



Company Presentation



Queensland Exploration Council – Investment Showcase:
5:30PM, 9 November 2017

ASX : GAS

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GAS: Highlights

ADVANCED PROJECT	Granted Petroleum Lease (PL 231) , with Pipeline Survey Licence Application (PSL 2028)
SHALLOW CONVENTIONAL GAS PROJECT	conventional gas in Central Queensland, first discovered in the 1950s
GAS FLOWS	15 historical wells drilled since 1950s
SHALLOW GAS - PRIMARY TARGET	Cattle Creek Formation - 150m to shallow overpressured gas target (refer September 2017 Prospectus for historical target)
LARGE SECONDARY TARGET	Reid's Dome Beds - 1,000m+ to large gas target (refer September 2017 Prospectus for historical targets)
PIPELINE – EAST COAST NETWORK	45km NE to Rolleston / Queensland Gas Pipeline 50km SW to Queensland Gas Pipeline
OPERATORSHIP	State Gas is Operator with 60% of PL 231 - simplified JV Feb 2017
EXPERIENCED	Strong, active Board – strong technical and commercial experience

Discovered in 1955



Gas discovered in 1955 at a depth of 137 meters (Cattle Creek Formation) when drilling for oil, flowing gas at 0.55 mmcf/d – AOE-1 well

Last Drilled in 2006



Primero-1 Well, drilled in 2006, with a flow rate of 2.8 mmcf/d (Cattle Creek Formation) reported from this well

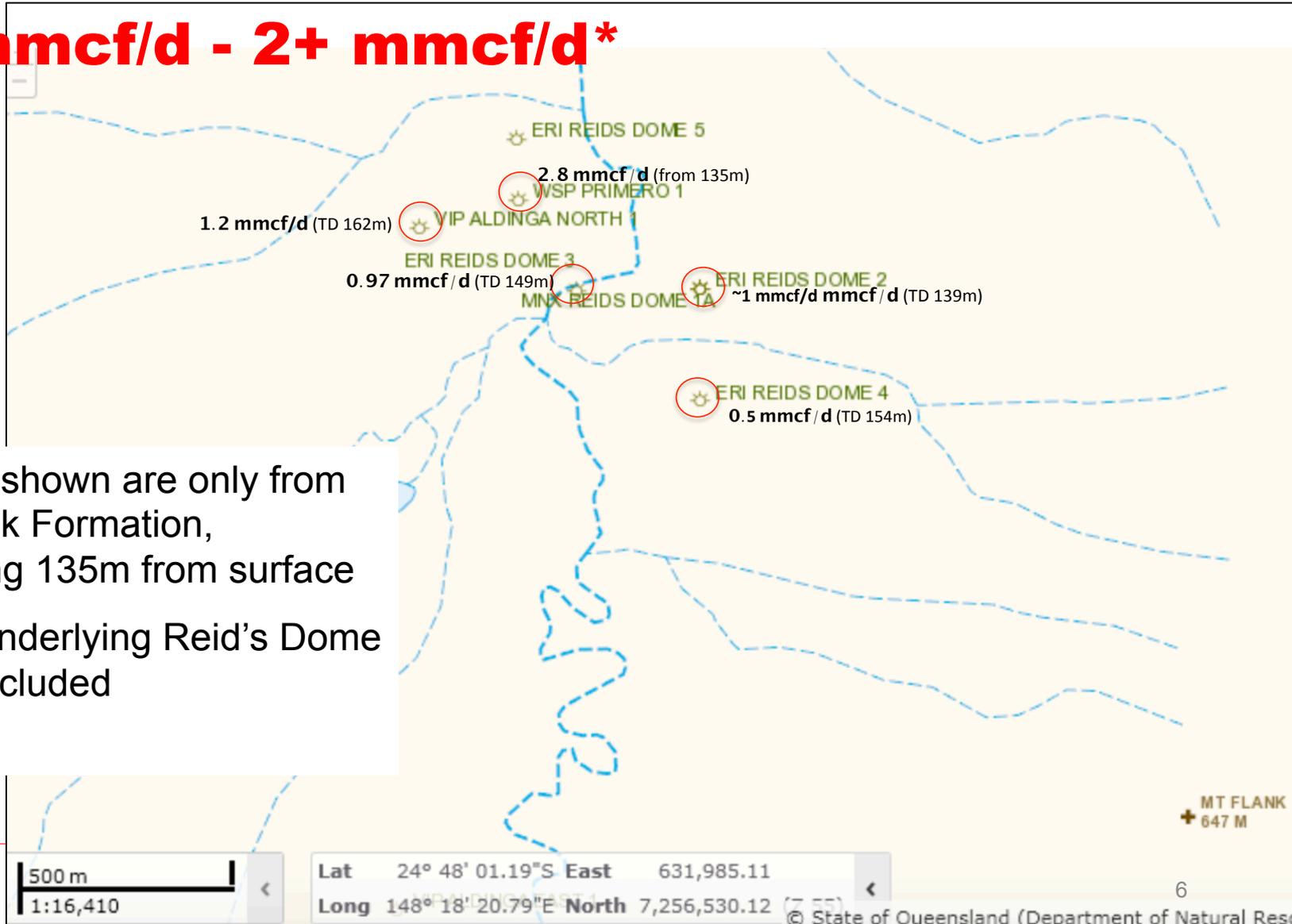
View video of gas flowing at Primero-1 in June 2017 and other infrastructure at PL 231:

<https://www.youtube.com/watch?v=GiozYJ9BtoU#action=share>



Historical Flow Rates:

0.5 mmcf/d - 2+ mmcf/d*



*Gas flows shown are only from Cattle Creek Formation, commencing 135m from surface

Gas from underlying Reid's Dome Beds not included

Eastern Gas Market Update

East coast gas market dynamics are going through a fundamental shift

- The market is resigning itself to the fact that recent actions to restrict LNG exports and divert gas into the domestic market will not have a significant impact on bringing down east coast gas prices.

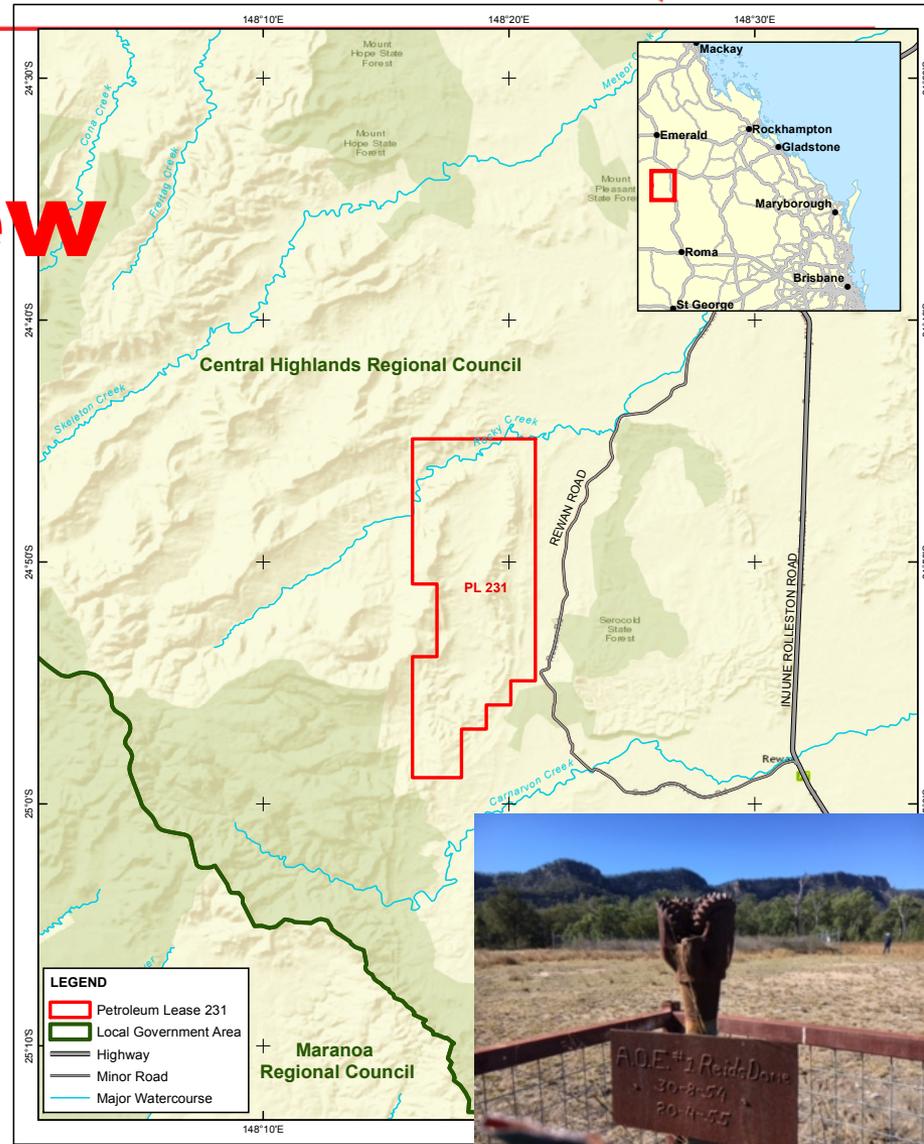
Reliance on Qld LNG to continue, LNG imports not cheap but may be needed

- The east coast will remain reliant on diverted Qld LNG supplies for at least the next 5 years (and most likely longer), as alternate gas supplies of any size are still a few years away.
- Development cost & distance of new supply from markets means that development is unlikely to exert material downward pressure on east coast gas prices any time soon.
- There is room for LNG imports, but landed price is a key challenge.
- Gas prices in the \$8-10/GJ (ex-field) range expected for the foreseeable future.

Source: UBS, 19 October 2017, "The next wave of east coast gas supply"

Cattle Creek Project Overview

- Conventional gas 50km South West of Rolleston
- 181sq km covering a classic north-south dome structure
- 50km from Queensland Gas Pipeline network
- Low drilling and extraction costs (shallow overpressured conventional gas reservoir)

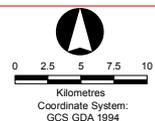


LEGEND

- Petroleum Lease 231
- Local Government Area
- Highway
- Minor Road
- Major Watercourse

NOTES
 Prepared: Dept of Mines & Energy, Aug 2017
 Base data: Geoscience Australia, Geocade V3

DISCLAIMER
 In preparing this map, RLMS have endeavoured to ensure that the data and information are as accurate and reliable as possible. However, RLMS cannot accept liability for any decisions or actions of whatever kind or nature based on this study. RLMS expressly disclaims any loss or damage that may arise therefrom.



CLIENT **STATE GAS LIMITED**
 PROJECT **PL 231 CATTLE CREEK/REIDS DOME PROJECT**

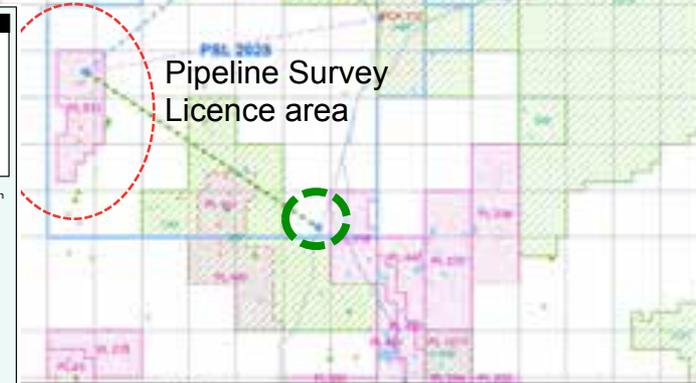
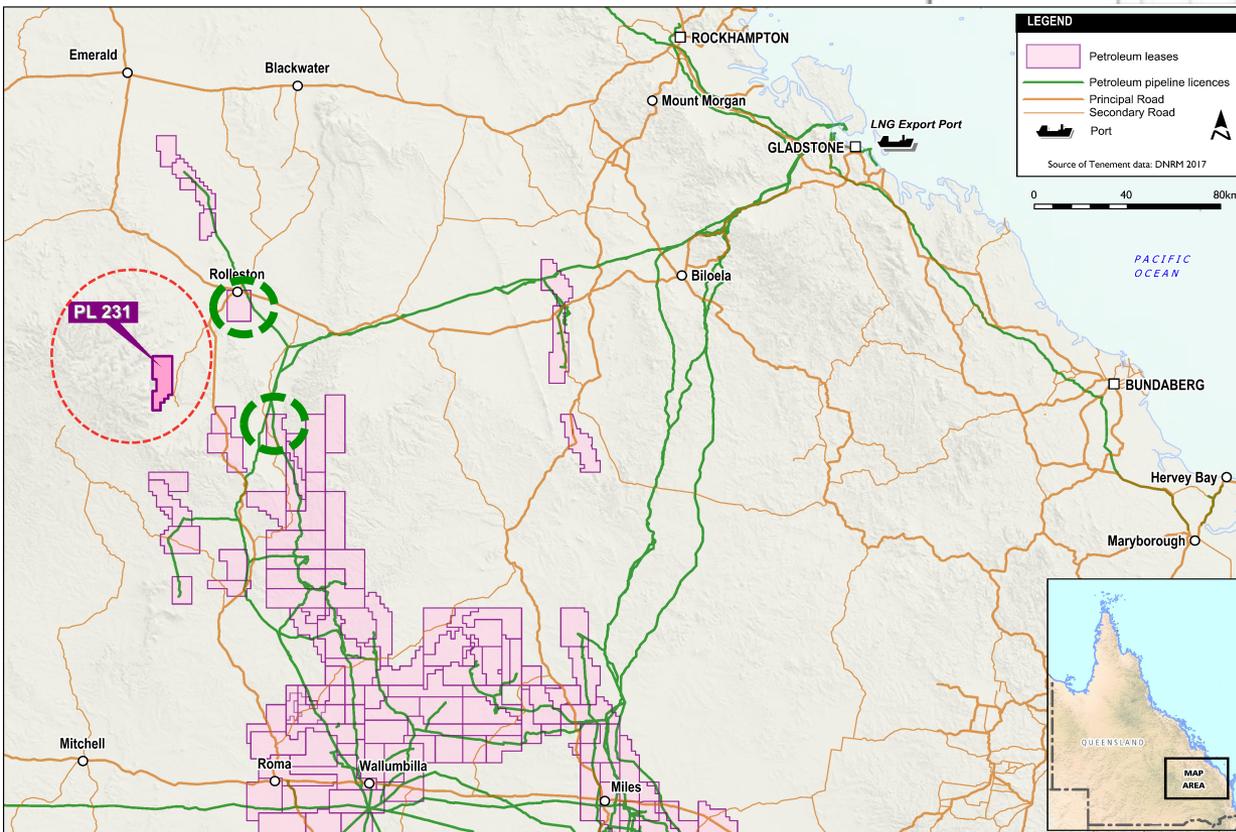
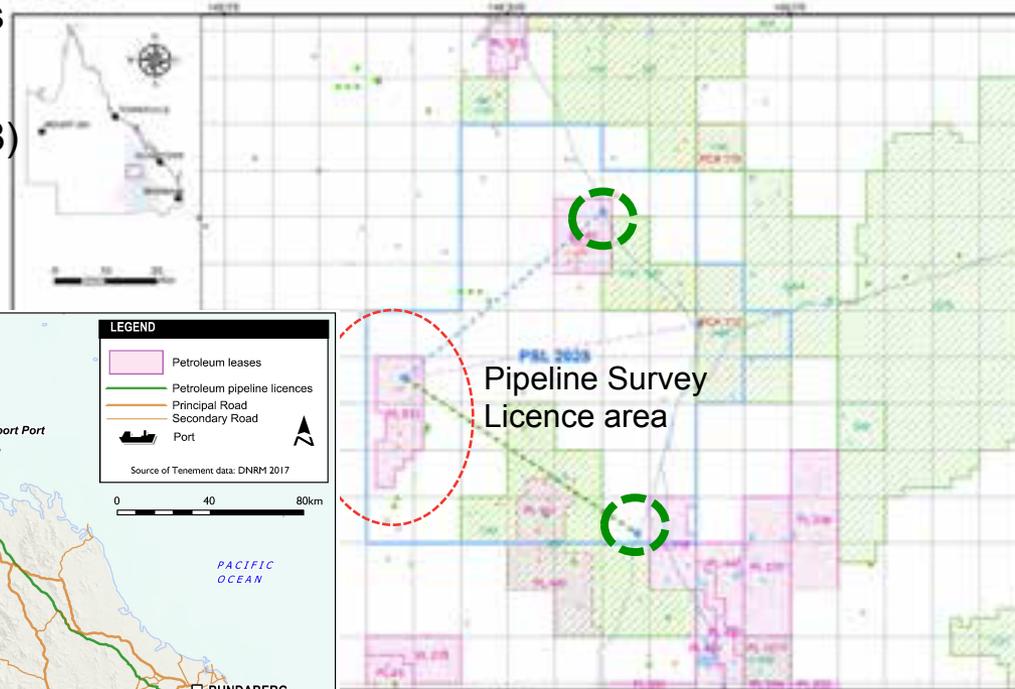
FIGURE 1 **PL231 LOCALITY**
 DATE **AUGUST 2017**



Infrastructure

- Queensland Gas Pipeline network connections options to the north-east and south-east
- Pipeline Survey Licence Application (PSL 2028) lodged in August 2017
- Gas processing at Rolleston and Arcadia

PSL 2028



Primary and Secondary Targets



- **Primary focus (current): Cattle Creek Formation**

- Shallow overpressured gas target from 135m in the sandstone Cattle Creek Formation
- Overpressured sediments generally exhibit favourable porosity, often make attractive hydrocarbon reservoirs and are therefore of important economic interest
- Low drilling and production costs – shallow conventional gas
- Independent Expert view (refer IPO Prospectus, September 2017):

“Potential to produce commercial quantities of conventional gas from the Cattle Creek Formation”

- **Secondary opportunity (future): Reid’s Dome Beds underlying the Cattle Creek Formation**

- Gas encountered in the Reid’s Dome beds from 1,000+ metres
- Reid’s Dome Beds at least 2,770 metres thick
- Independent Expert view (refer IPO Prospectus, September 2017):

“Potential exists within this formation to contain substantial volumes of commercial oil and gas”

Work Program



- **Preliminary work (2017 – early 2018)**
 - Flow testing historical wells, reprocessing existing seismic data
 - Discussions with potential customers and majors needing additional gas
 - Investigating options to optimise initial drilling, gross payzone yield, and pipeline route
- **Two new step-out wells (early 2018)**
 - Drilling and testing of two step-out wells from Primero-1
 - Complete as development wells (if feasible)
- **Pipeline planning and licencing (2017-18)**
- **Two development wells (late 2018)**
 - Drilling, testing and completion of two additional step-out development wells

Board and Management



Tony Bellas Chairman

- Chairman of ERM Power, NOVONIX Limited, Corporate Travel Management, Shine, former CEO of Ergon Energy and CS Energy)



Ian Paton Non-executive Technical Director

- Petroleum geophysicist and engineer, instrumental in many oil and gas discoveries, former Exploration and Development Manager for SANTOS, senior technical and management roles in exploration and development with Conoco, Coogee Resources, New Standard Energy



Greg Baynton Executive Director

- Director of NOVONIX Limited, SUPERLOOP Limited and Orbit Capital



Rob Towner Non-executive Director

- Managing Director of Triangle Energy (Global) Limited, non-executive director of Botanix Pharmaceuticals Limited



Suzanne Yeates Company Secretary and CFO

- Chartered Accountant working with clients for over 20 years as CFO and Company Secretary for public and private companies

GAS: Capital Structure

Shareholder	Escrow Restriction [^]	On Admission (m shares)	
Triangle Energy	Escrow to October 2019	47.8	35.5%
Directors [#]	Escrow to October 2019	31.1	23.1%
Other seed investors	Escrow to June 2018	29.7	22.0%
IPO investors	Nil	26.2	19.4%
TOTAL	100%	134.8	100%

[#] Excludes 2,000,000 options over unissued Shares to be granted to Mr Paton (see section 10.4 of Prospectus)

[^] Approximately 107.4 million Shares (80% of Shares on issue on admission) in the issued capital of State Gas will be subject to restriction agreements for periods from June 2018 to October 2019 (see section 8.4)

Conclusion

The east coast gas crisis represents a long-term problem:

“We see gas prices in the \$8-10/GJ (ex-field) range for the foreseeable future.”

UBS, 19 October 2017, “The next wave of east coast gas supply”

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