

QGC News

QGC is a leading Australian coal seam gas explorer and producer focused on developing its world-class reserves for domestic and international supply.

A priority project of QGC, the Queensland Curtis LNG Project (QCLNG) represents a major investment in Queensland's coal seam gas industry to unlock new supplies of cleaner hydrocarbon energy for domestic and export markets.

The Project will transport coal seam gas from the Surat Basin in southern Queensland via a 380km buried pipeline to Gladstone, where it will be turned into liquefied natural gas at a plant on Curtis Island.

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Welcome

Welcome to the August edition of QGC News, designed to keep you informed about the Queensland Curtis LNG Project (QCLNG) and QGC – and to encourage your feedback on QGC's activities.

In this newsletter you will read that QGC has achieved a number of significant milestones during the second quarter of 2009, cementing the company as a leading Australian coal seam gas explorer and producer.

Environmental Impact Statement lodged

QGC has lodged with the Queensland Government an Environmental Impact Statement (EIS) for the QCLNG Project, one of Australia's largest capital investments and one that will unlock new supplies of cleaner energy for domestic and export markets.

QCLNG was declared a "significant project" requiring environmental approvals by the Queensland and Australian governments in July 2008.

QGC has prepared the EIS against the Terms of Reference provided by both governments. This involved extensive studies and comprehensive consultation with more than 5,000 stakeholders throughout the Project area who have helped QGC identify opportunities to maximise project benefits, understand the extent of potential impacts and develop appropriate mitigation strategies to ensure the Project is environmentally and socially acceptable.

This newsletter provides information on the EIS and on how you can participate in its review. QGC values your thoughts, queries and knowledge for input which will play an important role in the assessment process and our project planning.



Hooking up with anglers

QGC supported Gladstone and the region's favourite pastimes – fishing and boating – over the Queen's Birthday long weekend by sponsoring one of Australia's biggest angling competitions.

The 2009 Boyne-Tannum HookUp fishing competition drew about 4,000 anglers and 12,000 spectators to the region. It is estimated to have injected more than \$1 million into the local economy and to have raised tens of thousands of dollars for charity. The event, which started 12 years ago, is the subject of one of QGC's first sponsorships in Gladstone. The sponsorship demonstrates QGC's commitment to supporting an activity that gives the people of the Gladstone Region great pleasure. Next year the company hopes to reel in a QGC team.



Picture courtesy of Gladstone Observer



Drama At The Gasfields

In late March QGC staged its third Drama At The Gasfields event to great applause.

About 2,500 people from Chinchilla, Miles, Tara, Dalby and further afield enjoyed the free rides and entertainment, topped by La Boite Theatre Company's production of *Opportunity* – a homage to the career of nationally acclaimed singer/songwriter and local Chinchilla boy Pete Murray.

It was a fun and exciting day with enthusiastic participation by the local communities and school children. The event was enjoyed by all, including QGC employees.

QGC intends to continue this popular annual event, which has become a must-see for many adults and children in the Surat Basin. If you have not seen the DVD of the event or picked up a free copy, it can be viewed at www.qgc.com.au. Look for the Drama At The Gasfields logo on the homepage.

CNOOC deal

In May QGC's parent company, BG Group, announced that it had signed a liquefied natural gas (LNG) Project Development Agreement with one of China's leading integrated energy companies, China National Offshore Oil Corporation and its affiliates (CNOOC), focused on the Queensland Curtis LNG Project.

Under the agreement, CNOOC will purchase 3.6 million tonnes per annum (mtpa) of LNG for period of 20 years from the start-up of QCLNG.



The Project is now firmly underpinned by global LNG supply agreements with partners and customers in Chile, Singapore and China accounting for up to 8.3 mtpa.

This agreement is another important milestone in the development of the Project, which is on track to produce first LNG for delivery in 2014.

A major investment in Queensland

The QCLNG Project represents a major investment to unlock Queensland's vast resources of coal seam gas, creating new supplies of clean energy for at least two decades.

The Project involves:

- Expanding QGC's coal seam gas production in the Surat Basin in southern Queensland, including wells, compression and processing infrastructure, a collection header and associated water management infrastructure
- A network of underground pipelines, including a 380 km buried export pipeline from the Surat Basin in southern Queensland to Gladstone
- A liquefied natural gas (LNG) processing plant at Curtis Island off the coast of Gladstone
- LNG shipping operations to load the LNG and ship cargoes to global export markets

The first stage will produce 7.4 million tonnes of liquefied natural gas a year from two processing units, referred to as "trains", on Curtis Island. QGC is seeking approval for production of up to 12 million tonnes of LNG a year. Construction is expected to begin in 2010, with first LNG for delivery in 2014.





Benefits

The QCLNG Project, one of Australia's largest capital infrastructure projects, will generate significant economic benefits for Queensland and Australia.

Key Project benefits include:

- Up to A\$30 billion in value added activity is expected to be generated in Queensland during the first eight years of project operation from 2014
- The provision of more than 4,000 jobs at peak construction and about 1,000 permanent jobs when operational
- Substantial value-added benefits for regional and national economies with approximately half the Project's capital expenditure sourced from within Australia.
- About \$2.4 billion in value-added activity in Queensland during the construction phase (2010 to 2013) and \$29.5 billion between 2014 and 2021
- A significant investment in gas extraction and transportation, offering greater opportunities for gas producers and increased choice for consumers

- Helping address climate change through the provision of new sources of natural gas, a cleaner and more efficient source of hydrocarbon energy with about half the carbon dioxide emissions of coal

Local communities

QGC is committed to ensuring local communities benefit from its presence on an enduring basis.

As a part of the EIS for the QCLNG Project, the business has completed a variety of social and economic assessments on the potential impact on communities. This included social and cultural profiling of communities as well as assessing the potential impact on housing, social infrastructure, community health and regional economics.

In terms of social infrastructure, QGC investigated community investment, development of local skills, provision of construction camps and management of worker behaviour.

QGC is also committed to going beyond formal compliance in its approach to indigenous issues. The Project has assessed potential impacts on

indigenous communities in the project area. We are in the process of developing Cultural Heritage Management Plans to safeguard Aboriginal cultural heritage areas and Indigenous Land Use Agreements (ILUAs), which include negotiation of a life-of-project benefits package with traditional owners and native title claimants. This involves regular, ongoing engagement with Traditional Owners, local indigenous people and organisations.



What's in the EIS

QGC has produced a 12-volume EIS document which details studies, findings and information on mitigation strategies on a variety of topics and how the business intends to incorporate the assessment outcomes into Project planning and design.

Topics of study include:

- Climate and climate change
- Topography and geomorphology
- Geology and soils
- Land use and infrastructure
- Land contamination
- Aquatic (freshwater) ecology
- Marine ecology
- Coastal environment
- Terrestrial ecology
- Surface water resources
- Ground water resources
- Associated water
- Air
- Noise and vibration
- Transport
- Shipping
- Visual amenity
- Waste management
- Hazard and risk
- Cumulative impacts of other projects in the study areas
- Social impacts such as housing, social infrastructure, community health and safety
- Regional economics
- Indigenous relations, native title and cultural heritage



Public exhibition

An essential element of our business is listening to communities and taking account of their interests. The environmental and social impact assessment process has involved thorough consultation with communities.

The EIS has been submitted to the Queensland Government and is now subject to a public review process. For more information visit the QCLNG website at www.qclng.com.au.

During this time stakeholders and the general public are encouraged to review the EIS and provide comment via submissions to the Coordinator-General on the Project, its impacts and mitigation strategies. This will ensure that we understand your concerns as we strive to maximise Project benefits for Queensland and Australia.

To ensure stakeholders are fully informed about the Project, QGC has made the EIS available at a variety of public venues throughout the Project study areas and will hold community information sessions. To find a session near you, see the following page.



Have your say

There are a number of ways stakeholders can provide feedback during the public exhibition period.

Read the EIS

An executive summary and full copy of the EIS can be downloaded via www.qclng.com.au or www.dip.gov.au/projects/energy/gas

A copy of the EIS can also be viewed at:

- Chinchilla – Dalby Regional Council Customer Service Centre, 80-86 Heeney Street
- Dalby – Dalby Regional Council, 107 Drayton Street
- Miles – Dalby Regional Council Customer Service Centre, 29 Dawson Street
- Tara – Dalby Regional Council Customer Service Centre, 19 Fry Street
- Wandoan – Wandoan Library, 6 Henderson Road
- Roma – Roma Community Arts Centre, 38-44 Hawthorne Street
- Eidsvold – Eidsvold Library, 36 Moreton Street
- Monto – Monto Library, 50 Newton Street
- Biloela – Biloela Library, corner of Grevillea and Milton streets
- Calliope – Calliope Library, Don Cameron Drive
- Boyne Island – Boyne Island Library, corner of Wyndham and Hayes avenues
- Gladstone – QCLNG Project office, 172 Goondoon Street
- Brisbane – QGC headquarters, 275 George Street

- Brisbane – State Library of Queensland, Cultural Centre, Stanley Place, South Bank
- Australian Capital Territory – Department of Environment, Water, Heritage and the Arts Central Library, Ground Floor, John Gorton Building, King Edward Terrace, Parkes

A copy of the executive summary or a DVD copy of the EIS can be obtained upon request by contacting QGC on **1800 030 443** or community@qgc.com.au

Attend a community information session

QGC representatives will be available to talk with and answer questions from stakeholders at community information sessions which will be held in:

- Gladstone - QCLNG Project Office, 1/172 Goondoon Street, Thursday 3 September, 5.30pm - 8.00pm
- Curtis Island - Capricornia Lodge, 31 Seaview Esplanade, Saturday 5 September, 10.00am - 12.30pm
- Chinchilla - Chinchilla RSL Memorial Club, 61 Heeney Street, Wednesday 9 September, 5.30pm - 8.00pm
- Miles - Leichhardt Centre, corner of Marian and Dawson Streets, Thursday 10 September, 11.00am - 1.30pm
- Dalby - Dalby RSL Memorial Club, 69 Drayton Street, Thursday 10 September, 5.30pm - 8.00pm
- Tara - Tara Memorial Soldiers Hall, Fry Street, Friday 11 September, 10.00am - 12.30pm
- Eidsvold - Community Hall, 54 Moreton Street, Friday 18 September, 12.00pm - 2.30pm
- Biloela - Biloela Civic Centre, corner Rainbow and Prairie Streets, Saturday 19 September, 9.00am - 11.30am

Make a submission to the Department of Infrastructure and Planning

The Department of Infrastructure and Planning (DIP) manages the EIS process of behalf of the Coordinator-General.

The Coordinator-General will consider all properly made submissions to determine if additional information about the EIS or the Project is required.

All EIS submissions are public documents and copies will be provided to QGC for consideration and, where appropriate, incorporation into the final EIS as a supplementary document.

If you would like to make a formal submission, DIP requires the following format to be followed:

- Clearly state the matter(s) of concern or interest
- Reference the relevant section(s) of the EIS
- Provide factual information relied upon and its source
- Provide what measures you consider would be appropriate to improve the proposal
- Provide sketches or diagrams if they assist to clarify your submission
- Ensure the submission is legible

All submissions must be made to the Coordinator-General. Further information can be found at www.dip.qld.gov.au/projects or contact the DIP's Infrastructure and Development Group on **07 3224 4736**.

