



**STATE GAS**

# QEC Presentation

October 2020

ASX:GAS

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## Disclaimer

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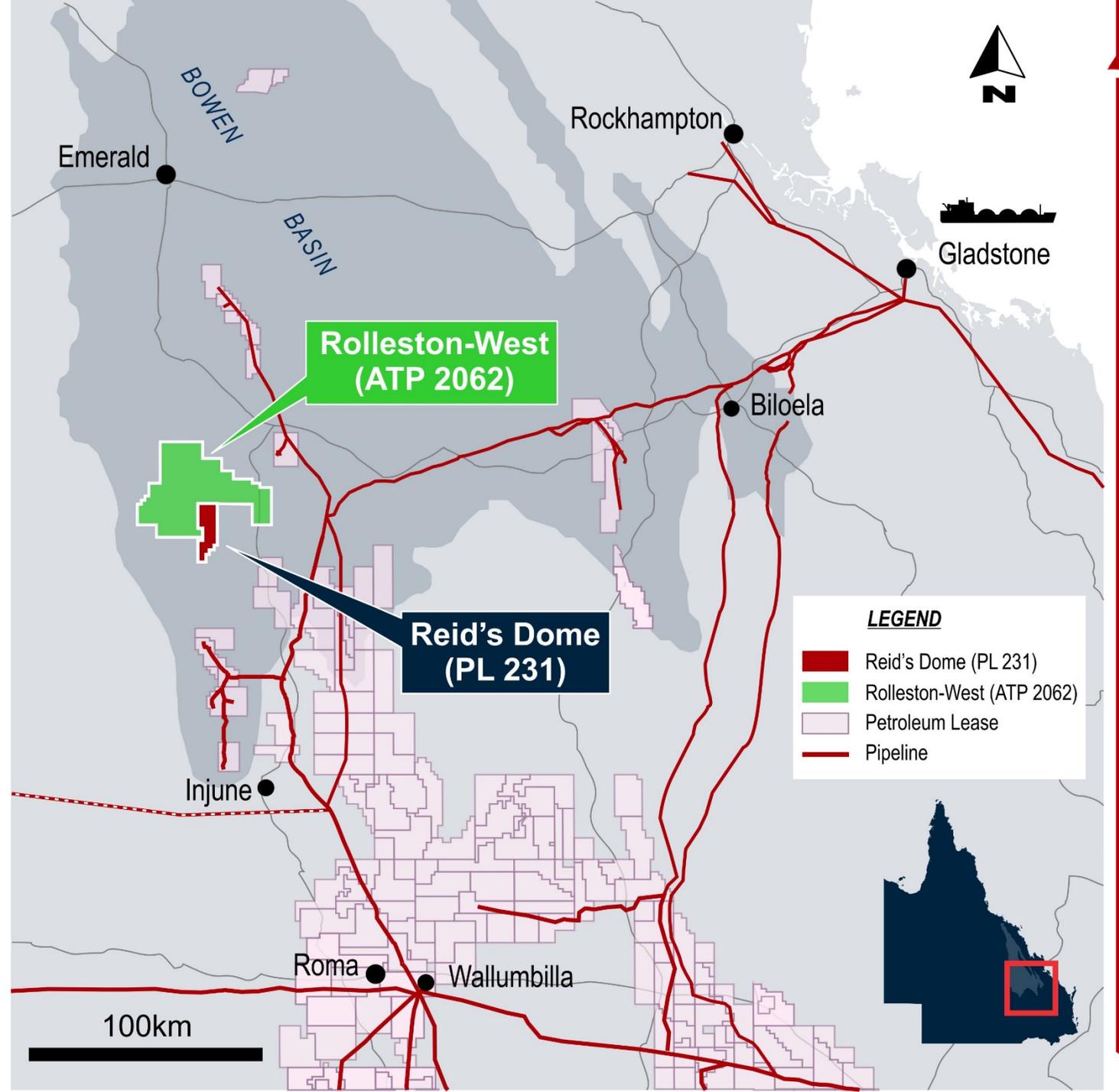
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The material in this presentation has been previously released to the ASX in QUPEX Presentation 8.10.2019; Announcement dated 4.10.2019 and Announcement dated 18.10.2019

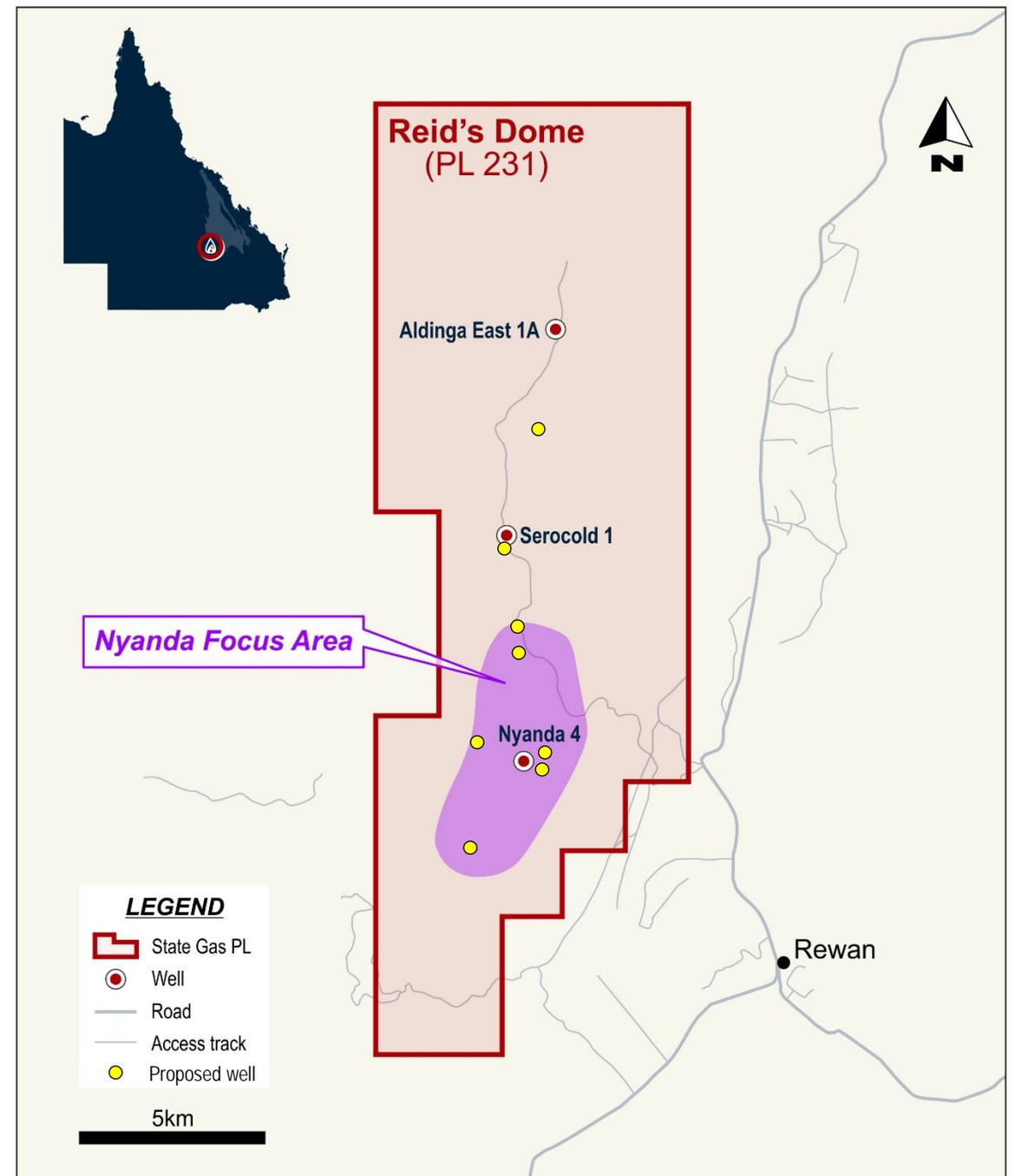
# Project Areas

- Reid's Dome & Rolleston West;
  - 1588 km<sup>2</sup> of combined acreage
    - PL 231 – 174 km<sup>2</sup>
    - ATP 2062 – 1414 km<sup>2</sup>
  - Highly prospective Bowen Basin sequence
  - Multiple conventional and unconventional targets
- Less than 50 km from Queensland Gas Pipeline network
- Single owner (100% State Gas)
- Pipeline Survey Licence held for route to market



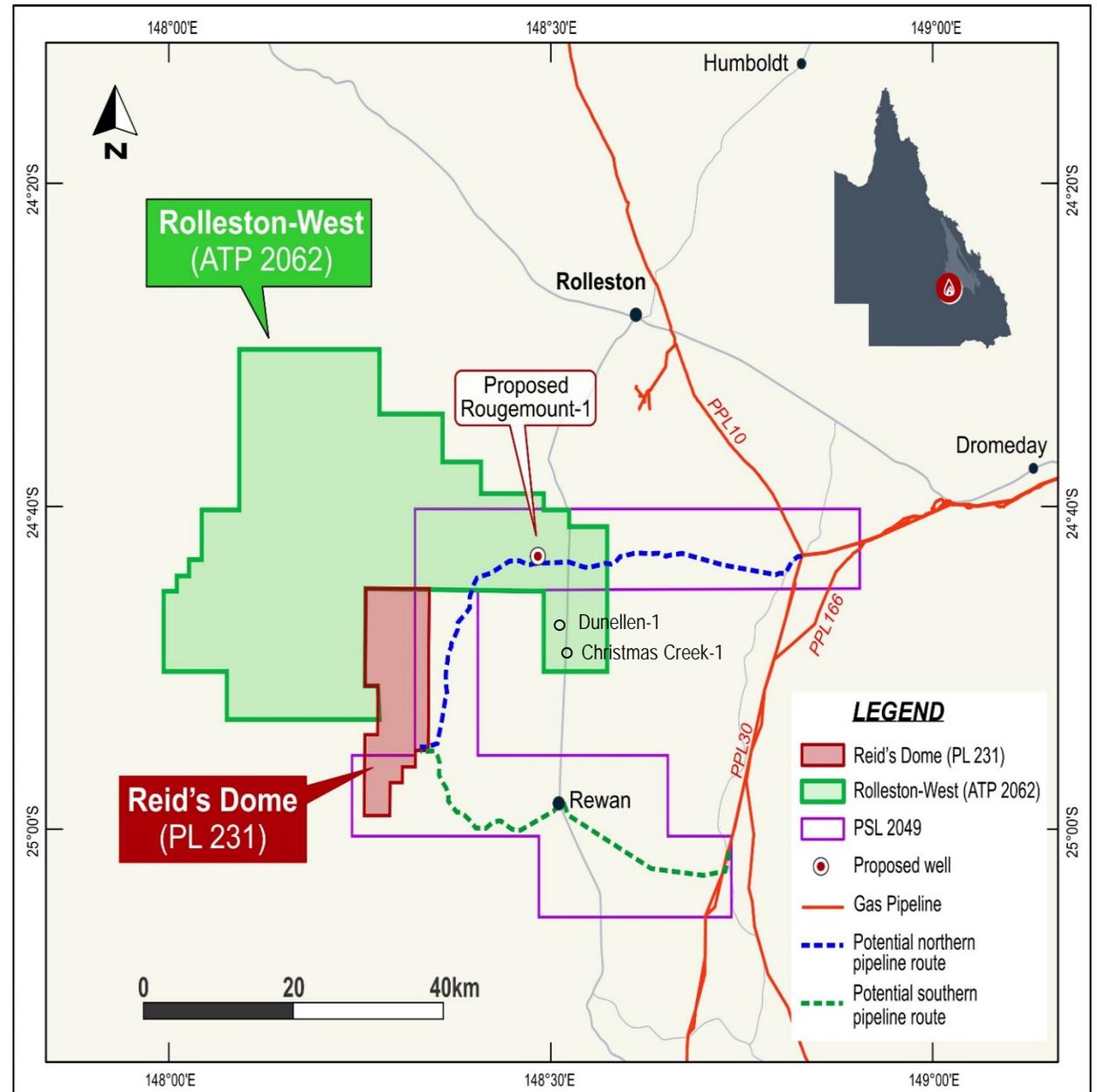
# PL-231 Update

- State Gas drilled 4 wells to date - 100% successful
  - Primero West-1 extended the Staircase Sandstone member of the Cattle Creek Formation ~ 1 km farther west.
  - Nyanda-4 discovered gas in the Reids Dome Beds (RDB) coal measures. **Gas flowing close to 500 mscfd**
  - Aldinga East-1A discovered a new conventional gas accumulation in the intra-Cattle Creek Formation and confirmed gas-saturated RDB coal measures in the north
  - Serocold-1 confirmed RDB coal measures and flow tested from upper coal measures at up to **18 mscfd**, with steadily increasing rate
- 6 – 8 new wells commencing 2020
  - Nyanda Focus Area, preparation for early development
  - Drilling company secured, long lead items on order
  - Production testing planned on 5/6 wells
  - 2/3 offset pressure monitoring wells
  - Critical path; Cultural Heritage clearance



# ATP-2062

- 1414 km<sup>2</sup> contiguous with PL-231
- Early – Late Permian sequence including:
  - Bandanna Formation (CSG, **proven commercial**)
  - Rewan Formation (conventional gas, **proven commercial**)
  - Aldebaran Sandstone (conventional gas, **proven commercial**)
  - Cattle Creek Formation (shallow, conventional gas)
  - Reids Dome Beds (CSG)
- Significant structural elements prospective for CSG and conventional plays
- Rougemont-1 Bandanna CSG well selected at intersection of two plunging noses, coal properties similar to Arcadia Valley and Mahalo
- Conventional gas on block indicated at Dunellen-1 (1994) and Christmas Creek-1 (1981)



# The Market

## Supply

Bass Strait in long term decline

Major LNG Projects cancelled /deferred

## Demand

Asia markets recovering – Qld LNG exports to increase

Support required for volatile renewables

## Policy

Federal Government Gas - led Recovery

## Impacts:

1. East Coast shortfalls from 2023
2. Capacity to respond to volatility



Questions?

ASX:GAS





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