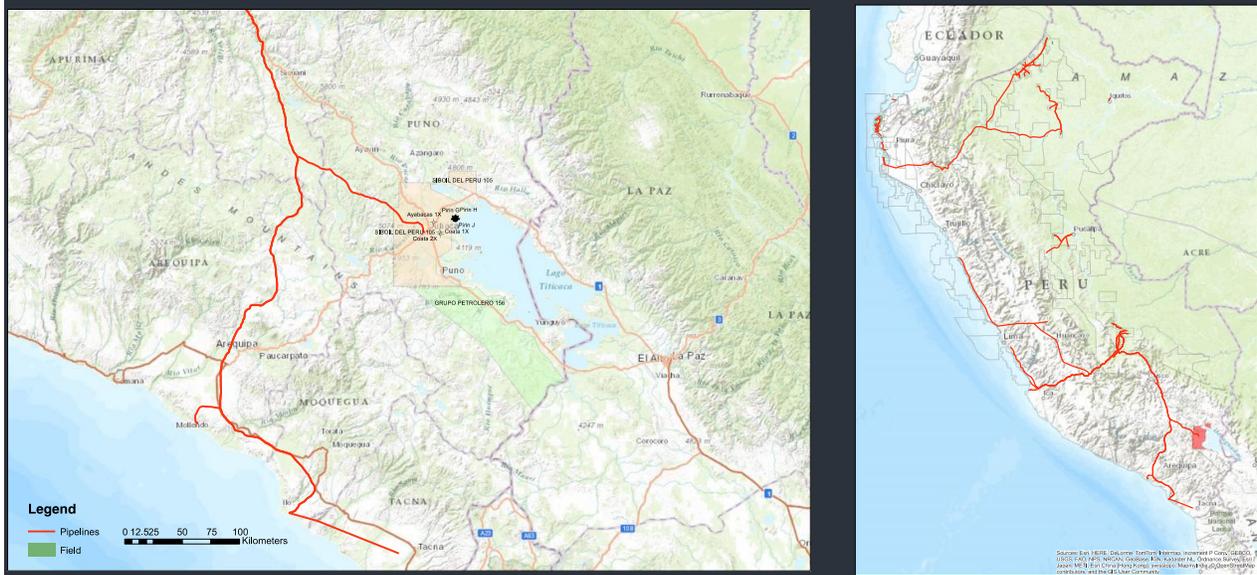
Antilles Oil and Gas NL (**Antilles** or the **Company**) is pleased to announce progress in the development of gas infrastructure in onshore southern Peru, specifically at Block 105 where Antilles holds 100% equity.

Peru and Bolivia two nation meeting

The Presidential meeting on 23 June 2015 between Peru and Bolivia discussed the prospect of Bolivia linking into the South Peru Gas (**SPG**) pipeline project. The presidents of Peru and Bolivia agreed to study a project that would grant Bolivia access to the Pacific coast of Peru by connecting into the existing pipeline from the Camisea Project (SPG).

The South Peru Gas pipeline is important to Antilles, as it provides a pipeline into our 100% owned Block 105 and provides an economic means for the potential export of any gas discovered on the block. The pipeline is scheduled to finish construction by March 2019 and will transport gas over the Andes to the coast from the Camisea jungle area.

With the major road, rail link and new pipeline project, block 105 is in an ideal area for development and export of resources



The project is considered key to the economic development of southern Peru and has been designated as in the national interest by the Peruvian government. Demand for natural gas from the pipeline is estimated as an initial demand of 500 MMcfg/d and could be expanded 800 MMcfg/d. The 34-year pipeline concession plans to send gas from the Camisea jungle region across the Andes to the south coast terminating in Ilo.

The project plans to increase natural gas production for the domestic market, provide an energy source to large mining projects, provide cheap power for the economic development of southern Peru and develop a petrochemical industry for the region. The plan calls for a 1,000 km pipeline 32 inch pipeline with construction in three sections. At the meeting, Bolivian hydrocarbons and energy minister, Luis Sanchez and Peruvian energy and mines minister Rosa María Ortiz Rios signed an agreement for the planned export of Bolivian gas.

“Antilles is pleased to provide this investor update which illustrates the means of export for gas if found in our upcoming exploration program. The planned well is projected to drill into the equivalent section to that which has the Camisea gas project reservoirs and the company is undertaking seismic reprocessing to better define targets at those reservoirs. Results of the seismic work are expected in the current quarter.”

David Ormerod Managing Director

For further updates refer to the website or contact the Managing Director for Antilles, Mr David Ormerod, on (03) 9674 0413.

Information in this report relating to hydrocarbon resource estimates has been compiled by David Ormerod, the Antilles Managing Director. David Ormerod has over 25 years of experience in petroleum geophysics and geology and is member of the AAPG and a fellow of the London Geological Society. David Ormerod consents to the inclusion of the information in this report relating to hydrocarbon Prospective Resources in the form and context in which it appears. The Prospective Resource estimates contained in this report are in accordance with the standard definitions set out by the Society of Petroleum Engineers, Petroleum Resource Management System.

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