



The Right Place The Right Time

Noosa Mining & Exploration
Investor Conference

16 July 2021

ASX:GAS



Disclaimer

Disclaimer

This presentation (Presentation) has been prepared by State Gas Limited (ACN 617 322 488) (State Gas). 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, State Gas has provided these projections based upon the information that has been provided to State Gas. None of State Gas or its 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.

Summary Information

This Presentation contains summary information about State Gas and its activities current at the date of this Presentation. The information in this Presentation is of general background and does not purport to be complete. It should be read in conjunction with State Gas' other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange which are available at www.asx.com.au.

ASX Releases

Investors are advised that by their nature as visual aids, presentations provide information in a summary form. The key information can be found in State Gas' ASX releases.

Future Performance

This Presentation contains certain "forward looking statements". Forward-looking statements can be identified by the use of forward-looking terminology such as, but not limited to, 'may', 'will', 'expect', 'anticipate', 'estimate', 'would be', 'believe', or 'continue' or the negative or other variations of comparable terminology. These statements are subject to risks and uncertainties that could cause actual results to differ materially from those projected.

State Gas' expectations, beliefs and projections are expressed in good faith and are believed to have a reasonable basis, including without limitation, based on the examination of historical operating trends, data contained in State Gas' records and other data available from third parties. There can be no assurance, however, that these expectations will eventuate. Forward looking statements, opinions and estimates are not guarantees of future performance and investors should not place undue reliance on these forward looking statements.

State Gas' expectations as expressed in this Presentation may be affected by a range of variables which could cause actual results or trends to differ materially, including but not limited to: price fluctuations, actual demand, currency fluctuations, drilling and production results, reserves estimates, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory developments, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimates. Such forward looking statements are relevant at the date of this Presentation and State Gas assumes no obligation to update such information.

The material in this presentation has been previously released to the ASX

Highlights

East Coast gas
shortages:
Ripe for the plucking



Rolleston-West:
Next phase gas supply
with an exciting future



2-stage long term
project:

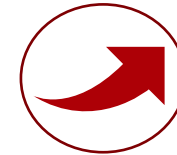
- Reid's Dome
- Rolleston-West



Gas marketing
optionality:
"Surfing the price peaks"

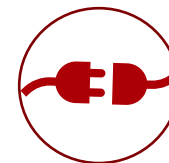


Reid's Dome:
A strategic launch pad
providing long term
infrastructure



Strategically located -
close to

- infrastructure networks
&
- Wallumbilla price hub



The East Gas Coast Market Dynamics

Demand

Asia markets strong –
Qld LNG exports
increasing

Support required for
volatile renewables

Long term requirement
for gas

Supply

Bass Strait in long term
decline

Major LNG Projects
cancelled /deferred

Uncertainty around new
domestic gas supplies

Policy

Federal Govt Gas led
Recovery inc.
600MW gas fired power
station at
Kurri Kurri

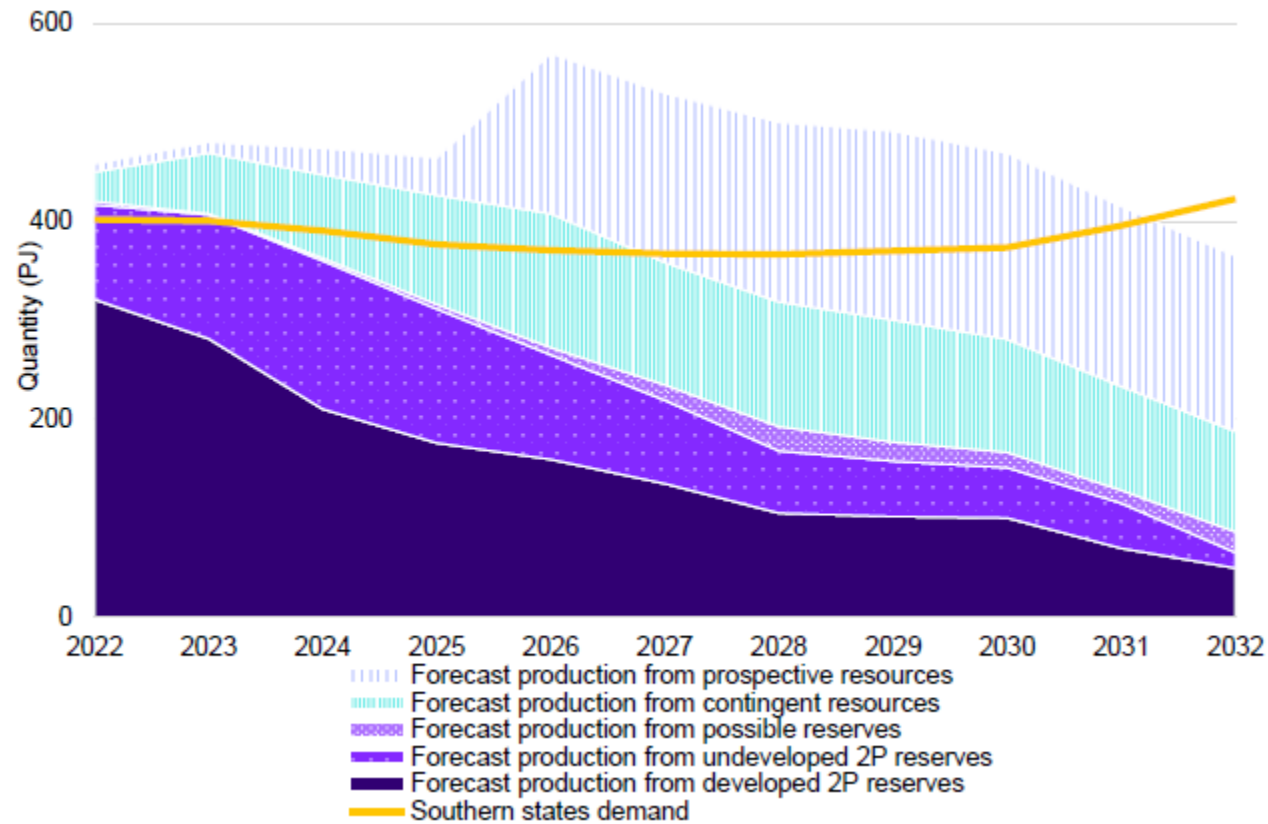
Strong State Government
support

Impacts:

1. East Coast shortfalls
2. High volatility in demand

The East Coast Gas Market

ACCC Forecast Gas Supply and Demand, Southern States



Source: ACCC Gas Inquiry January 2021 Interim Report

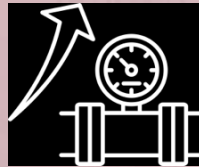
Seizing the market window...



Target 2023

Reid's Dome a strategic launch pad:

- Confirming the scope
- Permitting Project & export route
- Development
- Rolleston-West back-fill enables bring forward of Reid's Dome production volumes



Growth to Come

Rolleston-West:

- Extensive area
- Containing established gas producing formations
- Includes highly prospective conventional gas targets



Synergistic Developments

Two 100% owned adjacent projects

- Economies of scale
- Operational optionality



Commercial benefits

Seizing the market window



Supply Flexibility

Optimised supply

- No domestic gas reservations
- CSG for regular demand
- Conventional gas to meet volatility
- Maximum contracting optionality



“Surf the peak” pricing



Strategic Location

Location benefits:

- Strategically close to
 - Wallumbilla pricing hub: 200km
 - Gladstone LNG: 290km
- Pipeline infrastructure:
 - Reid’s Dome <50km
 - Rolleston-We:st: <30km

Development Funding

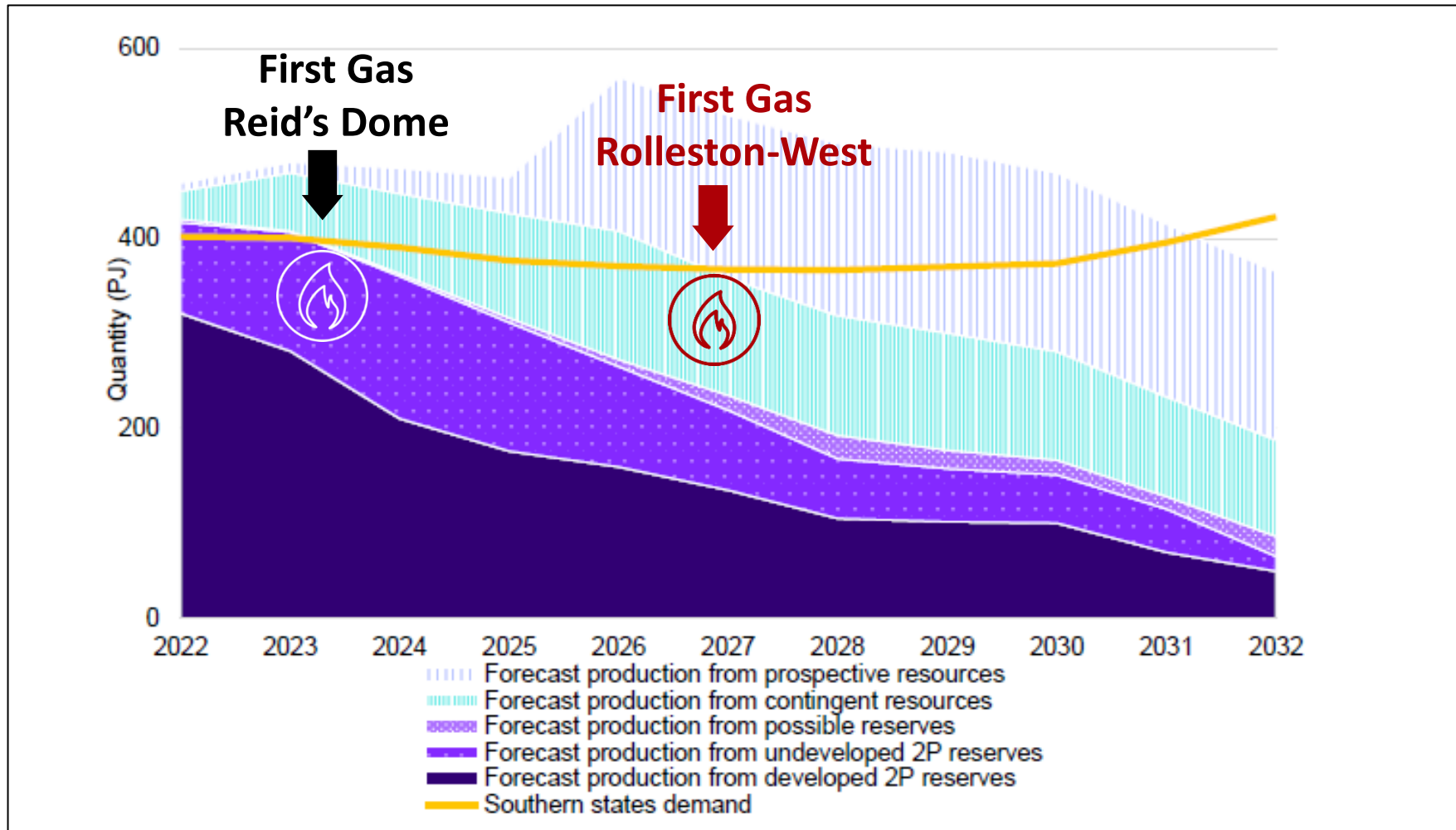
All Options Open:

- Presales of gas
- Facility rental
- Purchaser equity
- Purchaser debt
- Equipment supplier funding
- Debt
- Equity



Supply-Demand & Indicative Timing

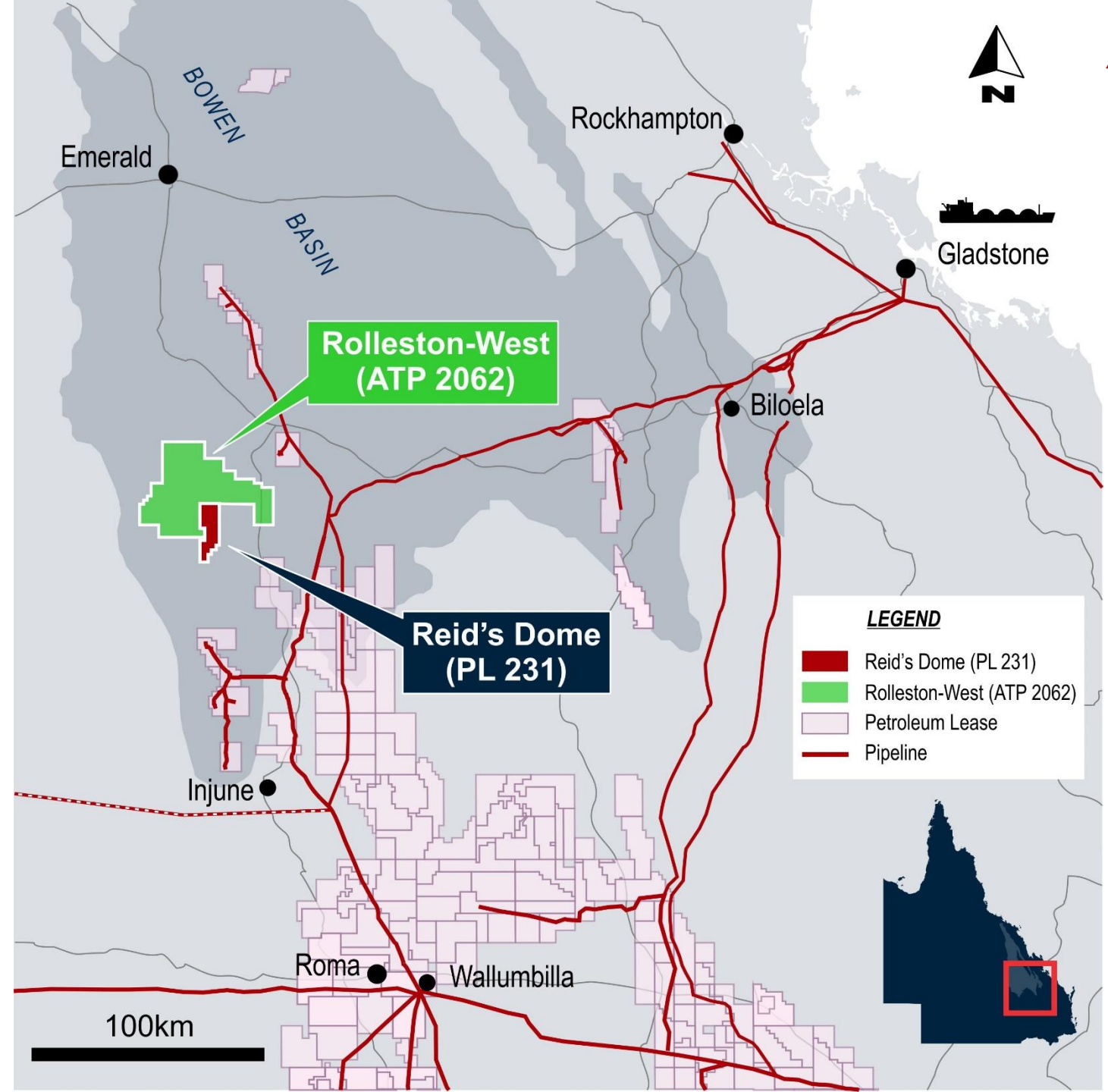
ACCC Forecast Gas Supply and Demand, Southern States



Source: ACCC Gas Inquiry January 2021 Interim Report

Project Areas

- Reid's Dome & Rolleston-West
 - 1593 km² of combined acreage
 - PL 231 – 180 km²
 - ATP 2062 – 1414 km²
 - Highly prospective Bowen Basin sequence
 - Multiple conventional and unconventional targets
 - No domestic gas reservation
- Queensland Gas Pipeline network
 - < 50km Reid's Dome
 - < 30km Rolleston-West
- Single owner (100% State Gas)
- Pipeline Survey Licence held for routes to market



PL 231: a Strategic Launch Pad

Coal seam &
conventional
gas confirmed



Production tests of
wells establishing
project parameters

Planning for
development
underway

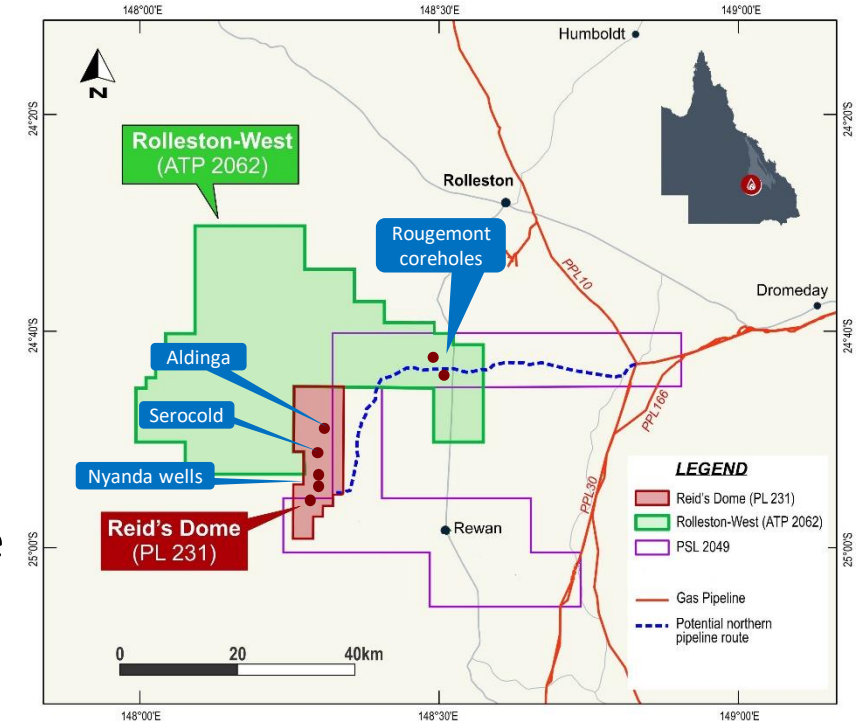


Project and
export pipeline
permitting
commenced

Development,
Operations &
Marketing
optimisation



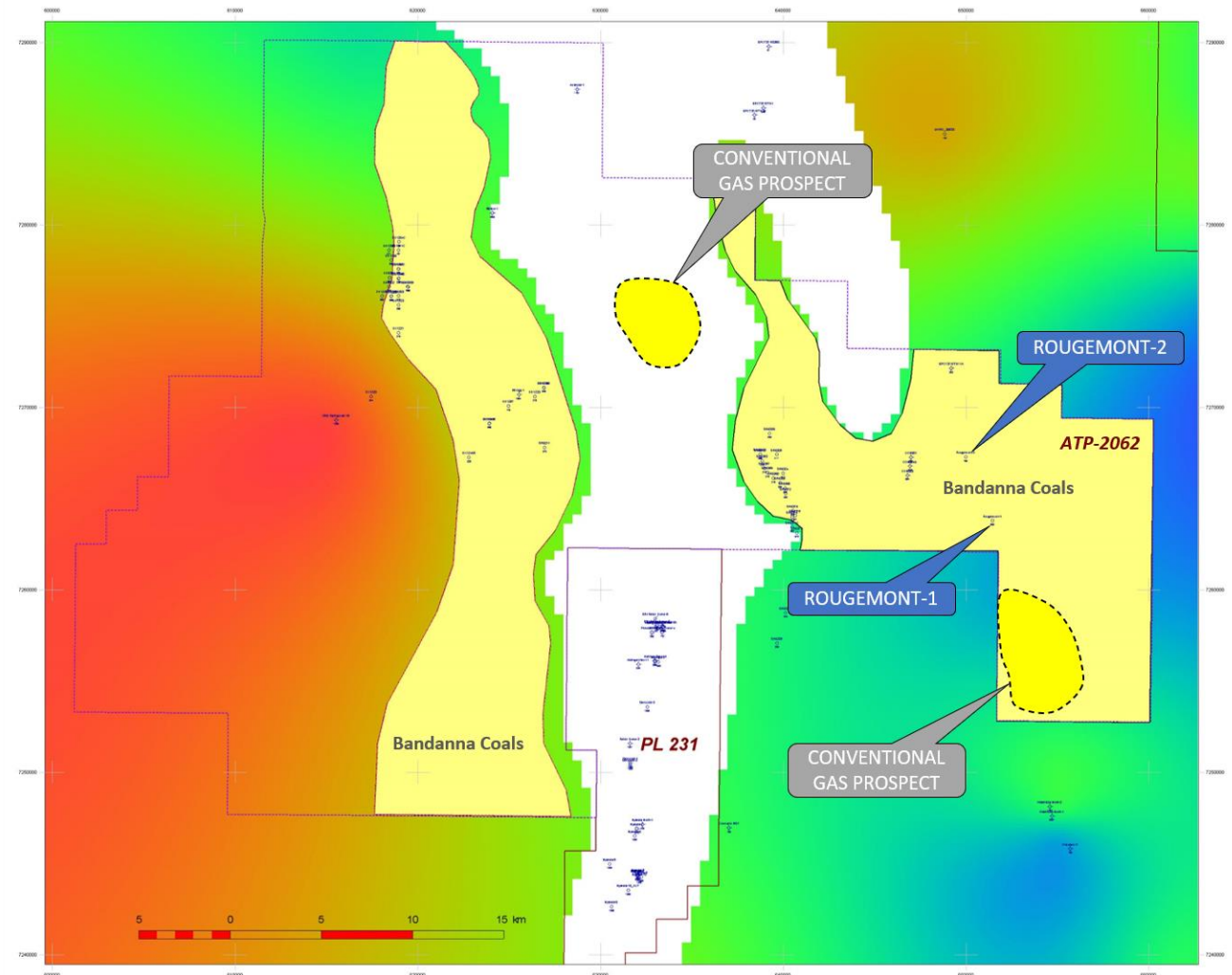
Rolleston-West enables
economies of scale,
operational efficiencies &
marketing optionalities



Rolleston-West: Optimising the Future

- ~570 km² Bandanna Formation prospective
 - Analogous to Arcadia Valley* & Mahalo#
- Highly prospective conventional targets:
 - Results of Historical wells (pre-1992)
 - New conventional targets
- Rougemont-1
 - 116 m core cut, 9 samples currently desorbing
 - Net coal: 7.8m
 - Gas composition: CH₄ 92.8%, CO₂ 1.2%
- Rougemont-2
 - 108 m core cut, 10 samples currently desorbing
 - Net coal: 8.9m, Permeability 25 – 395 mD
 - Gas composition: CH₄ 94.4%, CO₂ 1.1%

*Arcadia Valley, to the south-east, is a producing field, owned & operated by Santos
Mahalo, to the north-east, is awaiting FID, it is operated by APLNG, owned by APLNG, Santos & Comet Ridge



Net coal thickness
Rolleston-West CSG + conventional targets



Contact

Level 8
46 Edward Street
Brisbane QLD 4000
Australia

Email
info@stategas.com

stategas.com

