



OUR PEOPLE

42%

Percentage of females across
the AWE workforce

32%

Percentage of workforce aged
above 50 with significant
industry experience

30%

Percentage of workforce of
Indonesian or Malaysian nationality

“AWE recognises that diversity is not just about gender. Cultural and ethnic differences also shape views across the organisation.”

AWE is committed to attracting and retaining highly skilled and motivated people across the organisation. We recognise that employee engagement is the key to building a unified team that delivers sustainable returns for our shareholders and provides challenging, satisfying and rewarding careers for our people. At 30 June 2012, AWE's workforce¹ comprised approximately 70 AWE employees and 20 independent contractors in operations spread across Australia, New Zealand, Indonesia and Malaysia.

DIVERSITY

AWE is committed to providing a safe and inclusive workplace and culture which actively supports and promotes diversity across the organisation. We believe that having a diverse, motivated and talented team across each of our operations provides AWE with a competitive advantage. To assist in achieving this goal AWE formally adopted a Diversity Policy in June 2011 which is available on the AWE website. The Policy reinforces AWE's commitment

to recruit and retain people on the basis of their ability and performance regardless of age, gender, nationality, cultural or religious background.

AWE intends to meet its ongoing diversity commitment by supporting professional development, life balance, promotion and remuneration equity at every stage of a person's career in AWE.

In addition, the following measurable objectives have been adopted by the Board to achieve gender diversity:

OUR PEOPLE PERFORMANCE HIGHLIGHTS

- AWE formally adopted a Diversity Policy in June 2011
- The Company increased the proportion of women across the organisation with female representation at all levels
- A program was developed to increase employee engagement, including monthly MD updates and performance and development policies

OBJECTIVE	PROGRESS / INITIATIVES
Continue to increase the percentage of female directorship on the Board over the next three years.	A female director was appointed to the AWE Board in the 2010-11 financial year and female candidates will continue to be actively considered for any director vacancies that may arise.
A medium term goal (3-5 years) is for AWE to be equal to, or better than, its peer group with respect to its gender diversity mix across the organisation.	The Board has assigned a contact director to be the board member responsible for liaising with management with respect to diversity matters. Due to recent ASX requirements with respect to disclosure of gender diversity data, peer group data will now be readily available for comparative purposes and will be reported against in the 2012-13 financial year.
Continue to increase the number of female senior managers through appropriate succession planning and recruitment.	Female staff are now represented at all levels within the Company. A female Chief Financial Officer was appointed in the current period, becoming the first female member of the Company's Senior Executive Committee.
Increase the number of female graduates joining the Company in engineering and exploration disciplines.	To position the Company as an employer of choice in the oil and gas industry, AWE is a premier sponsor of UNSW Engineering Society and a silver sponsor of the UNSW Geoscience Faculty. 50% of undergraduate students that have worked at AWE on a casual basis in the past year have been female.
Maintain commitment to further education opportunities for employees, including women, in support of their career progression to more senior positions.	With a limited percentage of women practicing earth sciences and engineering, a key focus for AWE is to seek and support, where possible, greater gender diversification in our operations and management. AWE has sponsored a female employee who first joined the Company as an office co-ordinator and after being promoted to Technical Assistant in the exploration group, is now undertaking a Masters Degree in Geoscience at Macquarie University.

¹ AWE defines "workforce" as all full-time, part-time, casual and temporary employees and independent contractors.

AWE is committed to achieving these objectives, by consistently and proactively pursuing the following initiatives: succession planning, active recruitment campaigns, engagement with Universities to increase awareness of AWE and encourage female graduates to apply for employment, implementing mentoring programs, and targeted management training programs.

EMPLOYEE TRAINING AND DEVELOPMENT

AWE provides a comprehensive range of internal and external learning and development programs to support employees meet their career and personal development aspirations whilst also assisting the Company achieve its goals. In line with AWE's training and development policy, the Company is sponsoring two employees from the Sydney office to undertake post-graduate university degrees. It is in AWE's and the employee's interest that we support these graduates at the early and developing stages of their careers. The Company also recruits undergraduate students on casual work programs. This has provided financial support for the students and has enabled AWE to recruit superior graduate candidates on a full time basis.

CASE STUDY

RECRUITMENT DRIVE POST ACQUISITION OF INDONESIAN PRODUCTION SHARING CONTRACTS

AWE's Indonesian operations will recruit staff and contractors to fill between 80 and 116 positions over the next three years. AWE has developed a recruitment strategy that is aimed at accelerating the supply of trained Indonesian nationals to the upstream oil and gas industry.

Our emphasis is on the retention and development of Indonesian employees and we are developing plans to provide further training and

development to each of our new recruits in Indonesia.

The aim of the training and development plan will be to help AWE achieve its business strategies through the effective utilisation of the skills and talents of our people. Initiatives will include in-house training programs, public training programs, further academic study for approved staff, and the general formal and informal sharing of knowledge between team members.



CASE STUDY

NEW CAREER OPPORTUNITIES WITH THE HELP AND SUPPORT OF AWE

After two decades as a building contractor in Taranaki, New Zealand, 38-year-old Roy Laird decided that he needed new career challenges – and where better to find them than in the oil and gas industry. Recently married, and with a young child, Roy realised it was a big move as he needed to leave the work force to gain new qualifications to get a foot in the door.

After researching into his options, Roy enrolled at the Western Institute of Technology in Taranaki (WITT) for a Process Operations Oil and Gas Certificate.

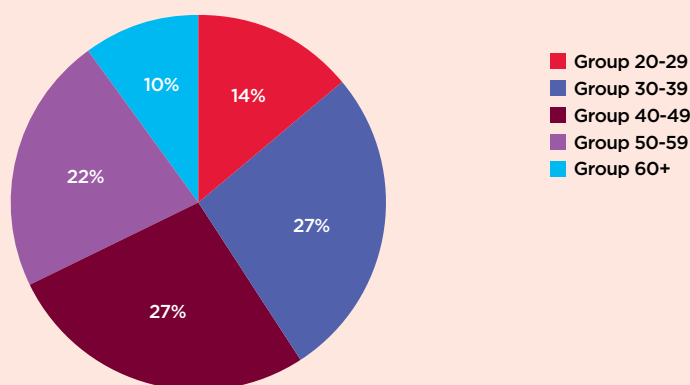
With a scholarship from AWE, Roy successfully completed the WITT course

which consisted of 9-months training based around the 'ENCHEM' Level 2 standards as well as work experience with upstream and downstream petrochemical users. During his study, AWE also assisted Roy with extra training from its own personnel.

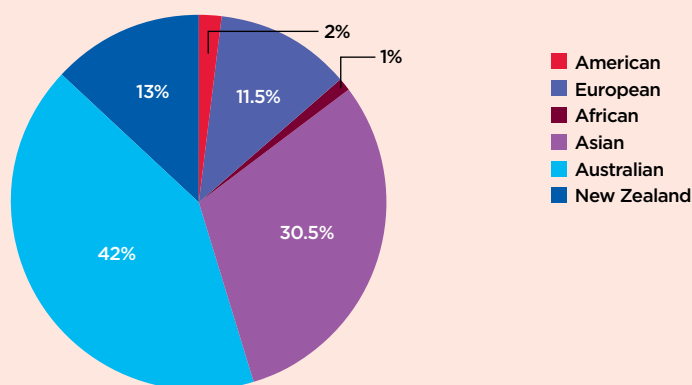
At the completion of the course, AWE offered Roy a 12-month training contract as a trainee process operator on the FPSO Umuroa which subsequently turned into a full-time position. With AWE's support, Roy has also now completed his ENCHEM Level 3 certificate and is studying for his ENCHEM Level 4 qualification.



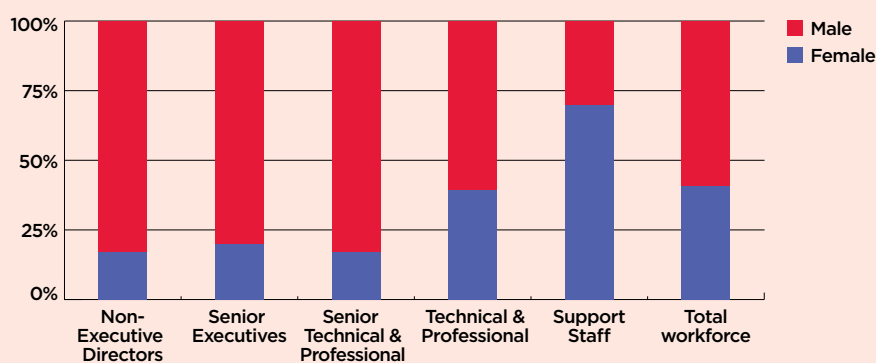
PERSONNEL BY AGE GROUP 30/06/2012



PERSONNEL BY NATIONALITY 30/06/2012



WORKFORCE GENDER REPRESENTATION 30/06/2012



TURNOVER



KEY DIVERSITY STATISTICS

As at 30 June 2012, women represented 42% of our workforce with 14% Board and 20% executive management level representation.

Close to 54% of our workforce is aged between 30-49, and 32% are aged above 50. This reflects our intention to retain employees with significant industry experience.

The remaining 14% of our workforce is aged between 20-29. AWE is actively recruiting new graduates to increase the proportion of employees in this age bracket.

During the 2011-12 financial year, AWE employee turnover rate was 10%. The higher turnover rate has been largely attributed to the increased competition for technical, qualified personnel in a tight employment market in Australia.

Consistent with our objectives of having a workforce representative of the geographies in which we operate, about 30% of our staff are of Indonesian or Malaysian nationality.

More generally, we endeavour to support diversity of nationality and cultural backgrounds across all our operations.