



ASX Announcement Media Release



5 December 2008

BG GROUP TO PROCEED TO COMPULSORY ACQUISITION OF QGC

BG Group plc ("BG Group" - LSE: BG.L) today announced that on Monday 8 December its wholly-owned subsidiary BG International (AUS) Investments Pty Limited ("BG AUS") intends to commence the compulsory acquisition of the remaining shares in Queensland Gas Company Limited ("QGC" - ASX: QGC) which it does not already own. As at the end of trading on 4 December 2008, BG AUS had increased its stake in QGC to 96.62% of the issued share capital by way of the recommended on-market offer announced on 28 October 2008.

BG AUS intends to move to compulsory acquisition of the outstanding QGC shares it does not own by lodging a compulsory acquisition notice on Monday 8 December, five business days prior to the end of the offer period, which will close at 4.00pm (AEST) on Monday 15 December 2008.

BG AUS expects that the ASX will suspend trading in QGC shares at, or shortly after, the close of trading on Monday 15 December 2008 in accordance with the ASX Listing Rules. If QGC shareholders have not sold their QGC shares into the BG AUS offer by that time, they will no longer have the opportunity to sell those QGC shares to BG AUS and receive payment for them within three business days, and will not be able to sell their QGC shares on ASX.

Instead, remaining QGC shareholders will have their QGC shares compulsorily acquired by BG AUS in accordance with the statutory procedure. Shareholders will have to wait at least a month before receiving the proceeds from the compulsory acquisition of their shares.

If QGC shareholders have any questions in relation to the BG Group recommended takeover of QGC or the compulsory acquisition process, they can call the BG Group offer information line on 1300 656 831 (within Australia) or +61 2 8986 9358 (callers outside Australia).

Ends.

Notes for Editors

About BG Group

BG Group plc (LSE: BG.L) is a world leader in natural gas, with a strategy focused on connecting competitively-priced resources to specific, high-value markets. Active in 27 countries on five continents, BG Group has a broad portfolio of exploration and production, Liquefied Natural Gas (LNG), transmission and distribution and power generation business interests. It combines a deep understanding of gas markets with a proven track record in finding and commercialising reserves.

About QGC

QGC is a leading and award-winning Australian integrated energy business with a strategy focused on developing its world-class coal seam gas reserves in the Surat Basin for domestic supply and power generation, and international supply. Founded in 2000 as a junior explorer, QGC now employs more than 240 staff who are developing projects including the 140 MW gas-fired Condamine Power Station and the Queensland Curtis LNG Project.





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BG Group: There are matters discussed in this media information that are forward looking statements. Such statements are only predictions and actual events or results may differ materially. For a discussion of important factors which could cause actual results to differ from the forward looking statements, refer to BG Group plc's annual report and accounts for the year ended 31 December 2007. BG Group plc does not undertake any obligation to update publicly, or revise, forward looking statements, whether as a result of new information, future events or otherwise, except to the extent legally required.

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