



Landholder compensation

July 2016

Arrow Energy is committed to coexistence and creating successful partnerships with landholders.

Arrow has developed a compensation framework for landholders that recognises potential impacts of coal seam gas (CSG) operations on their property. It considers the value of different farming and agricultural production systems.

Through listening to landholders, Arrow has ensured the framework reflects what landholders consider to be important – the value of their land, the level of disturbance and intensity of development on their land.

Importantly, Arrow will work with every landholder to ensure they have close involvement in determining the location of infrastructure on their land.

CSG operations can add an additional regular income stream for landholders, without capital expense.

How the payments work

Compensation is categorised into three payment types.

When a Conduct and Compensation Agreement (CCA) is signed, an initial payment makes consideration of:

- the improved land value of the directly impacted areas
- management time
- reasonable and necessarily incurred professional fees for the CCA negotiations.

A CCA is an agreement between the landholder and Arrow that outlines the agreed conduct and compensation arrangements. Arrow complies with the regulatory framework to compensate reasonable and necessary professional costs for negotiating or preparing a conduct and compensation agreement.

At the construction phase, a payment for the construction period makes consideration of:

- the loss of land use of the directly impacted area during construction activities
- the increased levels of disturbance during construction
- management time.

An annual ongoing payment makes consideration of:

- the loss of land use of the directly impacted area during operation and maintenance activities
- the disturbance during operational and maintenance activities
- management time.

This framework applies to all exploration, appraisal and production activities. Arrow seeks to negotiate with landholders in good faith.

Landholders seeking more information about Arrow's compensation methodology should contact their land liaison officer or:

Freecall: 1800 038 856

Email: info@arrowenergy.com.au

Mail: GPO Box 5262, Brisbane QLD 4001

Find out more online www.arrowenergy.com.au

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