PESA Production and Development Year in Review

decisions with confidence

APPEA Conference May 2023

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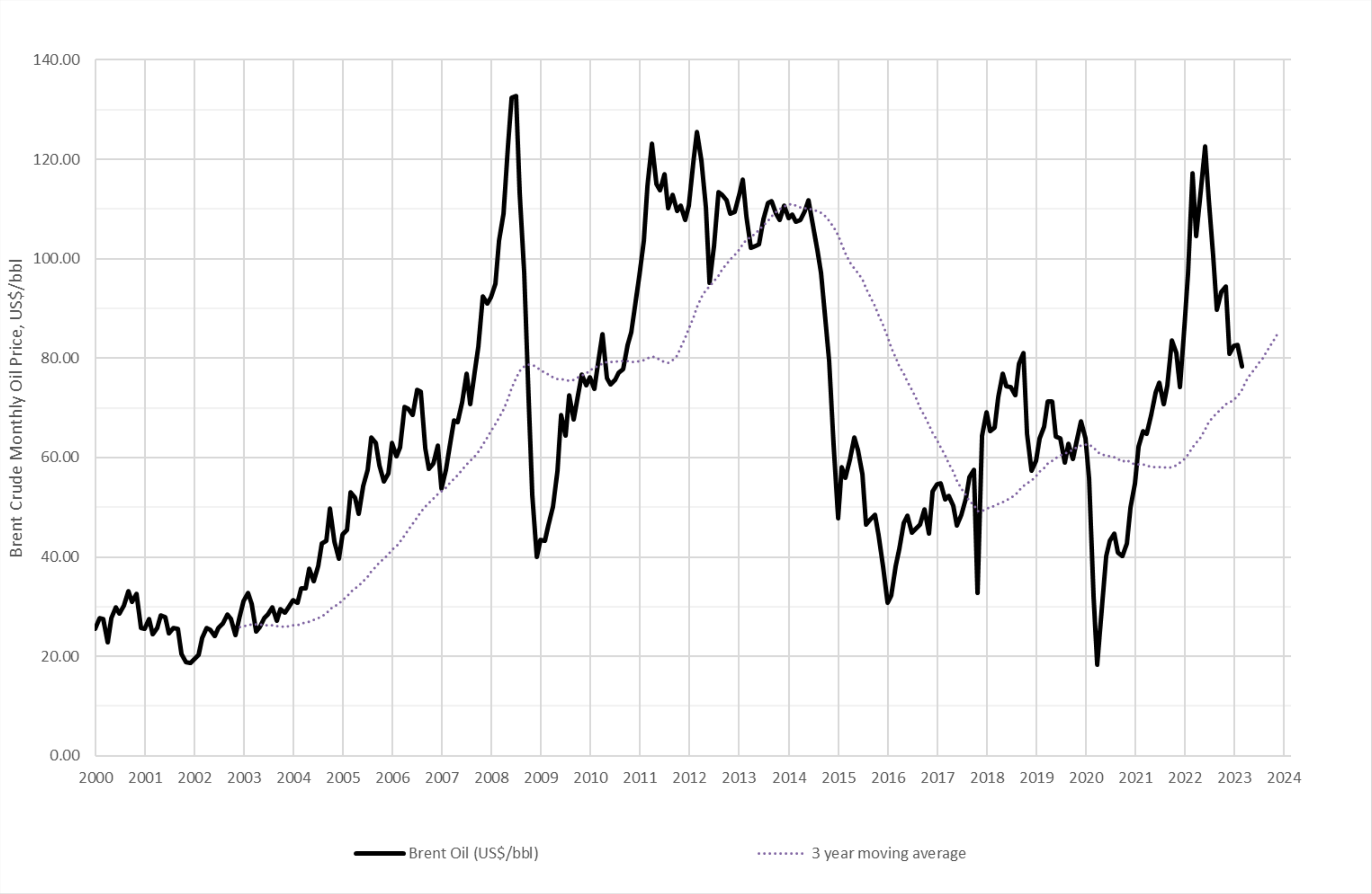
We acknowledge the support and assistance of GlobalData and their data gathering and compilation, without which this review would not have been possible.

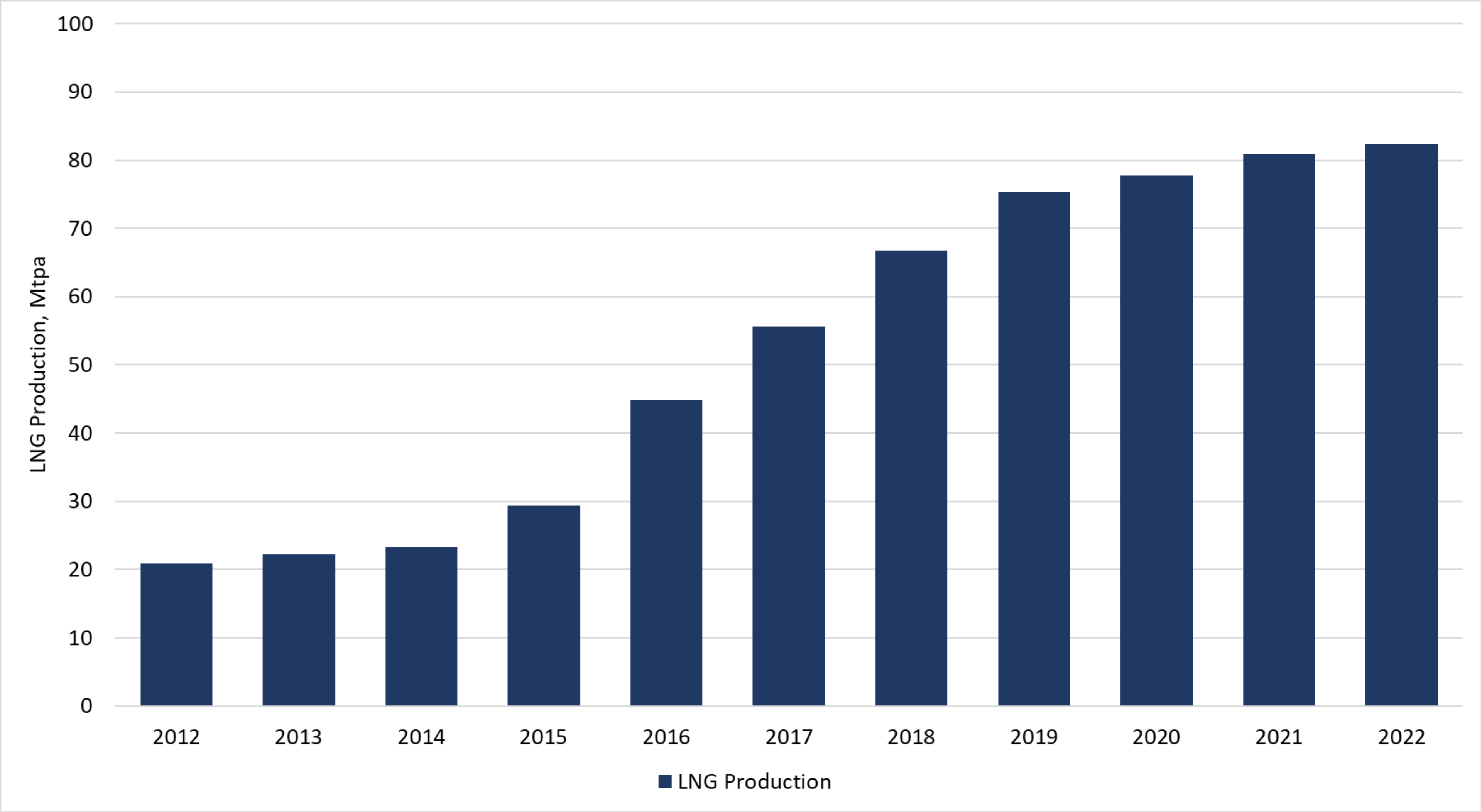
- Production data obtained from GlobalData under licence.
- Production data obtained from AEMO Gas Bulletin Board.
- Emissions data sourced from the Clean Energy Regulator.

Oil price remained high in 2022

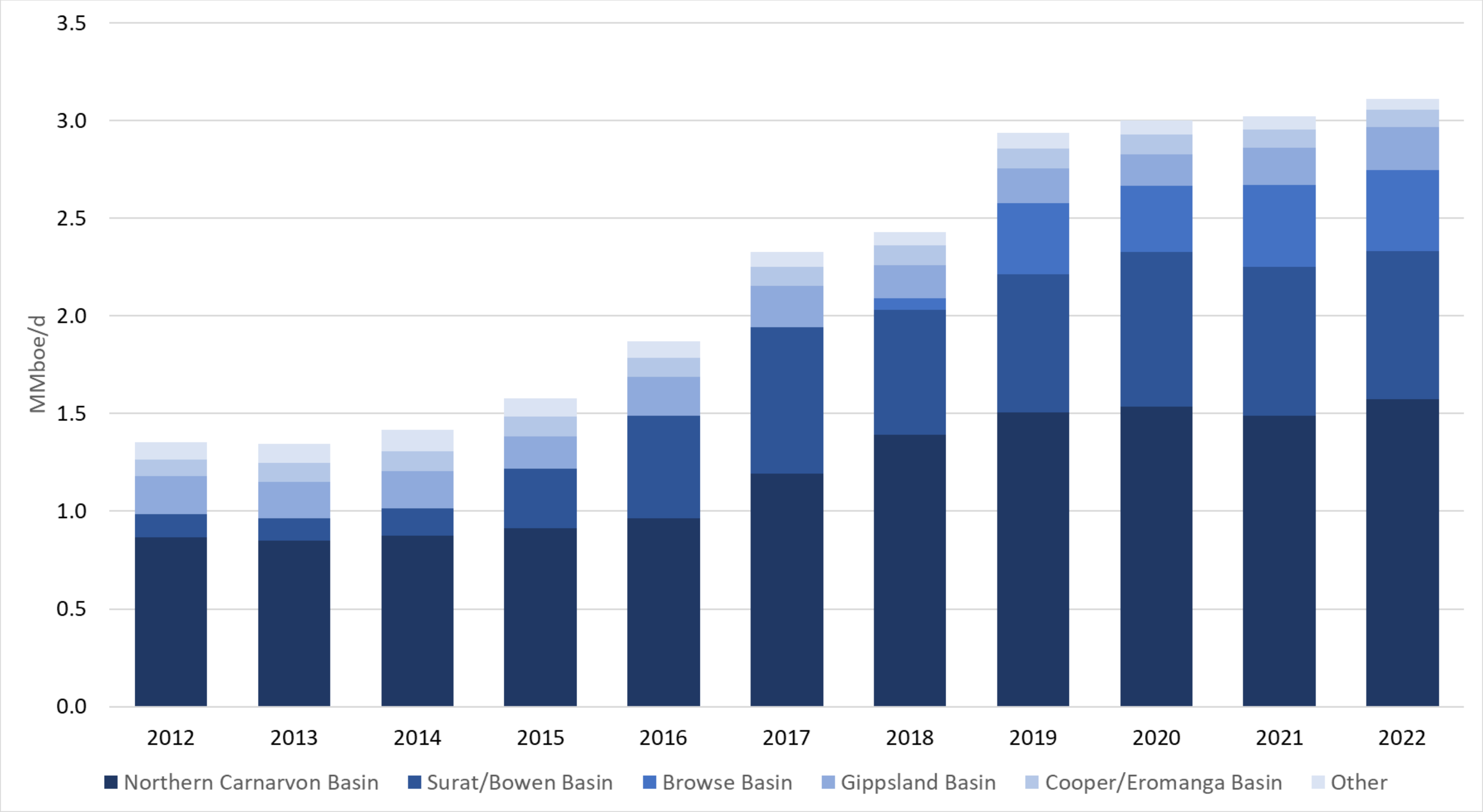
- Invasion of Ukraine in February 2022



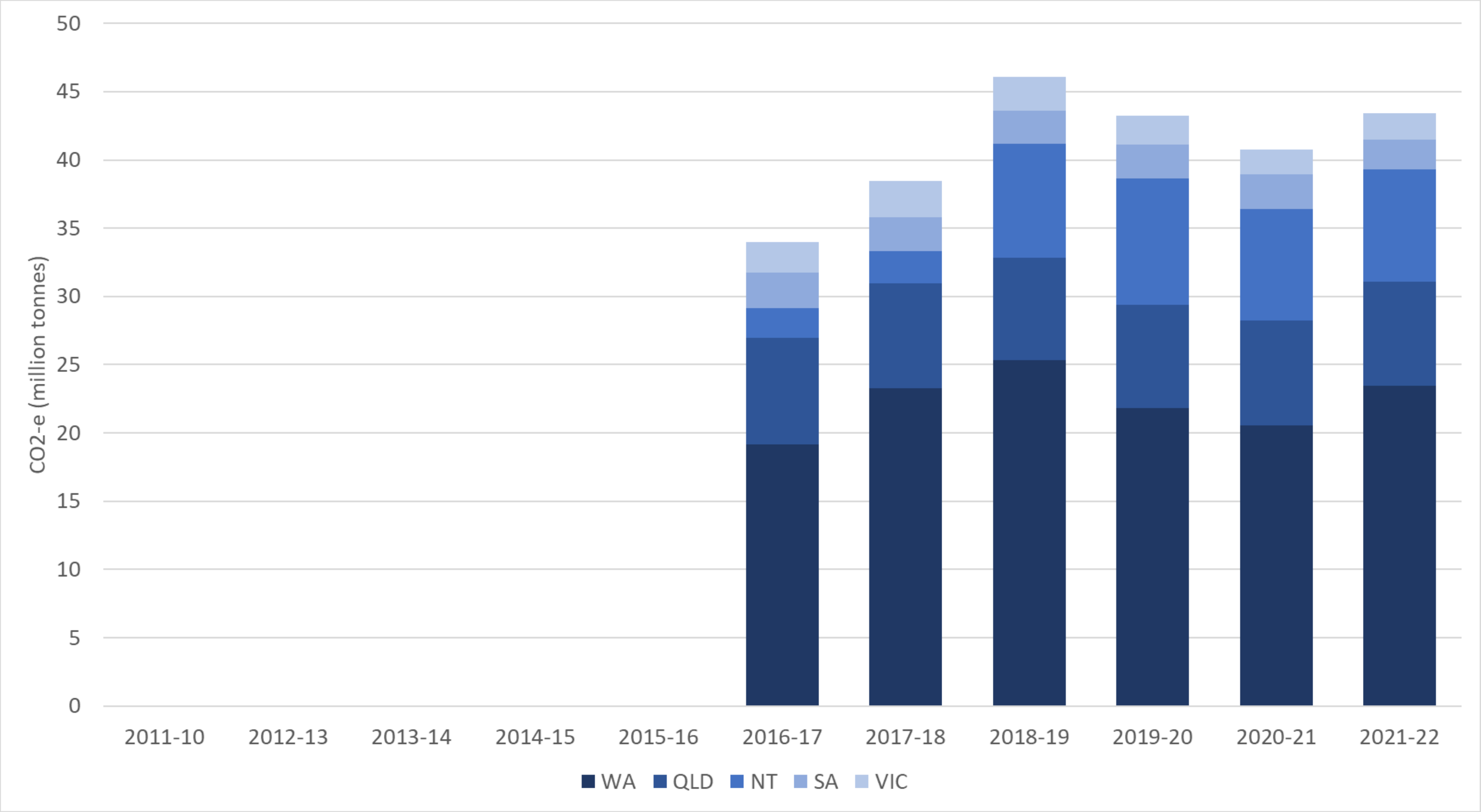
LNG Production broke the 2021 record…just



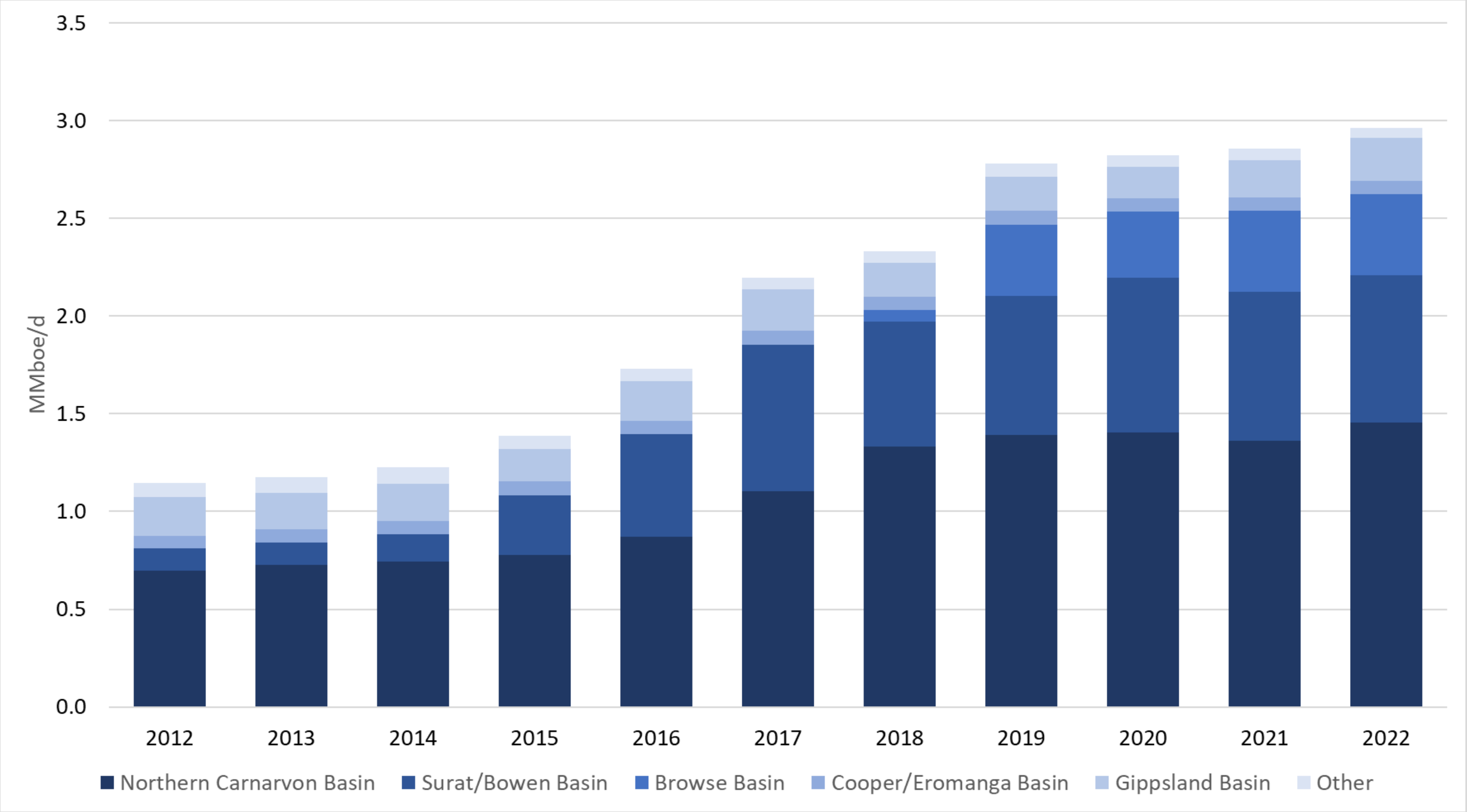
LNG still dominates overall production



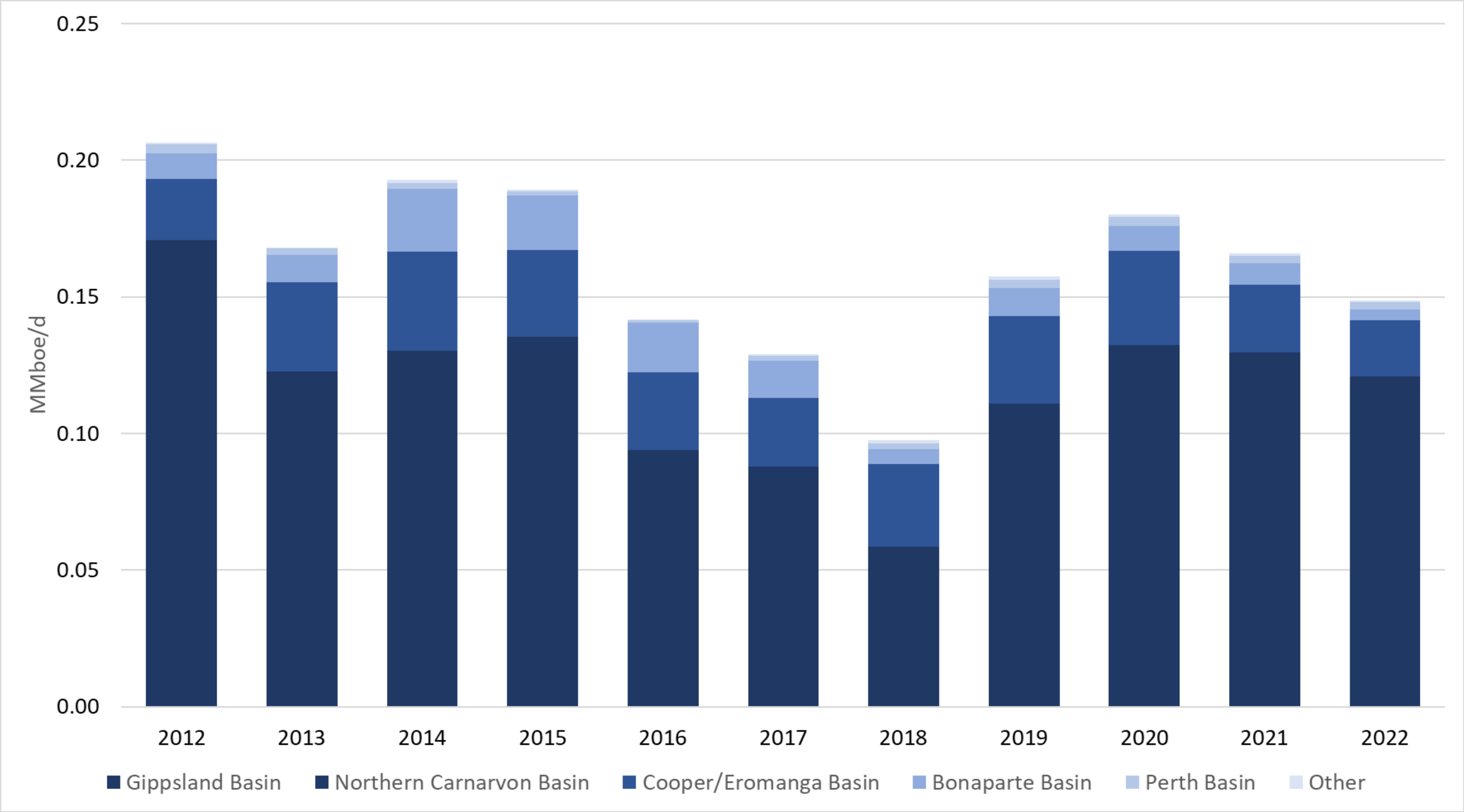
Emissions


CO2-e (million tonnes)
50
45
40
35
30
25
20
15
10
5
0
2011-10
2012-13
2013-14
2014-15
2015-16
2016-17
2017-18
2018-19
2019-20
2020-21
2021-22
WA
QLD
NT
SA
VIC

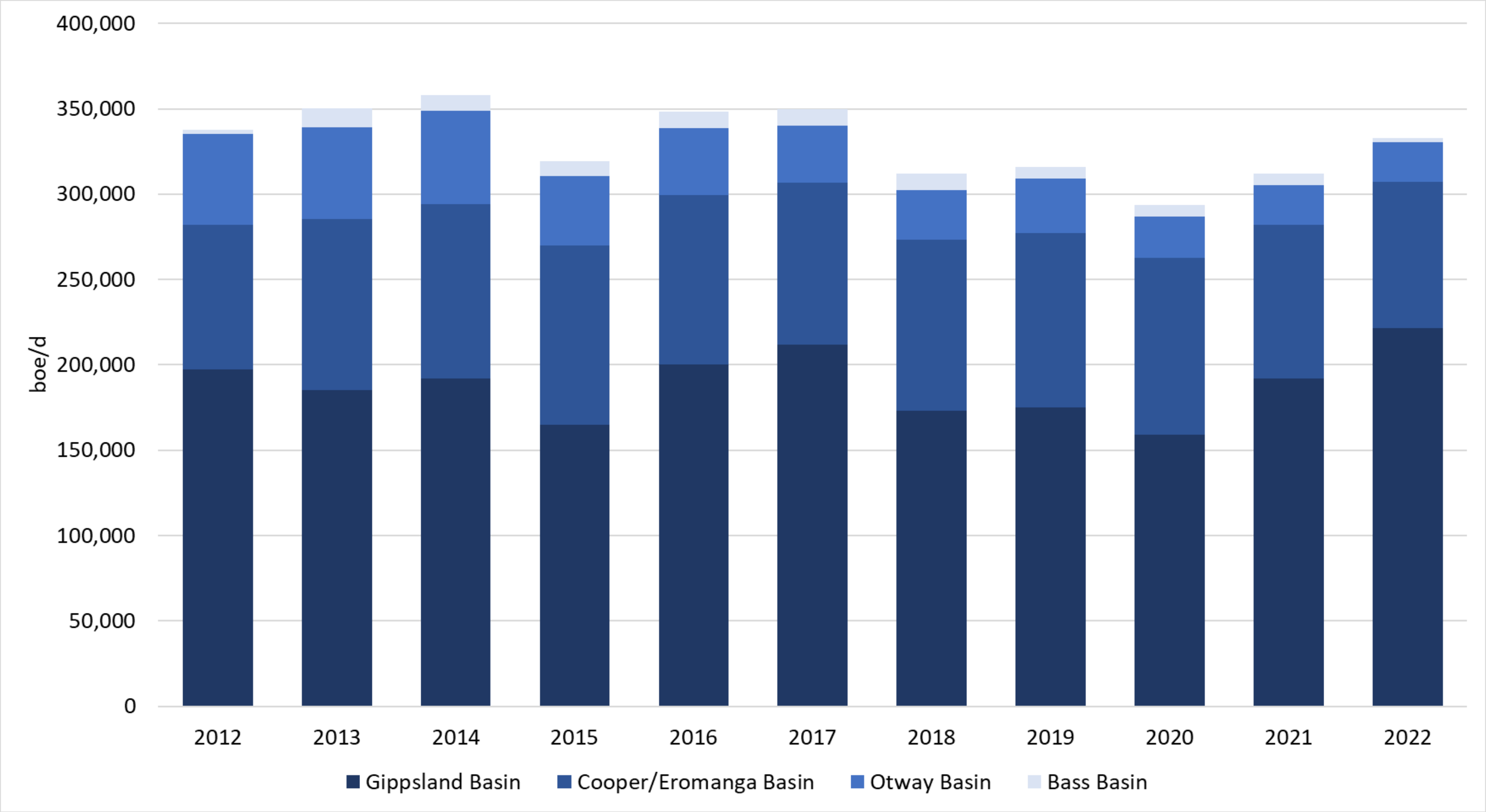
Gas Production still dominates



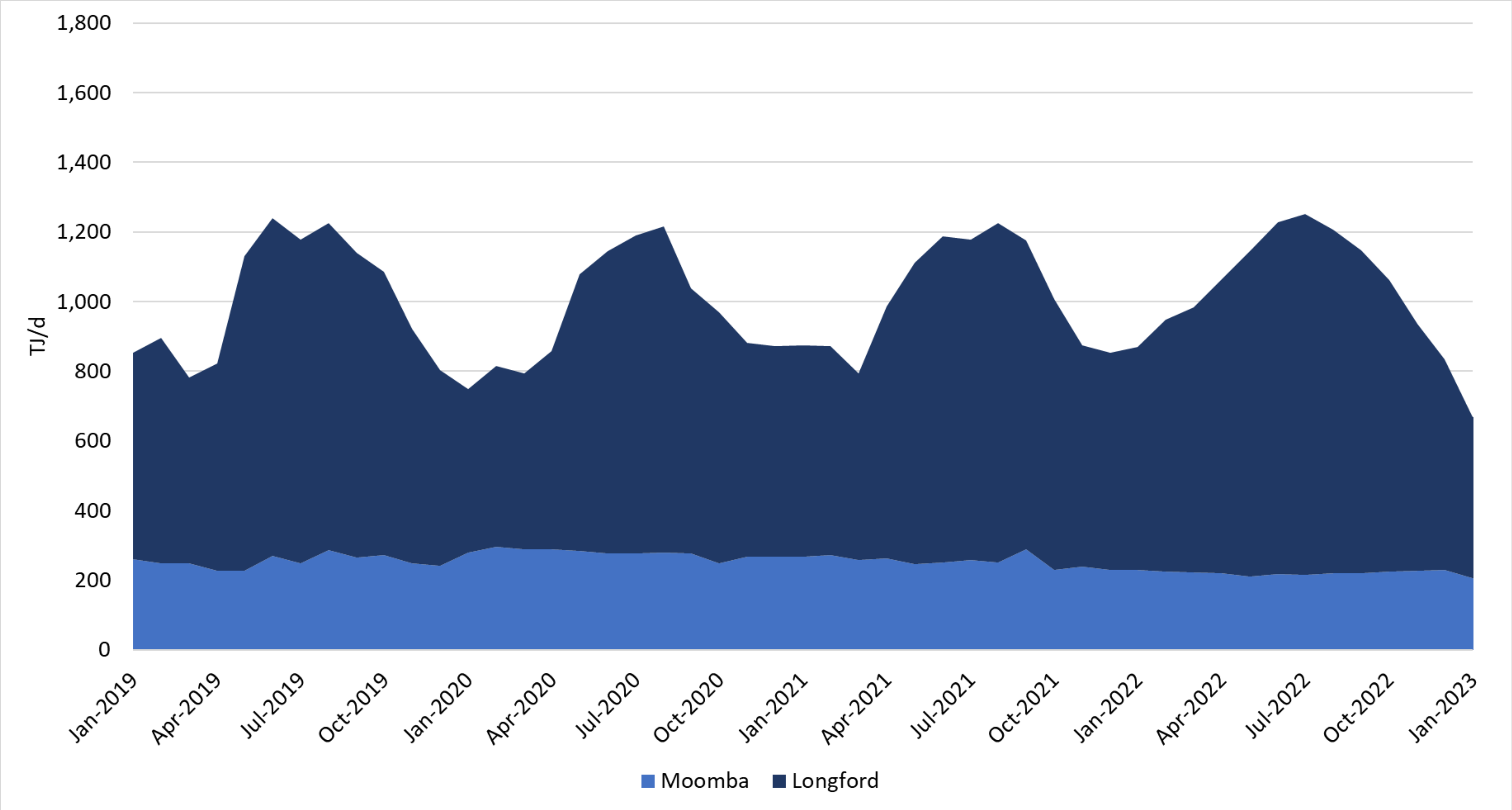
Oil continued its decline



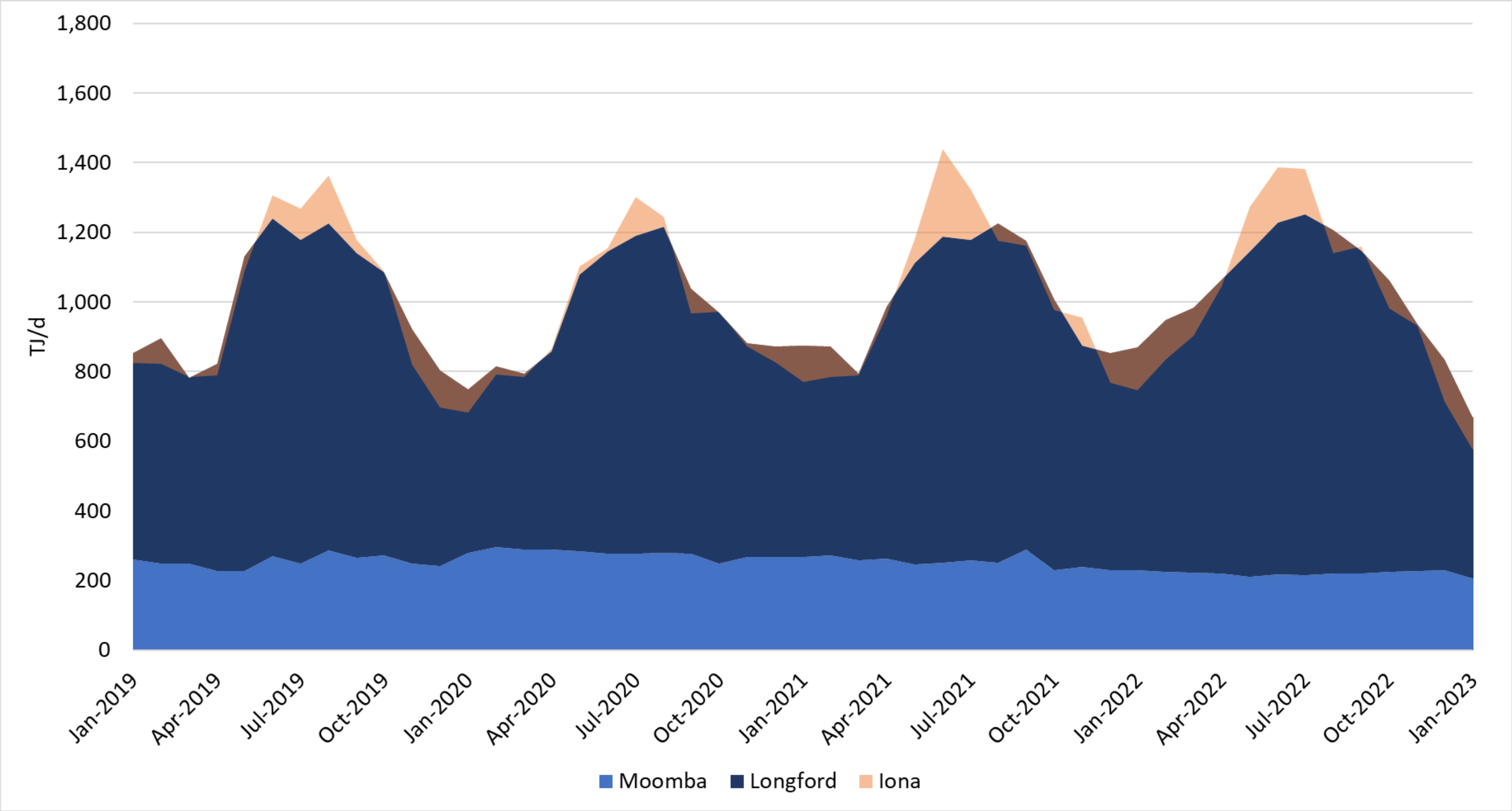
Southeast Supply



Seasonality of production in the Southeast



Iona storage consumes/injects in summer, produces in winter.



Moomba gas destination is seasonal

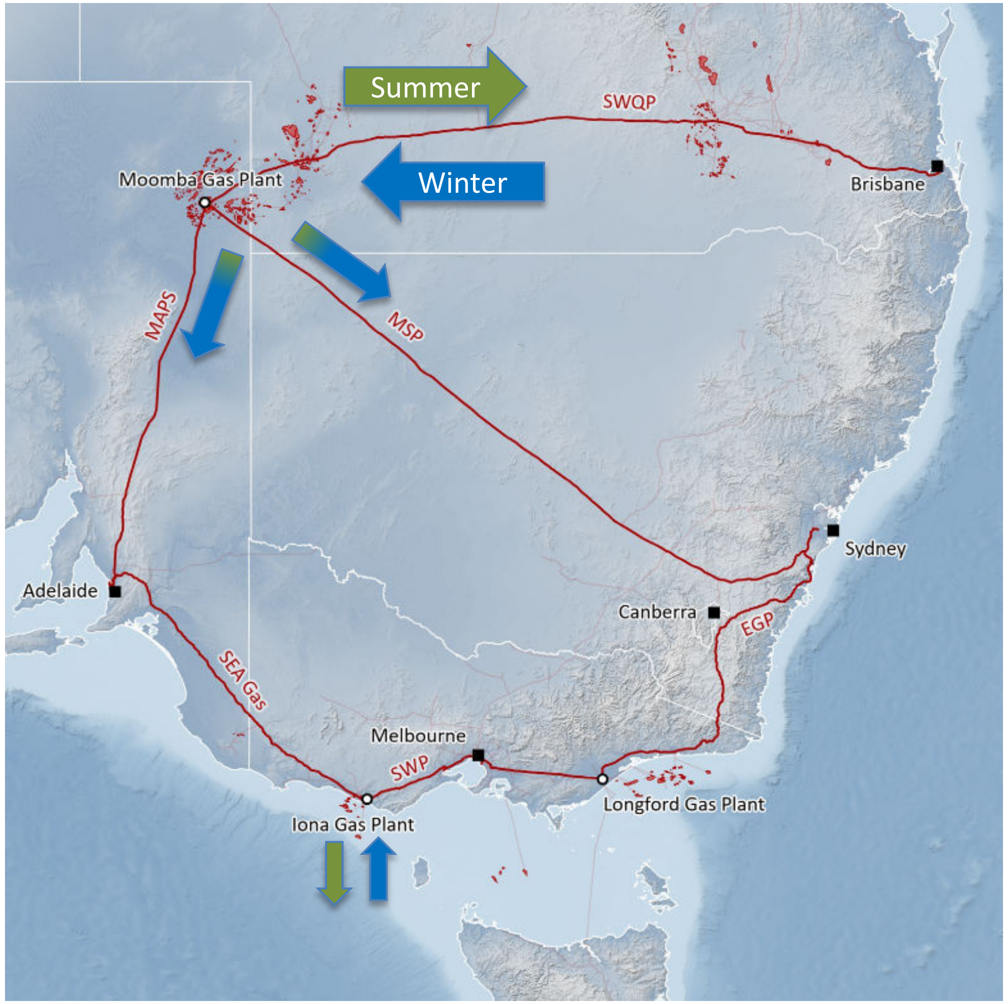
In summer Moomba sends gas to QLD
In winter QLD sends gas south via Moomba

Summer

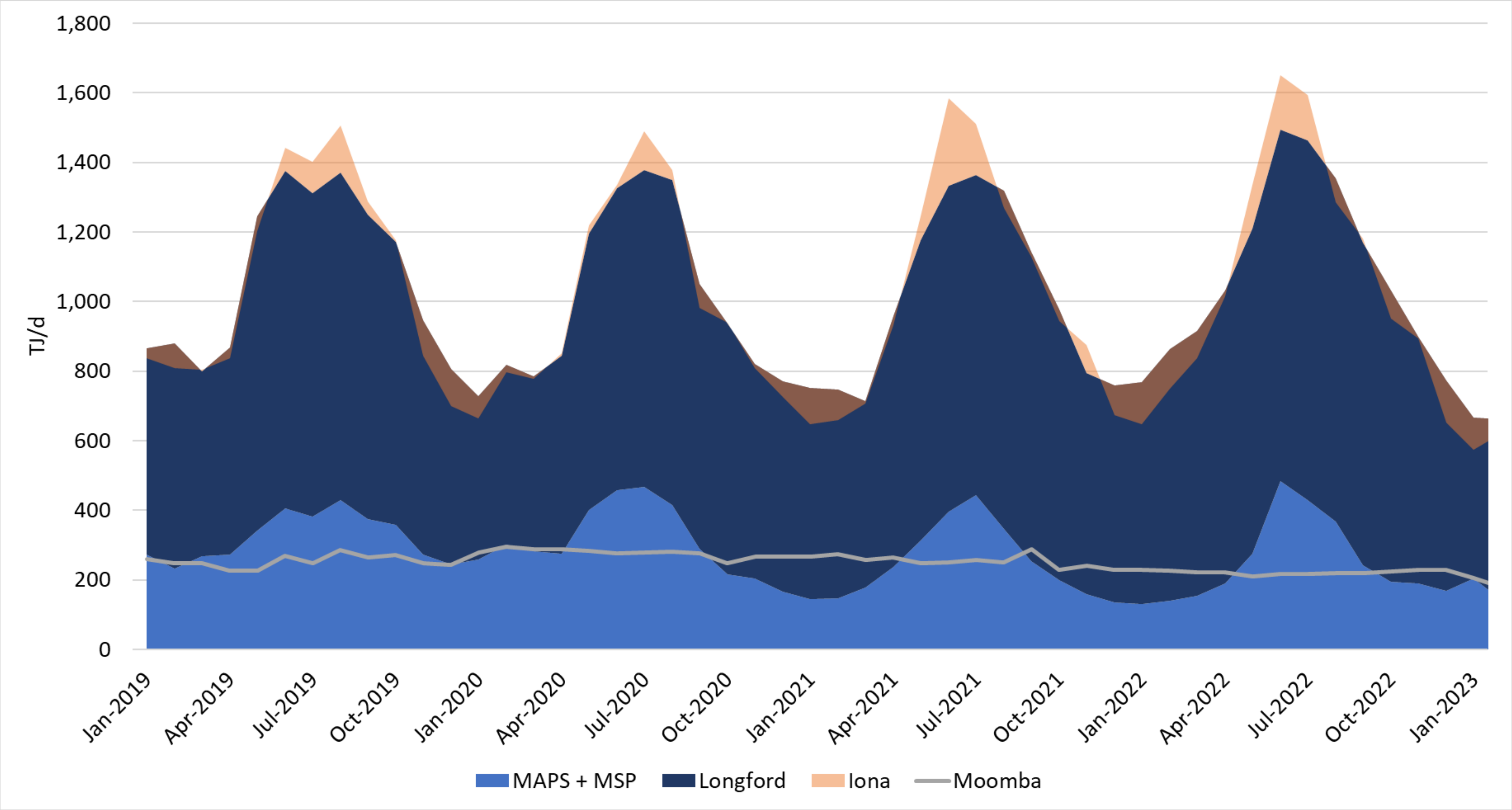
- Moomba sends gas to MAPS, MPS and SWQP

Winter

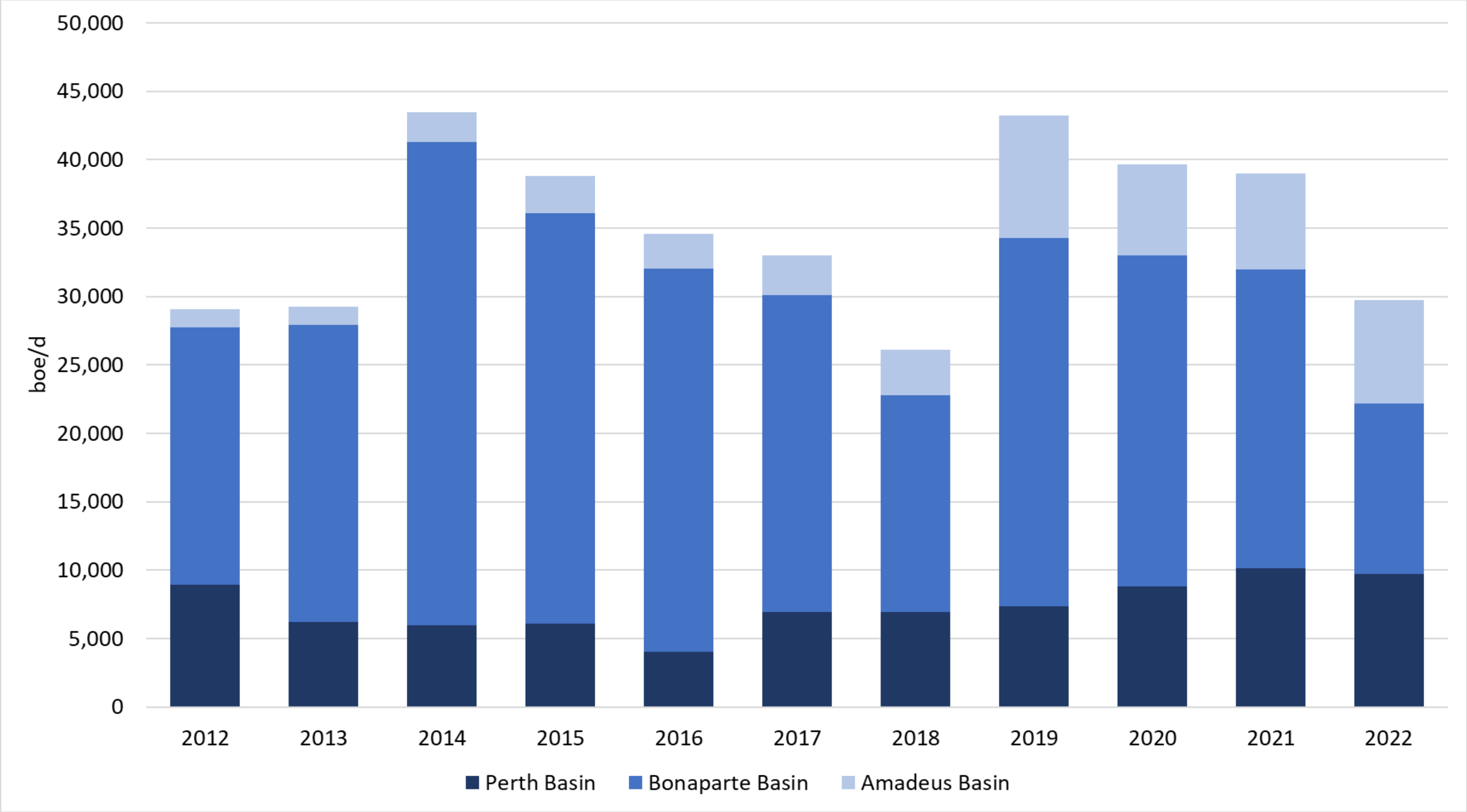
- Moomba sends gas to MAPS and MSP
- GAS from QLD is transferred to the MAPS and MSP via the SWQP



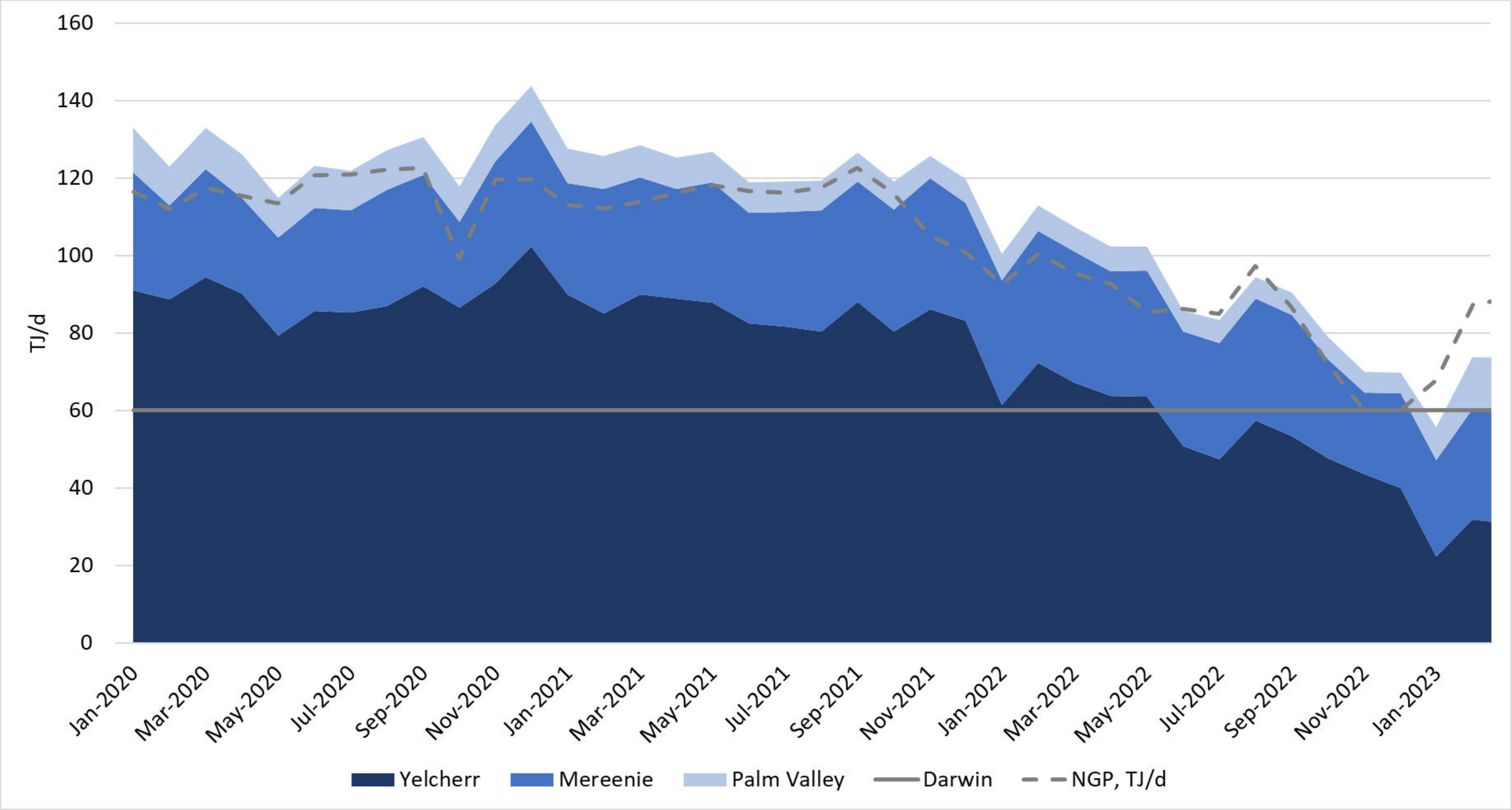
Seasonality of production in Southeast



Smaller Basins – a mixed story



NT Gas Supply situation



Production issues and challenges, and significant project development achievements and issues during 2022

Production:

Several fields faced production interruptions or restrictions during the year:

- Prelude problems persisted with only 5-6 months production over the year.
  - A fire in December 2021 caused facility to remain offline until April 2022.
  - A strike in June caused another shutdown until September.
  - A fire in December 2022 shut the facility until late January 2023.
- Gorgon CCS - pressure management issues continued to reduce injection capacity.
- Blacktip – production decline by ~50% over the year.
- John Brookes – gas leak caused a platform shutdown in November.

- Longford produced more gas in 2022 than in any year in the previous decade
- Cliff Head arranged a new export route through Geraldton in May
- Orbost Gas Plant performance continued to improve. ~45 TJ/d – 55 TJ/d

Project Development:

- March
  - Pluto-KGP Interconnector commissioned.
  - FID on Kipper expansion.
  - Legal challenge to Barossa.
  - Port Kembla Energy Terminal delayed.
- May
  - FID on Crux as backfill to Prelude.
- August
  - Dorado FID delayed (not in 2022).
  - Walyering project FID, targeting start-up in Q1 2023.
- December
  - Clough Group enters administration.

Lookahead

East Coast:

Continued tight supply in the east coast market.

- Gippsland, Otway and Bass basins - efforts will continue to extend the life of existing assets
  - Turrum – Longford
  - Trefoil – Bass Gas
  - Geographe, Thylacine, Enterprise drilling – Otway gas plant
- Cooper Basin – continued drilling program to maintain and grow production
- Bowen-Surat Bain – continued CSG drilling and expansion of upstream activities to keep LNG plants at plateau.
- Infrastructure upgrades to pipelines and storage.

- LNG imports – commercial arrangements?

Northern Territory:

- LNG facilities becoming the only reliable source of supply for Darwin.

- Beetaloo Basin – continued support for activity, but commercial production still a long way off

West Coast:

Domgas:

Discovery and development of low cost gas:

- Delivery of Walyering
- Delivery of Waitsia Stage 2
- Development of West Eregulla
- Understanding of impact of Waitsia and Lockyer Deep drilling
- Understanding the impact of CPG closures.

LNG:

- Delivery of Scarborough
- Opportunities to backfill NWSV
- Backfill of Gorgon

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