

Attn. Company Announcements Office
Australian Securities Exchange

24 May 2018
ASX Market Announcements
Electronic Lodgements
For immediate release

Nangwarry Unrisked Prospective Resources Best Estimate upgrade to 57 Bcf

Rawson Oil and Gas Limited “**Rawson**” are pleased to announce a prospective resource volume upgrade to the Nangwarry Prospect, situated in Petroleum Exploration Licence “**PEL**” 155, onshore Otway Basin, South Australia. Rawson is the operator of PEL 155 and holds 50% equity in the licence.

The independent technical specialist report¹ puts the Net Unrisked Prospective Resource Best Estimate for petroleum properties attributable to Rawson at 28.5 Bcf, as set out in Table 1².

The Nangwarry Prospect (Gross 100%) Unrisked Prospective Resource Best Estimate has been upgraded to 57 Bcf (Table 2²), from 33 Bcf as previously carried by Rawson. The Unrisked Prospective Resource High Estimate (3U) has increased to 159.9 Bcf, from 54.3 Bcf as previously carried by Rawson. The independent GPoS (Geological Probability of Success) is 23% for the top Pretty Hills reservoir and 19% for the Sawpit Sandstone.

With Haselgrove-3 ST1 recently discovering gas in the Sawpit Sandstone³ the PEL 155 JV believe the Sawpit play concept extends south from Haselgrove into PEL 155 and provides a second major objective for the JV’s Nangwarry-1 exploration well, and for the other exploration prospects and leads in the PEL 155 licence.

Table 1. Net Unrisked Prospective Resources for petroleum properties attributable to Rawson as at 20 April 2018.

Prospect	Reservoir	Expected Charge	Unrisked Prospective Resources (Bscf)			GPoS
			Low Estimate (1U)	Best Estimate (2U)	High Estimate (3U)	
Nangwarry	Pretty Hills Sandstone	Gas	3.55	17.6	48.55	23%
	Sawpit Sandstone	Gas	2.05	10.9	31.4	19%
	Total		5.6	28.5	79.95	

Table 2. Nangwarry Prospect (Gross 100%) Undiscovered Gas-Initially-In-Place and Unrisked Prospective Resources.

Prospect	Reservoir	Undiscovered Gas-Initially-In-Place (Bscf)			Unrisked Prospective Resources (Bscf)			GPoS
		Low Estimate (P90)	Best Estimate (P50)	High Estimate (P10)	Low Estimate (1U)	Best Estimate (2U)	High Estimate (3U)	
Nangwarry	Pretty Hills Sandstone	10.6	52.4	143.0	7.1	35.2	97.1	23%
	Sawpit Sandstone	6.7	34.9	98.2	4.1	21.8	62.8	19%
	Total	17.3	87.3	241.2	11.2	57.0	159.9	

The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

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About the Nangwarry Prospect

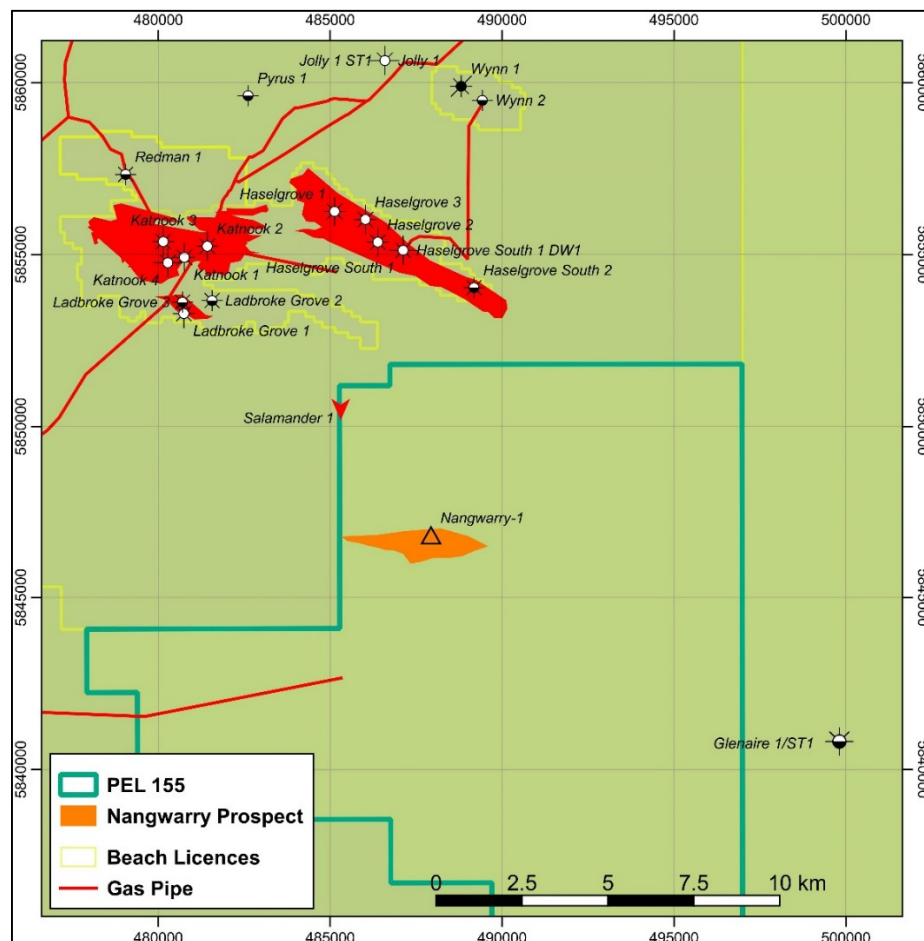
The Nangwarry prospect (Map 1) is a conventional gas and liquids prospect in a three-way dip, fault dependent trap and is considered analogous to the nearby Katnook, Haselgrove and Ladbroke Grove fields which have produced approximately 70 Bcf of raw gas since discovery.

Drilling success at Nangwarry will extend the proven top Pretty Hill play province and/or confirm the presence of a significant new gas reservoir in the Sawpit Sandstone. A commercial discovery will provide much needed gas to the South Australian market and increase exploration in the region. Ultimately, the PEL 155 JV hopes continued investment will lead to a rebuild of the gas industry in the South East of South Australia, provide stimulus to other industries in the region and alleviate issues of gas supply for power generation and other industries in South Australia.

Drilling of Nangwarry-1 is anticipated in late 2018, subject to rig availability.

About the PEL 155 JV and PACE

The licence PEL 155 is held 50% by Rawson and 50% by Vintage. The PEL 155 JV was awarded \$4.95 million under the South Australian Government PACE gas scheme in December 2017. The Plan for Accelerating Exploration (PACE) gas scheme grant is to support up to 50% of the drilling of a new gas exploration well within PEL 155.



Map 1. Nangwarry-1 location in close proximity to recent discovery at Haselgrove-3 ST1 and the Katnook gas fields and associated infrastructure.

¹The independent technical specialist report was produced by RISC Advisory Pty Ltd (RISC). RISC is an independent oil and gas advisory firm. The preparation of the report was supervised by Mr Ian Cockerill, RISC Head of Geoscience. Mr Cockerill has 20 years' experience in the upstream hydrocarbon industry with Hunt Oil, Apache Energy and RISC. He has extensive experience with mature and greenfield oil, gas, gas-condensate and unconventional developments in North America, Europe, Africa, Middle East, South East Asia and Australasia. Mr Cockerill holds an MSc in Basin Evolution and Dynamics from Royal Holloway College, University of London, 1999 as well as a BSc in Geological Sciences (First (Hons)) from Leeds University, 1996. Mr Cockerill is a qualified petroleum reserves and resources evaluator (QPPRE) as defined by ASX listing rules. Reserves and resources are reported in accordance with the definitions of reserves, contingent resources and prospective resources and guidelines set out in the Petroleum Resources Management System (PRMS) approved by the Board of the Society of Petroleum Engineers in 2007. The Report has been prepared in accordance with the Code for the Technical Assessment and Valuation of Mineral and Petroleum Assets and Securities for Independent Expert Reports 2005 Edition ("The VALMIN Code") as well as the Australian Securities and Investment Commission (ASIC) Regulatory Guides 111 and 112.

²The Prospective Resources shown in Table 1 and Table 2 were determined using the probabilistic method with shrinkage applied to correct for estimated inerts and liquids dropout by RISC and arithmetic summation by Rawson.

³On 11 January 2018 Beach Energy announced a new gas discovery in PPL 62 with Haselgrove-3 ST1. The well 'flowed gas at a rate of 25 MMscfd sustained over a 100 minute period through a 36/64" choke and at 2,700 psig well head pressure'. At the end of February 2018 the well was undergoing an Initial Production Test of the Sawpit Sandstone to confirm well deliverability and gas composition.