

NEWS RELEASE**WORLEYPARSONS BEGINS PRELIMINARY ENGINEERING FOR DEEP WELL'S SAWN LAKE PROJECT****November 2, 2012 – 08:00 EST**

Deep Well Oil & Gas, Inc. (and its subsidiaries - "Deep Well" or "Company") (otcqb:DWOG) (News) is pleased to announce that WorleyParsons has launched preliminary engineering work on its Sawn Lake pilot project. WorleyParsons' contracted responsibilities to Deep Well include a plot plan of the development; process flow diagrams; material balances for hydrocarbons, sulphur and water; description of the capacity and content of emissions.

In this role, WorleyParsons will ensure Deep Well's Sawn lake project meets all the preliminary engineering requirements mandated by the Alberta Energy Resources Conservation Board which must approve the final form of any pilot project. Further, WorleyParsons will be responsible for overall quality control and quality assurance on all aspects of the preliminary engineering component of the project.

WorleyParsons is a global leader in petroleum and natural resource project engineering and design. The Sawn Lake project will benefit from EcoNomics™, WorleyParsons' enterprise-wide framework that ensures profitable integration of sustainability into Deep Well's projects and operating assets.

WorleyParsons will work with Deep Well's objectives, commitments, risks and opportunities in mind to identify and deliver both profitable and sustainable outcomes. The EcoNomics™ framework comprises three components: Sustainable Decisions, Sustainable Project Delivery and Sustainable Operations. These components, along with WorleyParsons' carbon management service; Carbon EcoNomics™, provide Deep Well with the capability to enhance project risk management and improve sustainability performance across the asset lifecycle.

The Horizontal Cycling Steam Stimulation pilot project, recommended as the optimum production method by DeGolyer & MacNaughton Canada ("D&M"), would mark the first sustained extraction from Sawn Lake holdings. D&M previously assigned probable reserves of 7.8 million barrels to the pilot project lands and an additional 198 million barrels of best case contingent resources to Deep Well's remaining Sawn Lake lands.

Successful completion of pilot projects typically results in a more comprehensive understanding of the contents and accessibility of the reservoir.

Deep Well and its Canadian subsidiaries Northern Alberta Oil Ltd. and Deep Well Oil & Gas (Alberta) Ltd. have an 80% working interest in 56 contiguous square miles of oil sands leases, 40% working interest in an additional 12 square miles in the Sawn Lake heavy oil area in North Central Alberta. The leases cover 43,015 gross acres.

Statements relating to "reserves" or "contingent resources" or "prospective resources" are deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves, contingent resources or prospective resources described exist in the quantities predicted or estimated, and can be profitably produced

in the future. Investors are cautioned not to assume that any part or all of the probable or possible reserves, contingent resources or prospective resources described herein will ever be converted to proved reserves.

This news release contains forward-looking statements. The words or phrases "would be," "to be," "will allow," "intends to," "will likely result," "are expected to," "will continue," "is anticipated," "potential," "recoverable," "estimate," "forecast," "project," or similar expressions are intended to identify "forward-looking statements." Actual results could differ materially from those projected in the Company's proposed oil and gas related business and described in this press release. The Company's business and the realization of the results contemplated by this press release are subject to various risks, which are discussed in the Company's filings with the SEC. The Company's filings may be accessed at the SEC's Edgar system at www.sec.gov. Statements made herein are as of the date of this press release and should not be relied upon as of any subsequent date. The Company cautions readers not to place reliance on such statements. Unless otherwise required by applicable law, we do not undertake, and we specifically disclaim any obligation, to update any forward- looking statements to reflect occurrences, developments, unanticipated events or circumstances after the date of such a statement. Deep Well Oil & Gas, Inc. (OTCQB: DWOG.PK - News)

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