

State of Play - Reid's Dome Gas Project

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ASX:GAS

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- **100% Owner of PL 231**
 - No Joint Venture partners
 - PL enables rapid development, short approvals
 - 2035 expiry, renewal entitlement
- **Large, unrestricted Production Licence**
 - 174 km²
 - No domestic gas supply restrictions
 - 100% uncommitted gas
- **Extensive gas across permit area**
 - Gas discovered in 1954, stranded by price and historic lack of infrastructure
 - Conventional gas and CSG accumulations
 - High gas-content coals: average to date 13.75m³/t
 - Initial exploration phase completed
- **Close to pipeline infrastructure**
 - <50 km to Queensland Gas Pipeline
 - ~50 km from Rolleston Gas Processing Facility
- **Simple development expected**
 - Reserve certification expected by November 2020
 - Permitting in parallel, expected by November 2020
 - Only two landholders in area of interest
- **Good Timing**
 - PL enables rapid approvals (eg only 10 days for drilling)
 - Favourable markets, infrastructure and gas prices
 - Near-term development – Target 2021 Gas-to-Market



Drilling at Primero West-1

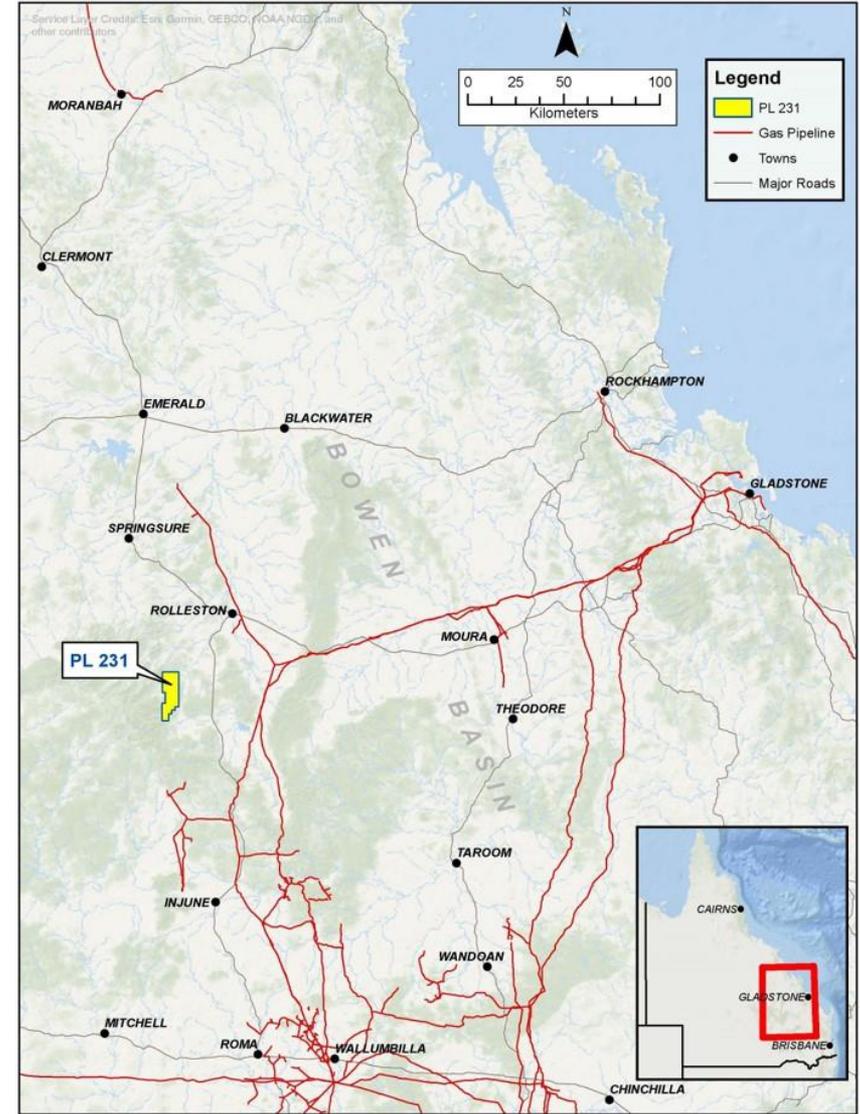
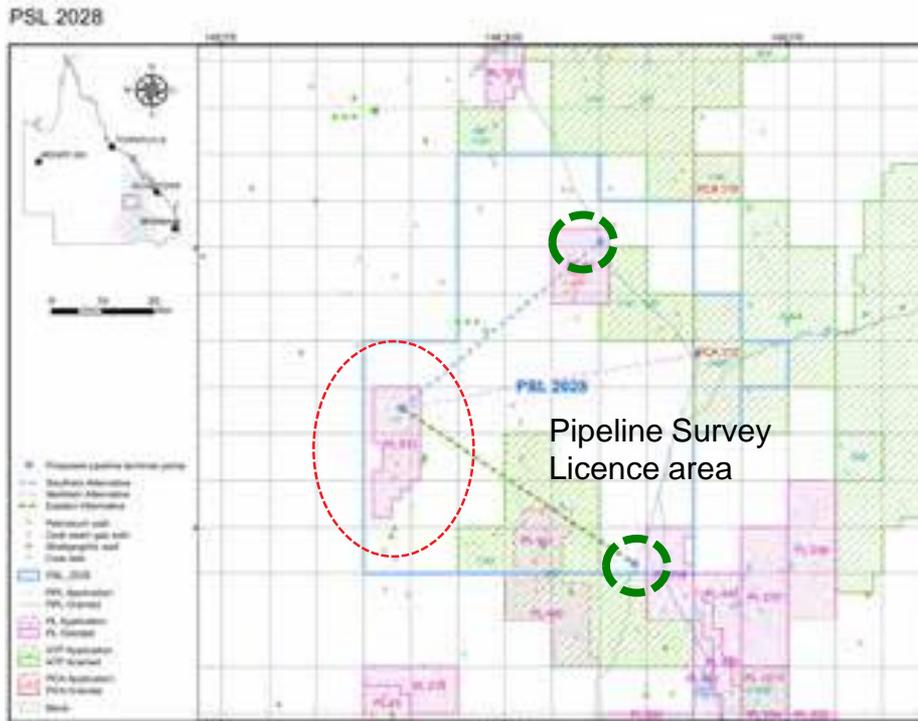
<p>ACTIVE PETROLEUM SYSTEM</p>	<ul style="list-style-type: none"> • 18 wells drilled 1955 – 2019 • Large surface anticlinal trap, persistent at depth • Reids Dome Beds source rocks mature for oil and gas • Seals competent and holding overpressure
<p>MULTIPLE CONVENTIONAL GAS DISCOVERIES</p>	<ul style="list-style-type: none"> • Cattle Creek Formation: <ul style="list-style-type: none"> ○ Conventional gas in shallow structural and stratigraphic traps ○ 3 independent reservoirs, AOE-1 (1955), Nyanda-1 (1987), Aldinga East-1A (November 2019) • Reid's Dome Beds: <ul style="list-style-type: none"> ○ ~1500m thick section with multiple prospective sandstone reservoirs ○ Gas flows from tight sandstone reservoirs
<p>NEW CSG PROVINCE</p>	<ul style="list-style-type: none"> • STATE GAS 1st to evaluate for coal seam gas <ul style="list-style-type: none"> ○ Nyanda-4 (2018) <ul style="list-style-type: none"> • Up to 40m of net coal and 25m of carbonaceous shale to 1200m • Average gas content of 13.75 m³/t at Nyanda-4 ○ Aldinga East-1A (2019) <ul style="list-style-type: none"> • Confirmed CSG presence ~12 km north of Nyanda-4 • Awaiting gas desorption results from Aldinga East-1A
<p>FAVOURABLE DRILLING CONDITIONS</p>	<ul style="list-style-type: none"> • Competent rocks, easy drilling • No shallow aquifers • No lost circulation or other problem zones

East Coast Gas Market Dynamics

- East coast domestic market has traditionally been supplied primarily from Bass Strait (since 60's) & Cooper Basin (since '70s)
- Bass Strait production is in decline – with efforts to arrest decline through enhanced production techniques - **not new supply**
- Cooper Basin new supply is barely arresting depletion
- If Bass Strait production slips, east coast gas supply-demand balance becomes critical
- Victorian summer demand and electricity generation requirements create further risk
- Gas taking an increasing role in generation
- 2019-2020 summer will determine new gas-fired generation capacity and future gas demand

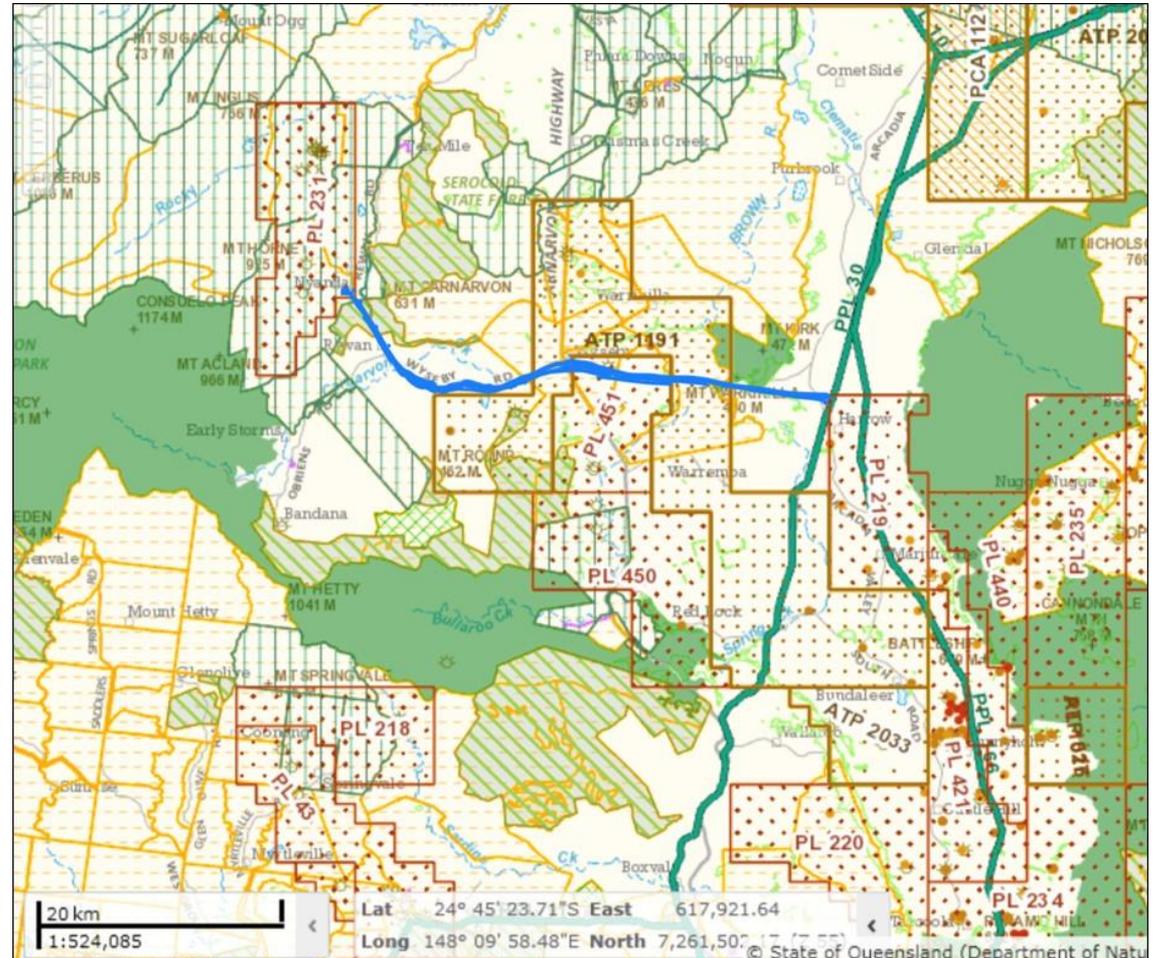


- Options to the north-east and south-east
- ~50 km to Queensland Gas Pipeline network
- ~50 km to Rolleston gas plant
- Pipeline Survey Licence 2028 in place
- Route evaluation commenced



Possible Pipeline Route

- Connecting PL 231 with the Queensland Gas Pipeline (PPL 30/116)
- Utilizing road reserve where possible – incl. Rewan Road and Wyseby Road
- Possible synergies with Santos/Origin's ATP 1191 and PL 451
- Approximately 47km of new pipeline to connect with Queensland Gas Pipeline network



- **Aldinga East-1A**

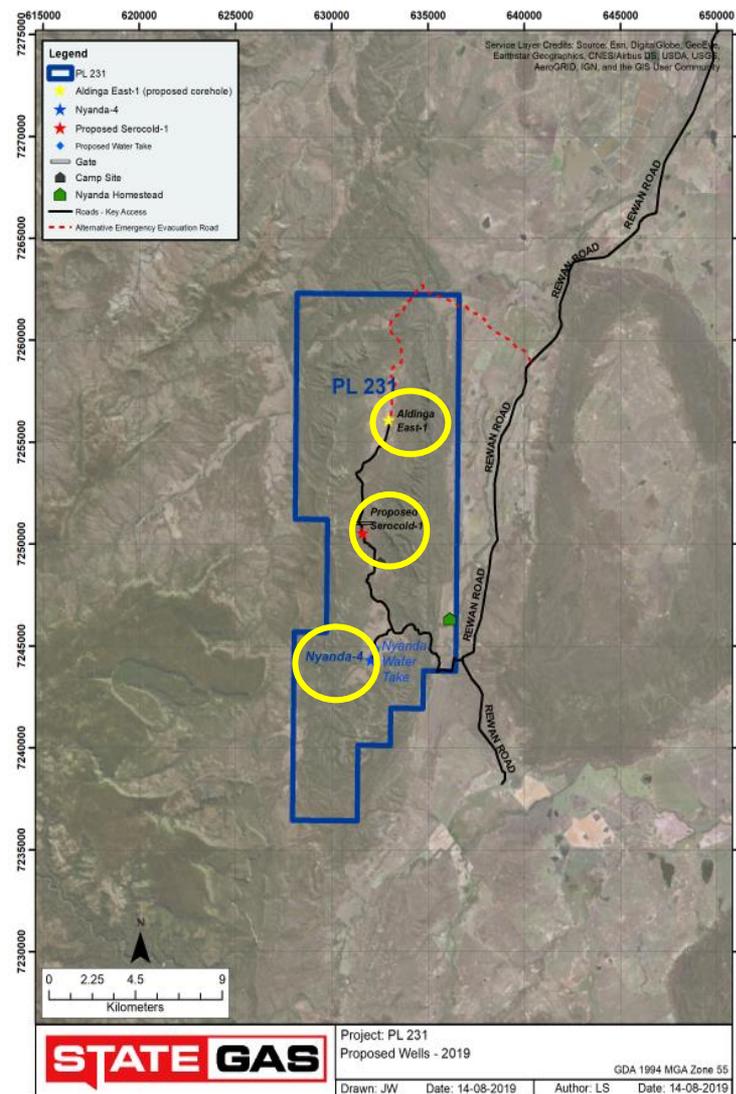
- Reids Dome Beds coal measures confirmed present and gas-bearing
- Shallow conventional gas discovery in the intra-Cattle Creek Formation (original well too shallow by ~50m)
- Pressure data indicates possible 100m gas column

- **Nyanda-4 Workover & Production Test**

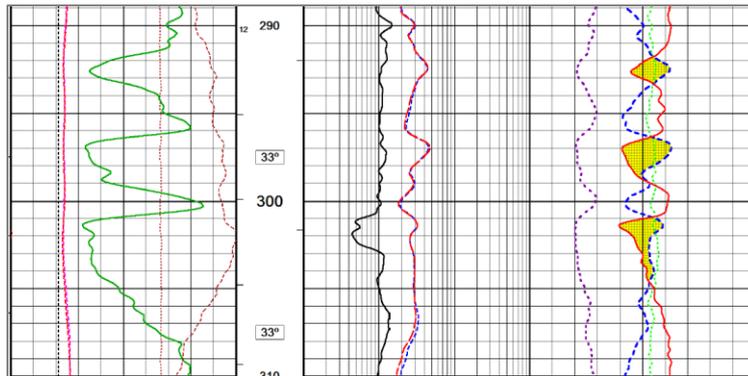
- Re-entry of Nyanda-4 (drilled November 2018)
- Cement plugs drilled out, selected coals under-reamed, pump installed and dewatering
- Gas pressure on casing following completion
- Initial gas production expected from January following depressurization

- **Serocold-1**

- Spudded on 6th December
- Evaluating Reids Dome Beds coal measures plus intra-Cattle Creek gas sands
- Well design includes production test



Coal core from Aldinga East-1A. Initial indicative gas content: 18m³/t for best seam



Aldinga East-1A wireline logs. Conventional gas zones indicated by yellow shading (depths in metres)



Drilling at Aldinga East-1A

Nyanda-4 wellhead and pump drive unit



Nyanda-4 flare

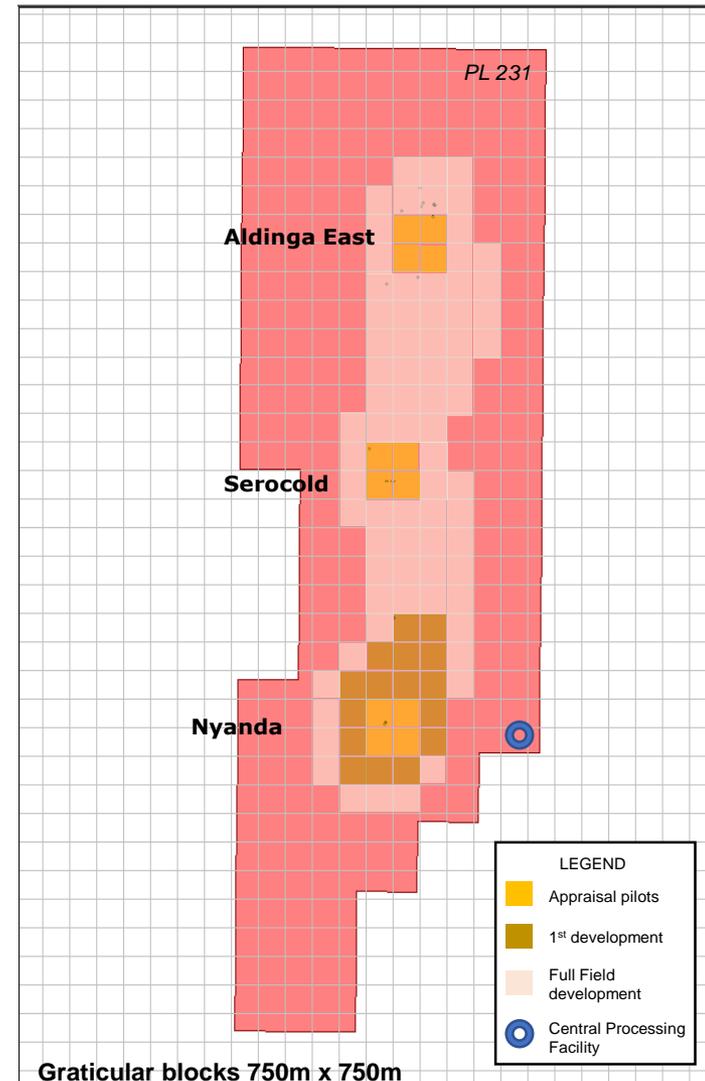


Nyanda-4 mobile production testing equipment

- 2 cement plugs drilled out
- Selected zones under-reamed
- Pump installed at 1145 m
- De-watering commenced on 3rd December 2019
- Gas flaring commenced 8th December 2019

Upcoming Milestones

- Results of Serocold-1 drilling – late December 2019
- Production test update during February 2020
 - Nyanda-4 and Serocold-1 interim production test results released
- Pilot Production scheme finalised during May 2020
- Permitting, analysing and designing pilot production scheme
- Reserve Certification for 2P Reserves
 - Plan for certification completed by May 2020
 - Certification by November 2020
- Development planning
 - Permitting in parallel with certification, expected November 2020
- Call tenders for field and facility development – October 2020
- Gas contracting from October 2020
 - unless financing dictates pre-sale of gas, November - award pipeline construction
- Pipeline permitting and tenders
- Commence permitting in early 2020, with completion by November 2020
- Award pipeline construction contract in November 2020



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