RLMS
EASTERN AUSTRALIA
Upstream Gas Report
APR 2015

SHELL TO BUY BG GROUP

LINK TO ARTICLE

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ON THE 8TH OF APRIL Shell announced a takeover offer for BG Group, agreed and recommended by the target company's Board. The offer, of 0.4454 Shell B shares and £3.83 cash for each BG share, values the company at £47.0 billion ($91.6b on the 30th of April), and is to be undertaken through a Scheme of Arrangement, expected to be completed in 2016. The bid was pitched at a 50% premium to BG's previous closing price and 52% above the company's 90 day VWAP. If successful with its offer, Shell will gain control of BG's LNG production and trading business, North Sea oil and gas assets and Brazilian deep water oil interests. On the basis of 2014 production the takeover will boost Shell's production by 600 kboe/day or around 20%, with proved reserves to increase by 25%. Shell will become the major owner of QCLNG, just as the Queensland CSG-to-LNG project approaches plateau production levels. The deal is being spearheaded by Shell MD Ben van Buren who will continue to lead the enlarged company; recently appointed BG MD Helge Lund is likely to leave once the deal is completed.

Buying BG will give Shell access to assets with growing production in areas that the larger company has targeted as strategic growth areas – deep water and integrated gas (projects where the company has control of gas production, shipping and sale). BG's flagship deep water assets are its non-operated Brazilian pre-salt interests in the Santos Basin, where it partners with Petrobras in a number of massive fields. BG's Brazilian net production is currently around 100 kboe/day but could grow to 500 – 600 kboe/day by 2020, with the company also having a large operated position in the frontier Barreirinhas Basin. In LNG BG's produced around 7 MT of equity production in 2014 and delivered a further 4 MT in its trading business. This compares to Shell's production of 26 MT in the same year and total deliveries of 34 MT, including third party production. BG's equity production will increase substantially as QCLNG is brought online after delivering its first cargo last December. By mid 2016 when the project is operating at plateau production of 8 MTPA BG's share will be around 6 MTPA. BG was also an early mover into US LNG and has a 5.5 MTPA purchase agreement from 2016 with the Sabine Pass project. Shell will also gain control of BG's Tanzanian gas assets where as operator in a number of offshore fields it has discovered a gas resource of more than 16 tcf, providing a resource base for a potentially large LNG development in the longer term.

Shell's proposed takeover of BG comes just as QCLNG begins ramping up production. The project's first train began production in December, with the second train due for start-up in the third quarter of this year. Gaining control of BG's QGC assets will provide Shell with an attractive development option for its half share in Arrow Energy. Arrow gas resources could underwrite the development of an already permitted third QCLNG train, a development that would be more economically attractive than a greenfield Arrow LNG development. Shell repeatedly delayed an FID for Arrow LNG due to high Australian resource development project costs but it has progressed permitting and design of Arrow's Bowen and Surat gas fields and pipelines linking them to Gladstone. A potential hurdle to overcome in developing Arrow resources through QCLNG is QGC partner CNOOC's right to take a 25% stake in a QCLNG expansion train. Shell's partner in Arrow, PetroChina, may not wish to see its share of gas produced through infrastructure owned by its domestic rival.

CORPORATE ACTIVITY

Seven Group Holdings

30 APRIL: Seven Group Holdings continued to increase its holdings in Cooper Basin producers during April. The company upped its interest in Beach Energy to 16.2%, worth $238m at the company's closing share price of $1.11 on the 30th of April. Seven also doubled its interest in Drillsearch Energy, spending $46m to buy 40m shares on the 15th of April and take its stake in the company to 16.7%. The energy investments made by Seven have been undertaken by MD Don Voelte, former head of Woodside Petroleum. Mr Voelte recently announced he would retire from the company at the end of August, to be replaced by Ryan Stokes, son of Seven's Executive Chairman and major shareholder Kerry Stokes.

Beach Energy

8 APRIL: Beach Energy's new MD Rob Cole advised that the company may consider options to raise funds from its Cooper Basin infrastructure interests through tolling or sales. This could include transactions tied to the company's 20.21% stakes in the Moomba processing facility, the Moomba to Port Bonython liquids pipeline and some 70 PJ of gas storage capacity in the Cooper. Santos, operator and 66.6% owner of the SACB JV, has previously estimated the replacement cost of the existing major infrastructure in the Cooper Basin at more than $10 billion.

LNG

APLNG

22 APRIL: Origin Energy advised that the first of APLNG's gas generators had been powered up on Curtis Island. The 15 MW generator is one of seven that will provide power for the 9 MTPA LNG project. The downstream part of APLNG was 89% complete at the end of March and the upstream development 93% complete. LNG production from the first train of the project is expected to commence in the middle of this year with the second train to follow early next year.

GLNG

17 APRIL: Santos reported that the 7.8 MTPA GLNG project is now almost 95% complete. The company expects to begin LNG production from the first train around the end of the September Quarter and has already fired up two of the liquefaction plants gas generators after the first gas was introduced to the plant on the 6th of March. After start up production from the first train is expected to ramp up to plateau level over three to six months. The second train is expected to be ready for start-up at the end of 2015, with production to take two to three years to ramp up.

Santos expects total capital expenditure on GLNG from FID in 2011 through to the end of 2015 to be US$18.5 billion (based on an average A$/US$ exchange rate of 0.87 over the period) with this investment funded by project finance and projects owners (Santos 30%, Petronas and Total each 27.5%, Kogas 15%). At sanction the budget for the project was set at US$16b however in 2012 US$2.5b of further investment in expanding the Fairview and Roma fields was added to the project. Santos expects Capex of $900 million yearly on the project in the period 2016-2020, with most of this to be upstream investment, including drilling and completing 200 wells per year. From 2020 ongoing Capex is expected to average $500m. Operating expenses are estimated at $1.25/GJ for production from the project's CSG fields and $150m a year for the pipeline and LNG plant. With GLNG relying on buying a significant proportion of its feed gas from other producers the cost of some gas will be substantially higher than the Opex cost of equity gas. With the low oil price leading to a lower price for GLNG's LNG product Santos says that the project is free cash flow positive at an oil price as low as US$40/bbl.

CONTRACTS AND GAS SUPPLY

AGL Energy

9 APRIL: AGL Energy announced that it would purchase up to 198 PJ of gas from the BHP Billiton/Esso Australia Bass Strait JV over three years from the start of 2018. Pricing under the GSA includes an oil-linked component with the supply to replace AGL's existing fixed price contracts rolling off over the period. The deal will allow AGL to continue to benefit from higher gas demand and prices in Queensland by on-selling gas from purchase contracts with QGC to LNG exporters and wholesale customers during the contract period. The company expects to sell 30 – 50 PJ each year into this market over the three year term, similar to planned sales of 57 PJ in FY2015, 55 PJ in FY 2016 and 40 PJ in FY2017.

During April AGL released an updated Greenhouse Gas Policy committing to a move away from coal-fired generation by 2050. The policy states that the company will not build, finance or buy any new coal power stations, unless they capture and store carbon, and will not extend the planned operating life of any of its existing coal plant. Although AGL is the largest wind farm developer in Australia it also significantly expanded its coal generation portfolio in the last few years. This included buying Macquarie Generation and its 2,640 MW Bayswater and 2,000 MW Liddell black coal plants and taking full ownership of the 2,200 MW Loy Yang A brown coal plant. These purchases were completed by previous AGL MD Michael Fraser, the company's new MD Andrey Vesey is leading a shake up of the company, including a review of its upstream gas assets.

INFRASTRUCTURE

AGL Energy

2 APRIL: AGL Energy announced that it had commenced commissioning its Newcastle Gas Storage Facility with the first introduction of gas to the project. The facility includes a 1.5 PJ capacity LNG tank and a liquefaction plant and will be used to boost gas supply during peak demand periods. AGL is investing $310 million in the project which is expected to be completed by the middle of the year.

NEGI

1 APRIL: The NT Government advised that four bidders had been selected to prepare Final Proposals for the construction of the proposed North East Gas Interconnector (NEGI) pipeline link. The bidders will submit their proposals at the end of September, with the Government to choose a preferred proponent shortly after. The companies selected to prepare a bid are APA Group – Australia's largest pipeline owner and operator, DDG Operations – the development company of Dampier to Bunbury Pipeline owner DUET, Merlin Energy Australia – reportedly linked to China Petroleum Pipeline Bureau and China National Petroleum Corporation and SGSP (Australia) Assets – parent company of Jemena and owned by State Grid Corporation of China and Singapore Power.

The NT Government wants the NEGI pipeline built to spur development of the Territory gas industry, with some estimates of onshore gas resources in the NT as high as 200 tcf. Although it has ruled out financially supporting the project it may contract for transport of some Power and Water Corporation gas through the pipeline. The two potential routes for the pipeline are around 700 km from Tennant Creek to Mt Isa or 1,100 km from Alice Springs to Moomba. Construction costs have been estimated at $800m - $1.3b, depending on the route selected, capacity and design.

GOVERNMENT AND REGULATION

Metgasco

24 APRIL: The NSW Supreme upheld Metgasco's appeal against the State Government's suspension of its Rosella-E01 drilling approval, clearing the company to proceed with the well and to seek compensation. The State's Office of Coal Seam Gas (OCSG) suspended the drilling approval in May 2014, just a few days before Metgasco was to mobilise a rig to the drilling site. The OCSG ruled that the company had not undertaken genuine and effective community consultation, as required in the licence conditions for PEL 16. When Metgasco appealed the ruling the OCSG refused to lift the suspension and the company took its challenge to the Court. Supreme Court Justice Button found the Government's suspension was not made according to the law both on the basis of procedure and of fact.

On a procedural basis the Government did not follow requirements to notify Metgasco that it was not satisfied with the community consultation and allow rectification. Additionally, as effective community consultation was a tenement condition and not a drilling approval condition the OCSG had no legal right to suspend the drilling approval on that basis. Justice Button also found that the OCSG was in error in basing its suspension on the failure of Metgasco's community consultation program to convince community participants to drop their opposition to the well. The Justice ruled that 'effective consultation' within the Act referred to the quality of the consultation, rather than whether it persuaded people to support the activity.

The drilling suspension came just as Metgasco was about to mobilise a drilling rig to the Rosella site, with the well designed to test the conventional gas potential of the Ripley Road Sandstones within the Greater Mackellar Structure. The well site had been subject to months of protests and the NSW authorities were expecting thousands of protestors to attempt to blockade the site as the drilling rig arrived. The suspension of the Rosella drilling approval ensured that there was no gas drilling activity in the Northern Rivers region in the year before the recent state election, where CSG was one of the major issues. The region is home to one of the most vocal anti-CSG and mining protest movement in the country and saw the election of a Green MP in the seat of Ballina on the basis of this opposition. With Premier Mike Baird maintaining the Government's position that Metgasco's consultation was flawed after the judgement was handed down an appeal by the Government may be possible. If the judgement stands and Metgasco proceeds with the Rosella well it will inevitably face a further groundswell of community opposition. The company has already attempted to diversify away from its traditional Clarence-Moreton Basin base with a failed merger with a US-focussed oil junior.

Federal Government

8 APRIL: The Federal Department of Industry and Science released an Energy White Paper, setting out the Abbott Government's platform for energy policy. The EWP promotes policies that seek to increase competition within the energy market, increase energy productivity and boost investment in the energy sector. In the electricity market this includes further privatisation of state-owned electricity assets and the promotion of voluntary uptake of smart meters.

In the gas market the EWP acknowledges gas price rises caused by development of the east coast LNG export industry and increasing gas production costs. The paper reiterates the Government's opposition to a domestic gas reservation policy and, in a reference to arbitrary policies introduced to restrict onshore gas exploration in NSW and Victoria, calls for states to remove unnecessary barriers to exploration. The EWP also calls for more price transparency in the gas market, through the further development of a more liquid wholesale market.

The Abbot Government's main energy reform to date has been the repeal of the Clean Energy Bill ('carbon tax') introduced by Julia Gillard during her time in office. The new EWP is carbon agnostic. Although it recognises that new energy technologies generally emit less carbon than existing technologies it does not see the Government as having any place in promoting one or the other. Any new investment in energy generation should be made on a purely commercial basis.

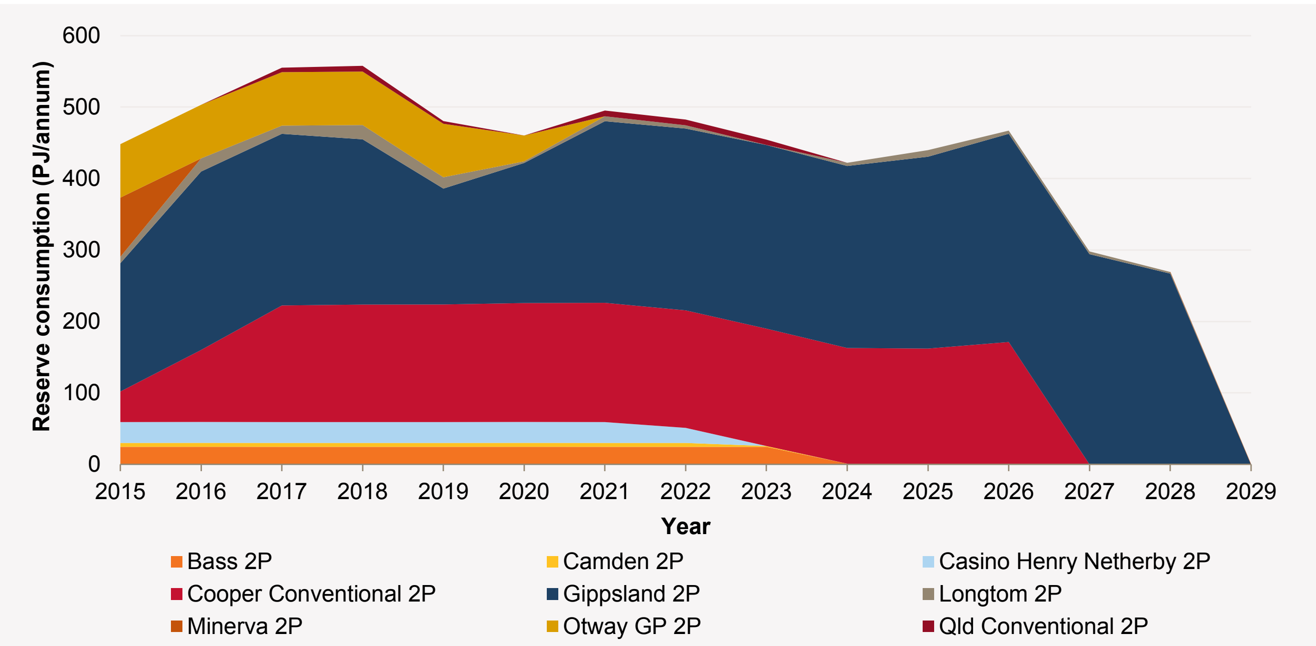
In conjunction with the release of the EWP the Government announced an inquiry into the competitiveness of the Eastern Australia wholesale gas market. This latest inquiry will be undertaken by the Australian Competition and Consumer Commission and will investigate whether the current structure and lack of transparency in the market is allowing anti-competitive behaviour and leading to higher gas prices. The ACCC is to complete its report early in 2016.

GSOO

13 APRIL: The Australian Energy Market Operator (AEMO) released the 2015 Gas Statement of Opportunities (GSOO), based on modelling undertaken for the National Gas Forecasting Report, released last December. The GSOO forecasts that gas supply in Eastern Australia should be sufficient to meet supply for the next twenty years, other than a potential shortfall period in Queensland from 2020. This contrasts with the 2013 GSOO which forecast the possibility of major gas shortfalls. The main driver in the changing outlook is an anticipated decline in domestic gas demand from 447 PJ in 2014 to 425 PJ in 2034, rather than growth to 615 PJ as forecast in the 2013 GSOO. This decline will mainly be driven by decreased industrial demand, partly due to gas price rises. Gas demand for LNG export in 2034 is forecast at 1,425 PJ reflecting the assumption that 24 MTPA of capacity will be operating at the time, the six LNG trains currently being completed on Curtis Island. In Queensland the GSOO forecasts a potential 15 PJ yearly demand shortfall from 2020. This assumes gas demand for LNG will be satisfied before domestic demand and that the South West Queensland Pipeline (SWQP) will be operating at full capacity to satisfy demand at Wallumbilla for gas to be sent to Gladstone for LNG export. This will result in gas shortfalls east of Wallumbilla unless the SWQP is expanded or supply is boosted at fields to the east of Wallumbilla.

The GSOO also forecasts that 2P reserves in the Otway, Gippsland and Cooper Basins will all be depleted through production by 2028. To replace these reserves new conventional fields could be developed in the same basins, along with new shale gas fields in the Cooper Basin.

Eastern Australia Forecast 2P Reserves Depletion



Source: AEMO

CORPORATE ACTIVITY

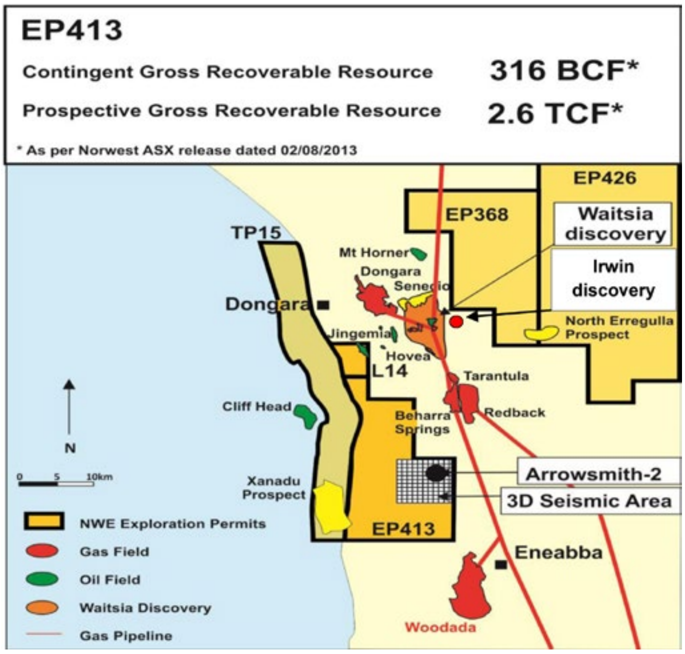
Lakes Oil

24 APRIL: Lakes Oil reported that it had raised $4.12m from the issue of listed $10 convertible notes. The offering was made to shareholders on the basis of one note for every 10,000 shares held, with the company reserving the right to place the $7.18m shortfall during the next three months. The notes pay 10% annual interest and are convertible to 5,000 shares at $0.002 each any time through to 31 March 2017.

Central Petroleum

7 APRIL: Central Petroleum reported that MD and CEO Richard Cottee's employment contract had been extended for three years, through to the middle of 2018. Mr Cottee joined the company in 2012 and has overseen its transformation into a gas producer through the purchase of the Palm Valley and Dingo Fields. He aims to make the company a substantial gas supplier to East Coast markets through the proposed NEGI pipeline link. Central also advised that Robert Hubbard had been appointed to the position of Deputy Chairman as part of succession planning ahead of the retirement of Company Chairman Andrew Whittle at the end of this financial year.

Arrowsmith Seismic Survey



Source:Norwest Energy

EXPLORATION AND APPRAISAL

AWE

24 APRIL: AWE advised that the Irwin-1 well in the north Perth Basin had reached total depth of 4,049 m, recording elevated gas shows in its primary target, the Dongara/Wagina tight sands reservoir. The well also recorded gas shows in the unconventional Carynginia Shale and Irwin River Coal Measures and in the Kingia and High Cliff Sandstones, the conventional gas reservoir in the Waitsia field to the west. AWE will conduct wireline logging at Irwin-1 before it moves to drill two appraisal wells at Waitsia, commencing in May. The Enerdrill-3 rig will then be used by Transerv Energy to drill two wells at the Warro tight gas field, also in the north Perth Basin.

Santos

20 APRIL: Santos advised that it planned to connect the first Cooper Basin deep coal gas well to production. The company has flow-tested Tirrawarra South-1 at 0.3 Mmscfd, with 40 barrels of condensate produced per Mmscf. Santos has fracced the deep Permian coals in the basin in a number of gas development wells, recording flows of up to 1.0 Mmscfd. Within the Patchawarra Trough, where the Tirrawarra field is located, associated condensate production of 10 – 70 bbls/Mmcf has been recorded. Santos plans to target the Patchawarra deep coals when it begins exploration of PEL 570, where it is farming-in to earn a 35% interest. The company plans to drill a well in the tenement and place five fracc stages targeting the deep coals as well as acquire 3D seismic. Its partners in the tenement are Drillsearch Energy (47.5%) and New Standard Energy (17.5%).

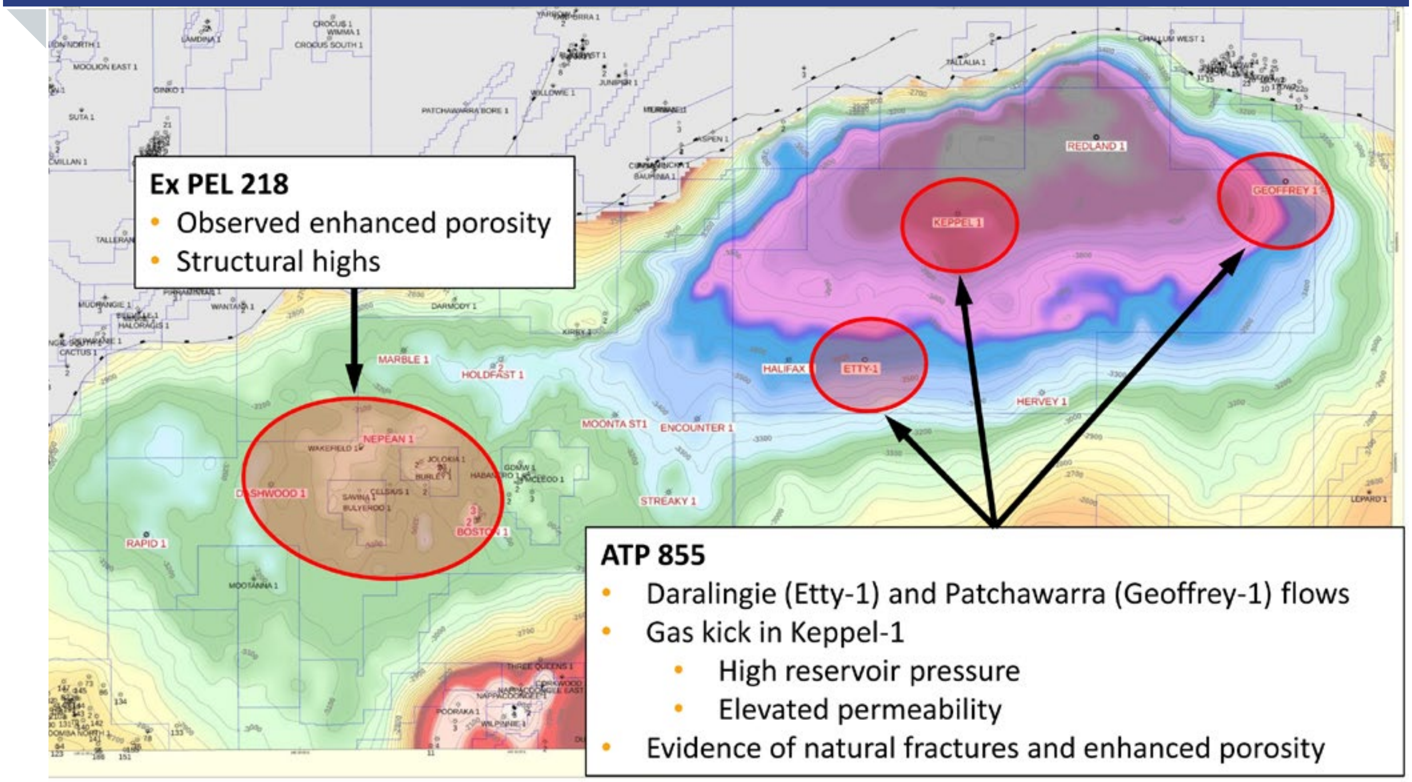
Norwest Energy

17 APRIL: Norwest Energy announced that it had commenced the acquisition of 106 km^2 of 3D seismic over the Arrowsmith Field in the north Perth Basin. On the ground acquisition is expected to be completed in early May with processing and interpretation to be finished in the September Quarter. Norwest will then use the results of the survey to select a site for a horizontal well at Arrowsmith, the drilling of which will be subject to approval of JV partners AWE (44%) and Bharat PetroResources (28%).

Beach Energy

8 APRIL: Beach Energy advised that it would undertake a full review of the results from the Chevron-funded first stage of exploration and appraisal in the Nappamerri Trough and plan the next stage of appraisal before it seeks a new partner for the project. The company expects to complete the review in the fourth quarter of this year and plan the next stage in the first half of next year. The next stage of appraisal is likely to include the acquisition of 3D seismic over high-graded targets including the sands of the Daralingie Formation and identified areas of strong gas shows, elevated reservoir pressures and higher permeabilities. Encouragingly for Beach's JV partner Icon Energy most of these targets are in ATP 855, the Nappamerri tenement in which it holds a 35.1% interest.

Nappamerri Identified High Grade Targets



Source: Beach Energy

RESOURCES

Strike Energy

27 APRIL: Strike Energy advised that it had established a 155 bcf 2C contingent resource within the deep coals at its Southern Cooper Basin Gas Project. DeGolyer and MacNaughton signed off on the resource estimate, which also includes a 105 bcf 1C resource and 225 bcf 3C resource. The assessment for the 2C resource covers an area of just under 3,000 acres surrounding the Le Chiffre-1 and Klebb-1 wells, where Strike has completed initial flow testing. The resource is located within a 50 m interval of 120 m of net coal at Le Chirrfe-1 and 35 m of 150 m at Klebb-1. With Strike targeting a first phase development covering some 45,500 acres within the Weena Trough the resource at the project is likely to grow as exploration proceeds. The company is now aiming to achieve commercial gas flows at the project to establish gas reserves. It plans to do this through the fracture stimulation and testing of the already drilled Klebb-2 and 3 wells in the third quarter of this year. Establishing the independent contingent resource at the SCBGP achieves a development milestone in the two conditional gas sales agreements Strike has struck for the project. Packaging company Orora must now make a gas pre-payment under the terms of the 45 PJ GSA between the companies and Orica has a 30 day period to elect to make the first pre-payment under its 250 PJ GSA. Orica, which may pre-pay up to $47.5m for gas from the project also now has a 30 day option to buy $2.5m worth of shares in the company.

EASTERN AUSTRALIA CSG:

Reserves at 31 December 2014, production second half 2014 Averages

Field	Ownership	State	Basin	Reserves (PJ) 1P	2P	3P	Production (TJ/day)	Tenure
AGL ENERGY								
Camden Gas Project	AGL Energy* 100%	NSW	Sydney		48	48	16	PPLs 1, 2, 4, 5; PELs 2, 4, 5, 267
Gloucester Basin Project	AGL Energy* 100%	NSW	Gloucester		454	565		PEL 285
Hunter Gas Project	AGL Energy* 100%	NSW	Sydney					PELs 4,267
Total for AGL Energy including projects operated by others					**1,824**	**3,447**	**32**	
ARROW ENERGY								
Moranbah Gas Project	Arrow Energy* 50% AGL Energy 50%	Qld	Bowen	160	2,512	5,350	31	
Blackwater	Arrow Energy* 100%	Qld	Bowen					
Comet	Arrow Energy* 100%	Qld	Bowen					
Norwich Park	Arrow Energy* 100%	Qld	Bowen					
Surat Basin Fields	Arrow Energy* 50%-100%	Qld	Surat					
Tipton West JV	Arrow Energy* 100%	Qld	Surat				25	
Kogan North	Arrow Energy* CS Energy 50%	Qld	Surat				7	
Daandine	Arrow Energy* 100%	Qld	Surat				27	
Total for Arrow Energy				**160**	**2,512**	**5,350**	**90**	
BG GROUP								
94% ownership of QCLNG project operator								
Total for BG Group including projects operated by others				**3,096**	**10,326**	**18,876**	**121**	
BLUE ENERGY								
Sapphire Field	Blue Energy* 100%	Qld	Bowen		50	180		ATP 814P
Total for Blue Energy					**50**	**180**		
ERM POWER								
Clarence-Moreton	ERM Power *50% CMR 30%, Red Sky 20%	NSW	Clarence-Moreton		17	159		PEL 457
Total for ERM Power					**9**	**190**		
HARCOURT PETROLEUM								
Mungi/Harcourt	Harcourt*67.1% Mitsui 32.9%	QLD	Bowen	36	448	1,064	3	PL 94Sublease, ATP 56 4P
Timmy	Harcourt*62.9% Mitsui 37.1%	QLD	Bowen		67	175		ATP 602P
Total for Harcout Petroleum				**36**	**515**	**1,239**	**3**	
LANDBRIDGE GROUP								
Meridan	Landbridge* 51% Mitsui 49%	QLD	Bowen	93	680	1,524	8	PL 94, Coal Mining Leases
Paranui	Landbridge* 25.5% Mitsui 24.5% BG 50%	QLD	Bowen			270		ATP 769 W
Tibrook	Landbridge* 25.5% Mitsui 24.5% BG 50%	QLD	Bowen			152		ATP 688P W
Total for Landbridge				**47**	**347**	**885**	**4**	
ORIGIN ENERGY								
37.5% ownership of APLNG and project upstream operator								
Ironbark Project	Origin 100%				259	869		ATP 788P
Total for Origin Energy including projects operated by others				**1,718**	**5,543**	**7,416**	**135**	
SANTOS								
30% ownership of GLNG and project operator								
Narrabri CSG Project	Santos* 80% EnergyAustralia 20%	NSW	Gunnedah	233	971			PEL 238
Total for Santos including projects operated by others				**978=**	**2,964**		**33**	
SENEX ENERGY								
Western Surat Project	Senex Energy* 100% - 45%	Qld	Surat		488			ATPs 767, 795, 889, 593, 791
Total for Senex Energy including projects operated by others					**488**			

QUEENSLAND CSG-TO-LNG PROJECTS:

APLNG (AUSTRALIA PACIFIC LNG PROJECT)

Ownership:	Origin Energy 37.5% / ConocoPhillips 37.5% / Sinopec 25%	**Site:**	Laird Point, Curtis Island
Operatorship:	Upstream and pipelines: Origin / LNG: ConocoPhillips	**Customers:**	Sinopec 7.6 MTPA for 20 years, Kansai 1.0 MTPA for 20 years
Status:	Train 1 first LNG mid-2015 Train 2 first LNG Q4-2015	**Reserves:**	1P: 4,581 PJ 2P: 14,091 PJ 3P: 17,459 PJ 2C: 2,679 PJ
Size:	2 x 4.5 MTPA LNG trains (four-train 18 MTPA ultimate potential)	**Production:**	333 TJ/day (121.8 PJ/year)

Major Fields	Ownership	State	Basin	Reserves (PJ)			Production (TJ/day)
				1P	2P	3P	
Spring Gully	APLNG* 96.6% Santos 3.4%	Qld	Bowen	162	2,31	5,104	129
Peat	APLNG* 100%	Qld	Bowen				9
Talinga/Orana	APLNG* 100%	Qld	Surat				115

GLNG (GLADSTONE LNG PROJECT)

Ownership:	Santos 30% / PETRONAS 27.5% / Total 27.5% / KOGAS 15%	**Site:**	Hamilton Point West, Curtis Island
Operatorship:	Santos	**Customers:**	PETRONAS and KOGAS both to take 3.5 MTPA for 20 years
Status:	FID taken January 2011, first LNG 2015	**Reserves:**	1P: 2,245 PJ 2P: 5,603 PJ 2C: 1,202 PJ
Size:	2 x 3.9 MTPA LNG trains (three-train 10 MTPA ultimate potential)	**Production:**	111 TJ/day (40.5 PJ/year)

Major Fields	Ownership	State	Basin	Reserves (PJ)			Production (TJ/day)
				1P	2P	3P	
Fairview	GLNG* 76.07% APLNG 23.93%	Qld	Bowen				105
Scotia	GLNG* 100%	Qld	Bowen				21
Arcadia	GLNG* 100%	Qld	Bowen				
Roma Shelf	GLNG* 100%	Qld	Surat				

QCLNG (QUEENSLAND CURTIS LNG PROJECT)

Ownership:	BG Group 50% Train 1 and 97.5% Train 2 / CNOOC 50% Train 1 / Tokyo Gas 2.5% Train 2	**Site:**	North China Bay, Curtis Island
Operatorship:	QGC (100%-owned subsidiary of BG Group)	**Customers:**	CNOOC 3.6 MTPA from Train 1 for 20 years, Tokyo Gas 1.2 MTPA from Train 2 for 20 years, Chubu Electric up to 20 cargoes over 20 years, BG portfolio supply: up to 1.7 MTPA to Quintero LNG in Chile to 2030, up to 3.0 MTPA to Singapore for 20 years
Status:	First LNG from Train 1 Dec 2014, Train 2 to follow in 2015	**Reserves:**	1P: 3,096 PJ 2P: 10,326 PJ 3P: 18,876 PJ 2C: 13,700 PJ
Size:	2 x 4.25 MTPA LNG trains (three-train 12.75 MTPA ultimate potential)	**Production:**	121 TJ/day (44.2 PJ/year)

Major Fields	Ownership	State	Basin	Reserves (PJ)			Production (TJ/day)
				1P	2P	3P	
QGC Central Walloons	BG* 59.4%-100%	Qld	Surat				204
Berwyndale South	BG* 100%	Qld	Surat				67
Kenya-Argyle	BG* 59.4% APLNG 40.6%	Qld	Surat				126
Woleebee Creek	BG* 80% Toyota 15% CNOOC 4% Tokyo Gas 1%	Qld	Surat				
Lacerta	BG* 100%	Qld	Surat				
Bellevue	BG* 70.6% APLNG 30.4%	Qld	Surat				7
Paradise Downs	BG* 100%	Qld	Surat				
Lawton	BG* 100%	Qld	Surat				