



2020 Annual General Meeting

10th November 2020

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. The Presentation and information contained in it is being provided to shareholders and investors for information purposes only. Shareholders and investors should undertake their own evaluation of this information and otherwise contact their professional advisers in the event they wish to buy or sell shares. To the extent the information contains any projections, Blue Energy has provided these projections based upon the information that has been provided to it. None of Blue Energy's directors, officers or employees make any representations (express or implied) as to the accuracy or otherwise of any information or opinions in the Presentation and (to the maximum extent permitted by law) no liability or responsibility is accepted by such persons.

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) together with the 2011 and 2018 Guidelines for Application of the PRMS as approved by the Society of Petroleum Engineers (SPE), and utilising a deterministic methodology.

“Gas has chosen itself”

Prime Minister Scott Morrison

(ABC Insiders 20th September 2020)

Federal Government, CFMEU, AWU and Labor back gas led recovery

“Gas-fired recovery”

15 September 2020

Joint media release with Prime Minister Scott Morrison and Minister for Energy and Emissions Reduction Angus Taylor.

Gas will help re-establish a strong economy as part of the Government's JobMaker plan, making energy affordable for families and businesses and supporting jobs as part of Australia's recovery from the COVID-19 recession.

*Prime Minister Scott Morrison said the Government would reset the east coast gas market and create a more competitive and transparent Australian Gas Hub by **unlocking gas supply**, delivering an efficient pipeline and transportation market, and empowering gas customers. The Government will get more gas into the market by:.....*

*•Unlocking five key gas basins starting with the **Beetaloo** Basin in the NT and the **North Bowen** and **Galilee** Basin in Queensland, at a cost of \$28.3 million for the plans.....”*



Why gas?

1. Lower particulate emissions – means air quality
2. Yields less Carbon Dioxide than oil and coal – lower GHG emissions
3. Symbiotic relationship between renewable energy and gas fired generation
4. It's a critical feedstock for manufacturing - the high value add plastics sector, fertiliser and pharmaceuticals, plus bricks, glass and transport
5. It underpins residential cooking and heating – eg most of Victorian homes
6. Australia has abundant gas resources, which can be developed

Gas is critical for Australia

950,000 East Coast jobs rely on gas

6.5 million Australian homes use gas for heating/cooking

~13,000 MW gas fired
electricity generation
- instant back up for solar/wind



Agriculture :

Fertiliser



Industrial use :

Glass making
Brick making
Waste Incineration



Feedstock for :

Plastics
Pharmaceuticals
Methanol
Chemicals



Incitec Pivot Limited

DYNO
Dyno Nobel



ORICA

Rio Tinto

Qenos



CSR

BRICKWORKS

Blue.
ENERGY

Government's role in developing these Gas Basins

- Northern Australian Infrastructure Fund (NAIF)
 - Loans for construction of gas pipeline infrastructure
- Direct ownership of the pipelines by State and Federal Government
 - Much of the existing gas infrastructure was built and once owned by Govts, then sold at a large profit
- Underwriting Gas Sale Agreements between gas producers and gas buyers
 - Use the nation's balance sheet to stand behind agreements – like poles and wires in electricity or the International LNG buyers

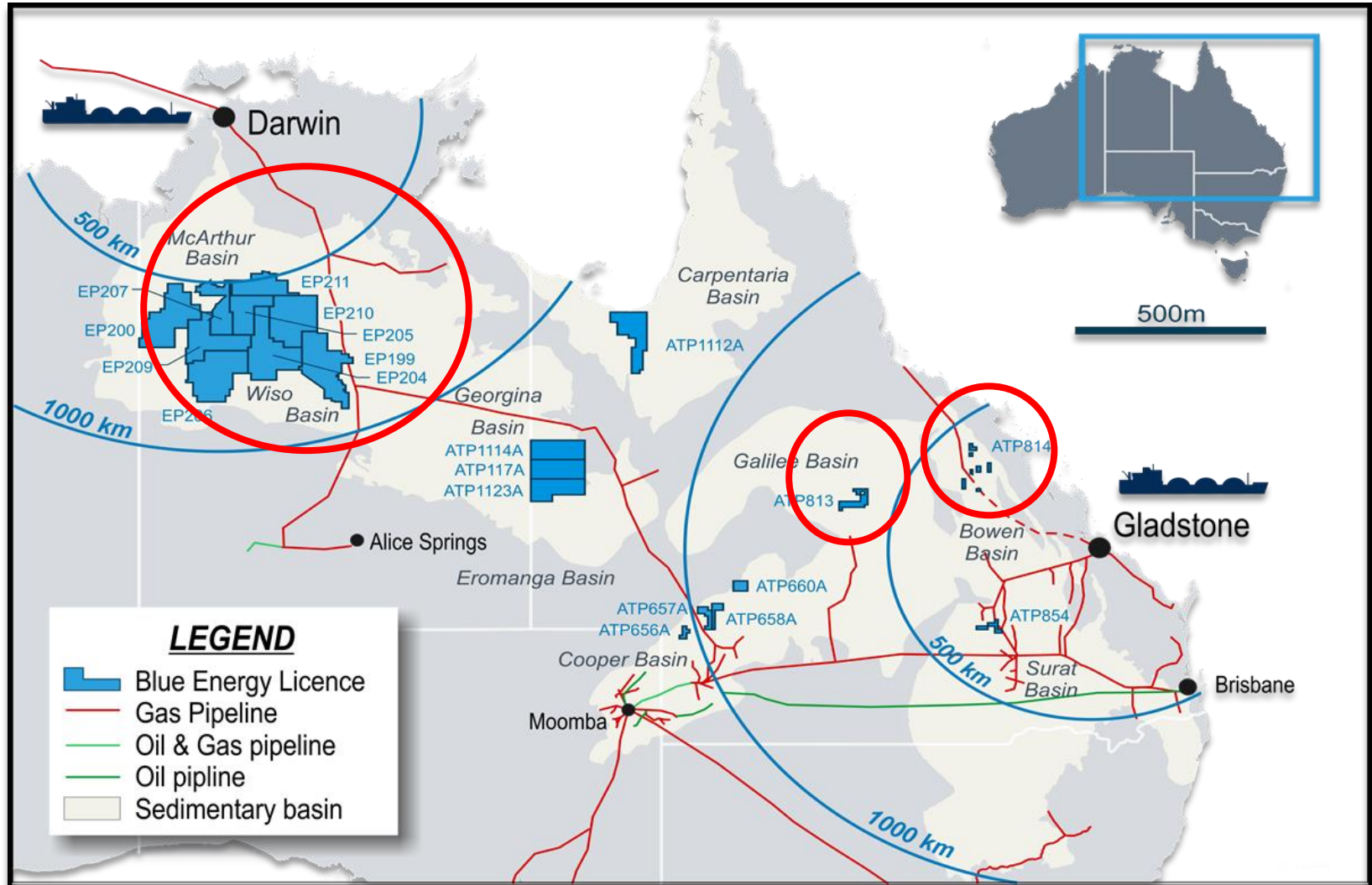
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1. Strategy for monetising Bowen/Galilee Gas Basins
 - a. Southern gas market
 - b. Northern gas market
 - c. Electricity market

 2. Northern Territory – a significant new hydrocarbon province

**These basins constitute the Federal Government's
KEY NEW
Gas supply basins**

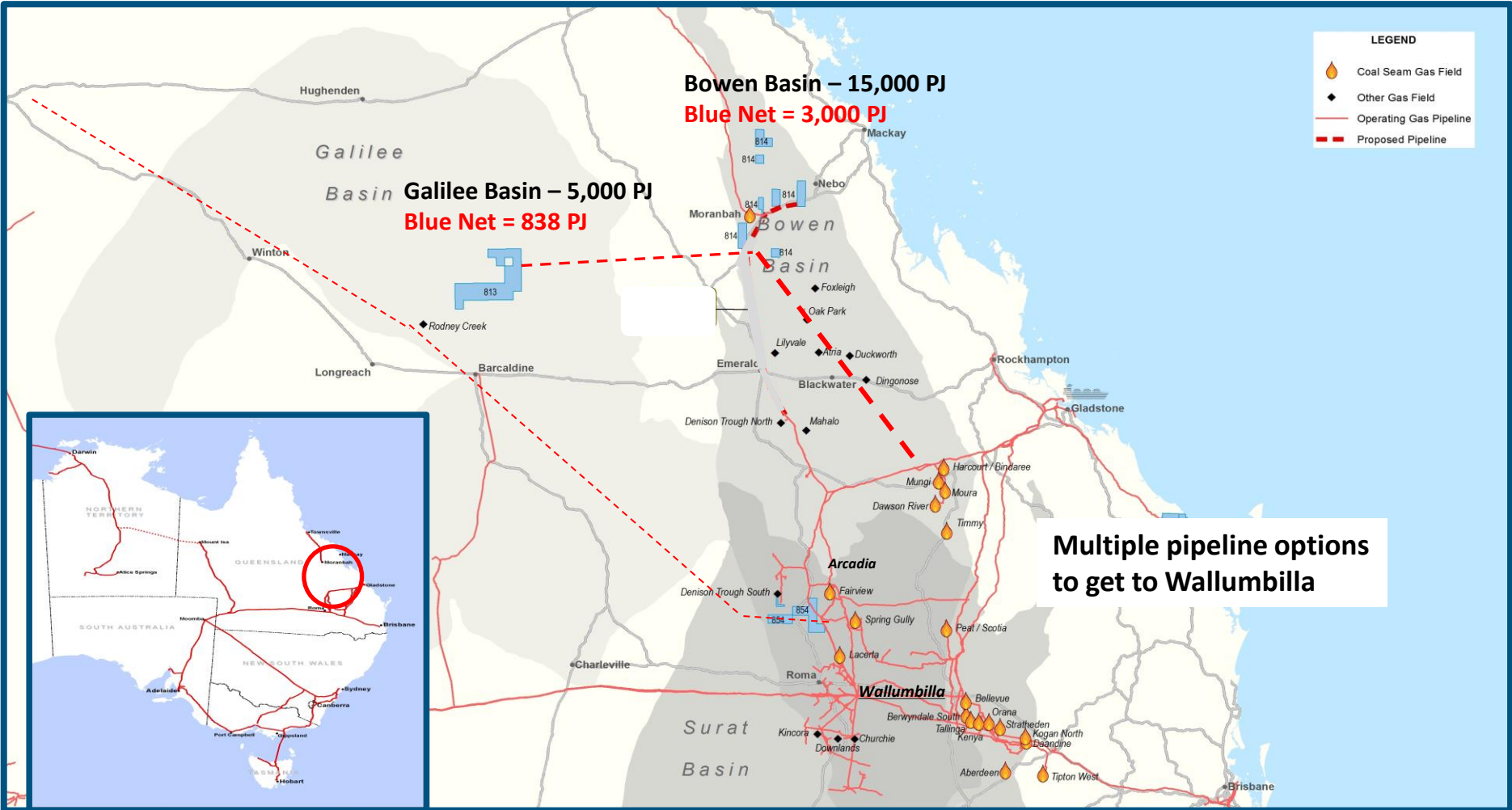
3. Emerging Basins - Carpentaria and Georgina Basins

Blue has positions in the 3 key Basins



1. Strategy for Monetising Bowen and Galilee Basins

Bowen plus Galilee add to long term gas supply for East Coast Gas



How?

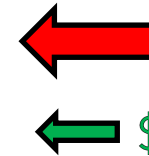
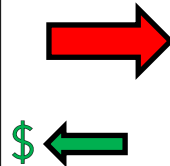
Gas Producer



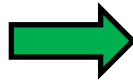
Gas Sale Agreement/Term Sheet



Gas end User



GSA de-risks project for pipeliner



Abundant Capital exists to fund infrastructure projects (Both Private and Public)



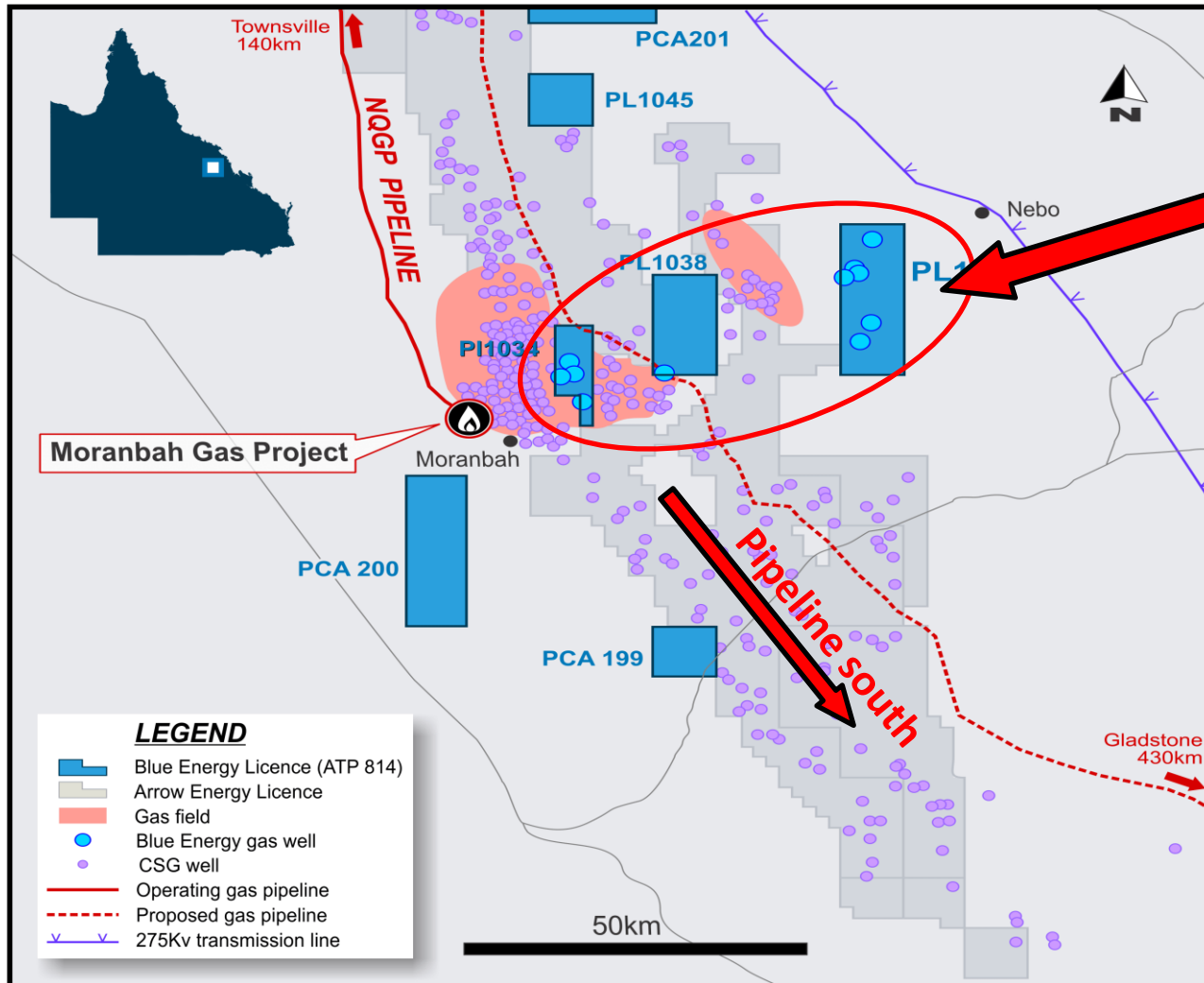
Pipeline Builder and Owner
Public or Private

Critical Pathway to monetisation **Blue.**^{ENERGY}

- **Gas Sale Agreements for Blue's 3,000 PJ Gas resource in the Bowen**
 - Southern market – currently engaged with several large gas users
 - Northern market – seeking further gas buyers between Moranbah and Townsville
- **Gas Sale Agreements for Blue's 838 PJ Gas resource in the Galilee**
 - Additional supply volumes to the Bowen
 - East coast market connection
- **Gas Fired Electricity Generation – Stabilising Renewables**
 - Gas' firming role for renewable electricity sources is a symbiosis
 - Grid stabilisation, frequency and inertia

1a: Southern Gas Market

Blue's Bowen gas will provide **Blue.** long term reliable supply



2,700 PJ (net to Blue) of marketable gas resource in these three blocks

Bowen Gas Sale Agreements Southern Gas Market

Market gas to East Coast

- Blue's Bowen Basin gas resource is 3,000 PJ. It is discovered and awaiting development and is currently being marketed.
 - 10 years of gas supply to the domestic gas market
 - it's a proven and producing gas basin, and so has little exploration risk
- A single multi-user large diameter pipeline connection from Moranbah to Wallumbilla (via Gladstone) is needed to connect gas supply with demand centre
- Multiple route options exist
 - Pipeline MoU with APA
 - Blue's own PSL and route
 - Qld Govt route - \$5 million study
- NAIF and Private infrastructure fund funding option



1b: Northern Gas Market

Bowen Gas Sales Agreements

Northern Gas Market – Townsville and North Qld

- Townsville gas users have been delivered gas via the NQGP pipeline since 2006
- New demand opportunities are emerging– COVID recovery manufacturing opportunities
 - Mineral processing – QPM MoU signed
 - Large scale battery plants
 - Electricity generation in a lower CO₂ world
 - Solar farm firming generation
 - Grid stability – ancillary services through gas fired synchronous power gen
- Gas development in the Bowen means more gas for Townsville manufacturers



1c: Electricity Market

Qld aims for 50% renewable by 2030 **Blue.**^{ENERGY}

where's the other 50% coming from?

Blue's North Bowen Power Generation Project



Massive Govt sanctioned NQ Solar build out
...needs gas fired peaking capacity to firm and stabilise the grid

Blues Bowen Power project

- Clough Business Case report – robust
- Seeking Electricity offtake agreements with Qld Government




Bowen Gas to Power Concept

Clough study confirms sound business case
Blue now targeting electricity offtake agreements

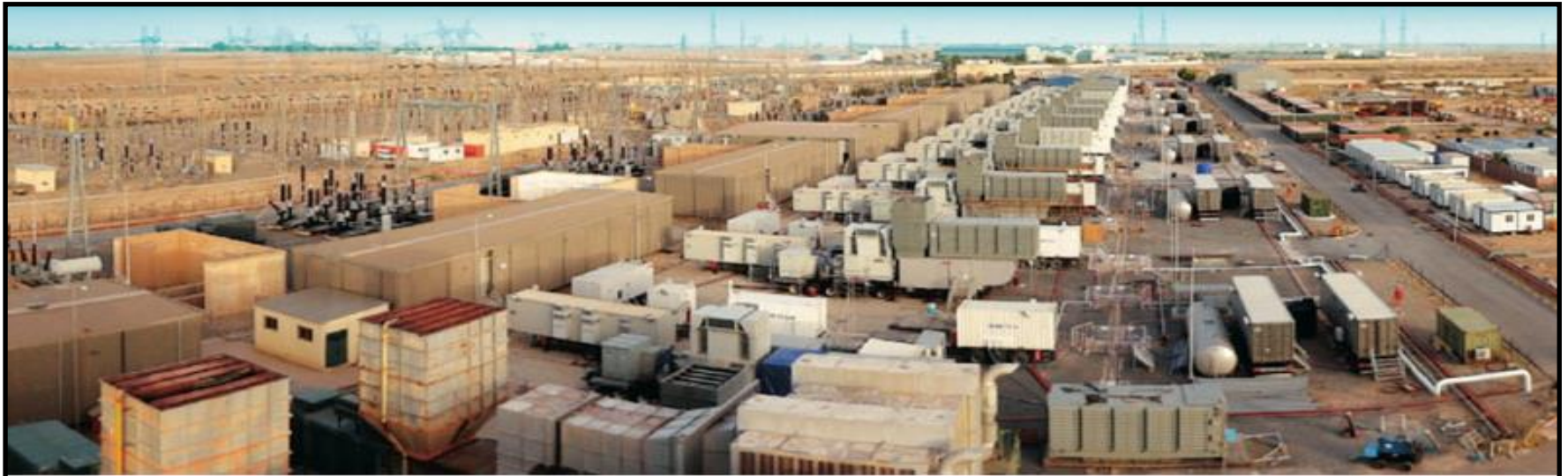
HOME • GAS • GAS TURBINES • TM2500

MOBILE AERODERIVATIVE GAS TURBINE
TM2500



33-36 MW Net output	Up to 37% Efficiency	11 days Installation and commissioning time	5 min. Start time	300+ Units installed worldwide
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SEE FULL PRODUCT SPECIFICATIONS >

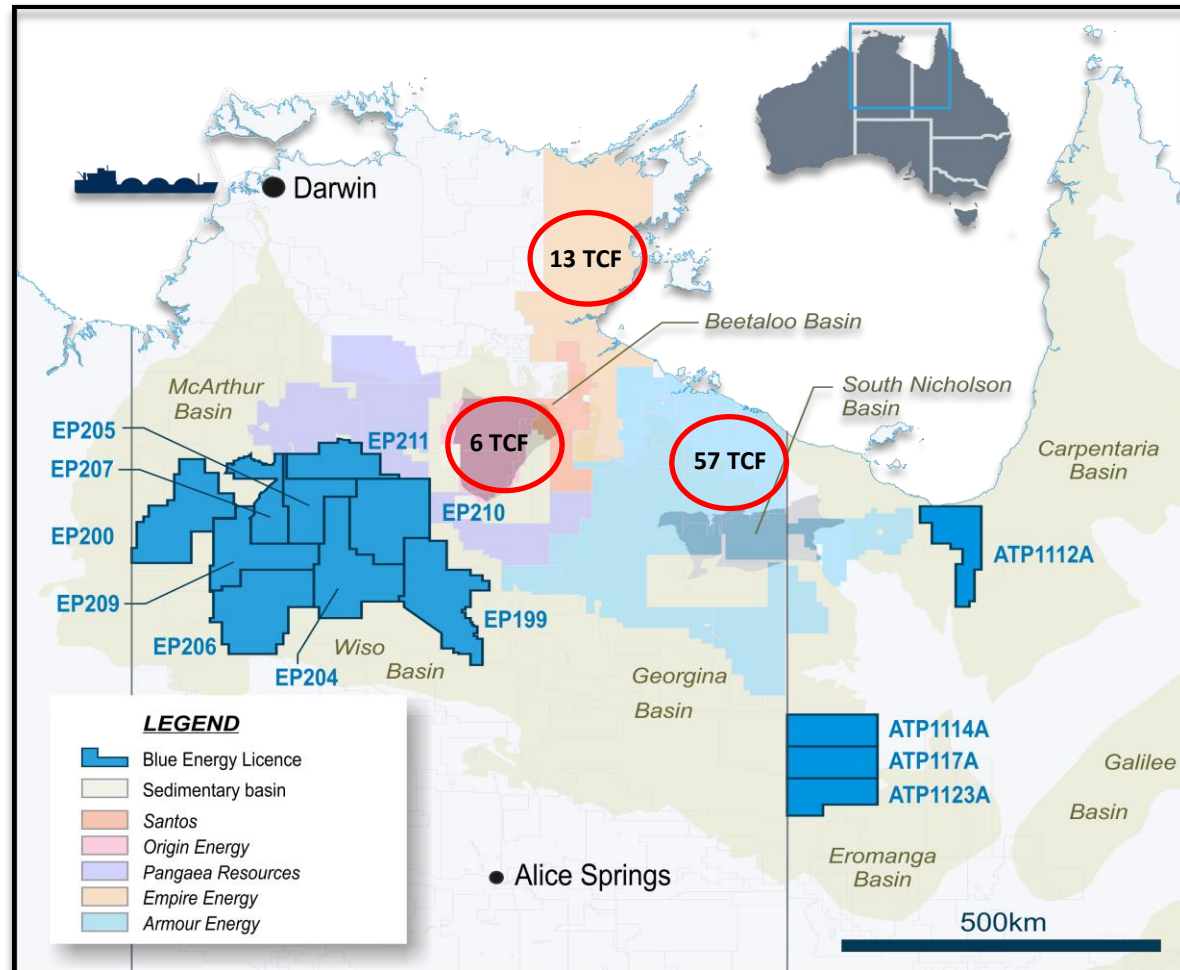


2. Northern Territory

.....a significant new Hydrocarbon Province

Beetaloo/Macarthur High Graded area

- Post COVID activity starting
 - Santos flow tested 1.5 mmcf/d – Tanumbirini 1
 - Empire intersected strong gas shows with indications of liquids – Capricorn 1
 - Origin – Flow back ops on Kyalla 117 N2-1H ST-2
 - Focus area for Geoscience Australia
- Federal Govt high graded basin as future east coast gas supply source
- Massive resource potential
- Blue preparing for Seismic acquisition



Resource numbers taken from the various company's ASX releases

3. Emerging Basins

.....Georgina and Carpentaria Basins

- **Blue is actively pursuing Native Title Agreements – Traditional Owners are developing frameworks for oil and gas agreements**
- **High Graded areas for both Geoscience Australia and GSQ studies**
- **Northwest Minerals province is a potential future high gas demand area**

Catalysts

- **Gas Sales Agreements for north Bowen Gas – 3,000 Pj Gas resource**
 - Southern market – pipeline connection – southern gas buyers
 - Northern market – Townsville – new industry gas buyers
 - Gas fired electricity generation – Robust business case for peaking capacity
- **Gas Sales Agreements for Galilee Gas – 838 PJ Gas resource**
 - Proof of concept for the basin to supply gas
 - East coast market connection via Bowen
- **Recommence NT activity**
 - Continuing positive results from Operators
 - Blue continues approval process for seismic acquisition next year

Why Invest in Blue?

- Blue has large certified gas reserves and resources in key basins (4,000 + PJ)
- New gas supply focus is now endorsed by Govt, Manufacturers and ACCC
- Executing Gas Sales Agreements allows pipeline constructors to de-risk construction projects, attract capital and connect supply and demand centres, now with the tacit support of Government. Blue is pursuing Gas Sale Agreements.
- Blue is opening up new gas basins with the support of government, and there is now significant interest from gas buyers
- Blue is Operator and holds 100% in its tenements in Bowen and Galilee Basins

Reserves and Resources **Blue.**^{ENERGY}

Permit	Block	Date	Method	Certifier	1P (PJ)	1C (PJ)	2P (PJ)	2C (PJ)	3P (PJ)	3C (PJ)
ATP854P	Whole Permit	30/06/2012	SPE/PRMS	NSAI	0	22	0	47	0	101
ATP813P	Whole Permit	29/10/2014	SPE/PRMS	NSAI	0	0	0	61	0	830
ATP814P	Sapphire	5/12/2015	SPE/PRMS	NSAI	0	66	59	108	216	186
ATP814P	Central	5/12/2015	SPE/PRMS	NSAI	0	50	12	99	75	306
ATP814P	Monslatt	5/12/2015	SPE/PRMS	NSAI	0	0	0	619	0	2,054
ATP814P	Lancewood	5/12/2015	SPE/PRMS	NSAI	0	5	0	23	1	435
ATP814P	Hillalong	27/02/2019	SPE/PRMS	NSAI	0	0	0	182	0	237
ATP814P	South	30/06/2013	SPE/PRMS	NSAI	0	15	0	27	6	30
Total (PJ)					0	158	71	1,166	298	4,179
Total MMBOE					0	27	12	199	51	714

All numbers are net to Blue Energy

Reserves and Resources ENERGY Blue.

- **Listing Rule 5 Disclosure**

- The estimates of reserves and contingent resources noted throughout this Presentation have been provided by Mr John Hattner of Netherland, Sewell and Associates Inc (NSAI) and were originally reported in the Company's market announcements 25 January 2012, 26 February 2013, 19 March 2013 and 8 December 2015. NSAI independently regularly reviews the Company's Reserves and Contingent Resources. Mr Hattner is a full-time employee of NSAI, has over 30 years' of industry experience and 20 years' of experience in reserve estimation, is a licensed geologist and a member of the Society of Petroleum Engineers (SPE), and has consented to the use of the information presented herein.

- The Contingent Resources information for the Hillalong block announced 27 February 2019, in this Presentation has been issued with the prior written consent of Mr John Hattner of Netherland, Sewell and Associates Inc in the form and context in which it appears. His qualifications and experience meet the requirements to act as a Competent Person to report petroleum reserves in accordance with the Society of Petroleum Engineers ("SPE") 2007 Petroleum Resource Management System ("PRMS") Guidelines as well as the 2011 and 2018 Guidelines for Application of the PRMS approved by the SPE utilizing the deterministic methodology.

- Blue Energy confirms that it is not aware of any new information or data that materially affects the information included in this Presentation or any of the previous announcements referred to relating to ATP 813P, 814P or 854P that all of the material assumptions and technical parameters underpinning the estimates in the announcements continue to apply and have not materially changed.

- Blue Energy announced the booking of the initial contingent resources for its Bowen Basin permit ATP 814 on 25 January 2012 which was subsequently upgraded 19 March 2013 and again on 8 December 2015.

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