Investor Presentation

4-7th March 2019

Legals

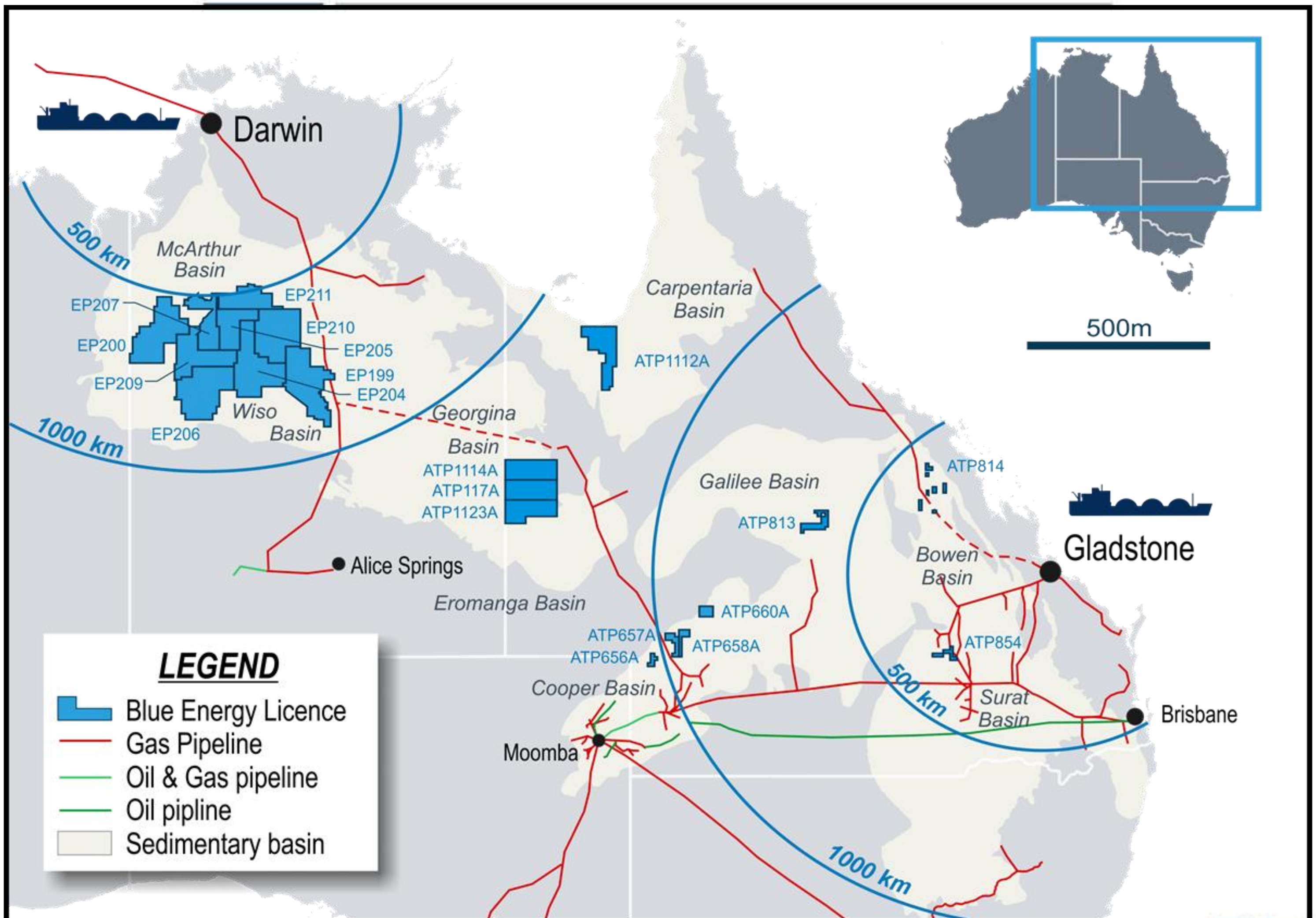
Disclaimer

This presentation may contain forward looking statements that are subject to risk factors associated with the gas and energy industry. It is believed that the expectations reflected in the statements contained within are reasonable, but they may be affected by a range of variables which could cause actual results or trends to differ materially, including but not limited to price and currency fluctuations, geotechnical factors, drilling and production results, development progress, operating results, reserve estimates, legislative, fiscal and regulatory developments, economic and financial markets conditions in various countries, approvals and cost estimates.

Competent Person Statement

The estimates of Reserves and Contingent Resources have been provided by Mr John Hattner of Netherland, Sewell and Associates Inc. Mr Hattner is a full time employee of NSAI, has over 30 years of industry experience and 20 years' experience in reserve estimation, is a licensed geologist, and has consented to the use of the information presented herein. The estimates in the report by Mr Hattner have been prepared in accordance with the definitions and guidelines set forth in the 2007 Petroleum and Resource Management System (PRMS) approved by the Society of Petroleum Engineers (SPE), utilising a deterministic methodology.

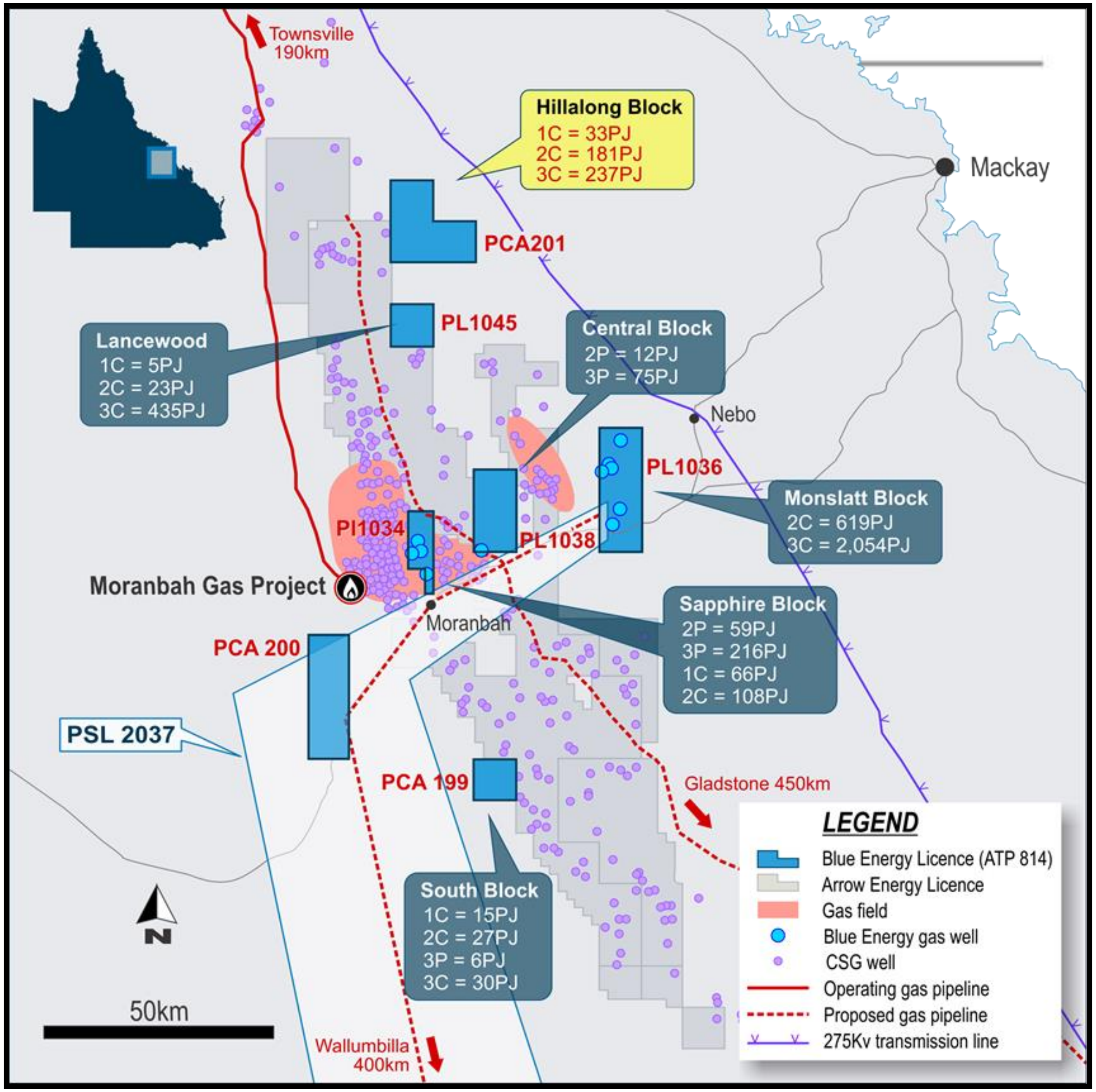
Blue's Portfolio



Blue's progress

- Blue increased Contingent Gas Resource by 237 PJ
    - Total 3C = 4,179 PJ
    - Total 2P+2C = 1,237 PJ
    - 2P = 71 PJ
    - 3P = 298 PJ
- Applied for Pipeline Survey Licence to connect Bowen Basin to Wallumbilla
- PL Applications on foot
- Opportunity to access Nth Qld electricity grid – uplift to gas price
- Continued drive to lower costs

Blue's Bowen Basin Gas Resource now 3,248 PJ



Blue's Gas Resources

Permit	Block	Assessment Date	Announcement Date	Methodology	Certifier	1P (PJ)	1C (PJ)	2P (PJ)	2C (PJ)	3P (PJ)	3C (PJ)
ATP854P		30/06/2012	19/03/2013	SPE/PRMS	NSAI	0	22	0	47	0	101
ATP813P		29/10/2014	30/10/2014	SPE/PRMS	NSAI	0	0	0	61	0	830
ATP814P	Sapphire	5/12/2015	8/12/2015	SPE/PRMS	NSAI	0	66	59	108	216	186
ATP814P	Central	5/12/2015	8/12/2015	SPE/PRMS	NSAI	0	50	12	99	75	306
ATP814P	Monslatt	5/12/2015	8/12/2015	SPE/PRMS	NSAI	0	0	0	619	0	2,054
ATP814P	Lancewood	5/12/2015	8/12/2015	SPE/PRMS	NSAI	0	5	0	23	1	435
ATP814P	Hillalong	21/02/2019	7/02/2019	SPE/PRMS 2018	NSAI	0	33	0	182	0	237
ATP814P	South	30/06/2013	29/07/2013	SPE/PRMS	NSAI	0	15	0	27	6	30
Total (PJ)						0	191	71	1,166	298	4,179
Total MMBOE						0	27	12	199	51	714

East Coast Gas Supply
- still a challenge

- Contingent Resources are where new gas supply will come from

- Southern market needs Qld CSG to meet demand
  – shortfall by 2022 (EnergyQuest)

- Decline in CSG field gas supply reduces LNG export volumes - 2026

- Exploration now higher risk (surface & regulatory risk-black finch syndrome)

- North Bowen Basin is key short term response to new supply

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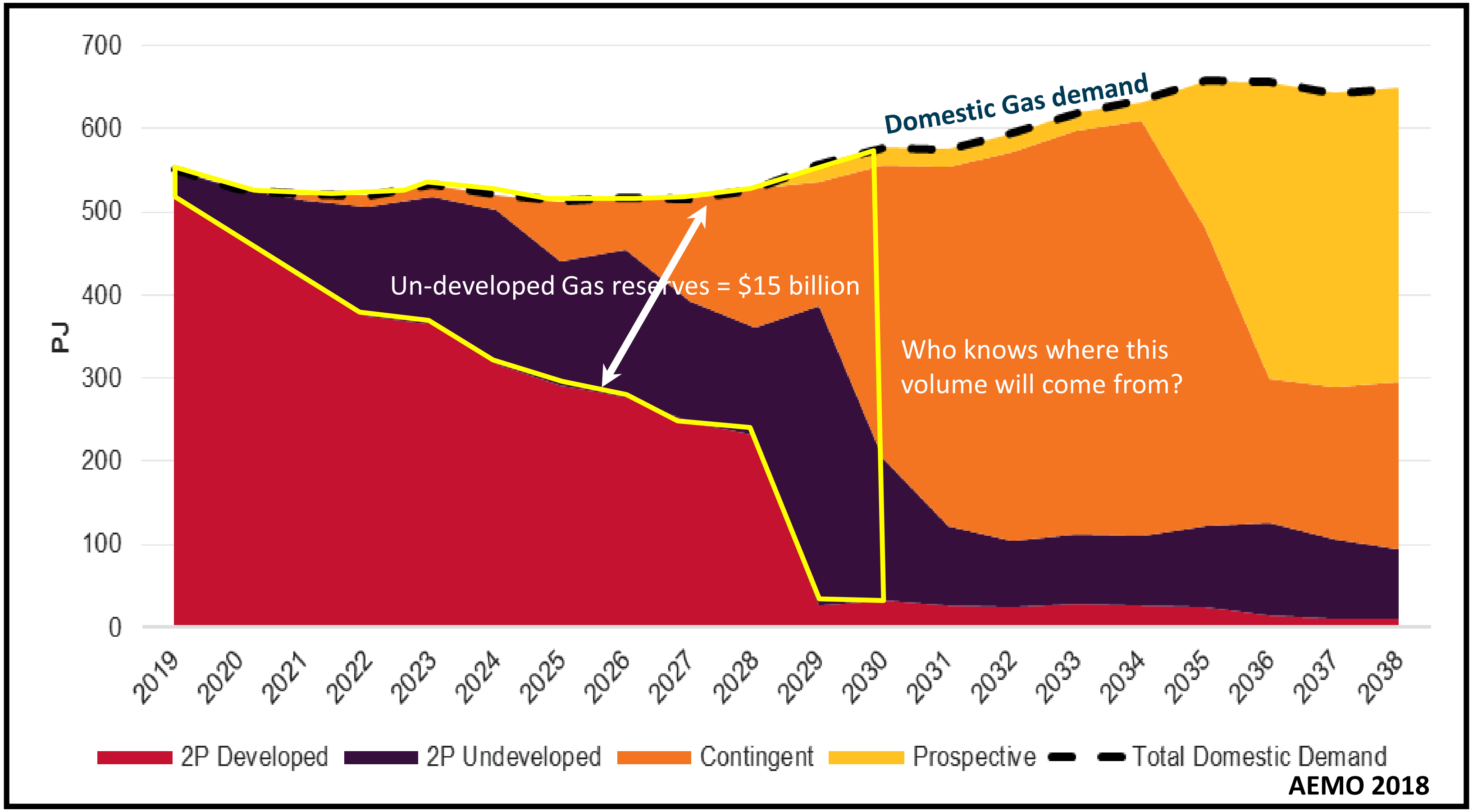
The Domestic Gas Crisis - still unfolding (4 years on)



Need to keep drilling to develop CSG 2P – 1,000's of wells/year – for LNG contracts
Gippsland declines 50% by 2022
Who's got the Contingent Resources?

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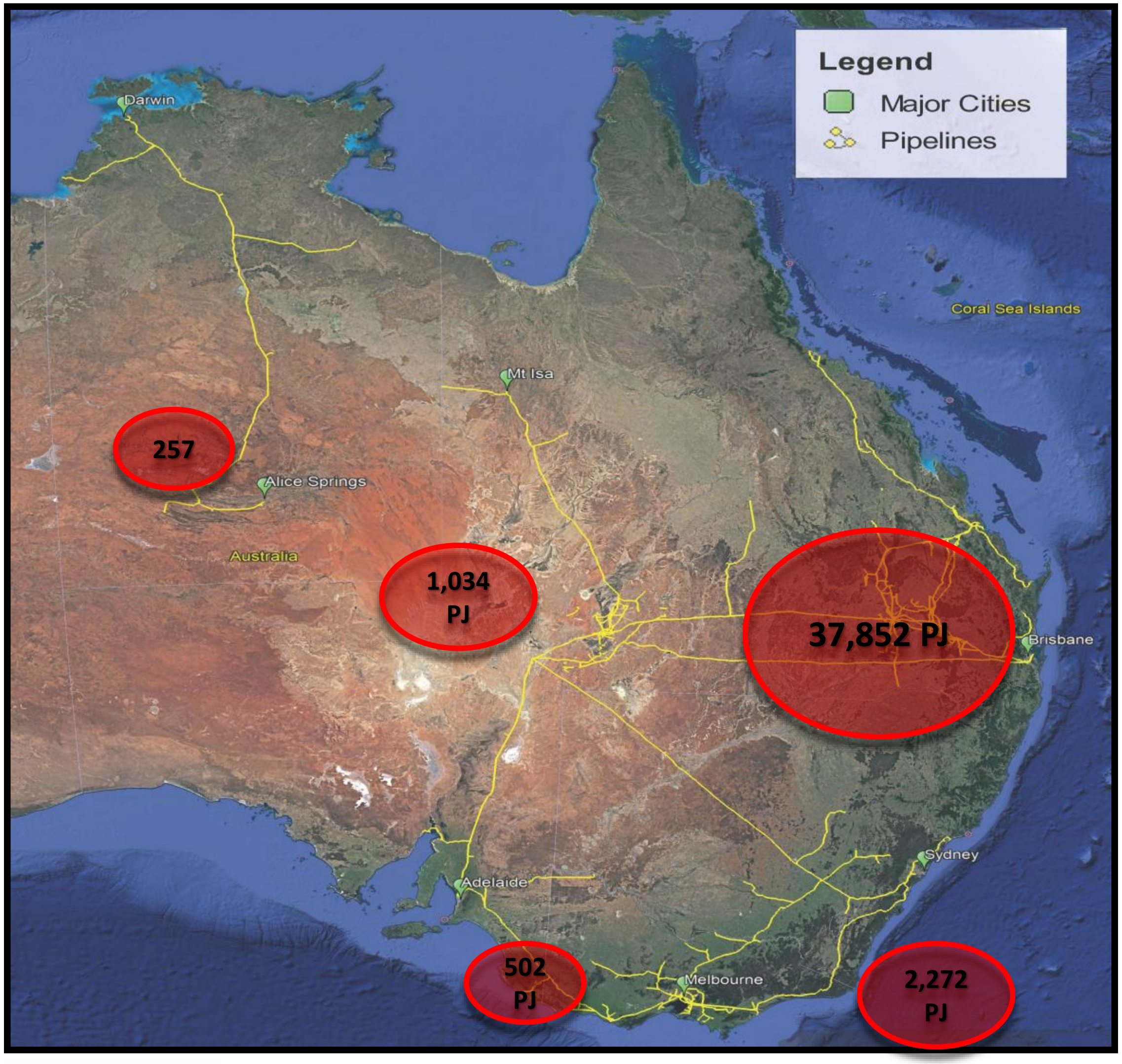
LNG Players Dominate Reserves



10,790 PJ

COOPER ENERGY
BEACH ENERGY
origin
Santos
bhpbilliton

31,100 PJ

ConocoPhillips
KOGAS
Shell
TOTAL
SINOPEC
CNOOC
PetroChina
PETRONAS
ExxonMobil

Source: EnergyQuest

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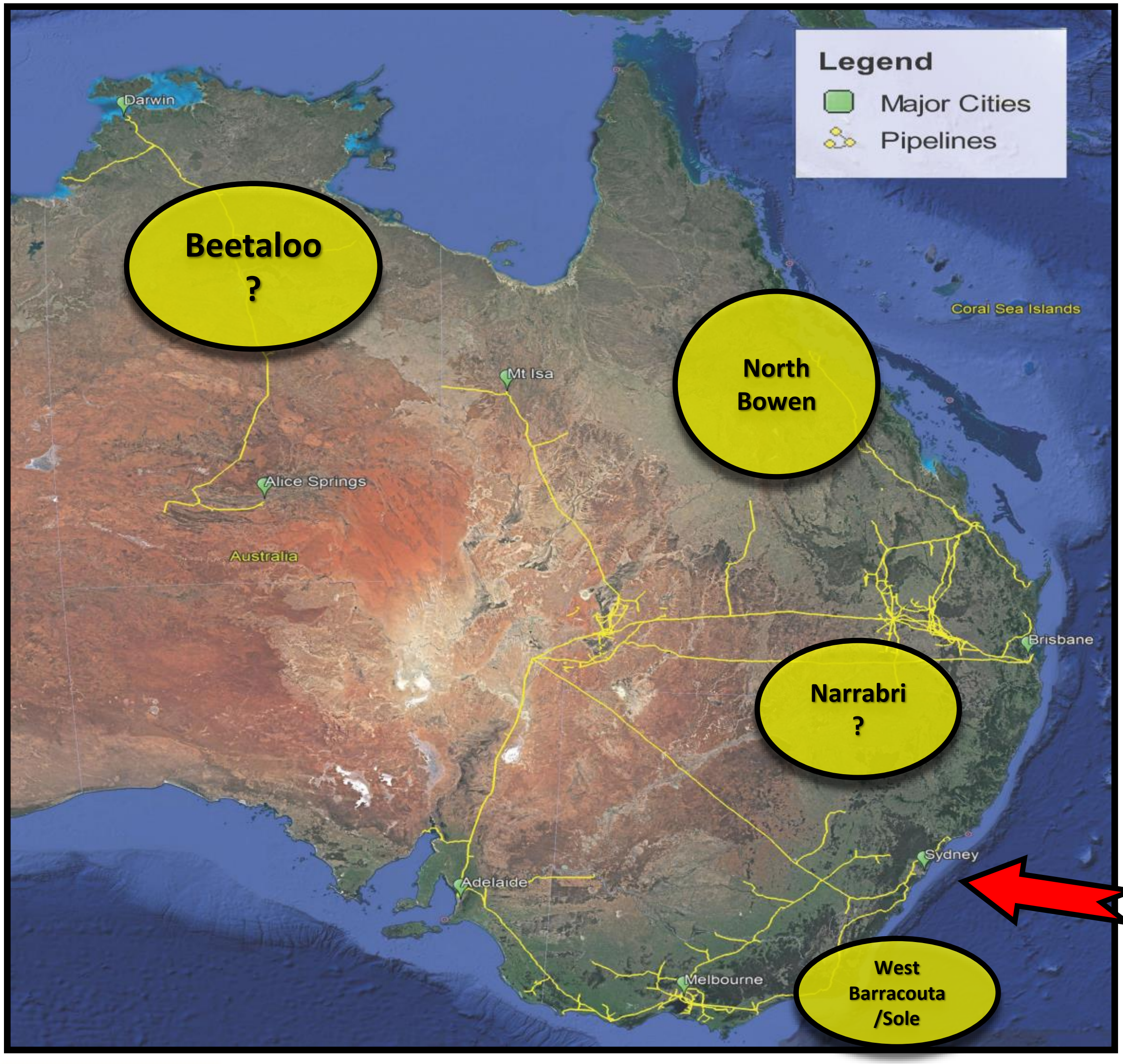
Where will new gas supply come from? (…and when?)



North Bowen –~15,000 PJ

Development ready

Beetaloo – 12,000+ PJ

Cost, timing, economics, regulation

Amadeus – tariff to east coast/volumes

Narrabri – 2,254+ PJ

Regulatory risk, Activism, timing

Sole

West Barracouta - timing

LNG imports – price, volume

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The case for the North Bowen Basin

- There's enough discovered gas to meet east coast domestic demand for 30 years ~15,000 PJ – Assessed by top tier independent certifier
- The Northern Bowen was earmarked for LNG feedgas development by global gas giants
- Govt approvals for pipelines and development are in place but no activity yet by the proponents (up to 6,625 wells and a 450 km pipeline)
- Needs an export pipeline south and expansion to the north

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The Bowen Basin and ATP 814

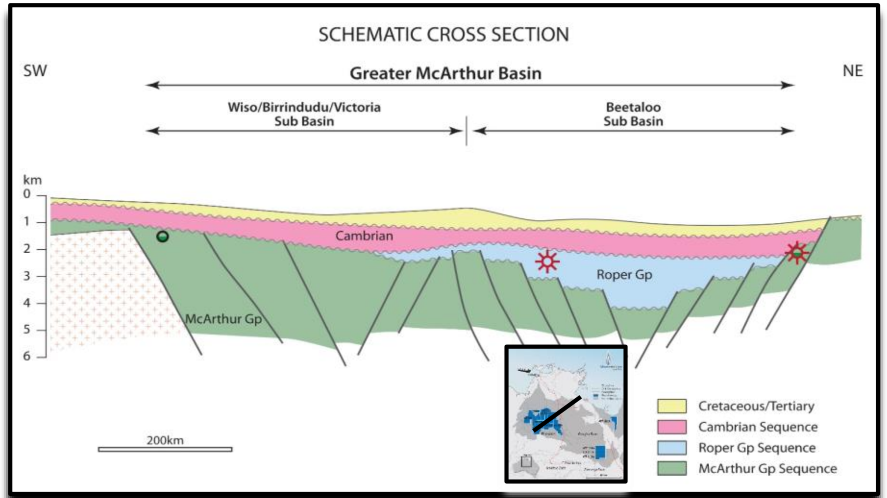
A Key to long term East Coast gas security

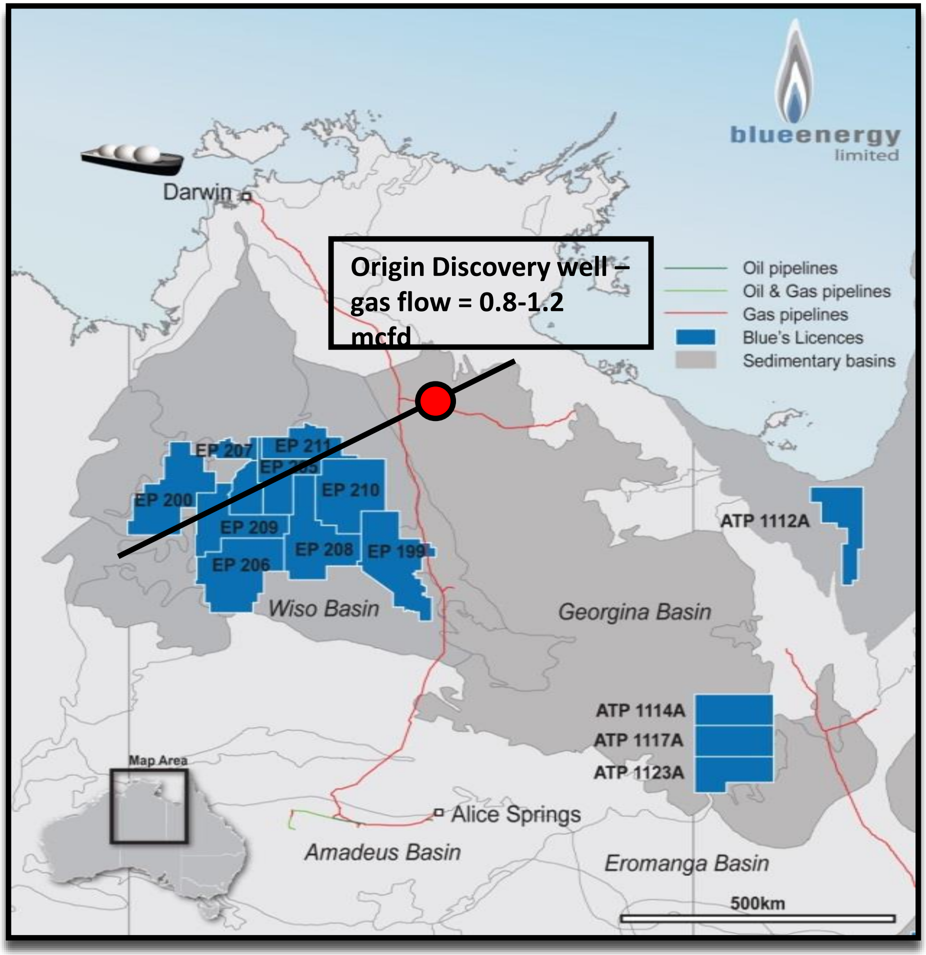
- **Recent Resource upgrade to Blue – +237 PJ 3C in Hillalong**
- **PL Applications submitted and on foot**
- **PPL 2037 application made – alternate standalone pipeline route**
- **APA MOU on foot**

Northern Territory Proterozoic plays

Next hottest onshore gas play

- Material basin acreage position
- Proven Petroleum System
- World class source rocks – seriously old ones
- Proof of concept with Origin discovery
- Pepper Inquiry Recommendations (135) being legislated – full impact coming to light





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East Coast must have more Gas Supply
Bowen Basin is a solution

- Gas for the domestic users is controlled by LNG exporters
  (fuelling calls for gas reservation and price ceilings)
- EnergyQuest sees domestic gas shortfall – 2022
- Exploration moratoria/bans are still in place with Regulation now impacting activity; time and money
- LNG import terminals will set the flow price for gas users (tied to North Asia Spot)
- Bowen Basin gas development decision needed

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Blue's Strategy

- Focussed on monetising Bowen Basin gas
  - Negotiating with potential buyers
  - Pushing ahead with standalone pipeline
- Continue adding to gas resource base at lowest cost
- Continual focus on overhead cost

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