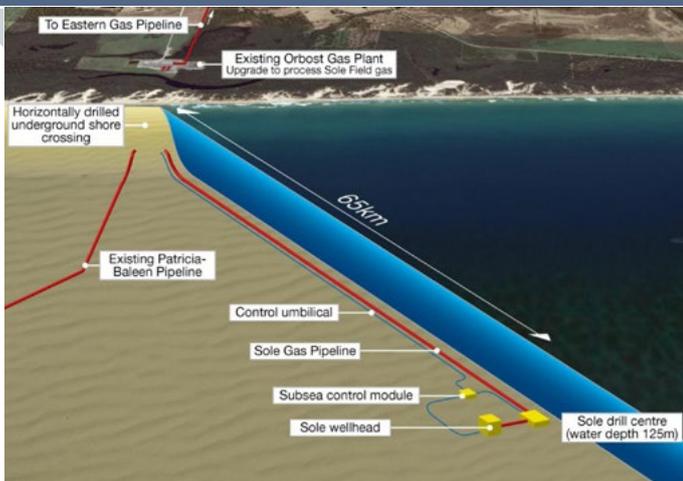


CORPORATE ACTIVITY

Cooper Energy

25 MAY: Cooper Energy advised that it had completed the acquisition of a 50% interest in the Sole Gas Field and the Orbost Gas Plant from Santos for \$2.5m and a \$25m carry. FEED for the development of the offshore Gippsland Basin project has commenced, with an FID targeted for the September Quarter 2016. The field is expected to produce 25 PJ/year for eight years with start-up targeted at the end of 2018. Cooper has booked a 2C contingent resource of 106 PJ following the completion of the acquisition.

Sole Field Conceptual Development Plan



Source: Cooper Energy

Metgasco

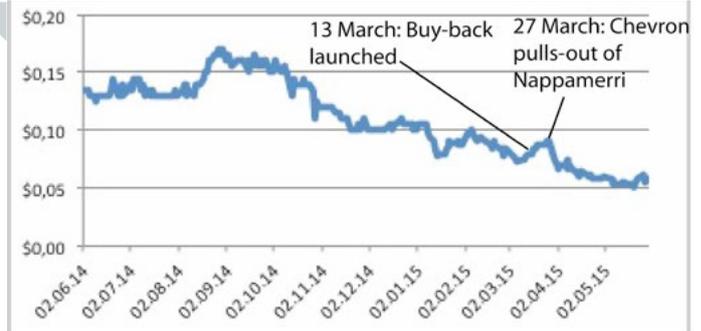
25 MAY: Metgasco advised that the NSW Government had elected not to appeal against the overturning of its Rosella-E01 drilling approval suspension by the state's Supreme Court last month. The company will now seek to negotiate compensation from the Government for the failed drilling program; if unsuccessful it will launch further legal action.

Icon Energy

22 MAY: Icon Energy continued its on-market share buy-back program, purchasing 500,000 shares at an average price of \$0.056 during the day, for a total outlay of \$27,284. The company started the program in March, with the intention to purchase and cancel up to 10% of its issued share capital over twelve months. The buy-back has not provided much support to the company's share price, which has declined almost 60% over the last year. The share price is unlikely to increase until positive news emerges regarding further

appraisal of the Nappamerri Trough tenement ATP 855, operated by Beach Energy, and where Icon has a 35% stake. Meanwhile Icon and MD Ray James have so far spent \$581,069 on the buy-back, purchasing and cancelling 8.2m of the company's 618.7m shares.

Icon Energy 12-month share price



LNG Limited

20 MAY: LNG Limited advised that it had raised \$174m through an institutional placement. The funds raised will be used to advance the company's two proposed North American LNG projects and potentially to buy a third project. Shares under the placement were issued at \$4.35 each, a 5% discount to the five-day VWAP. On the 29th of May LNG shares closed at \$4.18, valuing the company at \$2.1b, including the new share issue.

Seven Group

19 MAY: Seven Group Holdings advised that it had increased its interest in both Beach Energy and Drillsearch Energy to 19.9%. Seven is now prohibited from increasing its holdings unless it makes a takeover bid for the companies. In six months the company will be able to use creep provisions to increase its interests by up to 3% in each six monthly period without launching a bid. Seven has not requested Board representation at either Beach or Drillsearch and its intentions for the shareholdings remain unknown.

APPEA

12 MAY: APPEA announced the appointment of Malcolm Roberts as the organisation's new CEO. Dr Roberts will leave his current position as the Chairman of the Queensland Competition Authority to join APPEA in June. The new CEO should have a good working relationship with Federal Industry Minister Ian Macfarlane, having previously worked as his Chief of Staff when he was the Minister for Industry, Tourism and Resources in the Howard Government.

EXPLORATION AND APPRAISAL

AGL Energy

19 MAY: Investigations undertaken by NSW's EPA and Division of Resources and Energy found no evidence of environmental harm from the discovery of BTEX chemicals in flowback water at the Waukivory Pilot at AGL Energy's Gloucester Gas Project in January. The investigations found that the company had not used BTEX in fracture stimulation or drilling fluids and that the detected chemicals were naturally occurring in groundwater within the Gloucester coals. With all flowback water from the pilot captured and sent to a wastewater treatment facility none of the BTEX-contaminated water entered the environment.

AGL is now clear to resume operations at the pilot but is currently seeking approval for a new method of managing flowback water. Two previous contractors engaged to process the water offsite have declined to accept further water after coming under community and local government pressure. AGL's setbacks in progressing the Waukivory Pilot at Gloucester show the potential difficulties ahead in a full field development. The company's new MD Andrew Vesey is due to receive the findings of a full scale review of AGL's upstream gas division at the end of May. He has not included the division in a restructure of the internal management of the company nor appointed a new permanent head following the retirement of Mike Moraza.

Drillsearch Energy

4 MAY: Drillsearch Energy reported a further exploration success in its Western Cooper Wet Gas JV with Santos. Emery-1 was drilled to a total depth of 3,262 m and intersected 18.6 m of net pay in the Patchawarra Formation and 7.7 m of net pay in the Tirrawarra Sandstone. The well was the seventh drilled in PEL 513 as part of a farm-in that will see JV operator Santos earn a 60% interest in the tenement and adjoining PEL 106A. With one further well to be drilled, six have been discoveries. Santos is currently planning the development of the tenement with the first connections to existing infrastructure expected in the second half of this year.

In neighbouring tenements to the west Drillsearch's 50/50 wet gas JV with Beach Energy recorded gross

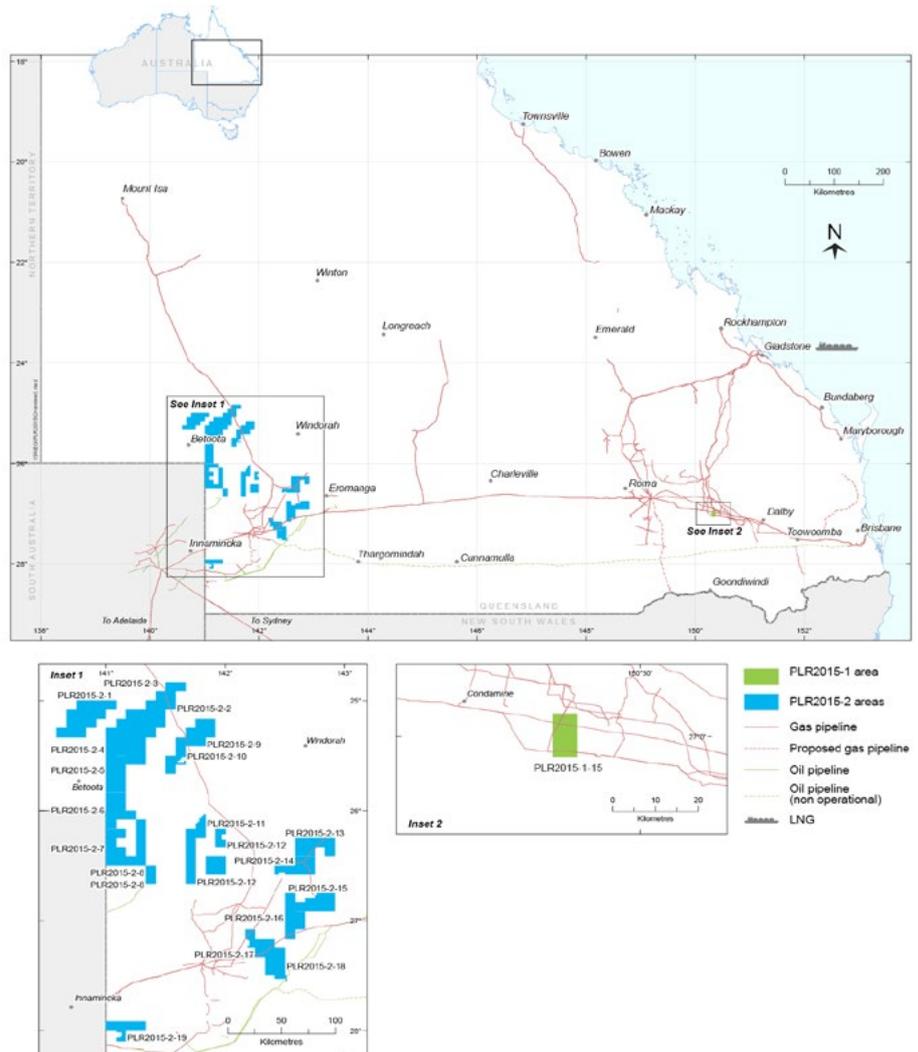
production of 0.52 mmbbl in the nine months to March 2015 (1,900 boe/day), with petroleum produced from the Brownlow, Canunda and Middleton wells, connected to the Middleton Gas Plant. The JV expects to expand production through the installation of compression and connection of previously drilled discovery wells during FY2016.

ACREAGE

Queensland

14 MAY: The Queensland Government announced the release of twenty new petroleum tenement areas for applications, with nineteen areas in the Cooper-Eromanga Basin and one in the Surat. The Cooper tenement areas cover a total area of around 11,000 km² and will be awarded by competitive tender, judged on work program submissions. The Surat tenement area covers just 6 km² but is located in the Walloons sweetspot immediately adjacent to QGC's Codie-Lauren field. The Government estimates the area may hold gas-in-place of up to 60 PJ. Due to its high CSG prospectivity the Government will be awarding the area on the basis of a cash bid. The closing date for tenders for the land is 8 October 2015.

Queensland acreage release



Source: Queensland Government

LNG

BG Group

21 MAY: BG Group advised that QGC had assumed operational control of QCLNG Train 1 from EPC contractor Bechtel. The transfer of control marks the successful completion of commissioning and reliability testing for the train, which started LNG production in December. The milestone also fulfils the last condition precedent for the sale of the QCLNG gas transmission pipeline to APA, with the sale expected to complete in the next few weeks. QCLNG has shipped 16 cargoes to date and expects to begin production from Train 2 of the project in the third quarter of this year.

PIPELINES

Jemena

19 MAY: Jemena announced that it would expand the capacity of the Eastern Gas Pipeline by around 20%, increasing the amount the flow of gas from Victoria into New South Wales by 22 PJ/year. The expansion is expected to be completed by the start of 2016 and will involve the installation of two new midline compressor stations at a cost of some \$150m. Part of the investment will be underwritten by a new 15 year gas transportation agreement with AGL Energy, commencing next year.

Arrow Energy

13 MAY: Arrow Energy was reported to have commenced the process of acquiring the easement for the proposed Arrow Bowen Pipeline. The pipeline will link the company's Bowen Basin gasfields with the Gladstone LNG export precinct and was originally planned to feed Arrow's own LNG project. A standalone Arrow plant has now been scrapped and the gas may eventually be routed to QCLNG, if joint Arrow owner Shell succeeds in purchasing BG Group.

Federal Government

12 MAY: Treasurer Joe Hockey launched a \$5b concessional loans scheme for infrastructure investment in Northern Australia in the Federal Budget. The Northern Australia Infrastructure Facility will provide funds for the construction of ports, pipelines and electricity and water infrastructure in Queensland, WA and the NT. Although full details of the program have yet to be released it is likely that the proposed NEGI gas pipeline link between the NT and the east coast gas market would be eligible to secure loans through the scheme. The NT Government plans to announce the selection of a preferred proponent for the NEGI later this year.

GOVERNMENT AND REGULATION

Victoria

26 MAY: The Victorian Government launched the latest inquiry into onshore unconventional gas in the state, to be completed by the Legislative Council's Environment and Planning Committee. The committee will look into resource prospectivity, environmental and health risks, issues of coexistence and effective regulation with the final report to be issued by the 1st of December this year. Since its election in November last year the Daniel Andrews Labor Government has maintained the previous Coalition Government's moratorium on onshore drilling, pending the results of this latest inquiry.

Arrow Bowen Pipeline Route



Source: Arrow Energy

NT FOR SALE

A huge package of petroleum exploration tenements and tenement application areas within the Northern Territory has been put up for sale. The tenements cover some 285,000 km² (70 million acres) of onshore and near shore land, across ten sedimentary basins. The acreage was amassed by private company Australian Oil and Gas when the Territory still allowed first-come-first-served applications for vacant land. The company has now been put into receivership and the acreage is to be sold off.

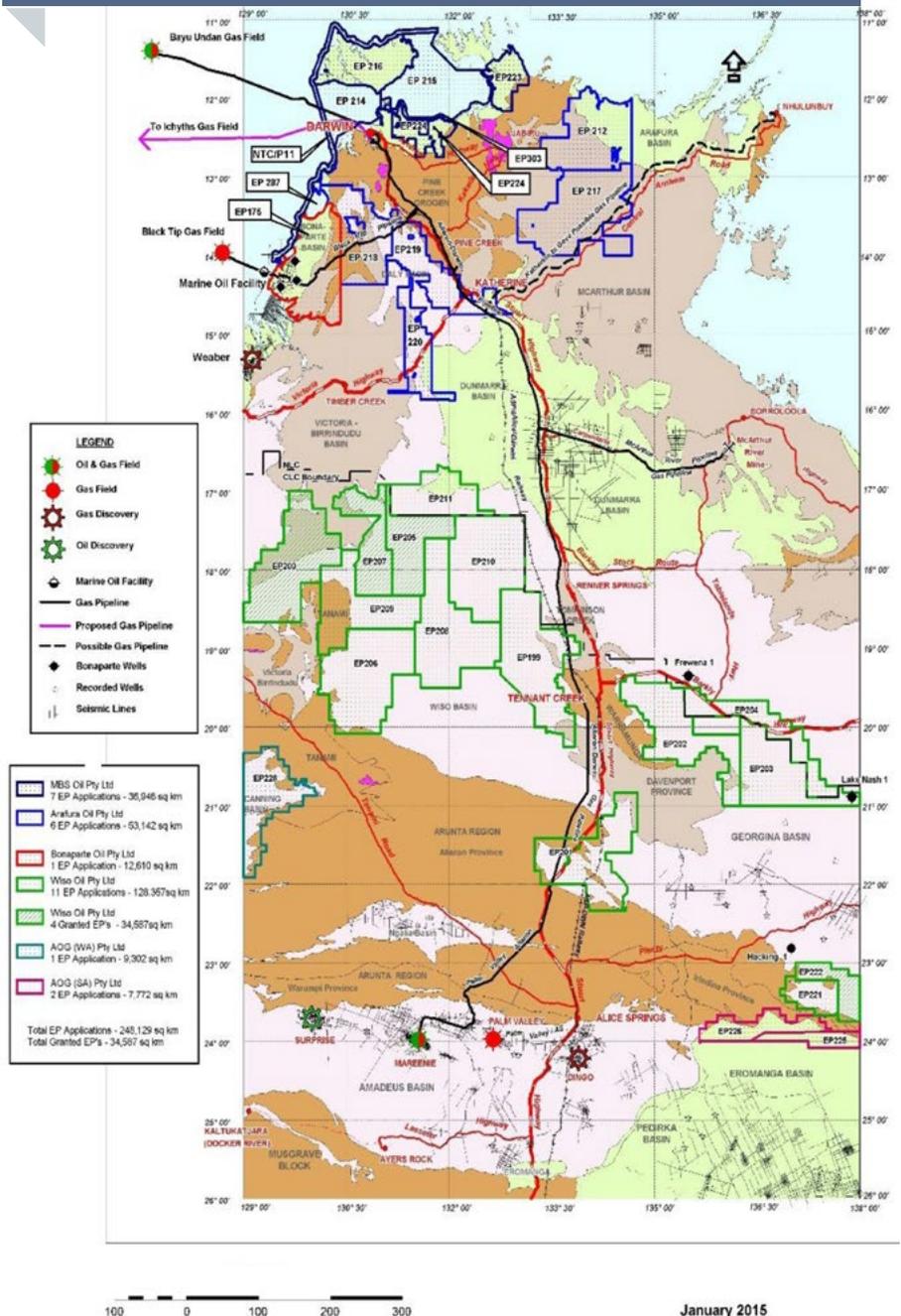
The acreage is located in basins that have recently attracted unconventional exploration programs such as the McArthur, Georgina and Bonaparte Basins. It also includes areas of frontier basins that are almost completely unexplored such as the Arafura, Daly and Money Shoal Basins. Twenty-two of the tenements are fully-owned with the remaining eight subject to a farm-in by Blue Energy. These tenements are located in the Wiso and Birrindudu Basins with the farm-in allowing Blue to earn up to a 50% interest by funding geophysical studies, an aeromagnetic and gravity survey and seismic acquisition.

Of the thirty permit areas four have been granted with the remaining twenty-six still under application. With around half the land area crown land subject to Native Title claims, these application areas would need to proceed through the Native Title process before being granted. The remaining land area is Aboriginal freehold land with legal provisions ensuring that petroleum tenements can only be granted with the approval of the relevant Land Councils.

If the tenements are progressed through to grant the work program commitments are unlikely to be particularly onerous, although any on-the-ground activity in the NT tends to be relatively expensive due to isolation and the paucity of infrastructure. The four tenements already granted call for between 150 km and 300 km of 2D seismic and one vertical well in their first five year term.

The acreage package was assembled when the NT petroleum regime invited applications to any vacant land. This saw tenement coverage expand to cover almost all of the Territory's land mass as unconventional targets attracted attention. The Government has now changed the petroleum law such that it releases any new acreage through competitive tenders. As a result of these two factors it is unlikely that any one company will be able to assemble such a large area of petroleum land in the Territory in the future, ensuring interest in the outcome of the sale process.

The tenements up for sale



Source: Palladian Partners

CORPORATE ACTIVITY

Strike Energy

27 MAY: Strike Energy advised that Orica would pay the company \$7.5m under a gas pre-payment agreement. The payment follows progress at Strike's Southern Cooper Gas Project, where the company recently established a gross 2C contingent resource of 155 bcf within the field's deep coals. Under a GSA for the supply of up to 250 PJ of gas Orica may pre-pay up to \$47.5m for future supplies in order to support development of the project. The \$7.5m represents the first payment, however Orica elected not to take up an option to buy \$2.5m worth of Strike shares.

Strike is continuing testing at the Klebb pilot within the project and will fracc the Vu coal seam in the Klebb 2 and 3 wells in June. The company has been pumping water from the wells, however their production capacity has been lower than from the already fraced Klebb-1. That well has produced up to 500 bwpd and is to be fitted with a larger pump in a workover. Strike holds 66.7% of PEL 96, containing the Klebb pilot; Energy World Corporation holds the remaining interest.

Real Energy Corporation

18 MAY: Real Energy Corporation advised that it had signed a non-binding Letter of Intent for gas supply with Incitec Pivot. The agreement sets out terms under which the companies can progress a potential gas supply agreement for 110 PJ over ten years from Real's ATP 927 in the Queensland Cooper Basin. Testing of two wells drilled in the tenement by the company have shown indications of a large basin centred gas accumulation within the Toolachee and Patchawarra Formations.

Incitec is seeking new sources of gas supply as long term east coast prices rise. The company consumes around 32 PJ/year across its three Queensland manufacturing sites at Gibson Island, Moranbah and Phosphate Hill. With an 8.7 PJ/year contract for the supply of Phosphate Hill expiring at the end of 2016 and a 16.8 PJ/year contract for the supply of Gibson Island expiring at the end of September 2017 Incitec must secure new gas supply just as the three LNG plants at Curtis Island will reach plateau production levels. The company has also inked an agreement with Central Petroleum that may see it supplied from the Amadeus Basin through the proposed NEGI pipeline link.

Empire Oil & Gas

11 MAY: Empire Oil & Gas advised that it had sold a number of tenements in the onshore Carnarvon Basin to private company Kestrel Petroleum. The sale, for a small cash amount and a royalty on any future production, leaves Empire purely focused on its extensive Perth Basin acreage. The company is currently undertaking an extensive airborne geophysical survey over this acreage, with the results expected in the December Quarter this year. The data will be used to identify exploration leads and in to attract farm-in partners.

EXPLORATION AND APPRAISAL

Falcon Oil & Gas

29 MAY: Falcon Oil & Gas advised that on-the-ground preparations for a three well Beetaloo Basin drilling program had commenced. The program is being operated by Origin Energy, farming in for a 35% interest in Falcon's Beetaloo acreage, along with Sasol. The first well, Kalala-S-1, is expected to spud at the end of June and will target the Middle Velkerri Formation within EP 98. The three well program is expected to cost \$24m of the up to \$200m that Origin and Sasol may jointly spend to complete their farm-in to Falcon's three Beetaloo tenements. The first stage of the farm-in calls for the three coreholes and a further program next year of the drilling and fracturing of one vertical and one horizontal well, budgeted to cost a further \$40m.

Pangaea Resources

8 MAY: Pangaea Resources lodged an Environmental Plan for the proposed drilling of four appraisal wells in the Beetaloo Basin. This follows the drilling of three exploration wells by the privately held company in the basin last year. The new wells will be drilled in EPs 167 and 168 and will target the Velkerri Formation and potentially also the deeper McArthur Group. The company plans to extract core from the wells and complete wireline logging and formation testing operations.

During May the Wall Street Journal reported that prominent US shale developer Aubrey McClendon may be poised to buy Pangaea's Beetaloo acreage. Any international investment would be a fillip for the NT, showing that it can attract new exploration investment from international companies in a lower oil price environment.

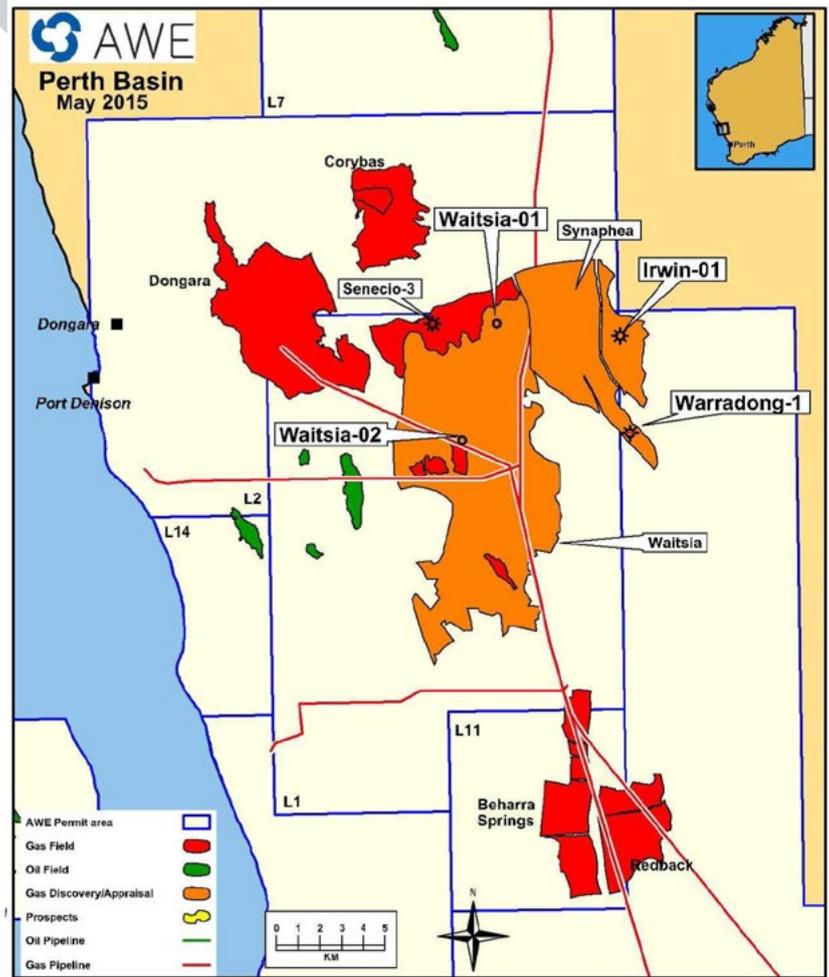
AWE

7 MAY: AWE announced the estimate of an additional gross 2C contingent resource of 149 bcf in the north Perth Basin, following analysis of the results of the recently drilled Irwin-1 well. The well intersected a net 32 m gas column in the Dongara/Wagina tight gas sandstone reservoir at the same depth as the previously drilled Warradong-1 well, drilled 4.5 km to the south on the Synaphea structure. This indicates that the Irwin and Synaphea structures may be a single large gas accumulation, with both wells drilled down-dip. The conventional Kingia Sandstone reservoir at Irwin was found to be water bearing however AWE had interpreted the intersection to be below the gas-water contact at the Waitsia field to the west. AWE has now moved on to spud the first of two appraisal wells Waitsia where a gross 2C contingent resource of 290 bcf has been estimated.

Norwest Energy

6 MAY: Norwest Energy reported that it had completed the acquisition of 106 km² of 3D seismic over the Arrowsmith field in the north Perth Basin. Processing of the seismic is expected to be completed during the third quarter of this year with the results to be used to select the site of a proposed horizontal well at Arrowsmith.

AWE north Perth Basin acreage



Source: AWE

EASTERN AUSTRALIA CSG:

Reserves at 31 December 2014, production second half 2014 Averages

Field	Ownership	State	Basin	Reserves (PJ)			Production Tenure (TJ/day)
				1P	2P	3P	
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							
Mungji/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 Harcourt 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	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				