



*Supplying East Coast Australia's energy needs, sustainably
and environmentally responsibly*

Investor Presentation

June 2022

ASX:GAS



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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.

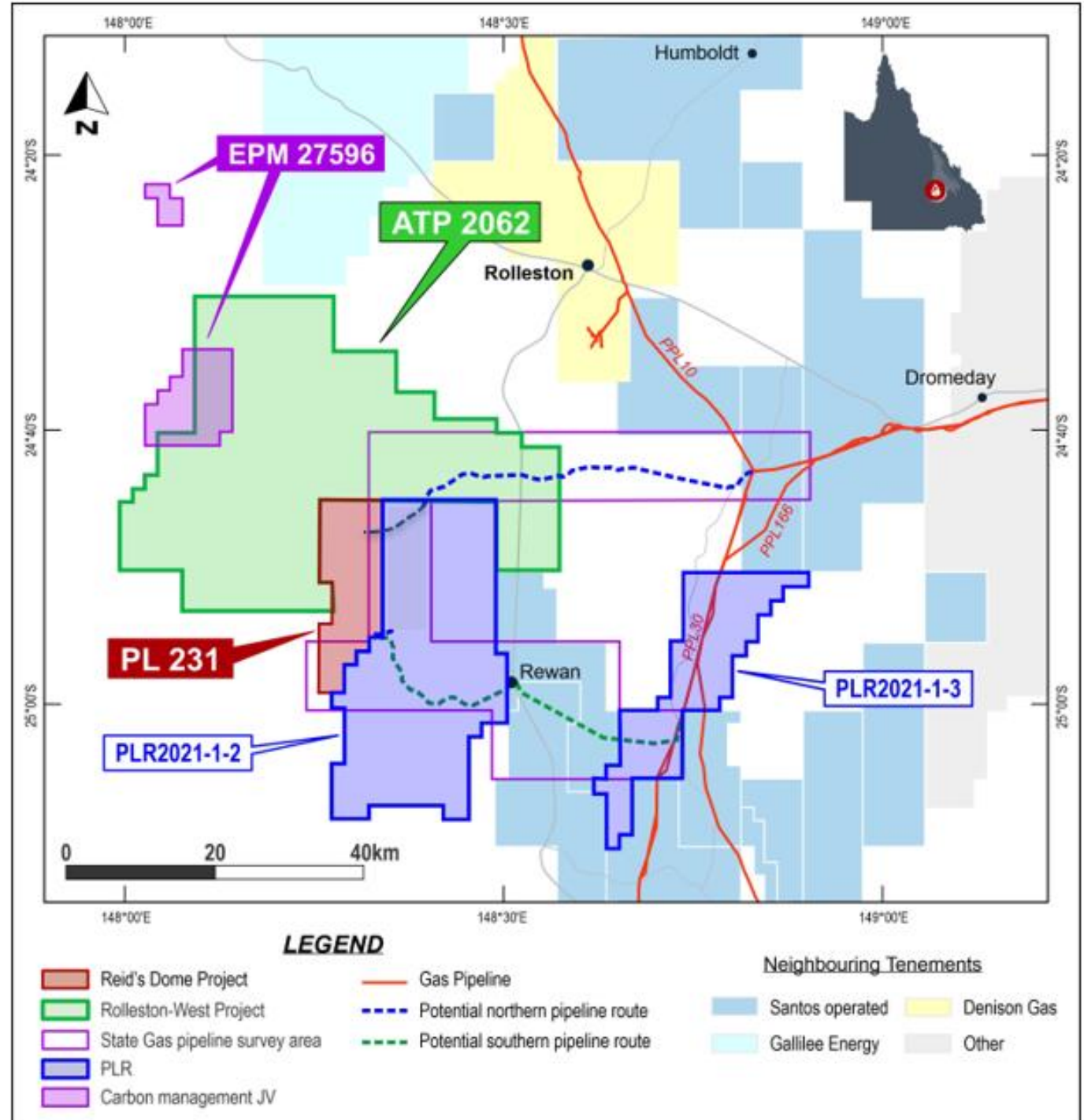
State Gas' expectations, beliefs and projections are expressed in good faith and are believed to have a reasonable basis, including without limitation, based on the examination of historical operating trends, data contained in State Gas' records and other data available from third parties. There can 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.

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

Project Areas

- Reid's Dome, Rolleston-West & New Blocks
 - 2630 km² of combined acreage
 - PL 231 – 181 km²
 - ATP 2062 – 1414 km²
 - New blocks (Santos JV) – 1035 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
- Pipeline Survey Licence held for routes to market
- Carbon Management Project in EPM 27596



Highlights

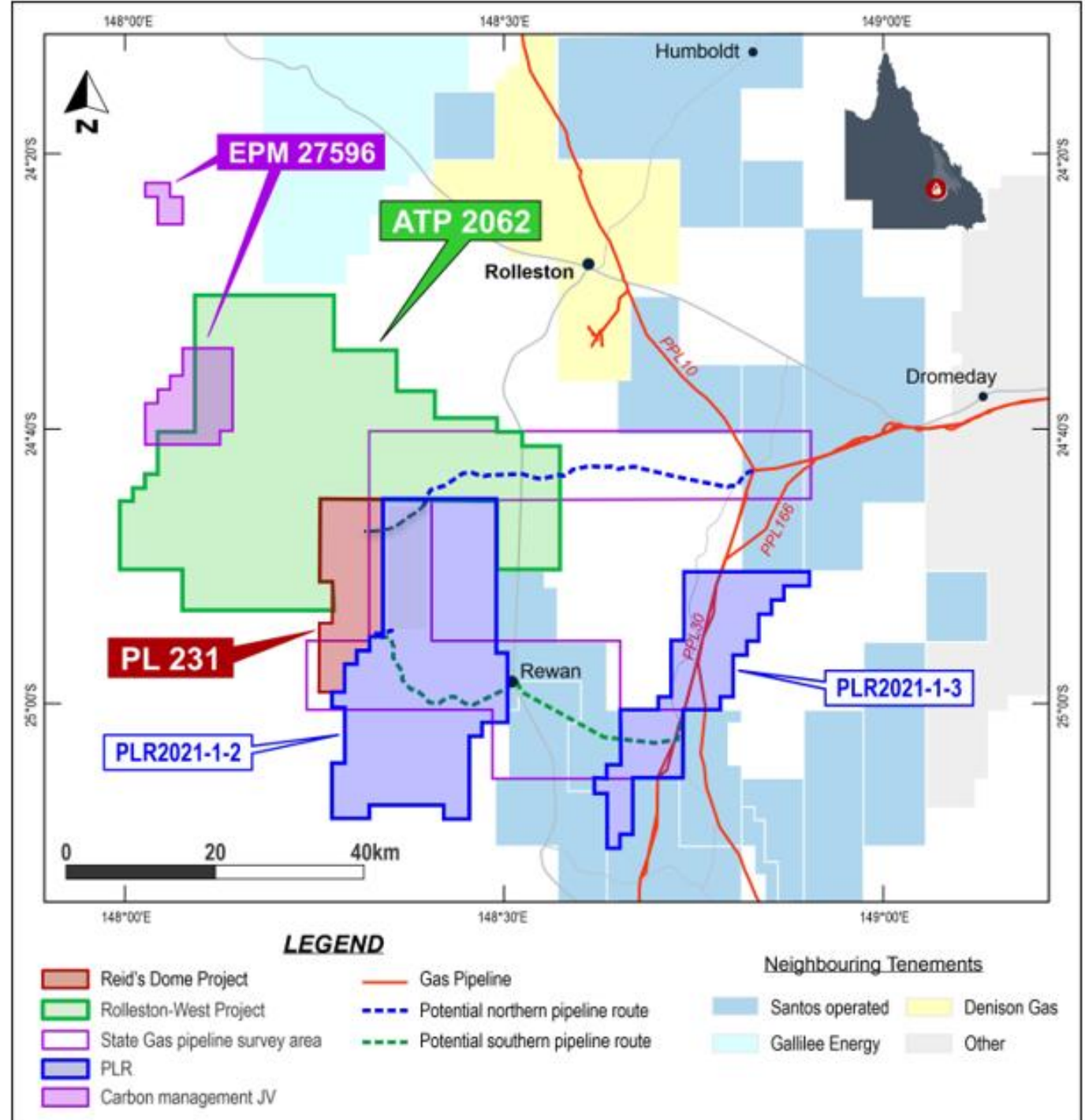
- 🔥 Sustained high gas pricing
 - Market signals presenting the opportunity
- 🔥 2-stage plan for quick market access
 - Reid's Dome conventional
 - Rolleston-West
- 🔥 Strategically located
 - Close to infrastructure networks & Wallumbilla price hub
- 🔥 Market optionality
 - CSG & conventional gas, no domestic reservation
- 🔥 2 new blocks in JV with Santos
 - Partnership for regional synergistic development
- 🔥 Carbon Management initiative
 - Ensuring sustainability



New Acreage Award

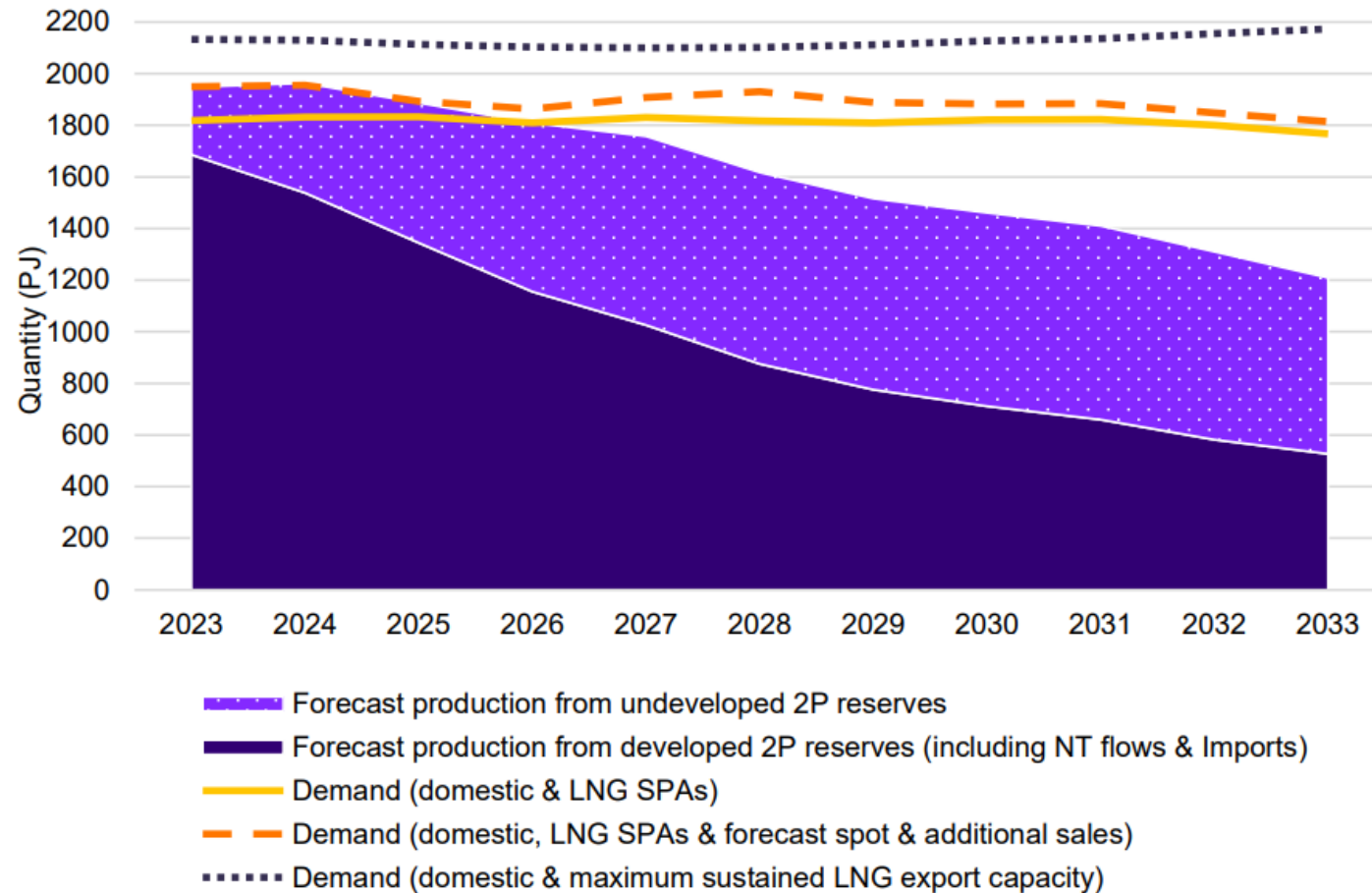
- State Gas & Santos QNT preferred tenderers
- State Gas 35%, Santos 65% & operator
 - **PLR2021-1-2**
 - 727 km²
 - Connecting State Gas' Reid's Dome & Santos operated interests to east
 - **PLR2021-1-3**
 - 308 km²
 - 2 export pipelines passing through
- Target: Bandanna coals - producing nearby
- Additional conventional targets
- No domestic gas reservation
- Carbon management project in area of interest

Synergistic development potential



East Coast: Increasing supply shortages forecast

ACCC Forecast Gas Supply and Demand, Southern States



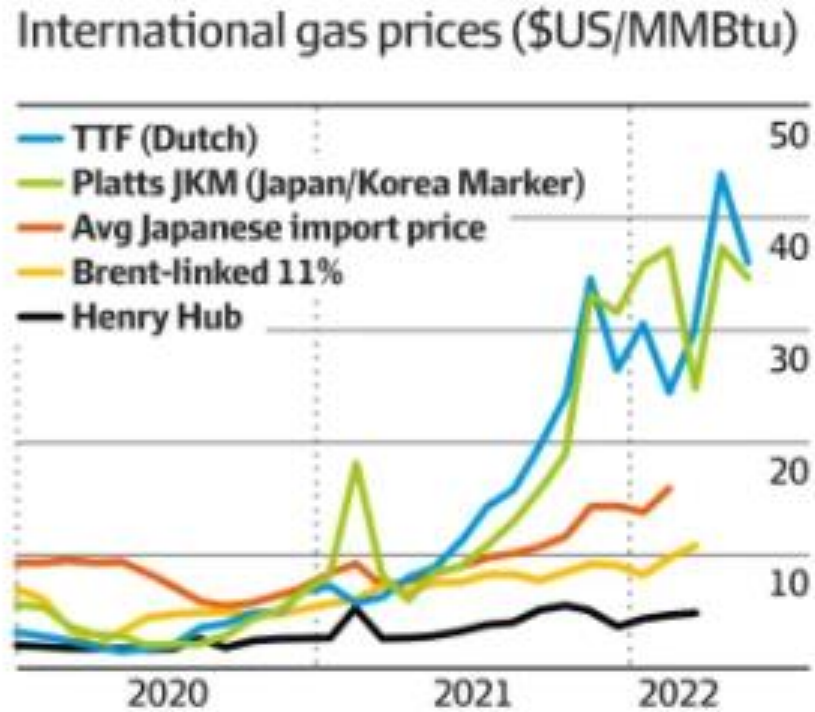
“The long term supply outlook has deteriorated and supply shortfalls are expected unless new supply is brought online”

ACCC Gas Inquiry January 2022 Interim Report

Source: ACCC Gas Inquiry January 2022 Interim Report

Gas Market Prices Going Up

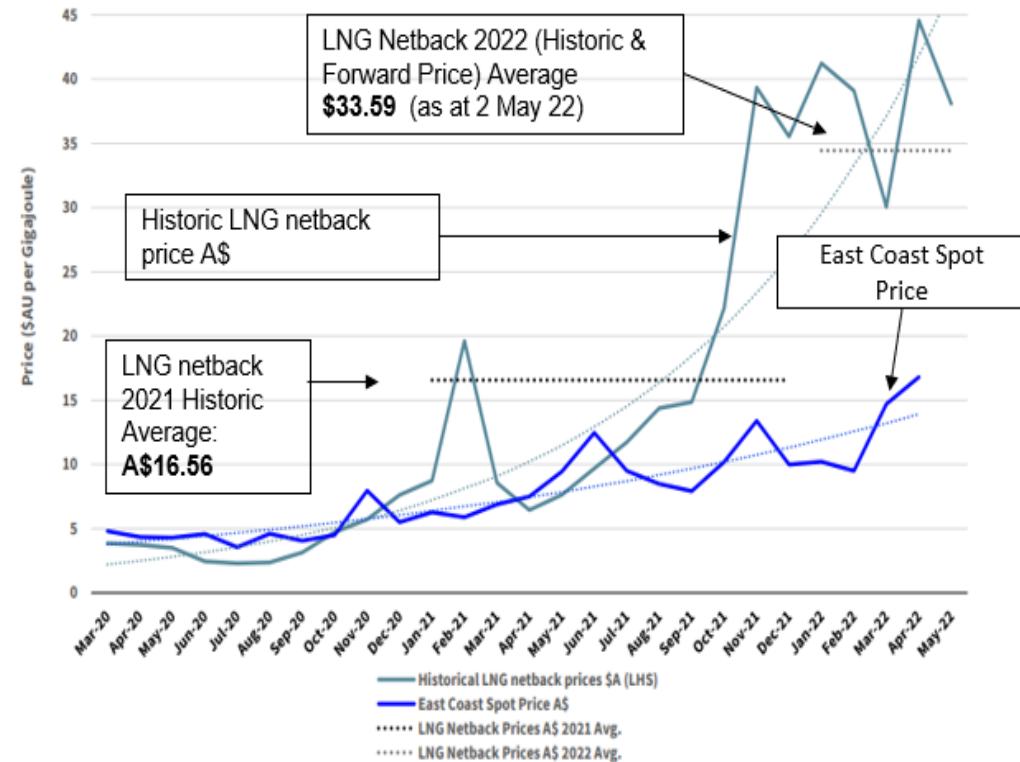
Internationally



Source: Australian Financial Review: Electricity Outages drive up east coast gas prices, 18 April 2022

And

Domestically



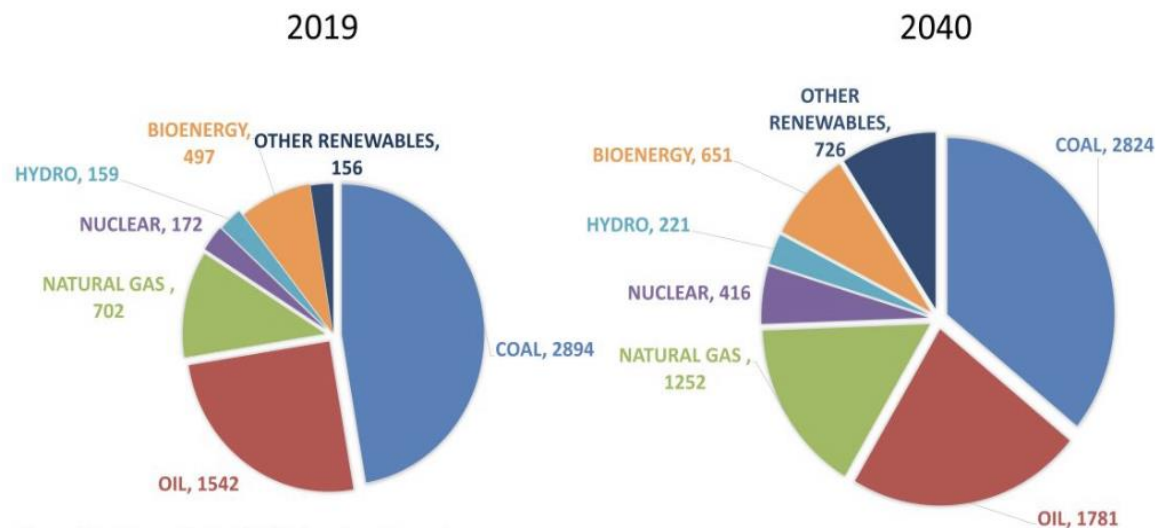
Source: ACCC, AEMO STTM.

Not just Ukraine

Gas Market Dynamics Changing

Demand will be long term

Primary energy demand Asia Pacific (Mtoe)



Source: World Energy Outlook 2020, International Energy Agency

Asia Pacific gas demand predicted to grow **78%** by 2040

But supply not responding

Average Nth America Rigs operating v Henry Hub Natural Gas Spot Price



Source: Baker Hughes Rig Count & YCharts Henry Hub Natural Gas Spot Price

Seizing the market window...



Target 2024

Reid's Dome -a strategic launch pad:

- ✓ Conventional gas pipeline quality
- ✓ Permitting Project & export route
- ✓ Early development supported by Rolleston-West volumes



Growth to come

- ✓ Rolleston-West
- ✓ 2 new land release blocks
- ✓ Established gas producing formations in all



Synergistic Development

- ✓ Adjacent Projects
 - ✓ Aligned ownership interests across region
- ↓
- ✓ Coordinated development
 - ✓ Economies of scale
 - ✓ Operational optionality



Optimised supply

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

“Surf the peak” pricing

- Proven CSG
- Pipeline spec. Conventional Gas

Reid's Dome Beds (CSG) Estimated Contingent Resources

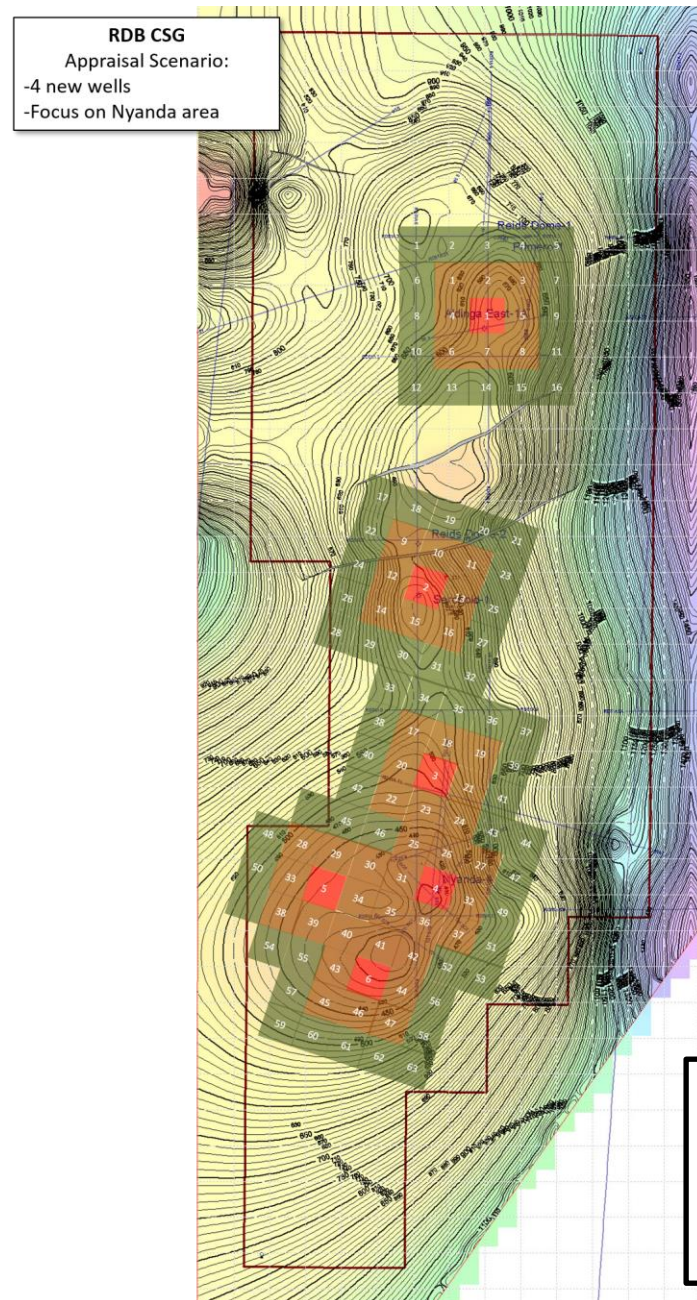
1C	2C	3C
74 PJ	126 PJ	223 PJ

Cattle Creek (conventional) Estimated Contingent Resources

1C	2C	3C
2.2 PJ	5.2 PJ	7.1 PJ

Reid's Dome Beds (tight gas) Estimated Prospective Resources

1C	2C	3C
7 PJ	161 PJ	438 PJ



Nyanda-4 flare

ATP-2062 Prospectivity

➤ CSG and Conventional Gas Prospects

Rougemont CSG Fairway Estimated Contingent Resources

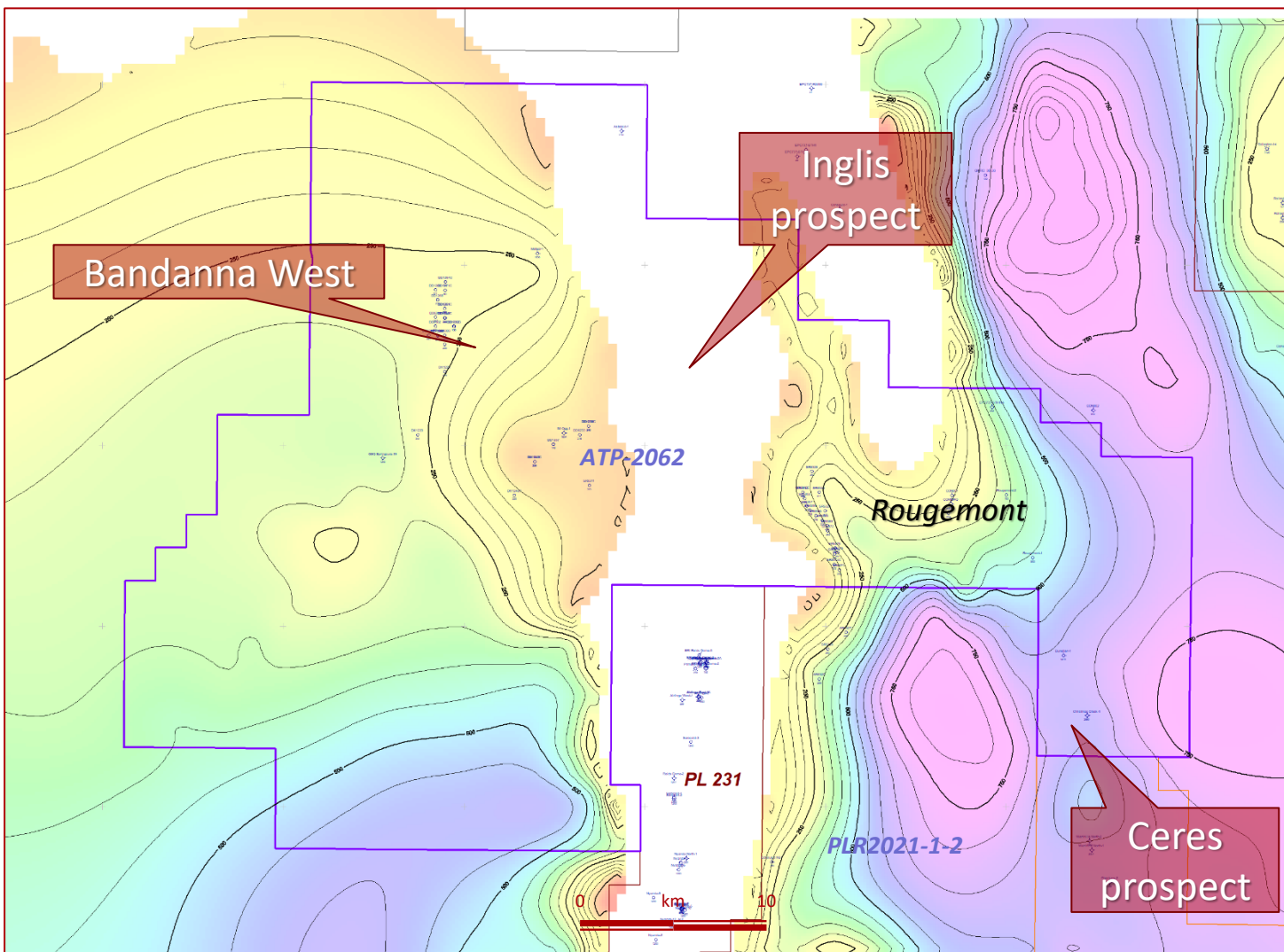
1C	2C	3C
53 PJ	91 PJ	161 PJ

Bandanna West Fairway CSG Estimated Prospective Resources

1C	2C	3C
92 PJ	184 PJ	293 PJ

Conventional Gas Estimated Prospective Resources

1C	2C	3C
5 PJ	16 PJ	51 PJ

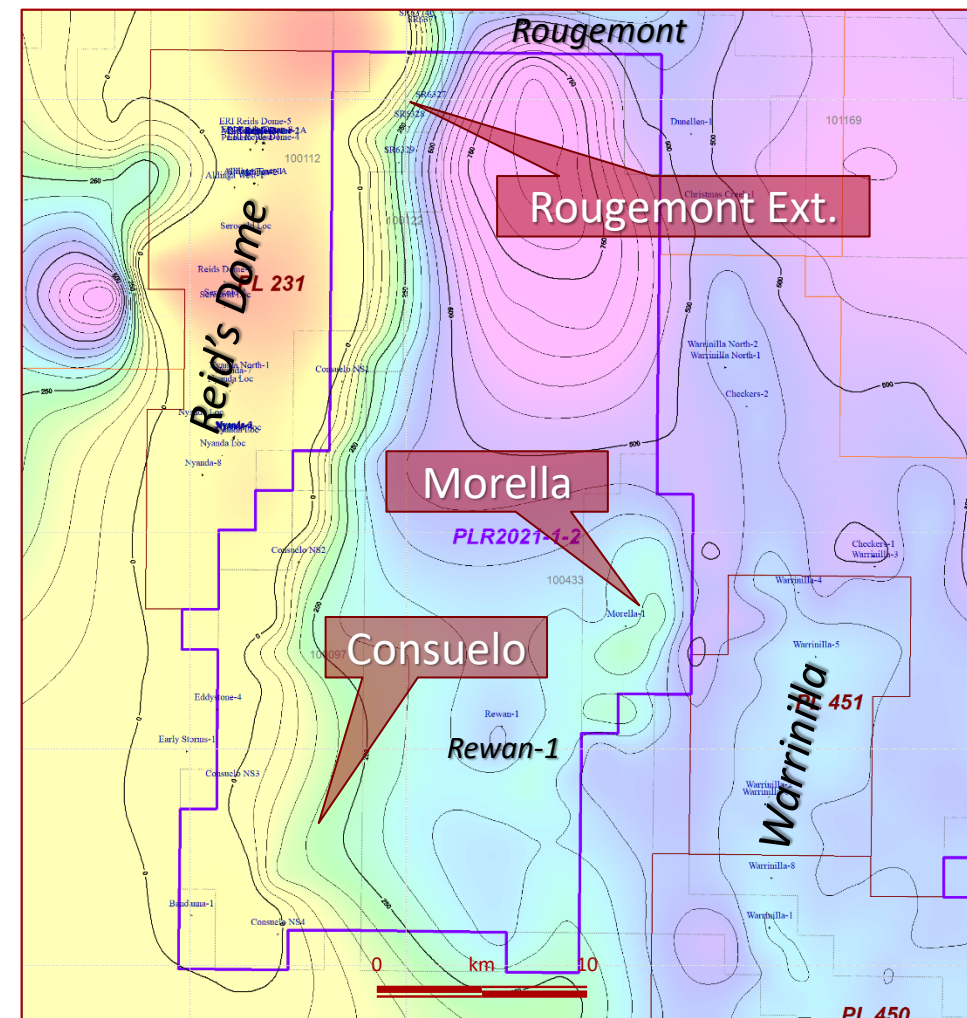


Bandanna Formation Depth map showing prospect areas
(Inglis and Ceres Prospects at deeper levels)

PLR2021-1-2 Prospectivity

- State Gas 35%, Santos 65% & Operator
- Large area 727 km²
- Bandanna Formation CSG
 - Net coal demonstrated by Consuelo stratigraphic holes, Rougemont and Rewan-1
 - Gas content proven by Rewan-1 and Rougemont wells
 - Southwest extension of Rougemont

Block-2			
State Gas Estimated Prospective Resources (100%)			
AREA	1C	2C	3C
Rougemont Ext. (Bandanna CSG)	17 PJ	30 PJ	46 PJ
Morella (Bandanna CSG)	37 PJ	62 PJ	90 PJ
Consuelo (Bandanna CSG)	18 PJ	37 PJ	57 PJ

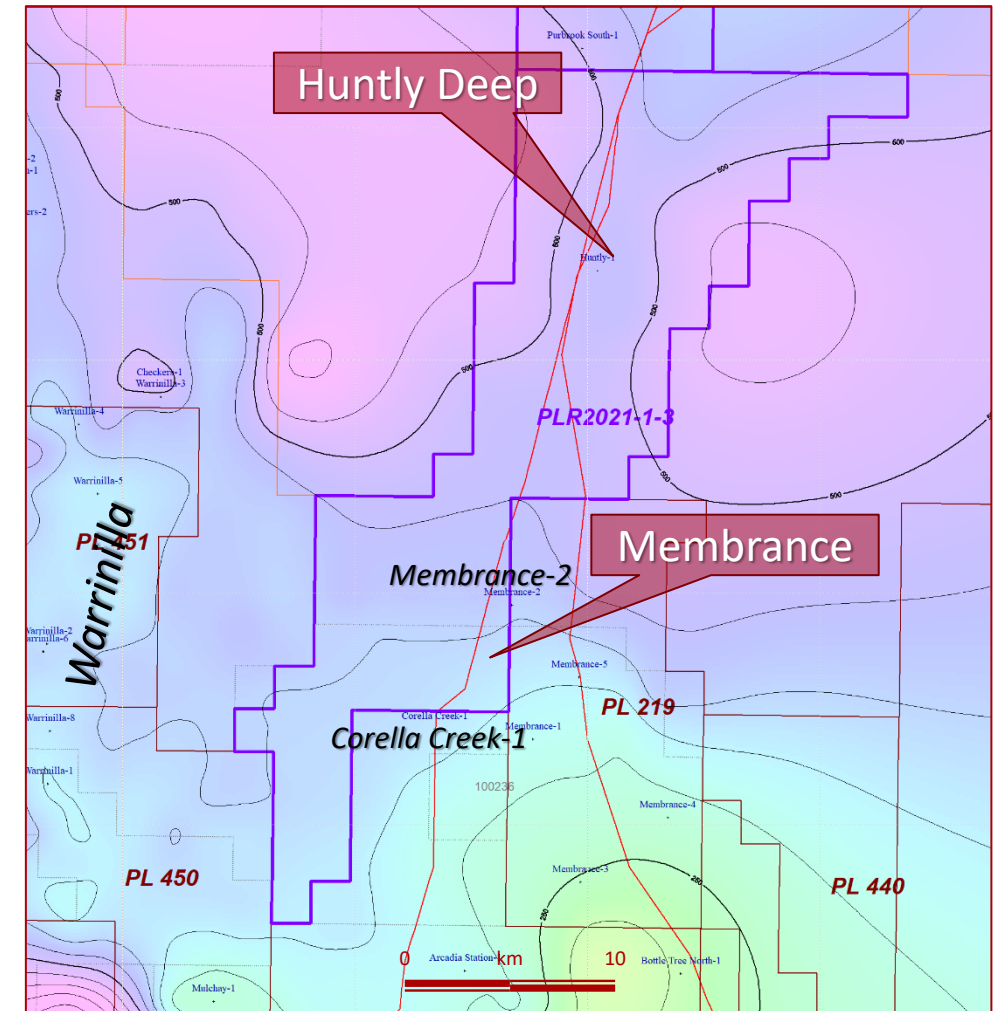


Bandanna Formation Two-Way Time map showing prospect areas (State Gas map)

PLR2021-1-3 Prospectivity

- State Gas 35%, Santos 65% & Operator
- 308 km²
- Bandanna Formation CSG
 - Net coal and gas content demonstrated by Membrane and Corella Creek wells
 - Analogous to Arcadia Valley (Bandanna CSG)
- Conventional gas
 - Mantuan Formation and Aldebaran Sandstone

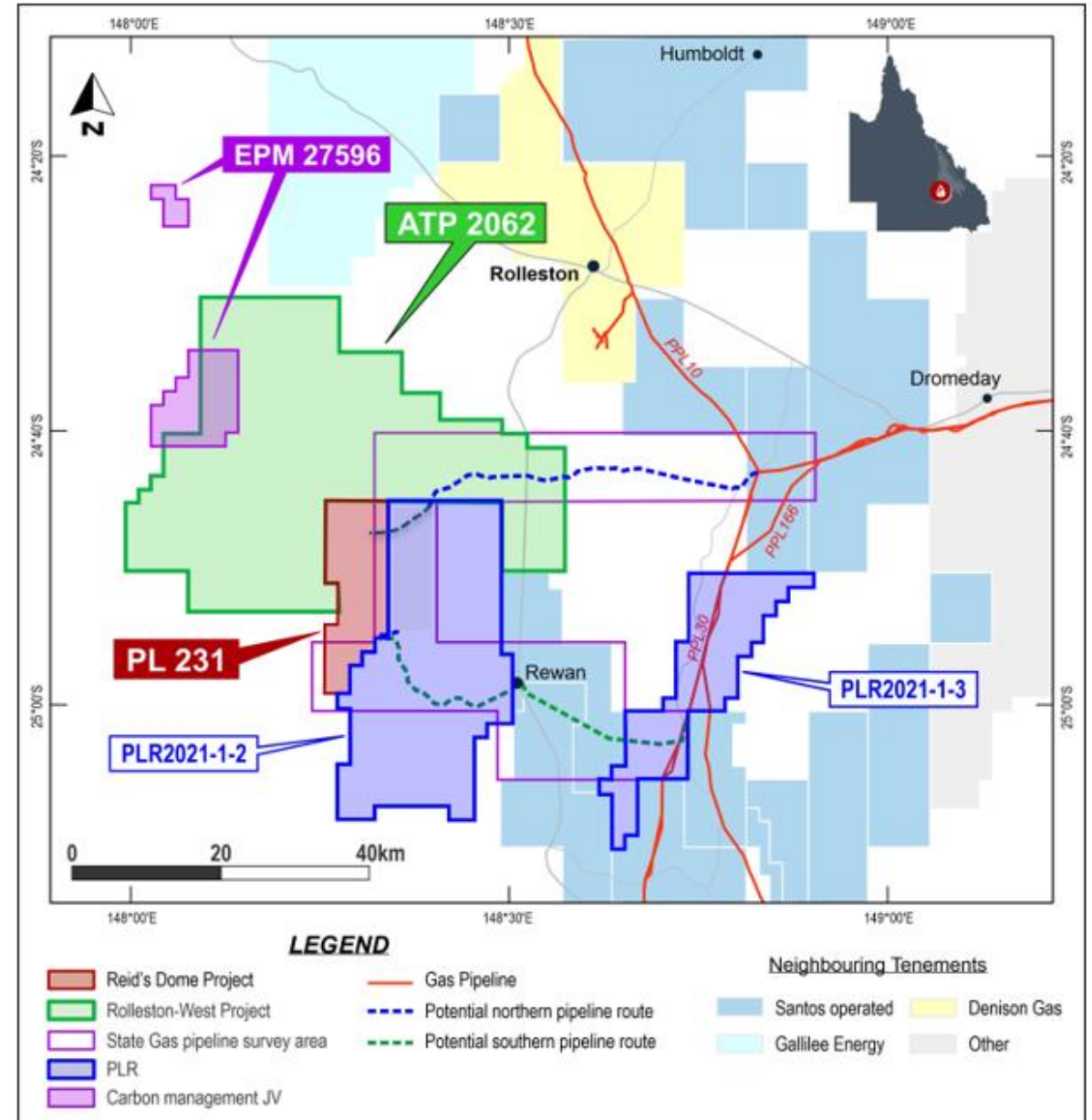
Block-3 State Gas Estimated Prospective Resources (100%)			
AREA	1C	2C	3C
Membrane (Bandanna CSG)	35 PJ	51 PJ	69 PJ
Huntly Deep (conventional gas)	2 PJ	15 PJ	37 PJ



Bandanna Formation Two-Way Time map showing prospect areas
(State Gas map)

A Path to Rapid Development

- Reid's Dome conventional gas
 - Pipeline quality gas, no produced water
 - Compression & dehydration the only "processing" required
- Small scale export pipeline
 - Lower pressure, lower cost
 - ~60km length
- Route through Rougemont area
 - Near pipeline quality gas
 - Enable early-stage sales
 - Minimise development infrastructure



The Path Forward

Confirm Pipeline



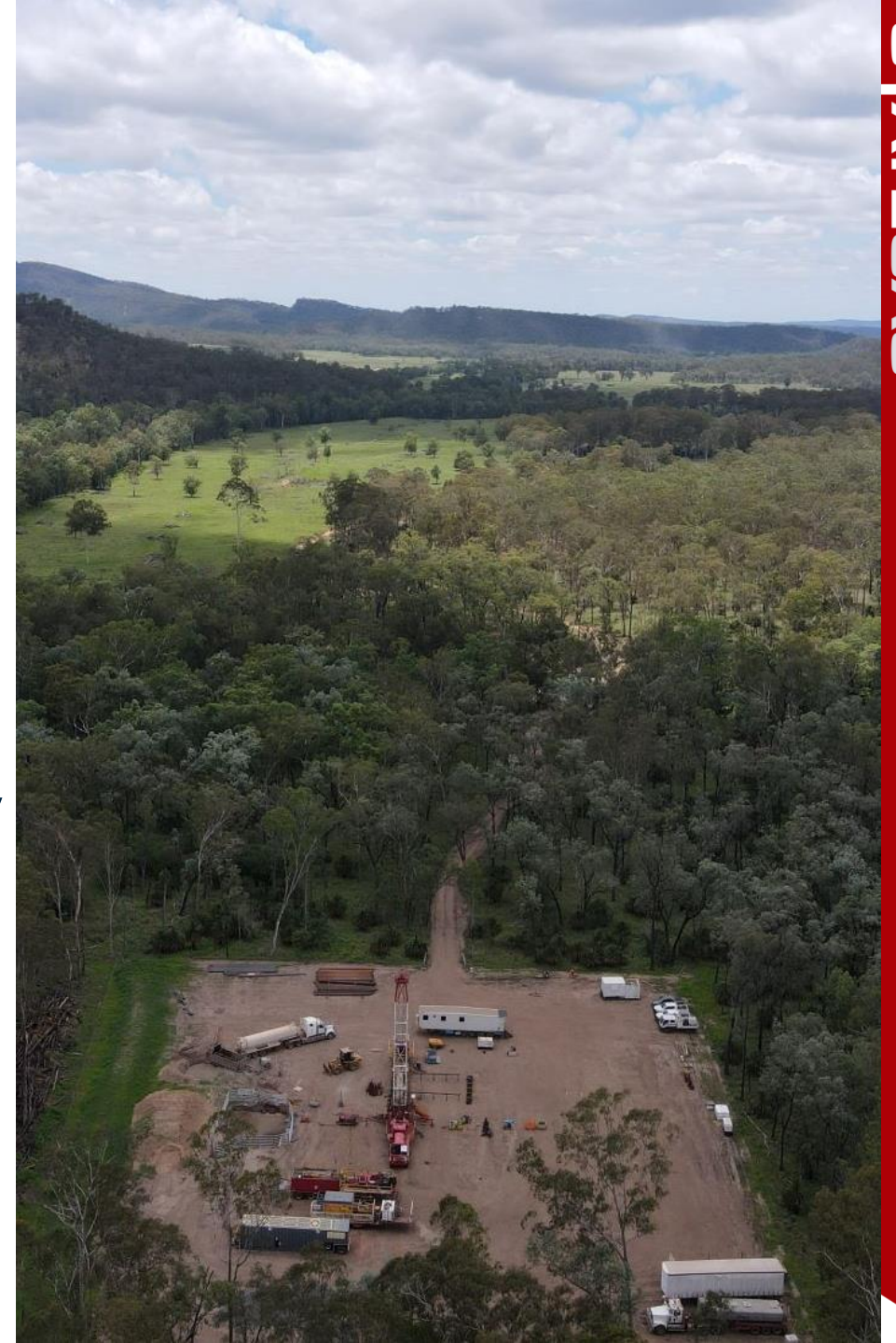
- Finalise route
- Design
- Permit

Confirm Rougemont potential



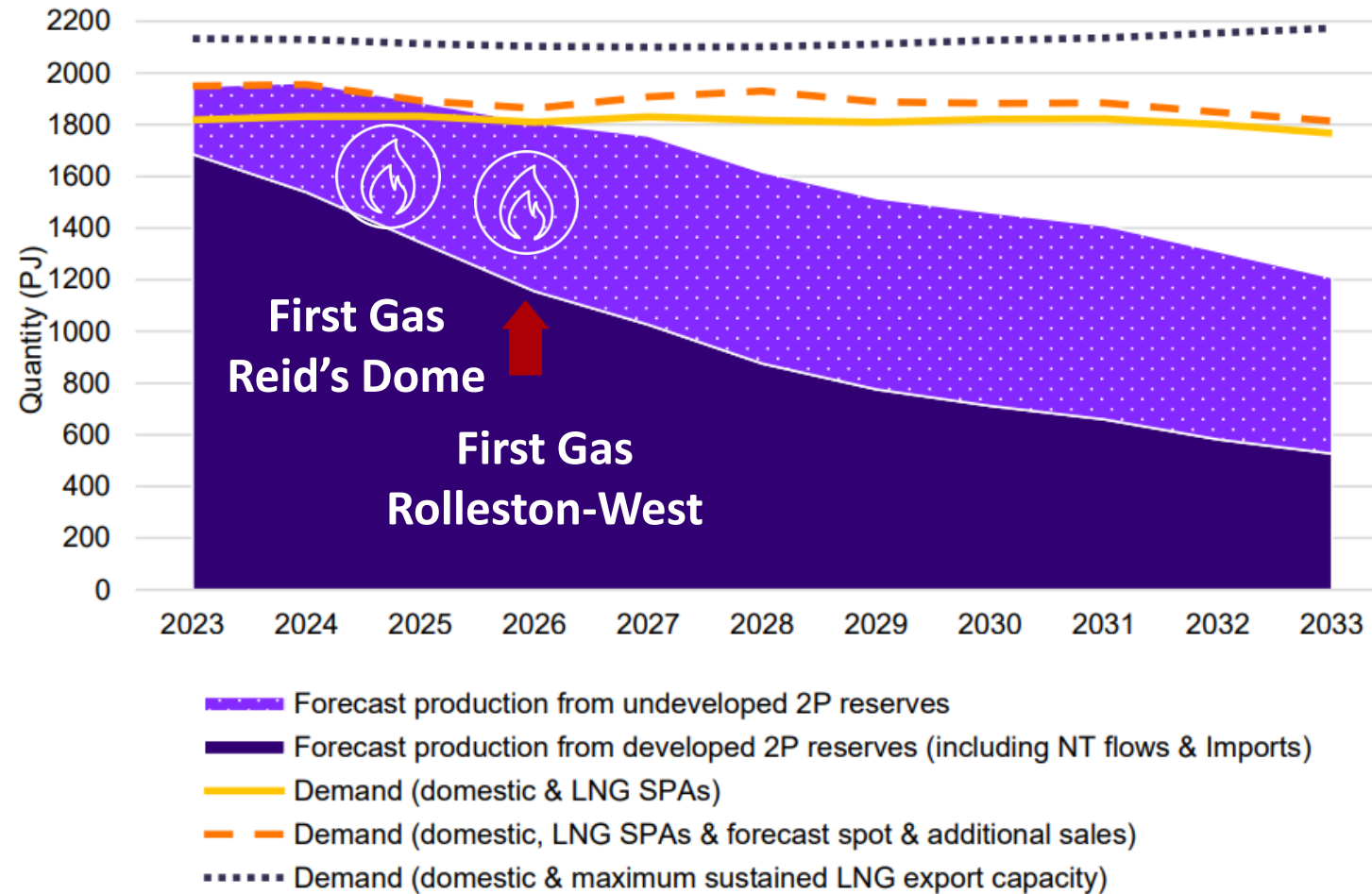
- New horizontal well
- Production test to confirm deliverability

Build,
Operate,
Sell



Supply-Demand & Indicative Timing

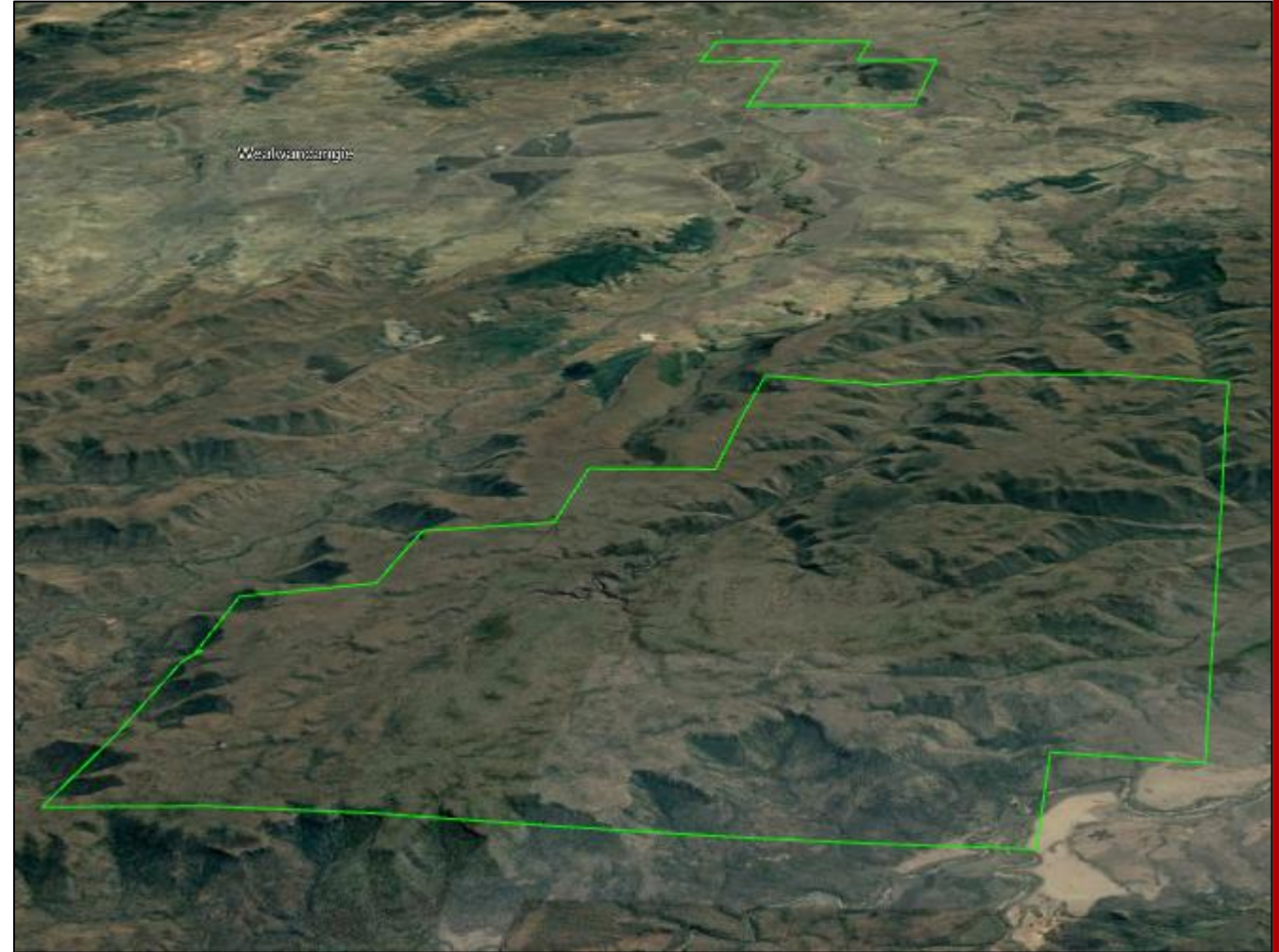
ACCC Forecast Gas Supply and Demand, Southern States



Source: ACCC Gas Inquiry January
2022 Interim Report

Carbon Management Project

- JV with minerals explorer Rockminolutions Pty Ltd
- Buckland Basaltic Formation
 - 70 km² area
 - 200 – 330 m thick
- Investigating decarbonisation options:
 - Advanced weathering
 - Low carbon cementitious material
 - In-situ carbon mineralisation (Carbfix process)
- Western edge of Rolleston-West Project
- Drilling of 2 x ~300m chip holes in 2022



The Buckland Basaltic Formation and EPM27596

"With nearly 400 PJs of geographically blessed 3C Resource in a tight gas market, State Gas' task is to convert that resource into reserves in time to address the upcoming national gas shortage."

Richard Cottee

Executive Chairman State Gas



Appendix – Competent Person Statement

Competent Person Statement and ASX Listing Rules Chapter 5 - Reporting on Oil and Gas Activities

The estimate of Reserves and Contingent Resources for the Reid's Dome and Rougemont Gas Projects provided in this Presentation, is based on, and fairly represents, information and supporting documentation prepared by Mr James Crowley in accordance with Petroleum Resource Management System guidelines.

Mr Crowley is a full-time employee of State Gas, and is a qualified person as defined under the ASX Listing Rule 5.42. Mr Crowley holds a Bachelor of Science (Honours) from Macquarie University, Sydney and has over 36 years' experience in the industry. He is a member of The Petroleum Exploration Society of Australia and The Society of Petroleum Engineers. Mr Crowley has consented to the publication of the Contingent Resource estimates and the Prospective Resource estimates for the Reid's Dome and Rougemont Gas Projects in the form and context in which they appear in this Presentation.

The Contingent Resource estimates for the Reid's Dome and Rougemont Gas Projects, of which State Gas holds 100%, were estimated utilising the probabilistic method and have not been adjusted for commercial risk.



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