

14 October

Arrow Energy commences EIS for Surat Gas Project.

Arrow Energy plans to expand its operations in Queensland's Surat Basin with a major coal seam gas exploration, development and production project.

The proposed **Surat Gas Project** is expected to meet the growing demand for gas supplies to both domestic and potential export markets. Areas covered by the Project include Arrow's existing gas production fields at Tipton West, Daandine, Stratheden and Kogan North near Dalby, and a broader area extending from Wandoan to Dalby and south to Millmerran and Goondiwindi, in which Arrow holds petroleum tenure and environmental approvals for exploration (see map overleaf).

The Project will be Arrow's largest gas exploration, development and production project in the Surat Basin. Initially, the Project will involve the staged development of approximately 1,500 production wells and associated infrastructure in an area with known gas reserves adjacent to Arrow's existing Surat fields. Arrow's initial investment in the region, including the development of a pipeline between the Surat Basin and Gladstone, is likely to exceed \$1.5 billion. Further development is planned as domestic and export expansion opportunities arise in the energy market.

"Arrow expects to significantly increase its current workforce in the area and the Project will add significantly to regional economic growth and domestic reserves of natural gas," said Arrow Energy CEO (Australia), Shaun Scott.

"We believe that gas is the energy of the future, and will play an important role in meeting national and global demands for cleaner energy.

"Arrow's plans include ongoing and increased supply to the Queensland domestic gas market, and potential supply to the Gladstone LNG Project at Fisherman's Landing and the Shell Australia LNG Project on Curtis Island," he said.

Coal seam gas is a naturally occurring gas which has been trapped in coal beds by water and ground pressure. Arrow already supplies more than 20 percent of Queensland's overall annual gas consumption of around 160 petajoules (PJ) via current field developments in the Surat Basin and Bowen Basin. The company's estimated gross resource in the Surat Basin is 12,400 PJ.

Mr Scott said a voluntary Environmental Impact Statement (EIS) is being prepared for the Surat Gas Project to ensure that all potential environmental, social and economic impacts are identified and addressed in a manner transparent to all stakeholders.

Mr Scott said Arrow had an established operational base in Dalby and was committed to working with landowners and local communities at every stage of the proposed Project. The EIS will ensure that all stakeholder views about the Project are heard and considered during the project planning and approval process.

A comprehensive community engagement program is planned, where public displays will be held in major centres across the Surat Basin. In the meantime, interested people can learn more about coal seam gas, the proposed Surat Gas Project and the EIS process by contacting:

Project information line: Freecall 1800 038 856 / Web: www.arrowenergy.com.au /
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ENDS

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