

## Strong Tui field performance lifts projected oil output again

19 February 2008 - Strong performance by the Tui oil field in offshore Taranaki has prompted Sydney-based operator Australian Worldwide Exploration to again revise upward oil production targets.

AWE says in its December 2008 quarterly report that its target for the year to June 30, 2008 had risen from 10 million barrels to approximately 11 million barrels due to better than anticipated field performance.

Total production from Tui totalled 3.95 million barrels in the quarter, averaging approximately 43,000 barrels of oil per day (bopd) during the period and a record 48,000 bopd in December 2007.

Cumulative production to the end of December 2007, after just over five months of production, was 6.34 million barrels.

At the end of December 2007, the total deliverability of the four production wells remained in excess of the 50,000 barrel per day capacity of the production facilities. Water production steadily increased over the quarter, although more slowly than predicted.

Water production in December averaged approximately 22,800 barrels a day, corresponding to an average water cut (water as a percentage of total liquids production) of 32%. New gas lift facilities at Tui were being commissioned after the end of December.

AWE managing director, Bruce Wood, who has described the Tui project as the company's flagship operation, said the field had contributed to a substantial increase in revenues and cashflow for AWE in the December quarter.

He said AWE was now debt free with considerable available cash.

New Zealand Oil & Gas Ltd, a 12.5% partner in Tui, said the company has sold its one millionth barrel of oil from the field.

The average net price received for the premium light sweet crude since the start of production is approximately US\$89 per barrel, NZOG said.

NZOG's share of the estimated 12 million barrel Tui production for the June year would be over 1.5 million barrels.

Sources: AWE and NZOG